

the *end* of history

Volume 1, Issue 2



...affairs, foreign and domestic...

Shame and Criminal Victimization

After Israel

Sino-American Relations in the Coming Century

Free At Last: An Examination of Servitude

An Interview with Henry Gonzalez

The Coming Revolution in Education

Force Multipliers and Domestic Policy

Deterrence Strategies in a Multilateral World

License and Registration, Please

Blueprint for an Effective Global Order

the *end* of history

Volume 1, Issue 2

...affairs, foreign and domestic...

"History is an error"

Table of Contents



<i>Shame and Criminal Victimization: A Reappraisal</i> .....	.5
<i>After Israel</i> .....	.11
<i>Sino-American Relations in the Coming Century</i> .....	.17
<i>Free At Last: An Examination of Servitude</i> .....	.25
<i>Up Close: An Interview with Henry Gonzalez</i> .....	.31
<i>Supply Side Choice: The Coming Revolution in Education</i> .....	.39
<i>Forward Thinking</i> .....	.42
<i>Bringing the War Home: Force Multipliers and Domestic Policy</i> .....	.43
<i>Deterrence Strategies in a Multilateral World</i> .....	.51
<i>License and Registration, Please</i> .....	.57
<i>Blueprint for an Effective Global Order</i> .....	.65
Books and Publications .....	.71
Letters .....	.79
Last Words .....	.83

Credits:

Primary vector: Steve Szyszko

Design and Euro-vibe: Mike Amesbury

Editor and coxer: Ginger "Ayn" Clark

Chief collaborator and scourge of tyrants: Jeff Danielski

Contributor and exceptional counsel: J.B. Allen

Contributor and close combat support: David R. Campbell

Contributor and keeper of the doomsday clock: G. Shane Lewis

All contents copyright © 2001 by Steve Szyszko
and the End of History working group

Subscription information: subscribe@endofhistory.com

Check out the website at www.endofhistory.com

Contact us at feedback@endofhistory.com or:

The End of History
560 Powell #302
San Francisco, CA 94108

Things that inspire:

The Baffler; The Divine Comedy: "I'm the gin in the gin soaked boy" is the most perfect line ever written; Infinite Jest; Hard-drinking English polemicists who live in America and make their living attacking hard-drinking English polemicists who live in America; Speaking of which, "Hitch!" the someday-to-be-written musical about Christopher Hitchen's intellectual journey; The Anderson Valley Advertiser; The Magnetic Fields: "but when the wind is in your hair/you laugh like a little girl" is the most perfect line ever written; J.G. Ballard; The guys and gals willing to sit up all night listening to breathless descriptions of far-away places where the people walk around on their hands and speak a language that sounds like fish-bubbling.

Accusations of cargo cultism are well founded. Think of it as an offering to the policy gods: make them smile and maybe I'll wake up one morning in another life, say, a three-story brownstone in Georgetown and a Vassar girl for a wife. Her father taught international relations at Colombia when he wasn't managing the family trust; her mother was an editor at Vogue. We met at a party in Boston; I was preparing for a post-doc at Rand, she was a fact checker for Harpers. She followed me to Santa Monica, and after living together for six months I proposed. We waited until I'd made it to State--an assistant to the deputy undersecretary charged with monitoring the proliferation of weapons of mass destruction--and then we had Jenn. The next day her parents gave us this house as a gift. I eventually moved to Brookings, and we had Ian.

I still attend the Tuesday brown bag lunches at State, and on Thursdays I try to make it to the AEI mixers, just to touch base with the other side. Twice a year I visit the bathhouse and share frantic couplings—and even threes and fours—with the other prelates of empire.

After the kids are school age, she takes a part-time position as a lobbyist. Confession: I'm thinking she may have succumbed, once or twice, to the charms of power. Of course, having strayed myself, I never feel a need to draw attention to the slip-ups that give her away.

And let's not forget the neighbors: he's a Rep's chief of staff, she teaches at Sidwell Friends, and they introduce us to a small circle whose doings warrant comparison to the Hellfire Club. I imagine dark rituals in the tunnels beneath the city, the same ones where Dolly Madison hid during the British invasion. Goat headed masks, black marble altars, Dionysian frenzies--that sort of thing. And maybe even a retired FBI agent running the whole thing...

The sounds of Los Angeles interrupt my reverie. A helicopter passes overhead, and I watch a spotlight crawl across the backyard. My friends can't understand why I choose to live here; myself, I can't imagine living anywhere else. L.A. is the hometown of anyone raised by a television.

What's that? The whole City of Quartz, LA as the megalopolis on the edge of tomorrow/the future/forever rings false? Alright, I'll admit to baser motives, as well. According to MapQuest, Arianna Huffington lives exactly 4.2 miles from my front door, a fact confirmed by my car's odometer on many occasions. A guy has to dream, right?

The statistics are terrifying.
By 2010 there will be eight billion mouths to feed.
By 2020 twelve billion people will call this planet home.



The consequences are already being felt:
Biosphere meltdown in Africa.
Airborne toxic events in Asia.
Water shortages in South America.

It's obvious that we have a problem,
and that something must be done. Now.

Pfizer is playing a leading role in the effort
to defuse the population bomb. We're
working closely with national governments
and NGOs to craft a response to the crisis,
one that's both socially responsible and fair
to business. Representative projects
include:

- Integration of fertility reducing pharmas into public water works in regions at the highest risk;
- Identification of successful local programs, such as the Indira Gandhi initiatives of 1975-1977, and the creation of methodologies for generalizing these programs;
- Research into the effects of the so-called "sexual trafficking in women and children" upon population trends, with an emphasis on isolating those elements with a statistically significant negative impact upon population growth;
- Development of a new generation of powerful anti-depressant and mood-enhancing pharmas with fertility reducing properties;
- Public education campaigns presenting the ACI approach to curbing population growth, "Abstinence, Condoms, and Infanticide," in a manner accessible to at-risk populations, many of them pre-literate.

Pfizer is proud of its reputation as a socially responsible corporate citizen and will continue providing global leadership on matters of life and health. Through innovative programs like these, we're addressing tomorrow's problems—today.

Because it's not too late. Yet.



Doing more than our fair share

The "Voices of Reason" advertising series is underwritten by the Pfizer Corporation and is intended to encourage public discussion of the most pressing policy issues of the day. The views expressed in this advertisement are not necessarily shared by this publication.

Shame and Criminal Victimization: A Reappraisal

Conservative thinkers have assailed the disappearance of shame from American life, correctly noting the terrible consequences of this retreat. Shameless individuals, no longer fearful of social disapproval, now race to redefine the lowest common denominator, destroying the few remaining standards for public conduct in the process. When confronted, they denounce their critics as censors, the most damning charge one can make in this climate of relativism and tolerance. This debasement of public life has been accompanied by an equally disheartening corruption of private character. Shame is a powerful incentive for the cultivation of individual virtue, as a virtuous character is the best guarantee against shameful conduct; in the absence of shame, the only enticement to honorable behavior is the fear of legal penalty—a poor substitute, as the skyrocketing rate of drug abuse shows. In light of these consequences, it is clear that society has a compelling interest in promoting the restoration of shame to daily life.

Disability shame once inspired malformed individuals to pursue excellence in some area of human endeavor

The argument is well reasoned, and William Bennett and his ilk are to be lauded for their efforts to reclaim the civic sphere. But given the expansiveness of their goals, it is curious that they adopt such a narrow definition of shame. The shame of which they speak is the shame associated with a voluntary act which the actor knows to be socially proscribed, but this shame—the trespasser's shame—is not the only form. There is, for example, the shame that disabled persons once felt because of a belief that affliction reflected divine disapproval. Disability shame once inspired malformed individuals to pursue excellence in some area of human endeavor, in hopes of easing God's harsh judgment. Even the non-believing were spurred to action by the assumption of a link between deformity and divine retribution, as the reproach of the religious minded goaded these individuals into socially beneficial undertakings. Sadly, disability shame has been abolished from American life; social engineering efforts like the ADA and changed attitudes about the nature of God have prompted the adoption of more 'progressive' attitudes towards the bent and crippled, and most disabled persons now lead lives as undistinguished as those of their whole and healthy neighbors.

Disability shame is not the only form of shame exiled from American life by social activism. During the 1960s, feminist reformers struggled against the many burdens imposed upon women. Though their objectives were sensible, their remedies often reflected a fundamental misunderstanding of the nature of civil society, a tendency most apparent in the feminist response to the problem of crime. The stigmatizing of victims of criminal behavior played an important role in deterring crime throughout human history, but in their zeal for reform, feminist activists rejected the possibility that this stigma might have social value. Instead, they saw it as simply another mechanism for subjugating women, and so they set about overturning the long held belief that there must be a penalty attached to criminal victimiza-

tion. Only a few forward thinking individuals opposed this assault on tradition; most Americans, caught up in the anything-goes atmosphere of the era, were happy to discard a doctrine that proposed such a high standard of individual accountability. Events of the past two decades have proven the critics correct: we now know that victim shame, the shame associated with involuntary participation in a socially proscribed act, played a crucial role in the enforcement of community standards, and its disappearance has hastened the collapse of public life.

Individual behavior can be understood as the process of selecting among a range of possible levels of victimization

There are several mechanisms by which the stigmatizing of crime victims contributes to the greater social good, the most immediate being the effect that the possibility of stigmatization has upon the behavior of potential victims. Rational choice theory tells us that the likelihood that an individual will engage in behavior that might result in victimization is inversely related to the likelihood of being stigmatized as a result of criminal victimization, all other things being equal. Thus, the combination of

social stigmatizing and the physical, emotional, and financial discomfort arising from victimization by criminal behavior is a greater inducement to safe behavior than discomfort alone. This holds true for any sort of victimization, with some forms of crime, notably those involving sexualized behavior or other activities with associated religious or moral content, being especially good candidates for deterrence through stigmatization.

In addition to promoting safer behavior on the part of potential victims, the threat of victim shame also encourages these individuals to agitate for policies and practices that reduce the possibility of being victimized. Individual behavior can be understood as the process of selecting among a range of possible levels of victimization, with any particular act having associated with it a probability that victimization will result as a consequence of engaging in that act. This probability is a function of current public policy, and is also dependent upon the nature of existing social institutions. For a particular mix of policies and institutions, some activities, though not physically impossible, may be impractical because the resulting likelihood of victimization is too great. Because of this, self-maximizing potential victims have a strong incentive to press for policies that enhance the security of the community, as these reforms will tend to increase the set of practically possible behaviors available to potential victims by reducing the likelihood that an individual will experience victim shame. In this way, the possibility of victim shame inspires a stronger commitment on the part of the community to public safety and effective law enforcement.

Of course, not all of the socially advantageous benefits of victim shame stem from its effect on potential victims. Community opinion, whether good or bad, attaches to an individual through her associates, and as a result, we can distinguish two modes of shameful experience. First order

Shame and Criminal Victimization: A Reappraisal

(direct) shame is the shame that comes from involuntary participation in a socially proscribed act, while second order (indirect) shame comes from association with an individual suffering first order shame. Victims tend to be among the least influential members of a community, making it far more likely that individuals in a position of authority, those with the greatest influence in shaping policies and institutions, will suffer indirect, rather than direct, shame. Economic logic tells us that the likelihood these individuals will pursue victimization-reducing reforms is in direct proportion to the likelihood that these individuals will experience second order shame; by eliminating the possibility of victim shame, reformers reduced the likelihood that persons in authority will experience indirect shame, and thereby reduced the incentive for these persons to pursue policies that reduced the possibility of criminal victimization. Any review of trends in crime-related legislation over the past half century shows this to be the case. As late as the 1950s, legislators showed great concern for the safety of potential victims. Extensive civil and criminal codes governed many forms of behavior, with special attention paid to those, like contraception, miscegenation, and sexual deviation, believed to be gateways to victimization. With the abolishment of victim shame, interest in these matters waned, and the past two decades have been characterized by a legislative focus on more glamorous criminal activity, like terrorism and drug trafficking.

The possibility of indirect shame reduces the individual propensity to commit criminal acts, as well. Typically, the victim's pain and suffering are externalities from the perspective of the assailant; that is, the perpetrator has little basis for sympathizing with the subjective experience of the victim. This absence of any basis for empathy is significant, as research into criminal motivation shows that those individuals who are inclined to commit socially proscribed acts are less likely to do so if they have a basis for empathizing with a potential victim. In a culture in which victim stigmatization is the norm, there exists the possibility that a potential assailant may experience indirect shame through his own association with a victim. In consequence, potential assailants are more likely to have internalized the costs associated with victimization, making them more sympathetic to potential victims, and less likely to commit victim-focused crimes.

...the past two decades have been characterized by a legislative focus on more glamorous criminal activity, like terrorism and drug trafficking

The relationship between a declining social propensity to shame criminal victims and increasing rates of criminal activity is supported by the statistical evidence, with the post-war increase in criminal activity in American society closely paralleling the success of the feminist effort to eradicate victim shame. Of course, some skeptics argue that the marked decline in reported rates of criminal activity in recent years proves that any such link is weak when compared to the relationship between criminal activity and the rate of GDP growth. This reasoning ignores the fact that the past decade has been characterized by a growing willingness on the part of

mainstream society to stigmatize those groups that have, historically, been most likely to commit crimes and to be victimized by crimes. Though this stigmatization has taken place as part of a broader policy initiative aimed at fostering greater individual accountability on the part of the poor and members of minority communities, it has had the unintended but pleasing additional consequence of reducing the rate of criminal activity.

In this way, the abolition of victim shame produced an increase in criminal victimization, eroded the community's commitment to public safety, and contributed to a greater propensity on the part of individuals to commit criminal acts against others. While the self-esteem of a few has been protected, countless more individuals have been victimized as a result of this scheme. Given these results, it is clear that this disastrous experiment must be reversed. This will be no easy task, as there are many powerful factions with an interest in preserving the status quo. Therapists, trauma nurses, and grief counselors—all of them depend upon the perpetuation of a mindset that fosters the creation of more victims. Still, a carefully conducted campaign may be able to reverse the mistakes of the past. Any such program must be pursued on two fronts: the veil of privacy drawn around victims of crime must be lifted, and measures discouraging victimization must be instituted.

...the community must be made aware of the victims in its midst

Before stigmatization can take place the community must be made aware of the victims in its midst. Towards this end, laws and administrative rules that guarantee the privacy of victims must be immediately reversed, and victim related information made readily available. The Internet is a fantastic tool for distributing materials of this sort: searchable online databases like those already in place for disseminating information about convicted sexual predators could also provide free access to victim data. Billboards, milk cartons, and advertising on public transit have all proven to be effective means of broadcasting law enforcement's message, and should be employed, as well.

The success of the program depends upon enlisting the mass media in this effort. Appeals to the broadcasting community's civic spirit will not prompt changes to established practices; law enforcement officials must be creative in their outreach efforts. One promising idea is a variation of the perp walk: law enforcement assistance to a victim could be made dependent upon the victim's willingness to walk a gauntlet of cameras, a practice that would guarantee prominent coverage on the nightly news. And just as there are television programs dedicated to publicizing the deeds of criminals, similar shows should expose their victims. "America's Most Willing," would offer scathing profiles of these persons, with care taken to highlight the self-defeating behavior that makes victimization possible.

Unfortunately, drawing public attention to the victims of crime will not be enough to restore victim shame to American society. Ours is a celebrity-

Shame and Criminal Victimization: A Reappraisal

obsessed culture, and many individuals would willingly expose themselves to the possibility of criminal victimization in exchange for a few moments in the spotlight. Some might even go so far as to intentionally arrange their own victimization, in order to gain the associated media attention. To deter this possibility, criminal victimization must be made an experience to be avoided at any cost; the full resources of the state should be deployed in an effort to disincentivize criminal victimization. Government subsidies like food stamps and Medicare must be made dependent upon a history free of victimization. Student loan eligibility, currently conditional upon a drug free history, should be linked to victim-free status, too. Institutionalized delays in issuing marriage licenses, mandatory counseling for individuals seeking to wed crime victims, restricted access to public housing—all of these measures would promote an attitude of zero tolerance for the victims of crime. And this effort must be accompanied by an equally vigorous campaign aimed at denying victims the opportunity to profit from their experience. Just as criminals are not permitted to benefit financially from media treatments of their crimes, victims must not be allowed to reap any financial rewards from their victimization. Confiscated profits should be turned over to a charitable fund, perhaps one set aside for the families of law enforcement individuals killed during hostage rescue operations.

Government subsidies like food stamps and Medicare should be made dependent upon a history free of victimization

Any discussion of reform must also address the possibility of reviving the scarlet letter. Though civil libertarians would likely declare any kind of mandatory apparel marking to be unconstitutional, there exist other possibilities almost as worthwhile. Special characters could be appended to the tax, social security, and other identifying numbers associated with victims, making it easy for individuals and institutions to recognize them. License plates and drivers licenses could be similarly modified, and private firms should be offered incentives to customize their own identity cards. There may be additional benefit in segregating victims within public settings, as well.

Free enterprise has a key role to play in this crusade. Private entities should be allowed to consider an individual's history of victimization when determining eligibility for benefits and services, and victim status must be made an allowable basis for employment discrimination. There is every reason to believe that these reforms will be well received by the business community: banks will welcome the opportunity to further differentiate their customer pool, and health insurers, only too aware of the financial costs associated with society's tolerant attitude towards victims, will rejoice at the cost rationalizing consequences of this program. Credit card companies, in particular, must be encouraged to wield their institutional resources in such a way as to make victim status inconvenient and personally disruptive. As with any other policy matter, one can assume that an appropriate mix of tax incentives and regulatory relief will inspire private efforts far more effective than anything the state might attempt.



ATTENTION EDUCATORS

Tired of hassling with
per-article licensing fees?
Sick of wrestling with
the photocopier?

Now you can have the
articles you want,
**IN THE FORMAT
YOU NEED.**

Many of the world's top policy journals are now available
through our custom publishing service

- **select the pieces you care about**
- **include your own introductions and essays**
- **let us handle copyright clearance**
- **a range of binding options**
 - three hole
 - stapled
 - bound
- **graphics included at no additional cost!**

Courts have recently issued record judgments against
institutions and instructors found to have illegally
appropriated copyrighted works.

Can you afford not to use our service?

Email custom@endofhistory.com for a fee schedule and a list
of participating publications

Time and again Israel has proven itself one of America's most reliable allies. It has provided admirable service as our chief proxy in the Middle East, always ready to advance America's interests through diplomatic and covert means. It has been a dedicated friend in the United Nations, where the two states share a relationship comparable to that of the Ukraine and the former Soviet Union. And no other nation has been so willing to serve as a testing ground for the latest military technologies, nor proven so adept at acquiring the war machines of our rivals.¹

In light of this exemplary service, the approaching collapse of the Israeli state can only be cause for sadness among her many admirers, and aggravating the grief of the occasion is the certainty that the cruel endgame being played out could have been avoided.² The forces allied against Israel have always made clear their commitment to her destruction but even now, in these final months, Israel's leaders persist in pretending that a political solution is possible. Because of their naiveté, a proud people are suffering the death of a thousand wounds as Israel's enemies employ treachery and deceit to secure the gains won by the callous sacrifice of zealots and children.

...the approaching collapse of the Israeli state can only be cause for sadness among her many admirers

If Israel's leadership had restricted its efforts to the bargaining table, her military might still have ensured the nation's security. Instead, the politicians have advanced a program of "trust-building" measures intended to "lay the foundation" for a stable peace, a program which could not have been better designed to undermine the effectiveness of the IDF.³ The political establishment has defended these restrictions by insisting that they reflect the norms of civilized conduct, ignoring the fact that Israel is an occupied land, her citizens menaced by a foreign people; to expect the military to fight fairly in such a circumstance is insane. By holding itself to the same standards that govern other Western armies, Israel has crippled its ability to defend itself. The Jewish people played a seminal role in the

¹ In fact, Israel has, at times, shown itself a bit too efficient of a conduit for transferring technologies between the United States and its enemies.

² Given the history of the Jewish people, it is necessary to qualify this remark. The modern Israeli state came about through international action spurred, in part, by the 'terrorist' activities of the early Zionists, and many observers have wondered if this wasn't a case of man being too quick to make happen something for which God had a much longer timeframe in mind. Israel has wrestled with this dilemma since its founding, whether to pursue the fulfillment of prophecy by military means or wait and allow God to bring it about. This tension is most apparent in wartime: though it is arguable whether the entire Middle East was ripe for the taking in 1967, there is no denying that the nuclear option could have made the dream of a Greater Israel a reality in 1973.

³ It should be noted that economic forces have also contributed to Israel's fall, though in a less direct fashion. The socialist leanings of Israel's elite precluded the possibility that the energies of the free market might be harnessed to transform the situation on the ground and allow new solutions to emerge. A more market friendly set of policies might have triggered a regional renaissance, alleviating one of the most exasperating factors in the conflict. Take, for instance, the obstructions that the Israeli state has thrown in the path of individuals wishing to settle Israel's frontiers. These would-be pioneers are engaged in the most fundamental of economic activities, "voting with one's feet," and the reckless ease with which the state has interfered with their efforts is embarrassing to all defenders of liberty.

rise of Western civilization, and there is black humor in the fact that a commitment to civilized conduct is hastening Israel's fall.

This too-civil behavior is illustrated most clearly in Israel's reluctance to strike at individual elements of the enemy's leadership, a concern her enemies have never shared. While Israel has occasionally targeted individ-

In the worst case, Israel is made a glowing desert too dangerous to be entered by anyone but Red Adair's hellfighters

uals, these have always been persons who were directly implicated in attacks against the Israeli people; there has never been a policy of open assassination, despite the ease with which it could be accomplished in regions under Israeli administration. By scrupulously avoiding even the appearance of an assassination campaign, Israel has created an impossible situation for itself: is it any wonder that the number of active cells, fronts, movements, and

armies opposing Israel has multiplied over the years? In a demonstration of the law of unintended consequences, the refusal to condone assassination has only encouraged Israel's enemies to adopt an organizational struc-

⁴ Israel's hesitation may be motivated, in part, by concerns about the effect a policy of state ordered assassinations would have upon American public opinion. The anti-Israel bias of the American media is a well documented phenomena, and is most apparent in the New York Times, where the slant has grown even more pronounced over the past decade. Q: What might account for this increasingly prejudiced coverage? Perhaps the growing influence of homosexuals in the New York Times newsroom— confirmed in a remark by a Times correspondent: "There are times when you look at the front page meeting and literally three-quarters of the people deciding what's on the front page are not-so-closeted homosexuals."—has something to do with it. Testing this hypothesis requires identifying a news cycle that includes both: 1)an attack by Israel's enemies on a group of photogenic Israelis (perhaps a group of school children in Jerusalem); and 2)a major homosexual community celebration in the New York metropolitan area. For maximum reliability, two such news cycles should be identified, with care taken to guarantee that only one takes place while the United Nations is in session. An analysis of the New York Times coverage of each incident should be performed, with attention given to the number of appearances of the first person singular, the page on which the story appears, the size of the headline, and similar factors. Further statistical significance can be established by comparing coverage of any mayoral proclamation declaring, "[homosexual community celebration] Day," with reporting of any presidential remarks regarding the attack in Israel. If such a link does exist, and it almost certainly does, what reasons might account for it? Two spring to mind: First, given the Judeo-Christian condemnation of abomination expressed most clearly in Leviticus, it is no surprise that the Israelis, being the people of the Book, should be the target of the homosexual community's venom. No matter how much progress homosexuals make in legitimizing their lifestyle in the eyes of the American public, the existence of the nation of Israel will always be a rebuke to their activities. Second, the rancor may reflect a deeper struggle taking place in Hollywood over who will control the entertainment industry. Since the rise of the gay rights movement, homosexual individuals—who are disproportionately represented in the ranks of entertainers—have pursued a strategy of publicly identifying their homosexual allegiance and seeking to advance the interests of other homosexual individuals and of the homosexual community as a whole. It is no surprise, then, that there should be an on-going clash of interests in Hollywood, where the establishment—many with close ties to Israel—finds itself under increasing pressure from the homosexual community, and that this clash should spill over into other elements of the mass media. If antipathy does exist between the Jewish and homosexual communities, it bodes badly for the Democratic coalition. One can easily imagine a day when Republicans, breaking with their anti-homosexual past, announce that the Big Tent is finally big enough to accommodate "a few queers," and the mostly middle-class, mostly childless homosexual community arrives, at last, in its natural political home, the party emphasizing fiscal austerity and tax cuts. In response, one would expect the Jewish community, labor unions, and the remaining identity politics based organizations—excluding the discredited post-Clinton feminist movement—to come together in a new left-centrist coalition, with the Black community growing further estranged from the political process.

ture in which every individual is made a leader of some sort.⁴ Equally damaging to Israel's security have been the politically imposed restrictions governing the time and manner in which the IDF can engage the enemy, rules which are indistinguishable from the very ones which have castrated America's own law enforcement agencies. Any military that is required to obey strict regulations dictating where and when no-knock entries can take place is doomed to defeat. And equally counterproductive is the insistence that Israel's armed forces avoid engagement on the enemy's holy days for fear of disrupting the 'peace' process. The human cost of these policies is so great that the Israeli media is prohibited from giving live coverage to military efforts, for fear that the Israeli people will rise up in open rebellion when they see the consequences of their leaders' misguided directives.

Israel's inability to control its own minority population has caused much embarrassment for its American partner

While it is possible to identify the cause of Israel's decline, there is no way of knowing what a post-Israel Palestine will look like. In the best case scenario, Palestine will be a demilitarized region administered by the Security Council through Scandinavian peace-keepers, with representatives of affected groups making policy for sites of historical and religious import. In the worst case, Israel is made a glowing desert too dangerous to be entered by anyone but Red Adair's hellfighters, a toxic wasteland where noxious clouds rain biohazard residues onto ancient hillsides while trapped survivors broadcast lonely pleas for help from underground bunkers buried deep beneath the rubble. But no matter the outcome, it is undeniable that a strong presence in the Middle East is vital to America's long-term security, and so it is essential that the United States be prepared for the unhappy day when Tel Aviv falls. Recognizing this need, and bearing no ill will towards our soon to be displaced Israeli allies, let us turn our attention to identifying the most suitable candidate to replace Israel as America's strategic partner in the region.

Though all of the Middle Eastern states are populated by hardy peoples quite up to the task at hand,⁵ only a few possess the infrastructure necessary for fulfilling the role in question. A few moments of reflection suggests there are only four nations that could serve as our strategic ally in the region:⁶

Jordan: For decades Jordan has been ruled by a modern, moderate regime, one that recognizes the importance of maintaining good relations with the United States. The country boasts world-class port facilities and a growing civil society, and the Jordanian people have shown themselves capable of adapting to changing geopolitical circumstances, a trait evident in the close working relationship between the Jordanese and Israeli mili-

⁵ Excepting, of course, Qatar.

⁶ Egypt is excluded for obvious reasons.

tary and intelligence services. Unfortunately, this adaptability will likely be Jordan's undoing: when Israel falls, one can expect that Jordan will tumble, too. At the least, Jordan's monarchy will be overthrown in a violent coup, with the broken bodies of the royal family dragged behind an armored personnel carrier through the streets of Amman. And should Israel suffer the worst case of NBC attack—well, the prevailing winds will carry any toxic substances straight from Tel Aviv to Jordan.

Turkey: Turkey and the United States already have close ties, and Turkey's membership in NATO facilitates the kind of military cooperation required of a strategic partner. Turkey's military is committed to continued Westernization, and its exchanges and joint training exercises with Israel demonstrate Turkey's willingness to pursue controversial policies over the objections of its neighbors. If military matters were the only basis for a decision, Turkey would be the perfect candidate, but geographic concerns are equally important. Though Turkey offers ample sea access, its location makes it a questionable staging area for American force projection along the Cairo to Dubai arc, and this proximity to Europe—both spatially and psychologically—is troubling for other reasons, as well. Turkey's push to join the EU will, if successful, give Brussels a decisive role both in dictating Turkish domestic affairs and in defining Turkey's international policies. America's strategic partners can serve only one master, and the growing tendency of the EU to pursue a foreign policy independent from that of the United States suggests that Turkey would be subjected to conflicting imperatives.

There exists a nation that shares a long history with the United States, a relationship only recently interrupted by a diplomatic misunderstanding

Turkey's restless Kurds are also cause for concern. Israel's inability to control its own minority population has caused much embarrassment for its American partner; given the increasing importance of human rights to Western consumers, it behooves the U.S. to select a partner better capable of concealing photogenic incidents of repression than the Turks have shown themselves to be.

Saudi Arabia: Saudi Arabia controls 26% of the world's known oil reserves, as good a reason as any to consider the kingdom as a partner. But aside from its oil, there is little else to recommend the kingdom. Given the current difficulties surrounding American deployment of a force intended to contain Iraqi expansionism—ambitions which target, in part, Saudi Arabia—there is little chance that the regime would allow America to use Saudi Arabia as a base for actions against other Arab regimes, a requirement of any regional partner. And further complicating any Saudi bid is the presence of Mecca; though some have suggested moving the holy site as a solution to the Islamic world's concern over an American presence in the 'holy land', such a course is impractical in the near term.

Syria: There's a rule of thumb known to all students of foreign policy: "never partner with a regime headed by an engineer or an M.D." President Hafiz al-Asad, an ophthalmologist by training, has confirmed this adage by squandering his nation's wealth in a failed effort to sustain his father's dynastic pretensions. Money not spent entertaining visiting North Korean delegations has funded the construction of an enormous base deep within the mountains of Northern Syria, where researchers pursue their efforts away from the prying eyes of intelligence satellites. The regime is ruthlessly anti-democratic, and it deploys a secret police force—one whose size is far in excess of the needs of such a small state—to squash any signs of dissent. While this fact alone isn't cause for American concern, the regime's indiscriminate, even random, choice of targets—rightists are prosecuted just as frequently as progressives and trade unionists—suggests it would be an erratic partner.

...a presence in Iraq would provide America with control of the overland route by which the gulf's oil travels to Europe

Iran: A domestic oil industry, access to the Caspian fields, and pistachios—Iran has much to offer. Unhappily, even after the thawing of relations in recent years, a sizable number of Iranians still consider the United States to be the Great Satan, and it will likely be another generation before these proud people are again willing to 'dance with the devil.' In fact, the details of the split between Iran and the US are such that the American people, too, might very well oppose any kind of partnership between the two nations.

Clearly, Turkey is the only viable candidate, but given its problems—especially the possibility of EU integration—it is a short-term solution, at best. Does this mean that America must go it alone in the Middle East? Not necessarily, but a solution requires that we set aside our prejudices and entertain an otherwise outlandish possibility. There exists a nation that shares a long history with the United States, a relationship only recently interrupted by a diplomatic misunderstanding. The nation in question is ideally situated, and it is ruled by a regime which brooks no dissent from its minority populations and which has repeatedly demonstrated a willingness to pursue an independent course, regardless of the pressure exercised by neighboring states. Iraq offers all the advantages of Israel, and oil, as well.

Skeptics will sneer at the suggestion that the American public would accept an alliance with Iraq. After all, twenty years have passed since the Iran fiasco, but there still exists deep loathing on

the part of the American people for all things Iranian. But before dismissing talk of Iraq as nothing more than policy journal speculation, consider this: during the Iranian hostage crisis and throughout the 1980s, it was the *nation* of Iran that was demonized by the American government. The American people were reminded, again and again, that a hatred for all things Iranian was a fundamental component of the American identity. Given the extent of the campaign, it is no wonder that Iran is still a pariah state in the eyes of the American public. Contrast this with the U.S. government's handling of the Gulf War, during which the U.S. and its allies were careful to never portray the Iraqi people as monsters. Instead, Saddam Hussein was identified as the force behind Iraq's aggression. By making an individual, rather than a nation, the focus of their propaganda, the allies allowed the possibility of a speedy reintegration of Iraq back into the community of nations.⁷ Admittedly the failure of the alliance to unseat Hussein means that a transition in Iraq's leadership must still be arranged before any kind of partnership between the U.S. and Iraq is possible, but once Hussein is shuffled off the stage of history there is no reason the two nations can not—or should not—pursue a strategic relationship. Consider the benefits:

The United States would gain a stable partner in the region, one ideally situated in expectation of the day when the U.S. must intervene to defend the Saudi regime against a revolutionary Islamic uprising—or, just likely, to seize the Saudi oil fields, establish a defensive perimeter around them, and turn management of the fields over to a consortium of American oil companies. In addition, a presence in Iraq would provide America with control of the overland route by which the gulf's oil travels to Europe, a capability that will become increasingly important as global-warming driven economic distress brings a return of piracy on the open seas in the coming years. And, of course, U.S. based firms would gain a competitive advantage when bidding for the many contracts associated with the rebuilding of Iraq's infrastructure.

Iraq would gain just as much by such a pairing. American firms lead the world in the development of dual-use NBC technologies, and Iraq's long stalled effort to amass a WMD stockpile as a deterrent to Iranian aggression would receive a real jumpstart from our expertise. Warmer relations with Washington would also allow the coordination of efforts with Turkey to contain the Kurdish threat, a boon to regional security. And, perhaps most appealing to Iraq's leadership, American support would facilitate the fulfillment of a long-standing dream of the Iraqi people: the restoration of the Babylonian empire. In a post-Israel Middle East, the benefits that would result from a single administrative entity stretching from the Jordan to Tehran cannot be overstated; certainly, the United States would have every reason to welcome the consolidation of the enormous oil resources of the region under the rule of a regime that was avowedly—and permanently—pro-American.

⁷ It is this type of foresight in policy making which typifies the architects of the New World Order, and one can only hope to see more of it.

Sino-American Relations in the Coming Century

An ascendant China poses the greatest threat to American power in the coming century. Given the challenge posed by Beijing, our political establishment's failure to present an honest accounting of the aims and motivations of American policy towards the Middle Kingdom is inexcusable. The decision-making elite believe the American public is incapable of understanding the difficult choices required of a globe spanning empire, and they have opted to present our foreign policy as a storybook tale in which an idealized America confronts a never ending series of villains, each more Hitler-like than the last. Though such a narrative may assist in manufacturing consent for a turkey shoot war against a Middle Eastern dictator, it only hinders our efforts to grapple with the issue at hand. The actions required to ensure our security in the coming years challenge key tenets of the American mythology, and public support for such unsettling acts requires a clear exposition of the facts upon which our policy is based. Consider:

A democratic China would pose a significant threat to American hegemony.

The combination of a strong democratic tradition and a powerful economy unshackled by the restrictive social safety net common in Europe has made America the undisputed first among nations. But the staggering scale of American success has also fueled resentment and loathing among the rest of the world, and even our closest allies are jealous of our riches. A democratic China would be a powerful competitor with much to offer nations tired of genuflecting before the American hyperpower. Europe, with its longstanding interest in all things oriental, would find common ground with a free China, and Russia, in particular, would discover an able political and economic partner. The Third World, long a bastion of anti-American sentiment, would certainly give this new state a sympathetic hearing, and might even regard it as a model to be emulated. Most alarmingly, the emergence of democracy in China could provide a basis for reconstructing the strained relationship between Beijing and Tokyo. The Japanese-American alliance is the backbone of American policy in the Pacific, and Japan's willingness to serve as a staging area for American force projection in the region is dependent upon a continued perception of China as a military threat to the island. In the worst case, a thawing of relations might inspire Tokyo to rethink its allegiances: China's markets potentially dwarf even those of America, and the one thing China lacks—capital—is as plentiful in Japan as it is in the United States, suggesting that a Japanese-Chinese partnership might be just as sensible, from Tokyo's perspective, as an alliance with the U.S. Given the political, economic, and military importance of the Tokyo-Washington axis, any outcome that draws Japan out of this relationship is disastrous for America.

**China's markets
potentially dwarf even
those of America**

In addition to undermining America's standing with its allies, the rise of a democratic China would dilute our influence in the international community. China's influence in organizations like the United Nations has been limited because of its authoritarian system, but a democratic China would pos-

A free China, able to vigorously pursue its own interests without being penalized for an authoritarian state, could seriously impair America's ability to exercise its power

sess the power and prestige due the world's most populous nation, and would be better able to interfere with American policy efforts. More than just America's influence in international bodies is at risk: the benefits that accrue from America's ability to exert 'soft force' in the formulation of international policy and regulation are enormous. For example, the United States is able to use its political and economic might to ensure that commerce is conducted within the framework most advantageous to American firms: from shipping container standardization to intellectual property protection, all areas of

endeavor that touch upon trade have been tilted in favor of American business. A free China, one able to vigorously pursue its own interests without being penalized for an authoritarian state, could seriously impair America's ability to exercise its power in this manner.

A democratic China would possess greater flexibility in pursuing its strategic interests

An authoritarian elite seeks, above all else, to preserve its rule; the pursuit of long-term strategic advantage is hindered by the need to avoid policies that might weaken the regime. Democratic rulers, on the other hand, are free to pursue risky policies that offer the possibility of strategic advantage, with the cost of failure being 'only' their elected positions. Take, for instance, the case of NAFTA. Bill Clinton, recognizing the desirability of integrating the nations of North America into a US dominated trading bloc, secured passage of the agreement over the objections of his own party and a sizable portion of the American public. In a less democratic system, any leader who so forcefully alienated his power base would have been violently removed from power.

Policymakers in China are further constrained by the collapse of any claim to legitimacy by the party apart from its ability to deliver continued economic growth. The ruthless suppression of the popular uprising in 1989 has left the leadership with no philosophical or moral basis for rule other than its experience managing the Chinese economy. Chinese history suggests that it will be at least a generation before the party is willing to allow the reemergence of any sort of civil society approximating the one witnessed in the months leading up to Tiananmen, and this means that the party's energies will be focused inwardly for some time to come. So long as the party's attention is fixated upon economic matters and suppressing dissent, there is little danger of adventurism beyond China's borders.

A democratic China is more likely to pursue aggressive and disruptive policies

The leadership of a democratic nation draws its guidance from domestic public opinion, and this often has the effect of pushing democratic leaders into adopting policies that are more extreme than anything an authoritarian

regime would dare propose. The communist party, regardless of its other flaws, formulates policy through a rational evaluation of the needs of the party, the state, and the nation. A democratic China, guided by an immature electorate resentful of several centuries of perceived slights, would be capable of acts far more excessive and injurious to American interests than anything the party mandarins might conceive. Public opinion in a newly democratized China, one with a press not yet mindful of its role and responsibilities, would be susceptible to all manner of upset and agitation—a discomfiting situation, given China’s nuclear arsenal.

Nicaragua is a ready example of this phenomenon. For years, Nicaragua was ruled by a mildly authoritarian regime that maintained stable relations with the other nations of Central America. After Nicaragua’s transition to a democratic system, however, its leadership, acting in response to popular pressure from all sides of the political spectrum, began a determined effort to destabilize the region. It was only at great expense and through the coordinated action of the United States and Nicaragua’s neighbors that this rogue regime was brought to heel. Given the costs involved in containing a democracy of Nicaragua’s size, one can only imagine how much more difficult it would be to restrain the impulses of a newly free China.

Any future Sino-American conflict will be fought in the supermarket aisles and auto showrooms

A democratic China would pose a threat to the United States on the battlefields of tomorrow

The stockpiling of weapons of mass destruction and the increasingly lethal nature of conventional military technologies make it highly unlikely that Great Powers will ever again engage in direct conflict. The enormous destructive power wielded by these nations ensures that any confrontation will cause catastrophic economic losses to all parties involved, in addition to any other consequences. There is no danger that the Chinese will invade the American homeland; of far greater concern is the possibility that the Chinese economy will bury the American private sector beneath its enormous productive output. Any future Sino-American conflict will be fought in the supermarket aisles and auto showrooms, but so long as China remains undemocratic, the logic of the New Economy guarantees that the United States will remain the dominant economic power.

The twenty-four hour business cycle of the New Economy is made possible by advanced communication technologies that allow the deployment of increasingly complex arrangements of capital and labor in pursuit of the Next Big Thing. These tools also flatten hierarchies, empower individuals, and subvert all systems of control, and for these reasons authoritarian regimes must carefully regulate their use, or see their own rule undermined. China’s rulers were close observers of the Soviet experience, and paid careful attention to Gorbachev’s Perestroika efforts. Because of this, they have a clear understanding of the role the fax machine, photocopier,

and personal computer played in the collapse of Soviet communism, and they do not intend to allow such a thing to happen in China. In order to reap the benefits of these technologies, the party will be forced to dedicate an ever increasing share of its resources to managing and directing the use of these new tools, with all of the productivity dampening effects that this intervention entails.

China is already a favored destination for multinational firms seeking to relocate

Success in the New Economy is dependent upon other factors, as well. China's reputation as a copycat manufacturer is justly deserved, a product of a political climate in which innovation must necessarily be regarded as a threat to party rule. High-speed connectivity and massively parallel supercomputers create value

only when wielded by motivated, risk-taking individuals. Entrepreneurship blossoms in the presence of liberty, and in its absence there is no danger of a new Silicon Valley arising in China. A democratic China, one where new technologies are adopted without pause to consider their effects upon existing social arrangements and individual initiative is rewarded, would be a powerful economic competitor. Because of its enormous consumer market, low labor costs, and a cultural tradition of obedience, China is already a favored destination for multinational firms seeking to relocate their production facilities. A democratic government committed to protecting property rights and ensuring transparency in financial and legal matters would make China even more attractive to private enterprise. A democratic China would offer all the freedom and profit making opportunities of a new frontier, but one made safe by democratic institutions.

An open secret

For these reasons, a democratic China is not compatible with the long-term strategic interest of the United States. This conclusion is no secret to American policymakers, and for some time now they have operated within a policy framework that recognizes the undesirability of a democratic China and the corresponding imperative to strengthen the rule of the Chinese communist party. This interest in bolstering the communist regime explains many otherwise bewildering events of recent years. For instance, the Clinton administration's eagerness to facilitate the transfer of dual-use technologies to China becomes understandable, as these transfers enhanced the military and economic power of the communist party. In a further stroke of brilliance, the Clinton administration used the occasion to demonstrate its commitment to free enterprise by engineering these transfers through private firms, rather than the usual quasi-public intelligence agency affiliated entities; the enthusiasm with which these firms later rewarded the Democratic National Committee indicates that the private sector strongly approves of this sort of public/private partnership. Given the success of these initial ventures, there can be no doubt that Raytheon and other firms will continue to pursue useful initiatives of this sort without further prompting or guidance from the American government.

The private activities of some of America's most respected individuals are also explained by the link between Chinese development and American national security. For years, Henry Kissinger, Caspar Weinberger, and others—men long identified with anti-communism and opposition to tyranny in all forms—have actively promoted trade relations with the communist state. Lacking a clear understanding of our foreign policy aims, many Americans concluded that Kissinger and his associates had traded away their integrity for hefty consulting fees, seats on corporate boards, and private jets. But the facts prove that these men are not scoundrels, but patriots of the highest order. Though all exited public service years ago, they continue to advance America's strategic interests through their private dealings, and for this they deserve our gratitude, not the slanderous attacks to which they have been subjected.

Given the mutually advantageous nature of the status quo, one can safely predict that the Taiwan impasse will continue for years to come

Of course, the possibility of economic slow-down is not the only threat to party rule. China's leaders must take care to avoid policies that align nationalist sentiment with anti-party activism, and no issue is more problematic in this regard than that of Taiwan. On several occasions the party leadership has concocted a crisis with the renegade province in order to distract public attention away from policy failures. Though short-term political advantage may be gained from such a strategy, it has the dangerous side effect of further enflaming nationalist sentiment against the island. If emotions grow too strong, the party may find itself with no choice but to attempt to forcibly subjugate the island, or risk a popular uprising in support of a leadership promising quick reunification.

If forcible reunification is attempted, both victory and defeat may be equally unpalatable. Defeat would bring the collapse of the regime as nationalist fury propelled angry Chinese citizens into the streets; victory, on the other hand, would introduce significant instability into the Chinese political system as Taiwan's young but vibrant democratic tradition infected mainland institutions, and a comparatively wealthy Taiwanese public, already accustomed to democracy, carried its message to the rest of China. The danger that an attempt at forcible reunification poses to China's political stability explains America's otherwise inexplicable willingness to guarantee the island's security, as the American commitment to Taiwan allows the Chinese leadership to explain any delay in reunification as a consequence of American meddling.¹ Given the mutually advantageous nature of the status quo, one can safely predict that the Taiwan impasse will continue for

¹ It should be noted that recent Taiwanese history offers yet another example of the danger that a democratic transition poses to international stability. Since any attempt by the mainland to reclaim Taiwan would reduce the island to a burning pile of rubble, the fact that American efforts to maintain the status quo are frequently subverted by the Taiwanese themselves is cause for dark humor. Taiwan's push for recognition as an independent state only provokes mainland nationalists, forcing the communist party into adopting an increasingly aggressive stance toward the island. Such counterproductive, provocative actions lend credence to the theory that an authoritarian Taiwanese regime was, from the perspective of American policy makers, preferable.

years to come, with military contractors on both sides of the Straits profiting from preparations for a war that neither side intends to fight.

Looking forward

It is clear that the strategic challenge posed by a democratic China is so great that America's interests are best served by a foreign policy that seeks to perpetuate the rule of the Chinese communist party. And current American policy reveals that our leaders reached this same conclusion long

...current American policy reveals that our leaders reached this same conclusion long ago

ago, as no other framework explains the conduct of recent administrations. A question remains, though, as to how long this policy can be sustained. After all, history shows that America is incapable of long-term coexistence with communist states...doesn't it?

Before drawing any conclusions from the Cold War experience, it is important to distinguish Chinese communism from the European ideology with which it shares its name. Soviet communism was a foreign ideology transplanted to Russia by rootless cosmopolitan intellectuals. It had no basis in the experience of the Russian people, millions of whom died in the struggle against it. In fact, it was the alien nature of this ideology that prompted the United States to oppose Soviet communism. American opposition to the Soviet Union arose out of a moral obligation; it followed from a belief that the Russians, like all other people, had the right to follow an historical path of their own choosing, not one dictated by a cadre of rabble-rousers and professional revolutionaries.

In contrast, Chinese communism began as a popular movement among China's rural population, and its beliefs resemble those of every other regime that has ruled China in the past millennium. Though Mao and the other theoreticians of Chinese communism sought to provide it with a philosophical basis, at its most basic level it is simply a modern variation of the traditional Chinese worldview, emphasizing the importance of community and the need for self-sacrifice.² The native roots of Chinese communism are confirmed by the absence of any significant opposition to it during the first few decades of its rule—compare this with the widespread anti-Soviet obstructionism that plagued the Soviet Union from its birth. Because it is nothing more than a natural evolution of Chinese thinking, there is no moral imperative for the United States to oppose communist rule in China.³

This is welcome news for anyone with an interest in the long-term health of the Sino-American relationship, particularly those entities desiring to pursue cross border trade opportunities. In fact, this recognition that Chinese

² Once the distinction between Soviet and Chinese communism is made, it becomes clear that the war between the nationalists and the Maoists was not a philosophical dispute; rather, it was a struggle over succession, with the victor winning the right to wield the whip over the Chinese peasants.

³ This was Nixon's real genius: he recognized long before anyone else in the foreign policy establishment that Soviet and Chinese communism were two entirely different beasts.

Sino-American Relations in the Coming Century

communism isn't a moral abomination, but is instead an expression of the Chinese temperament, allows for the possibility of a relationship deeper than mere peaceful co-existence. Admittedly, Great Powers will always have conflicting interests, but it is worth noting that the elites of both nations share many of the same values. For instance:

They share a common understanding of the relationship between state and citizen, as evidenced in their respective commitments to capital punishment;

They both recognize the danger posed to civil society by regressive, anti-historical entities like labor unions;

And both nations boast a history of hereditary rule. Dynastic China gave way to the family-dominated politics of the contemporary era, where the relatives of party leaders occupy the commanding heights of the economy. This is easily paralleled with conditions in the United States, where a tiny minority has consistently wielded the vast bulk of economic and political power.

The list is easily extended, and the number and nature of the similarities suggests that America's close ties to Europe may be nothing more than an historical accident. Certainly, the United States appears to have far more in common with China under communist party rule than it does with the EU-dominated Continent. Though shared principles are not enough to sustain a partnership, they do provide a tantalizing basis on which to daydream. Imagine, if you will, the possibilities: A booming China, firmly under the rule of the communist party, contributing the labor of its citizens; Japan, flush with the savings of the most thrifty people on Earth, providing the financing; and the United States, the broadest, deepest market in the world, providing an unquenchable demand for the latest consumer goods. Such an alliance—call it the Greater East Asia Co-Prosperty Sphere—could last a thousand years.

**Tired of the conventional wisdom?
Looking for a publication that
challenges received opinion?**



Available at newsstands everywhere

Free At Last: An Examination of Servitude

What had been achieved came to be regarded as a secure and imperishable possession, acquired once and for all. The eyes of the people became fixed on the new demands, the rapid satisfaction of which seemed to be barred by the adherence to the old principles. It became more and more widely accepted that further advance could be expected not along the old lines, within the general framework that had made past progress possible but only by a complete remodeling of society.

F.A. Hayek, *The Road to Serfdom*

Hayek's thoughtful treatment of the hazard that complacency poses to free societies has never resonated more strongly than it does today. On all fronts, individual liberty is threatened by encroaching state power and the mass of men's disdain for the fundamental principles that are the bedrock of our nation's success. The "complete remodeling of society" that Hayek warns against is recognizable in the prescriptions of contemporary social engineers, with their promise that a solution to every problem is to be found in multiplying entitlements and an ever expanding public sector. In our schools, competition has been replaced by "outcome-based education," and the practice of "social promotion" has been instituted in order to spare the feelings of those who fail to keep pace with their peers. In our workplaces, onerous regulations and intrusive inspections stifle entrepreneurship and dilute shareholder equity. And in our homes, the unchecked growth of the nanny State ensures that every decision, no matter how seemingly trivial, is cataloged and second-guessed by a bureaucrat.

The struggle isn't wholly one-sided, of course. Thankfully, there still exists a vocal minority of liberty-loving persons who understand that freedom is an all-or-nothing proposition. These individuals are rightfully alert to the dangers posed by taxation and state intervention, and they are quick to organize a defense against the latest collectivist assault. But even their best efforts are not enough; if the forces of liberty remain forever on the defensive, they must lose in the end, and so it is essential that we identify opportunities to roll back the anti-freedom forces, rather than simply fend them off. In a fortuitous turn, a volatile economy and a return to more traditional social mores have provided just such an opportunity: the time has come to reconsider the prohibition against selling oneself into servitude. Americans will never be truly free until they possess the right to auction their freedom off to the highest bidder, and now is the moment to secure them this right.

...the time has come to reconsider the prohibition against selling oneself into servitude

Even among conservatives this proposition will be a controversial one, and so it will be worthwhile to examine the pseudo-ethics that underlie the prohibition against indentured servitude—a practice that will hereafter be referred to as the sale of the proprietary self—before tackling the technical details associated with implementing this policy.

The Fallacy of Human Dignity. The sale of the proprietary self is legally prohibited in American society because it is presumed that all men are created equal, and it is therefore unjustifiable that one man should control the destiny of another. This presumption of equality is dependent upon the idea of human dignity, a quasi-religious notion holding that each human being possesses innate value simply by the fact of existence. Such a view,

'value' is a subjective term, one that has meaning only in the context of a marketplace

which may have held some appeal in an earlier age, is no longer tenable. As the century-long struggle between totalitarianism and freedom proved, 'value' is a subjective term, one that has meaning only in the context of a marketplace, and only as the expression of an impartial pricing mechanism. Whether a corporation or a society, no organization has access to all of the information needed to accurately determine a commodity's value, and this holds just as true for calculations of the value of a human being as it does for other raw materials, like oil or steel.

If the failure of the planned economies of Eastern Europe has taught us anything, it is that attempting to enforce distributive equality by arbitrarily assigning values to commodities leads to scarcity, disequilibria, and social instability. Talk of human dignity as a basis for equality is erroneous: 'worth' is meaningful only as it reflects the value that a market assigns to a commodity; hence, prohibitions against servitude do not protect the value of the individual human being, they effectively deny its reality by preventing its measurement.

In addition to being philosophically untenable, the adoption of human dignity as a basis for asserting the equality of mankind runs contrary to common sense. To insist that human beings are equal to one another because everyone is possessed of human dignity assumes a quantitative equivalence. It implies that all individuals are provided with an equal amount of dignity—but there is no other realm in which we assume such an equality among individuals. While walking down the street, does one assume that the people encountered possess identical intellect, manual dexterity, or artistic capacity? Of course not. There are no such identical, invisible characteristics shared by every individual across the entire race, and only superstition suggests otherwise.¹ Human dignity is only worthy of acknowledgment inasmuch as it is understood as a function of an individual's material contribution to society, as determined in the marketplace, for we have no other means of measuring it.

By this reasoning we must conclude that human dignity either does not exist, or that it is fully amenable to the laws of the market. In either case, the voluntary sale of the proprietary self cannot be claimed to deprive an individual of his dignity.

¹The argument that human dignity is somehow evident in the ability to express compassion, to suffer, to cry, or other behaviors is a spurious one. Individuals perform these actions to variegated degrees, making it highly unlikely that they are the manifestation of a property shared equally by all. If a person can be involuntarily "deprived of his dignity," yet perform any of the aforementioned actions—as is obviously the case—then the actions in question cannot be equated with 'dignity'.

The Instrumental Value of Freedom. Just as we reject the possibility that a hypothetical ‘dignity’ confers equal value on all human beings, we must also challenge the impulse to fetishize freedom. Mainstream conservatives too often characterize the relationship between freedom and coercion in Manichean terms, a habit which, intentional or not, conceals the dynamic interplay between the two in a properly functioning marketplace.

In America, as in any modern economy, economic success depends upon the ability to combine the labor of numerous employees in order to gain economies of scale. Because of this fact, the majority of men will necessarily depend on a small number of entrepreneurs and managers for their livelihood, a situation that any classical liberal would be forced to term a coercive arrangement. But clearly, while it is coercive, such an arrangement is perfectly justifiable—indeed, necessary—because the resulting self-selected division of labor corresponds to the degree to which each individual values freedom. The varied set of work circumstances allows different individuals to express different levels of freedom aversion; we might even go so far as to say that the broad scope of possible economic activity acts as a market in freedom and coercion, with dynamic go-getters opting for the former, and the more typical couch potatoes choosing the latter.

...the prohibition against servitude curtails individual freedom and interferes with the efficient functioning of the market

Freedom is instrumentally necessary to those entrepreneurs who can put it to productive use, but it has no such utility for the great majority of men. The freedom-loving individual’s fear of being subject to coercive arrangements motivates him to take action, while the contented everyman’s terror of the unknown consequences of freedom pushes him with equal enthusiasm into the security of a coercive employer-employee relationship. By depriving the individual of her right to manifest her own preferences regarding freedom and coercion, the prohibition against servitude curtails individual freedom and interferes with the efficient functioning of the market.

The Case for Servitude. We’ve seen, then, that there is no ethical barrier to the sale of the proprietary self—in fact, since property rights to an object can be expressed only in terms of the proprietor’s ability to bring that object to market, the individual in a free society can only prove that he is sovereign over himself if he can do the same with himself.² And we’ve proven that freedom and coercion are differentially valued by the individual players within the marketplace, and are necessary elements of a free market system. It follows, then, that prohibiting a sovereign individual from indenturing himself is the one form of coercion that truly is unjustifi-

² John Sirico of the Acton Institute has stressed the importance of this principle on several occasions. Using the example of peasants who received parcels of land after Nicaragua’s communist revolution, he notes that this “land reform” did not empower the peasants in any meaningful way, as they were not free to sell the land that the revolution had supposedly “returned” to them.

able. When the sale of the proprietary self is prohibited, the individual who does not value freedom per se, but rather the economic security of himself, his family, or his descendants, is being deprived of that which is likely to increase his happiness and well being. In other words, by prohibiting voluntary servitude, the State is imposing “freedom” upon many of its citizens who would instead choose economic security if they had the freedom to do so.³

There is no doubt that a demand for indentured servants exist

Of course, while it may be philosophically and economically desirable to permit the sale of the proprietary self, other, more practical questions must be addressed before it can be made policy. For instance, would there be a demand for, or a supply of, indentured servants, if this

prohibition were lifted? How would a marketplace in servitude function? What level of regulation would be appropriate? These questions must be investigated before formulating any initiative.

There is no doubt that a demand for indentured servants exist. Human history shows that men desire to control the destinies of other men, and the legalization of the sale of the proprietary self would provide these individuals an opportunity to do so with only contractual risk to themselves. In our affluent society, in particular, the demand for indentured servants, or formerly proprietary selves (FPS), is assured by the presence of a large number of wealthy individuals and the ennui resulting from saturated markets for consumer goods and entertainment. Indentured servants might serve as domestic help, travel companions, sexual partners, or provide any number of other services already being traded in the legal and illegal labor markets. But unlike the present system, one which enforces a cookie-cutter framework for economic relationships regardless of the desires of the interested parties, a policy permitting the sale of the proprietary self would allow buyers and sellers to enter into agreements that more accurately reflect the preferences of both parties.

A steady supply of FPS is also assured, as the majority of Americans have already expressed just such a willingness to forsake freedom and embrace coercion. These individuals gratefully accept the economic security afforded by employment in the pay of another, a relationship that typically involves the suspension of a variety of rights when in the workplace. These individuals value the economic returns associated with employment more highly than they value abstract freedoms like those enunciated in the Constitution, and it stands to reason that the higher the reward on offer, the more liberties these Americans will be willing to sacrifice.

³ William F. Buckley expresses this notion eloquently: “Give me the right to spend my dollars as I see fit—to devote them, as I see fit, to travel, to food, to learning, to taking pleasure, to polemicalizing, and, if I must make a choice, I will surrender to you my political franchise in trade, confident that by the transaction, assuming the terms of the contract are that no political decision affecting my sovereignty over my dollar can be made, I shall have augmented my dominance over my own affairs.”

One can imagine any number of situations in which selling oneself into servitude might be an appealing option. An individual of limited earnings potential whose family incurred debilitating amounts of medical expenses might indenture himself to repay the debt, and persons refused bank loans because of a lack of assets might offer themselves as collateral, exchanging a term of servitude for the necessary funds to build a house or start a business. Of course, while financial hardship will undoubtedly motivate many who volunteer for servitude, we must not assume that only the needy will take advantage of this opportunity. A hungry young entrepreneur, tempted by the cash and confident enough to gamble his freedom, might opt to become a FPS, structuring the arrangement so that the proceeds from the sale of his proprietary self are placed in an investment account. Given a little luck, this entrepreneurial FPS might very well turn this working capital into a windfall fortune, allowing him to purchase his freedom at an attractive price to his purchaser and exit the relationship with a healthy cash reserve. One can even envision an especially ambitious FPS becoming the proprietor of other FPSs!

...we must not assume that only the needy will take advantage of this opportunity

Like any other kind of contract, parties to a servitude contract must be bound to abide by its terms, under penalty of legal sanction. For obvious reasons, the bulk of the state's interest in this matter will focus on ensuring the compliance of the FPS with the terms of the agreement: FPS who attempt to default on their obligations should be subject to liens, prohibited future employment, denied a passport and be subject to other consequences of sufficient severity to ensure compliance. As for the contracts themselves, a minimum of state interference is warranted; the parties involved should be allowed to contract whatever terms they desire. Agreements might be for fixed or indefinite lengths of time, and may even detail certain responsibilities or classes of activities that the indentured servant is expected to perform. As just about anything can be negotiated into a servitude contract, just about anything can be kept out of one as well; serious physical or other abuse of the FPS will be prohibited, for example, unless the parties have negotiated otherwise.

And just as the contracted services will vary according to the wishes of the interested parties, so, too, will the compensation structures. For example, an individual in immediate need of a large sum of cash might wish to exchange his proprietary self for a one-time payment equal to a potential future stream of income, a value which could be calculated by the proprietor based on the value of his potential FPS's available skill set. And in long-term or indefinite arrangements, proprietors will likely favor an amortized payment system to protect against the total loss of his investment, though other alternatives are conceivable. In most cases, though, weekly or bi-weekly transfers will likely be the norm, and in this respect indentured servitude will be barely distinguishable from the more traditional employer-employee relationship.

Any proposal as sensible as this must inevitably draw the wrath of the 'progressive' community. Their complaints will undoubtedly be the same ones they level against 'predatory' lending practices, mainly, that the consequences of failing to comply with a voluntary servitude agreement are either obscured by marketing or are too abstract for the potentially indentured to fully appreciate. In addition to being elitist in tone, objections of this sort ignore the fact that freedom entails taking responsibility for one's own actions.⁴ It must again be stressed that no one will be forced to indenture himself against his will, and it is precisely the voluntary nature of the servitude exchange that guarantees against abuse. In this way, the sale of the proprietary self embodies the classical liberal dictum that each individual is the best judge of his own well-being.

As Nobel Prize-winning economist James Buchanan notes, "any person's ideal situation is one that allows him full freedom of action and inhibits the behaviour of others so as to force adherence to his own desires. That is to say, each person seeks mastery over a world of slaves." It is time that we profit from this reality. Permitting the sale of the proprietary self is the only means of simultaneously guaranteeing personal liberty and providing material abundance to all. The poor will gain access to the capital resources needed to enrich themselves. The well-off will have additional consumption pathways open to them. And society will benefit from the creation of yet another opportunity for each individual to satisfy her needs in the manner in which she sees fit.

⁴ Of course, there is no reason why the State should not run educational campaigns to warn against, say, the signing of perpetual servitude contracts by those who are unlikely to be able to buy back their freedom during the term of the agreement. Such a campaign would provide a valuable public service without infringing on the rights of citizens to be the ultimate arbiters of their fate.

Up Close: An Interview with Henry Gonzalez

His congressional biography tells the story: elected as a Democrat to the Eighty-seventh Congress by special election to fill the vacancy caused by the resignation of United States Representative Paul J. Kilday and reelected to the eighteen succeeding Congresses (November 4, 1961-January 3, 1999); chairman, Select Committee on Assassinations (Ninety-fifth Congress), Committee on Banking, Finance and Urban Affairs (One Hundred First through One Hundred Third Congresses). For all of those 38 years, he taunted bankers, terrorized the Federal Reserve, and represented the interests of average Americans on a range of issues. EOH had the opportunity to sit down with Henry Gonzalez shortly before he passed away; here's the transcript:

EOH: Alright, let's talk about the role the money center banks play in facilitating criminal activities.

HG: There's no doubt that organizations like Citicorp are quite conscious of the role they play in facilitating a host of inter and intra state criminal activities. I mean, come on, all of the secrecy surrounding 'private banking' and such—the banks want you to believe that this is simply a rational market-driven response to the demands of the customers—which is true, of course, but they don't want to talk about the fact that many of the customers looking for this level of privacy are engaged in illegal activities. It's... I'll try to avoid specific policies and keep this to a big-picture structural view—now, the kind of conspiratorial disdain for the rule of law that we see today in the big banks, this is nothing new, it's been around since at least World War II, and even earlier, if you believe people like Pat Robertson...

EOH: Pat Robertson? (!)

HG: Pat Robertson is a renegade. Most people think he's this hard-right Christian preacher, that he's just another cracker—and I use that term only with affection, being descended from the Mexican-American equivalent of crackers myself—when in fact he's actually a blue-blood member of the American establishment. I mean, his father was Senator A. Willis Robertson, Pat attended Yale law school, and he's now running, what, a two billion dollar a year business? I mean, this isn't some backwaters fundamentalist preacher with a few radio stations—this guy's views are representative of a portion of the ruling class, and, more specifically, this guy is giving us a pretty good idea of the historical understanding that underlies the worldview of a sizable portion of the moneyed interests. You know, one of Pat's big points is the creation of the Federal Reserve was a carefully orchestrated move to see that the money printing abilities of the US government were transferred to private hands... now, I'm not saying that I completely agree with this line, but there's no doubt that an interesting paper trail does exist which suggests—certainly it suggests—just such a possibility. It's a strange thing, I've followed both Noam Chomsky's and Pat Robertson's work for years and, while I can't say that I agree complete-

ly with either of them on any particular subject, I've always been struck by the similarities between their approaches: a rigorous, even ruthless attention to primary documents, to the news coverage and official government papers and such, and then, they both work very hard at understanding and deploying these documents within a clearly delineated framework of understanding. They're both good rationalists, meaning they're both careful in their reasoning, that's all I'm trying to say, though, obviously, they come from very different sets of first principles...

EOH: OK. So, returning to your structural model of the banking system ...

...even the appearance of democratic process has been pretty much abandoned

HG: Right, and I should probably note here that I'm singling out Citicorp simply because they're the most striking American example of a financial organization that's grown completely out of control, at least in terms of its refusal to adhere to any but the most basic, and, from a law enforcement standpoint, unhelpful, of

accounting standards and such, but I want to make clear that there are other players in this game, foreign banks that dwarf even CitiCorp or NationsBank, and they're just as important in the money laundering industry, if you can call it that, if not more so because of the close connections they share with their national governments. Which, as an aside, you need to understand that, while CitiCorp and the other big banks and corporations may seem to have an airtight hold on the American government, in reality there is still room for democratic maneuver and oversight, however small, though God knows it got a lot harder after a couple of the bills that were passed under Clinton. In other nations, even nations that are nominally democratic like Japan, even the appearance of democratic process has been pretty much abandoned. I remember the first time I visited the Diet, the Japanese legislature, while it was in session, and I was amazed to see that lobbyists, representatives from what you can pretty much characterize as Japan's Fortune 50, had desks right down on the floor of the chamber, and they kept permanent offices and staffs right there within the capitol building complex! I mean, here I was, you know, a representative from Texas, I know how politics works, all my career has been spent dancing with or around Big Oil in one way or another, but I'd never dreamed the corporations would grow this arrogant. And these were companies you've heard of: Sony, Toshiba, Mitsubishi—household names, and in Japanese political circles they joke about, "The Senator from Sony," and such. Of course, they don't call them senators, actually, but you get the picture.

EOH: Right.

HG: Anyways, so we've got these big money center banks, and they've ensured that the oversight of their activities is going to be minimal, and when anything actually does become public, when any of their more egre-

gious activities somehow make it onto the news—and don't even get me started about the corrosive effects that media consolidation is having on democracy, at least from the perspective of maintaining public oversight over corporate behavior—they've got it set up so they can blame everything on a lone trader, or a few bad apples, it's never structural. Anyways, so the banks have set themselves up good, but they've found, over the years, that they've got to walk a careful line, just for their own protection, when it comes to things like money laundering. I mean, they're more than willing to provide these services, but they have to be careful that their own people don't get too involved in it, and that's difficult, because the profits to be made, for individuals and companies up and down the pipeline, are enormous, and the banks learned the hard way that, no matter how much you pay your private bankers and specialists, once they've gotten actively involved in this sort of thing they're going to go bad on you, there's no question about it, the greed factor, especially in the kind of people who get involved in banking in the first place, is just too great. And so the actually dirty work is now done by the big consulting firms—they've captured the knowledge, if you will, that's historically been trapped within the heads of the big financial crooks, and these firms—like PricewaterhouseCoopers, Andersen, whatever—now have the institutional structures in place that allow them to deliver these money laundering and related services to pretty much anyone, anywhere in the world, for the right price. And they've set it up beautifully: by enacting the appropriate institutional structures for it, they've minimized their reliance on any particular individual, which means that, normally, and we saw this time and again during the BCCI investigation, someone like Andersen can handle almost any money laundering transaction, no matter the size, without having to have more than one or two partners involved; they and their staffs are the only individuals with direct knowledge of what's happening—the rest of the process is simply handled institutionally, within the consulting firm, papers moving around, this project management report being filled out on such and such a day and that transfer being authorized by this time because Barb over in corporate division 7D—it will have some appropriately generic name like international banking specialists or something—sent over a form 1912 with the appropriate signatures already in place.

...they've got it set up so they can blame everything on a lone trader, or a few bad apples, it's never structural

So, you've got the big banks, they're happy to clean the money but can't allow their people to get dirty working with it, and you've got the consulting firms that are happy to issue the orders—which, here's something to watch for over the next few years, keep an eye out for the big consulting houses, especially the IT ones like EDS and maybe even IBM, to start making noise about wanting to get into the banking business. These guys are always looking to consolidate related services under one roof, and, while the banks have already learned there's no way you can keep the actual money and the know-how to clean it under one roof, the consultants

haven't accepted that logic yet, and they're thinking that, hey, they're smarter than the banks, they're technology specialists, they're gonna use technology to ensure that their people aren't getting too crazy. They're wrong, of course. Few people outside of banking appreciate just how many lessons, hard lessons, companies like CitiCorp have learned over the years, when it comes to things like money laundering. Even if somebody like EDS brought in a senior Citicorp VP and said, tell us exactly how to set up our own bank and money laundering operation, it wouldn't matter, because there would still be an institutional arrogance on the part of the consultants, they can't help it, it's part of the consultant personality to think they know better than the rest of us. And so, what I'm saying is, you should expect to see legislation allowing the big consulting firms to run their own banks within, like, 5 years. And if it passes, then, in not more than, say, maybe 8 or 9 years, you'll start to hear calls for a bailout of these new banks. It will be blamed on, I dunno, whatever the Middle Eastern equivalent of Brady Bonds is at the time, they'll probably argue that the US government applied inappropriate pressure on these young banks and forced them into purchasing risky foreign debt in order to prop up US foreign policy, or some similar nonsense, when in fact it will simply be a case of a couple of partners making off with, I'm not going to predict millions, I'm expecting billions, and just disappearing.

EOH: You're smiling as you say that...

HG: Well, you have to keep your sense of humor about this stuff. I mean, on some level, it is funny, or its going to be, at least, what makes it funny to me is that we can predict what's going to happen with a high degree of accuracy. We know how these people think, and we know what they've tried to do in the past, and there's no reason to believe they're going to suddenly start behaving otherwise. Now, of course, it's different people with every generation, but, come on, we all know we're talking about a mindset here, a particular worldview that's to blame. Hell, a hundred years ago most of the people with this worldview were simply naturals at it, or they picked it up from the family business. Now we've got, what, well over a hundred business schools in the United States stamping out thousands of MBAs each year, every one of them trained in the kind of rationalizing—both analytic and moral—that we're talking about here.

Alright, and I apologize for being so round about—I'm sure you'll clean it up, turn it into paragraphs and such before you print it [laughs], but, as you can see, this stuff fascinates me, and again, its because there's no mystery here, the sums of money are too large, and the effects of these sums as they pass through individual and corporate hands is too great to be hidden. When some \$80k a year banker suddenly buys a five million dollar home in central America, some Hofstra graduate whose parents are living in Queens, then you know something's not right.

EOH: Is that a true story?

HG: Yeah, we saw that one back in, what, '93 or '94. We had a couple of investigators follow it up, and, it was a textbook case, the money just appeared in the guy's account one day, actually in a couple of accounts scattered around Europe.

EOH: What happened?

HG: Nothing. As soon as his employer found out about it they moved him offshore. We heard he was gone when our investigator showed up at the guy's apartment to serve him with a subpoena—the neighbors said he'd moved out in the middle of the night.

EOH: [incredulous] But couldn't you follow him? Maybe extradite?

HG: Look, the morning we tried to serve him I arrived at my office to find two senators, the company's vice-president for government services, and—remember, this was during the Clinton years—a white house deputy counsel waiting to see me. You can imagine how civil that conversation was! [laughs] It's, everybody understands that fishing trips like that aren't meant to do anything more than keep everybody on their toes. Sure, the company was pissed at the guy, because obviously he'd been working on the side, but they were more afraid of having us come through the door and start grabbing documents and reviewing their records. So they sent him to, I dunno, maybe it was Costa Rica, somewhere near his new home. They removed the immediate focus of our attention, and that was good enough, as far as everyone involved was concerned—well, except me, of course, but I'm just one representative. Of course, I wouldn't be surprised if, maybe a year or two later, the guy had an accident. You'd be surprised at how accident-prone bankers can be, especially when their colleagues know that they've been abusing their money printing privileges!

You'd be surprised at how accident-prone bankers can be, especially when their colleagues know that they've been abusing their money printing privileges!

EOH: You've mentioned Clinton a couple of times now, and never with any real fondness. Care to elaborate?

HG: I think... [pauses] I think that history will remember Bill Clinton for far worse things than anything we know about at the present time. And that's all I'm willing to say about him at the moment.

EOH: Fair enough. Now, we're almost out of time, so let's try and touch upon a related subject, maybe, what's driving all of this money laundering...

HG: While arms dealing and narcodollars are the most well known sources

of dirty money, few people realize just what an enormous sum is now transferred each year in payoffs and bribes. And we're not just talking North to South transfers meant to facilitate the reverse transfer of resources and raw materials. The evidence shows that the aggregate of these transfers just within the First World is now on the order of 50 billion a year or more...

EOH: What accounts for this growth?

HG: Well, the principal element is, of course, free trade. While agreements like NAFTA, the WTO and such provide a framework for trade, political necessity makes it all but impossible to include any sort of formalized structures within these agreements for handling the, uhh, informal practices that inevitably accompany trade. And then, besides the opening up of trade, of course, there's the pretty much worldwide cultural and ethical decline that's been taking place since at least the '50s.

EOH: Hmm?

HG: I mean the... there's a general consensus now in the policy community that we've arrived at the metastasizing stage of late industrial capitalism, with everything it implies for human cultural structures. All of the alternate critiques have collapsed, whether because of their internal contradictions or external military or economic pressure from the western democracies—led by the United States, of course. Capitalism has broken out of the box of geographic, cultural, and other factors that contained it for the last few hundred years, and now we're seeing this absolute explosion of activity as this particular set of social relationships—and that's what capitalism is, after all, a set of relationships and a way of viewing the world—radically transforms all existing human institutions and societies...

EOH: it doesn't sound as if you think it's a bad thing.

HG: Good or bad doesn't make much sense to me when we're talking about historical processes. Look, I'm not one to quote Marx, usually, but you've got to give the guy credit for recognizing that capitalism was the most revolutionary idea in human history, at least until the time he was writing.

EOH: Do you agree with Marx that capitalism contains the seeds of its own destruction, that there must be something that will inevitably replace capitalism?

HG: I'm not sure. You know, when I was younger I would have jumped right up and flashed my democratic socialist card but, maybe its just the cynicism of age, or maybe its wisdom, but over the past twenty years I've come to have a greater appreciation for just how, for just how beautifully perfectly elegant, for just how wonderfully capitalism seems to mesh with

what seem to me to be some basic human instincts. Does this mean that I approve of its worst features, or that I support the elimination of all government regulatory functions and the imposition of an immediate worldwide global trade pact managed by the Fortune 10, as many members of the Bush administration appear to want? Of course not, don't be ridiculous. I'm still receptive to alternative models, I'm still listening, and hoping to see some other idea arise, something that combines the humanism of socialism with the productive capacities of capitalism, but for now I'm thinking we need to work with what we've got, which is capitalism. I know, call me a liberal incrementalist.

EOH: So you don't have any ideas as to where an alternate model might come from?

HG: Again, I dunno. I have to admit that I've gotten interested in some of the ideas of Michio Kaku, especially his model—well, I'm not sure it's actually his, but he's certainly one of the most vocal proponents—of human cultural evolution that says humanity is on the verge of a major transformation, that we're just stepping onto the exponential growth curve governing technological achievement, scientific understanding, that sort of thing, and that we're either gonna have destroyed ourselves within, like, 100 years, or we're going to have found a completely new organizing principle for ourselves and our resources. Maybe it is a question of, 'the future is always a choice between barbarism and socialism', we'll see. Then again, maybe the extraterrestrials will arrive first, and all of the things we've been talking about will suddenly seem pretty trivial.

EOH: Extraterrestrials? (!)

HG: [smiling] Oh, did I say that? Sorry, no comment.



(third in a series)

Who we are:

Capital Services and Investment was founded in 1847 by a consortium of industrialists and financiers headed by Salmon P. Chase. Chase and his partners were convinced that war between the North and South was inevitable; acting on this belief, they spent much of the next decade creating the bond and capital markets essential for funding a public works project on a scale as vast as that of the Civil War. When conflict came in 1861, CSI was well positioned to provide both the United States and the Confederacy with the financial expertise and liquidity necessary for conducting a modern, extended campaign.

Reconstruction offered a new set of challenges and opportunities, and CSI's wartime experience made it the obvious candidate for managing the rebuilding of the Southern economy. Working closely with local and regional partners, CSI successfully coordinated the reintegration of North and South as both social and economic partners. It was during this time that the firm began venturing beyond its core financial services business; by 1890, CSI counted among its holdings the most vertically integrated cotton producing and processing entity in the Western hemisphere.

At the close of the nineteenth-century, CSI was the leading American financial institution, and its equity partners might understandably have been content simply to continue in that role. Instead, after a raucous partnership meeting in Princeton, New Jersey, it was decided that CSI's financial units would be spun off, with CSI maintaining a majority stake in each. On January 1, 1902, CSI's equity unit became an independent entity under the leadership of the brilliant young trader, J.P. Morgan. At the same time, CSI's bond unit moved into its new headquarters at 5 Wall Street, and the brothers Charles and Foster Salomon assumed management of the operation.

The reorganization was a fantastic success. A new generation of CSI directors chose to focus the firm's resources on scientific research and development, with an emphasis on technologies with military and security applications. This strategic vision, anticipating as it did a century of conflict between states wielding increasingly advanced munitions, enabled CSI [renamed IOscream Enterprises in 1938] to build profitable partnerships with many of the most powerful governments and NGOs.

IOscream labs and researchers have a well-deserved reputation for pioneering work in the most exciting fields of contemporary scientific investigation. And just as noteworthy are the IOscream alumni who have contributed to the understanding and harnessing of the natural world; these individuals include the inventor of the transistor, the discoverers of the double helix nature of DNA, and the developer of the hydrogen bomb. The firm's influence has been so great, in fact, that in May of 2000, the COO of IOscream Enterprises was presented with a special citation, signed by President Clinton, noting "the key role IOscream Enterprises has played in building and sustaining the American Century."

Supply Side Choice: The Coming Revolution in Education

School vouchers have the potential to transform public education. Currently, an entrenched bureaucracy and recalcitrant unions conspire to undermine any reform effort that threatens their influence, regardless of the benefits to be gained. Those proposals that do manage to win approval are typically underfunded, understaffed, and then criticized for underperformance. Rather than attempting to overcome these obstructions, vouchers provide a means for circumventing them. The introduction of choice into the schools will force educrats to behave like any other service provider. Reform and experimentation will become the norm as the education commissars, now competing for business, begin seeking new ways to satisfy their customers and improve their product. The quality of the schools will quickly improve, and consumers—formerly known as students—will reap the rewards.

At least, that's what voucher proponents hope will happen. Unfortunately, disappointment is more likely to be the rule when families discover that this newfound freedom is a meaningless one. Though magnet schools and specialized academies will spring up, these institutions will target high-achieving individuals, the persons who already have an abundance of opportunities available to them. Academic non-achievers—the majority of students—will be left much as before, chasing after scraps at the margins of the system.

Family income, appearance, or sexual preference—all of these must be a permissible basis for discrimination, if there is to be real choice in education

Blame for this situation lies with the rules restricting the criteria that a school can use as a basis for determining admission. At the moment, the absence of a marketplace in education mutes the destructive impact of these regulations; once vouchers are adopted, however, the economic consequences of these regulations will become apparent. By preventing the adoption of innovative admission policies, these rules ensure that any new educational offerings will be little more than variations of already existing programs, differing only in curriculum emphasis or academic stringency. Truly inventive programs, ones specifically crafted to meet the needs of student populations underserved by the present system, will remain an impossibility.

Vouchers alone will not bring revolutionary change to public education. For this to happen, any reform package must also provide for the elimination of the asymmetry of choice that currently exists between education consumers and education suppliers. Schools must be given the same flexibility in determining admission as students now possess when deciding where to matriculate. Public and private schools must be allowed to employ any criteria they desire as a factor in determining admission. Family income, appearance, or sexual preference—all of these must be a permissible basis for discrimination, if there is to be real choice in education.

Vouchers will create the marketplace, and the introduction of symmetrical choice will ensure that the shelves are stocked. Implemented together, these reforms will bring immediate and dramatic results. For the first time, schools will be able to truly distinguish themselves from their competitors. Educators will be free to identify a market and shape their programs accordingly, just as other businesses have done for generations. As a result, a range of offerings will emerge, many of them impossible until now. Some institutions will, no doubt, opt to become athletic powerhouses, emphasizing sports prowess over more traditional academic studies. These schools will focus their recruiting on individuals of a certain size, height, or ethnicity; some may even make year-to-year retention dependent upon excellence on the playing field. Programs of this type will appeal to students intending to pursue a high-paying career in professional sports, a market currently underserved at the K-12 level. Other institutions may choose to cater to the demand for a culturally and ethnically homogeneous educational environment, a market segment that has proven consistently robust over the years. This would be accomplished by carefully restricting admission to individuals from a certain race or ideology, in order to achieve the 'purity' of experience demanded by the families being served. No matter how outlandish seeming the program, its success or failure will be determined by the market—not by bureaucrats with a vested interest in the outcome.

...these reforms will, in many cases, have the paradoxical but pleasing effect of yielding less diverse classrooms

Obviously, non-European, non-Asian students will benefit the most from these reforms. Historically, this group has lagged in academic achievement and, in consequence, its members have fared poorly in a system where academics are the only measure of success. Once supply side choice enabling reforms are enacted, however, these individuals will find the educational opportunities available to them multiplied many times over. One can easily imagine

an entire network of academies specifically targeting these students, with admission determined by criteria more in keeping with the norms of non-majority communities. In an effort to please their consumer constituencies, these institutions might come to rely on factors such as fashionable dress, an ability to clearly voice unfounded grievances, and status as an illegitimate child when determining admission and standing.

While creating a more diverse pool of program offerings, these reforms will, in many cases, have the paradoxical but pleasing effect of yielding less diverse classrooms. As any teacher will attest, children from different demographics learn differently, and methods that work for one group are often counterproductive when employed with another. African-Americans, respond well to music and dance based instruction, while Asian-Americans thrive in a program emphasizing rigorous mathematical preparation, fluency in multiple languages, and exposure to numerous extra-curricular activities. Under the present system, individuals from

Supply Side Choice: The Coming Revolution in Education

disparate backgrounds are thrown together in the same classroom; as a result, educators are forced to adopt a bland curriculum and employ the most generic instructional methodologies—in an effort to serve all, none are well served. In contrast, by allowing the selection of children tailored to the needs of the classroom, supply side choice will facilitate the tailoring of the classroom to the needs of individual children.

Sadly, some schools will likely continue to experience budget difficulties even after these measures are implemented.

Because of this, there will be a continuing need to identify new revenue making opportunities, a task that will be made easier by the more tightly defined demographic groupings present in these new schools. Advertisers will crave access to these audiences, but other opportunities for public/private partnerships should not be overlooked. Pharmaceutical testing organizations, for instance, are always in need of captive homogeneous populations.

...by allowing the selection of children tailored to the needs of the classroom, supply side choice will facilitate the tailoring of the classroom to the needs of individual children

The advantageous effects of these reforms will be felt beyond the schools, as well. Numerous social factors are known to correlate with academic performance, and there is every reason to believe that schools will begin incorporating these findings into their admission policies. Given the statistical relationship between a broken home and poor academic performance, for example, many schools may choose to make admission dependent upon the presence of an intact, two-parent family. Other schools may require that mothers not work outside the home, and some may even make loyalty oaths and background security checks a condition of admission. In this way, schools will once again come to play an important role in reinforcing the shared values of the community.

In addition to the compelling economic arguments in favor of supply side choice, political calculus makes its adoption attractive, as well. Educators have long opposed the adoption of vouchers, fearing they will have a polarizing effect on the education system. These opponents argue that good students, now free to choose, will migrate away from schools predominantly populated by bad students, leaving many administrators and teachers—through no fault of their own—trapped at schools filled with apathetic students. This would not be the case, however, if voucher based reforms are accompanied by supply side choice enabling measures. With these paired reforms, administrators and teachers would have a powerful tool at their disposal, one that restores balance to the education marketplace. Schools would be free to end their association with known trouble-makers, whether they are students who are disruptive in the classroom, or parents who are disruptive at board meetings. In this way, supply-side choice is the key to overcoming institutional resistance to vouchers.

The fiercest resistance to these reforms will undoubtedly come from those persons with the most to lose: the freeloading students and families who, until this time, have been allowed to enjoy all the privileges of publicly funded education without having to fulfill any of the responsibilities. Clearly, given America's commitment to universal public education, there will be a need to provide a school of last resort for these individuals. Unlike the current situation in which nearly every school is an institution of last resort, though, the dregs of the educational system will be concentrated in these last-chance schools. In fact, even the lowest performers will benefit from this arrangement; once these individuals are consolidated in this fashion, it will be easier to channel the appropriate resources to them, and to identify new markets within their numbers, thereby hastening the birth of additional alternative educational resources.

Forward Thinking

As the indices plummet and the layoffs mount, it's difficult to believe that only a few months ago even our little operation had VCs lined up outside the door, begging to hand over briefcases filled with hundred dollar bills. In those heady days anything seemed possible: why, some observers were pegging us at a \$20M valuation, maybe even \$30M, depending upon the vigor with which we defended our intellectual properties. Unfortunately, the collapse of the secondary market in irony-backed instruments has deferred our dreams of an early retirement beneath the too-blue skies of Palm Springs. Taking what comfort we can from the conviction that the markets, while blind and stupid, are also just, we turn our attention to the news of the day:

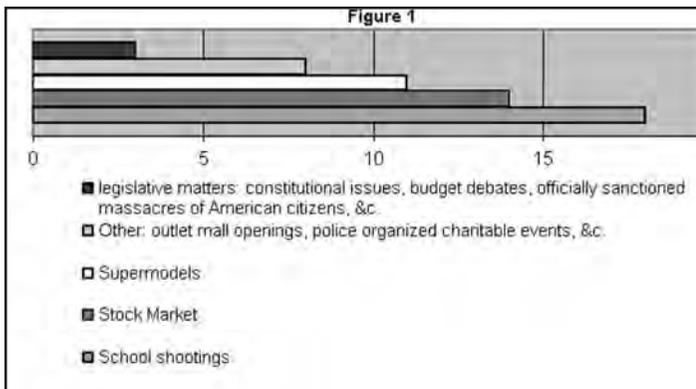


Figure 1 presents viewership numbers for network newscasts during the past year, detailed by subject matter. School shootings proved to be the biggest draw, suggesting that Americans are both troubled and captivated by the surge in youth delinquency. Though violence and firearms are as American as apple pie and ice cream, the increasing frequency with which these shootings occur is more than a statistical anomaly. Why are growing numbers of white, middle-class males taking up arms against their peers? An answer may be found in figure 2 on page 50.

Bringing the War Home: Force Multipliers and Domestic Policy

History demonstrates that the military has been the greatest force for social progress in American society. No matter the issue, the armed forces have consistently shown themselves able to negotiate difficult circumstances and to craft compromises acceptable to all parties involved. This is no surprise, as the awful immediacy of war makes prejudice and cant a fatal luxury. America's civilian leadership, on the other hand, has time-and-again proven itself unable to resolve even the most simple of predicaments. While individual incompetence is partly to blame, fault for this failure lies primarily with the democratic process. Hamstrung by the need to appease campaign contributors and, to a lesser extent, the voters, our elected officials too often find that the best course of action—that is, the one least likely to offend any interested faction—is none at all.

Until recently, this state of affairs, while unwieldy and imperfect, did not directly threaten the long-term security of the Republic. The military's exceptional handling of its duties, and the positive effects this success had upon civilian life, more than compensated for the shortcomings of the democratic system. Unfortunately, recent events have made the status quo untenable. America now faces a combination of threats unlike anything it has ever confronted before; the line between military and social matters has been blurred beyond recognition and America's survival, once solely a question of military might, is now equally dependent upon the skillful handling of social affairs. For this reason, our future now depends upon a fundamental rethinking of the relationship between civilian and military authority.

...fault for this failure lies primarily with the democratic process.

Race:

While racial matters have vexed the civilian government since the nation's independence, the armed forces have had little trouble with this issue. Our military leaders long ago recognized the colorblind nature of warfare, and they have shown a striking pragmatism in their treatment of minorities. Take the case of black Americans: the military's progressive stance towards blacks was demonstrated during the Civil War when, over the objections of the civil authority, the Army employed black soldiers in both combat and non-combat units. These troops were deployed without regard to their color, and were subject to the same discipline and training as their white counterparts. Admittedly, black troops were assembled into segregated units, but it is important to remember that this was done out of expediency: the Army leadership, sensitive to the civilian resistance to integration of the military, concluded that a short-term, politically feasible solution was better than no solution at all.

This progressiveness was reflected in other wartime policies, as well. Free from civilian interference during his march to the sea, General Sherman promised 40 acres and the use of a military mule to every black man willing to join the Union army. Many historians believe that this campaign shortened the war by several years, and there is almost unanimous agree-

ment that Sherman owed his success to the manpower and knowledge provided by these recruits. And just as important as any military benefits were the social and economic consequences of the program. In the months following the war, beneficiaries of Sherman's pledge assembled themselves into numerous self-sufficient communities, with each family possessing the tools to provide for itself and the dignity that accompanies self-sufficiency.

Though obligated to fight the war, the military refused to let racial politics influence its operations.

The Union's military leadership recognized that freeing the slaves was only the first step in the black race's integration into American society, and in Sherman's pledge they identified an opportunity to empower all Southern blacks. When the success of the Shermanvilles populated by former slaves became apparent, the generals issued directives to extend the offer of land and a mule to every black household in

the South. Unfortunately, the civilian leadership's response to this initiative began a pattern that continues to this day, with each advance made by the military being conspicuously dismantled by the politicians. The federal government pardoned the slaveholders and returned seized land to its original white owners, leaving the former slaves homeless and with no means of supporting themselves. In a short time both blacks and whites understood that the federal government remained an ally of the Southern white racist elite. Slavery was replaced with even more onerous forms of racism and institutional oppression, and these measures became the basis of the segregation effort that continued for more than a century thereafter.

The military's foresight on matters of race has not been confined to black-white relations; Native Americans have benefited, as well. During the early nineteenth century, peaceful relations prevailed between white settlers and native tribes. But as the trickle of westward migration became a flood this balance was upset, and with increasing frequency white settlers resorted to violence in order to gain what they couldn't achieve by negotiation. When possible, the army intervened to protect the rights of the Indians, primarily by forcing the settlers to adhere to treaty limitations. Political pressure from unhappy settlers was eventually felt in Washington, and the politicians ordered the military to support the immigrants regardless of the circumstance. Sheriffs and other representatives of civil authority began encouraging settlers in their illegal activities—land seizures, raids on native settlements, and other noxious assaults became the norm. The justifiably aggrieved Indians struck back, and the resulting massacres provided the civilian leadership with the cover it needed. Congress declared that entire tribes would be held accountable for the actions of their dissident members, and within a short time, the civilian government had opened a war front spreading from Texas to the Pacific Northwest.

Though obligated to fight the war, the military refused to let racial politics influence its operations. Despite civilian opposition, the military estab-

Bringing the War Home: Force Multipliers and Domestic Policy

lished liaisons with Indian communities and recruited scouts from some of the most powerful tribes, including the Apache and Sioux. These individuals were given full rank and wages, treatment that reflected the military's recognition of the valuable role they played in the war effort. The politicians eventually accepted that the military simply would not engage in the ethnic cleansing and 'total war' that the civilian government was demanding, and so, giving in to the advice of the western generals, the administration formally initiated a strategy of conquest by kindness, termed the "Peace Policy." Safe havens were created, and the military established rules of trade and a framework for power sharing between local tribes and representatives of the federal government. While a few tribes resisted, most came to accept the inevitability of assimilation on the generous terms offered by the military. A decade later, the West was safe for immigration and expansion.

...reservations, which until this time were functioning models of traditional native society, became death camps

Sadly, the many gains won by this humanitarian policy were lost when responsibility for Indian matters was transferred from the military to the civilian-managed Bureau of Indian Affairs. The reservations, which until this time were functioning models of traditional native society, became death camps as bureaucrats robbed and starved their trusting wards. Conditions on the reservations became so horrific, in fact, that they later served as a model for the Final Solution: Hitler instructed his minions to model Germany's policies on America's treatment of its Native American population. Hitler's orders also made possible another of history's famously paradoxical turns, as the Nazis provided America's military another opportunity to demonstrate its respect for Native Americans. During World War II, Navajo code talkers showed themselves an invaluable resource in the campaign against imperial Japan, and other Indians were recruited for the battle against German fascism. Of course while these individuals were esteemed by the military, it was decades before the civilian government recognized their contributions to the war effort.

World War II also provided the military an opportunity to demonstrate its resistance to the sorts of prejudicial passions that frequently overwhelm the civilian sphere. The battle against Hitler was bolstered by the Japanese-American 442nd Regimental Combat Team. The unit served with distinction in eight major campaigns throughout the European theater, and was the most highly decorated unit of its size in history. At home, on the other hand, politicians were rounding up Japanese-Americans and detaining them in what can only be termed concentration camps. Farms and businesses were seized and basic civil liberties were ignored. Years later, the results of these dissimilar policies are still with us: proud Japanese-American veterans march in parades, while our civilian authority cuts checks to interment survivors in a wholly inadequate effort to atone for detention.

Women:

Race isn't the only issue on which the military has shown itself more liberal than the civilian leadership; it has led the way on women's issues, as well. During World War II the military, recognizing the need to enlist the whole population in the war effort, employed women in a wide variety of fields. Hired directly by the armed forces and defense industry, notwithstanding initial opposition by politicians, women were integral components of the war machine, serving as mechanics, medics and pilots, among many other roles. After the war's end, civilian pressure forced the release of these women from their positions, but this sexist triumph was a short-lived one, as the American woman had proven to the military leadership that she was the equal of the American male.

Within a few years changing social attitudes forced the civilian leadership to drop its opposition to women serving in the armed forces. The top brass were ordered to begin integrating female soldiers into the services, and they were quick to implement these instructions. While doing so, the generals demonstrated again their keen political sensibilities by being careful not to point out—in public, at least—that, since World War II, it was the civilian, not the military, leadership which had denied females the opportunity to serve their country.

Over the past three decades the military has steadily increased the number of positions in which women can serve. This process has been guided by one central principle, mainly, that no one's life should be placed in jeopardy by the effort to expand the role women play in defending the nation. The complexities of meeting this requirement are harrowing, but the military has done an excellent job of balancing needs, capabilities and morale issues. The politicians, however, having first been slow to take up the cause of women in uniform, are now pressing for too quick an integration; Congress has imposed numerous requirements which have proven disastrous to morale and combat readiness, directions that have placed our female soldiers in a no-win situation.

The civilian push to see women integrated into flight units is instructive. Left-liberal politicians, anxious to gain a symbolic victory in the gender wars, demanded that the navy have female pilots flying off of aircraft carriers by a specified date. Any resistance to this arbitrary timetable was discounted as misogyny when, in fact, those opposing the directive were always careful to explain that they didn't oppose women in the role of carrier pilots; rather, their commitment to a go-slow process arose from a desire to ensure that only qualified women were admitted into the training program, so as to avoid the problems long associated with race-based affirmative action efforts. The admirals whose careers were ruined when they noted that standards were being eased in order to produce female carrier pilots by the Congressional deadline took little comfort in seeing their views vindicated by the death of Lt. Kara Hultgreen, who died when the engine of her F-14A stalled during an otherwise routine landing on the aircraft carrier Eisenhower. Despite receiving low scores and four unsatis-

Bringing the War Home: Force Multipliers and Domestic Policy

factory evaluations during her training and qualification, Lt. Hultgreen retained her pilot position after the earlier fight to remove Lt. Shannon Workman, the first fleet carrier operations qualified female in the Navy, made it clear that male and female naval aviators were to be held to different standards of performance and competence.

Homosexuals:

In addition to upsetting plans for integrating women into the armed forces, civilian interference has also ruined the military's carefully crafted—and effective—formal and informal policies towards gays. Homosexuals have always been and always will be present in the ranks. Generals know this; privates know this; even the Village People know this. Apparently, though, the executive and legislative branches never bothered to ask.

Soldiers and generals understand instinctively that morale and cohesion are the most important elements of any military unit. In consequence, any behavior that undermines these qualities is systematically eliminated, and for much of history, individual military units were free to determine and communicate, through implicit and explicit methods, their standards for acceptable conduct. President Reagan's decision to actively purge homosexuals from the military—offered as a boon to his conservative supporters—was a disastrously short-sighted policy. Outstanding service members were made the subject of witch-hunts that had nothing to do with operational readiness, and these investigations further demoralized a military already weakened by the Vietnam debacle.

As damaging as the Reagan-era investigations were, the transition from zealous prohibition to Clinton's "Don't ask, don't tell," only worsened the situation. Unit commanders now found themselves charged both with preventing anti-homosexual outbursts and behaviors, and with persecuting those service members suspected of being homosexuals. Under Reagan, the anti-homosexual purge primarily disrupted the lives of suspected homosexuals; with Clinton's policy, the entire armed forces became a confused battleground in which claims and counter-charges were issued and retracted. Theoretically, it was even possible for an individual to be tried for both expressing anti-homosexual sentiment and for suspicion of being a homosexual. Civilian meddling made the situation so bad, in fact, that more than one observer noted the parallels to the loyalty oath epidemic that brought American society to a halt during the early Cold War years.

Workplace Issues:

In addition to offering members of historically oppressed classes access to opportunities not available in the civilian world, the military has also provided these individuals with far greater workplace protection than is available in the civilian sector. For example, equal pay for equal work, a topic still being debated in the outside world, is the unquestioned norm in military circles. Within a job category, women earn, without exception, the same as their male counterparts. Though the military continues to struggle

with sexual harassment—a battle being fought just as vigorously in the larger society—there is no denying that, on the whole, women in uniform have far greater gender equity than their sisters in the civilian workplace.

And while the military's fundamental mission may be, "killing people and breaking things," it typically manages to accomplish these objectives in a

...there is no denying that, on the whole, women in uniform have far greater gender equity than their sisters in the civilian workplace

manner that minimizes the safety risks posed to its members. Certainly, death and injury are unavoidable during wartime, but in peacetime, the military's day-to-day record reflects a commitment to maintaining a safe work environment stronger than that shown by any comparable civilian-led industrial operation. The differences between the two worlds are most clearly reflected in the Uniform Code for Military Justice and its civilian equivalent, the regulations and procedures spelled out by

OSHA. The UCMJ specifies the rights and obligations of all members of the armed forces, and is binding on every service person, from the highest to lowest rank. It provides a framework for determining whether the risks associated with a particular workplace activity are acceptable, and it offers a mechanism for resolving grievances associated with controversial decisions and orders. OSHA, on the other hand, is widely regarded as a paper tiger offering little more than a set of guidelines that can be ignored at negligible risk to the offending firm.

Education:

Continuing education is a central element of the service person's experience. Soldiers are informed on their first day at boot camp that, while medals are helpful, education is the key to promotion. Every soldier is expected to finish his first tour with an Associates Degree, at a minimum, and graduate education is essential if one is to advance through the officer corp. In fact, it was the military that single-handedly brought about the marked increase in the level of education of the average American seen in the past century. The GI Bill, which guaranteed every member of the military access to higher education, was the most important component of this transformation. The success of the bill is undeniable; millions gained access to higher education and specialized training schools, and many experts contend that this bill, more than any other piece of legislation, cemented America's geostrategic position in the post-war era. But again, as with every other successful initiative crafted by the military, politics has undermined these programs and diluted their success. Over the past two decades, Congress has gutted the GI Bill, reduced and eliminated training budgets that ensured the continuing readiness of the armed services, and undermined the military's efforts to reach out to local school districts in which military bases are located. As a result, not only has there been a decline in the overall readiness of the military, but practically every benchmark of educational performance in the civilian sphere has declined, as well.

Bringing the War Home: Force Multipliers and Domestic Policy

Necessitamos una mano dura

America now faces a set of challenges unlike any it has met before: foreign and domestic terrorism, threats to public health, and illegal immigration are simply the most pressing. Individually, each of these issues poses a grave threat to the nation; together, they will bring the collapse of the American system—unless something is done. Clearly, the future of American democracy depends upon a rethinking of the relationship between our political and military leaders. Of course, America's unique tradition of uninterrupted civilian rule makes direct military oversight an unlikely (no matter how desirable) alternative; barring such a possibility, the time has come to identify those policy realms in which the civilian authority has shown itself incapable of arriving at consensus, and to turn responsibility for these areas over to the military leadership.

American democracy depends upon a rethinking of the relationship between our political and military leaders

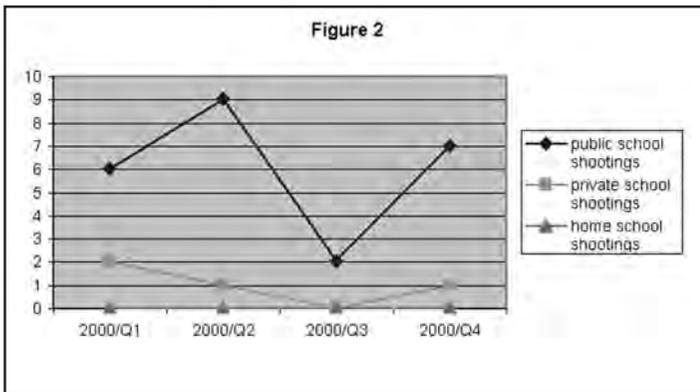
Several of the issues already described—race, sex, and workplace rights—are obvious candidates for consideration, as are those matters, like biotechnology, which, though not yet pressing, are certain to present challenges in the near future. To avoid a hodgepodge of overlapping authorities and conflicting bureaucracies, a simple rule may suffice for determining whether an area of discussion should fall within civilian or military administration: let the military hold sway in any area in which long-standing prejudices, irrational beliefs, or heated passions have play. Let the civilians govern where they serve best, in those fields where impartial judgment and reasoned debate are possible.

And just as we recognize the need for careful military intervention in matters traditionally reserved to civilian authority, we must also be willing to accept the undesirability of civilian interference in military affairs. History shows that the civilian leadership's efforts in military-related matters are almost always counterproductive, and so the policy of civilian oversight over internal military policies must be, if not eliminated, at least severely curtailed. One promising possibility is the creation of criminal penalties that would apply to members of the civilian leadership who force the military to adopt policies that are later shown to have been detrimental to the nation's security and readiness. Among its many advantages, a program of this sort would introduce a previously unknown sense of rationality into the Congressional debate over the military budget. Knowing that they face the threat of personal sanctions, our elected representatives would be far more likely to champion those line-items that are in the best interest of the country, rather than those charges that would benefit only a particular district or state.

There's nothing revolutionary about these proposed changes. In fact, many democracies have encountered exactly the same sorts of problems that now confront the United States, and have addressed them in just

these ways. Argentina, for instance, instituted the Process for National Reorganization in 1976, and in just a few years, a country torn by internal strife and wracked by economic crisis was transformed into a model democratic state, a favored client of the IMF, World Bank, and other leading institutions of the international community. Given a similar level of commitment, there is every reason to believe that the United States could achieve comparable returns.

Continued from page 42



The disproportionate rate at which shootings occur in public schools suggests only one conclusion: these institutions act as incubators for violence, providing society's disturbed with a motive for mayhem and access to the tools of bloodshed. The public schools are America's killing fields, a free-fire zone in which our youth risk their lives in pursuit of a by-all-accounts mediocre education. Who is responsible for the sorry state of our schools? One of the chief opponents of education reform is Senator Edward Kennedy. His longstanding opposition to meaningful change has puzzled analysts and pundits, and may be related to the facts revealed in figure 3 on page 56.

Deterrence Strategies in a Multilateral World

In response to growing interest among policymakers, the RAND Corporation commissioned a working group to study the issues surrounding nuclear deterrence in the twenty-first century. Our research project, one of the first to receive funding under this initiative, was recently completed, and the members of the working group are in unanimous agreement that a preliminary reporting should be distributed. American defense planning is at a crossroads, and it is essential that the future direction of policy be decided only after a careful review of the facts presented in studies like this one.

Our study was constructed to test whether principles of nuclear deterrence arrived at in a bilateral ($n=2$) world are applicable to a multilateral ($n=3\dots x$) environment. Groups of five to ten individuals participated in scenario driven encounters guided by Rand affiliated researchers. These participants were graduate students drawn primarily from the social sciences, all possessed at least top-secret clearance, and all were self-described as “interested” or “very interested” in international relations. Principal investigators monitored the sessions via one-way mirror, and all exchanges were videotaped in accordance with federal human subject guidelines. Individual interviews were conducted after each session, with participants isolated from one another until completion of the interview. On-site interviews were also conducted one and three months after the initial encounter.

The scenarios explored projected geopolitical crisis points of the next five to fifteen years, emphasizing situations involving American allies and threats to private American interests in excess of US\$1B in potential damages. Each scenario included nuclear and non-nuclear capable actors exhibiting a range of ideologies and degrees of legitimacy, with the scenarios modeled in such a way as to ensure zero sum outcomes. Extraneous factors impacting scenario evolution—bond markets, the Vatican, and such—were gamed by research assistants on loan from the War College. Representative non-classified scenarios included:

Chinese blockade of Taiwan

Rising nationalist sentiment in the PRC, enflamed by a slowing economy and rampant corruption, pushes the Communist Party into seeking immediate Taiwanese reunification. Chinese units armed with advanced force multiplying technologies acquired from the Clinton administration begin enforcing a naval blockade of the island. In response, Taipei activates its lobbyist network in the US, and within hours Congress and the White House are in agreement that America’s national security is threatened. A carrier group is dispatched to break the blockade, which is already threatening world stocks of consumer electronic goods.

Variation: A large percentage of Chinese nationals in the United States prove to be deep-cover infiltrators, and upon activation they begin a surprisingly successful campaign against America’s infrastructure. Especially hard hit are biotechnology firms, university research labs, and institutes of mathematics.

Turkey/Syria conflict over water

Turkey completes its waterworks project at the headwaters of the Euphrates and begins using its control over river flow to advance its regional interests. Syria, led by an increasingly erratic ophthalmologist, responds by calling for a pan-Arabic declaration condemning Turkish unilateralism. Israel announces its willingness to purchase Turkey's surplus fresh water supplies at the prevailing market rate, and in response an outraged Syria begins forward deployment of its nuclear forces: 5 air delivered devices, two vehicle delivered devices, and one suitcase piece. Turkey demands EU sanctioning of the "renegade Syrian state," but EU foreign ministers, busy negotiating their latest condemnation of capital punishment practices in the United States, refuse to intervene.

Variation: Syria's devices are not home grown but were purchased on the international arms market, and only the nation that sold the devices to Syria knows which, if any, will detonate at yield. France's position is further complicated by the need to keep its involvement secret from other EU nations, or face possible censure in Brussels.

Israeli/Arab confrontation over status of Jewish state

Israel's economic growth continues to make the Arab states look like the pathetic, ineptly run dictatorships they are. Arab leaders respond by denouncing Jewish hegemonic intentions, and a mysterious group rumored to have ties to the Saudi royal family begins distributing, "The Protocols of the Learned Elders of Zion," in the slums of Cairo and Damascus. Israel's dovish prime minister, distracted by a scandal involving the transfer of advanced munitions technologies in exchange for Beijing's support for an Israeli bid to host the Olympic games, dismisses the Arab League statement as, "empty saber-rattling intended only for domestic consumption." Student activists, emboldened by their recent success in pressuring Nike to close its third world operations, invade the Israeli consulates in Detroit and Los Angeles. Yemen announces general conscription. The Israeli military begins relocating the Jewish population into enormous underground bunkers whose existence has been kept secret until this time, while Arab citizens are provided with scooters and canteens.

Variation: The crisis takes place while a UN delegation investigating alleged Israeli war crimes is taking depositions in Jerusalem. UN officials demand that the warring parties observe a cooling off period in order to allow the safe exit of the delegation.

Confrontation between India and a Soviet client state in Pakistan

The Islamic regime in Islamabad, increasingly isolated due to its refusal to recognize international agreements banning child labor, now relies on the recently reconstituted Soviet Union for a large portion of its budget. India, an emerging superpower because of the efforts of returning H1B visa holders, treats the revelation of Soviet advisors in Kashmir as cause for reversing what it believes to be the grossest act of the colonial age: the partitioning of the subcontinent. Upon completion of the Ganesh festival, Indian

regulars advance into Pakistan which, due to a shortage of spare parts for its American made equipment, is forced to activate its defensive alliance with the Soviets. The Soviet leader, just returned from a successful tour of the Sunday morning talk shows, vows to turn back this counter-revolutionary aggression.

Variation: In the midst of the crisis a once-every-century typhoon, the third in as many years, strikes Bangladesh.

Nuclear capable NGO

A prominent NGO announces that it has acquired a dozen suitcase sized nuclear devices and indicates its willingness to use these devices unless stalled talks on global warming make significant progress. Several island nations, all in danger of disappearing beneath the waters of the Pacific, laud the group's stance. Observers begin to suspect that the NGO has placed a mole in the President's inner circle after a transcript of a conference call between the national security council and the CEO of Exxon appears on the website of a prominent Internet gossip columnist. As the situation deteriorates, the Wall Street Journal publishes an unsigned editorial arguing that events of this sort will continue to occur until the United States returns to the gold standard.

Variation: Efforts to disarm the NGO are complicated by alleged ties between the First Lady and the NGO's reclusive leader, a former child actor.

Our study found that much of the conventional wisdom arrived at under a bilateral nuclear regime is inapplicable to the multilateral age. Some of the more surprising insights include:

Conventional wisdom: Any nuclear exchange is bad.

New wisdom: Not all exchanges are created equal.

Our findings demonstrate that the preference for non-exchange returns few, if any, benefits in situations with $n > 2$ actors. Nuclear devices administered under conventional strategic theory have the effect of freezing existing borders and policy positions, and in a bipolar world dominated by elites with a vested interest in perpetuating a state of conflict this has the effect of promoting a steady state solution. In a multilateral world characterized by asymmetrical resource allocation, however, such a freeze fuels rising tensions and results in more extensive conflict than might otherwise have taken place. In scenarios involving the Kashmir, for example, it was observed that a limited exchange between India and Pakistan, one on the order of three to five devices each, total casualties not more than one hundred million, had the effect of bringing about an overall reduction in tension between the two sides, and an increased commitment on the part of the players to finding an equitable settlement. Reluctance to pursue such a course led, in every case, to a much larger exchange, with almost complete depletion of stockpiles and losses on the order of five hundred million.

Conventional wisdom: Open inspection regimes promote mutual security.

New wisdom: There aren't enough inspectors to survey all of Brazil.

The research suggests that agreements guaranteeing independent inspection and monitoring only increase the rewards to be gained from pursuing a strategy based on concealment and deceit. Treaties of this sort only lulled trusting actors—particularly those representing democratic states—into a false sense of security. This held true for large and small players, and was particularly noteworthy in those scenarios in which one or more participants lacked satellite surveillance systems. The research also suggests that arms control schemes return only negative benefits to actors choosing to adopt a policy of compliance. In fact, participants who evidenced a commitment to control schemes were frequently identified as “suckers” by other actors, with encounter results being generally supportive of such an interpretation.

Conventional wisdom: Strong command and control is vital to ensuring survivability and security.

New wisdom: Lots of footballs, lots of keys.

The results indicate that strong C&C is counterproductive in an environment where numerically limited strikes—not superpower scale war-gasms—are the rule. Weak, decentralized structures reduce the possibility of beheading through localized attack, a real threat to regional powers. Players gaming Israel repeatedly learned this lesson: more than once a car bomb eliminated much of the IDF general staff, and other actors exploited the resulting crisis in control by launching a decisive strike. Similar results were even evidenced in some scenarios involving the United States, especially those which sought to realistically portray the possibility that the highest levels of the American government had been infiltrated by a secret cadre committed to a restoration of the Southern Confederacy.

Conventional wisdom: A counterstrike capability with high survivability must be the cornerstone of a nation's nuclear forces.

New wisdom: It's all about the first punch.

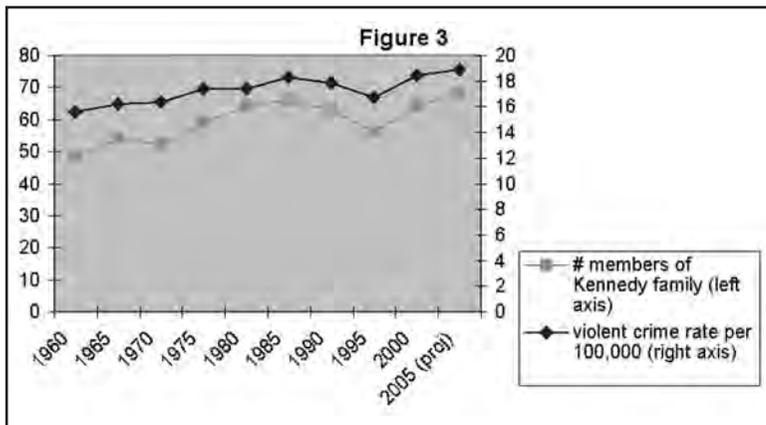
The data demonstrates that a first strike capability can be decisive, particularly in the case of regional powers with limited arsenals. Counterstrike theory, evidenced most clearly in the MAD doctrine, demands a significant commitment of resources to ensuring the survival of a counterstrike force, but this may not be an economically viable option for small actors. Instead, the study found that small states maximized their returns by exhibiting a willingness to quickly use their nuclear devices. Though this had the effect, at times, of spurring nuclear exchange sooner than it might otherwise have transpired, the advantage gained from a successful first strike was large enough that most actors found the risk of early escalation to be acceptable.

In addition to demonstrating the failings of conventional deterrence theory, our study has immediate implications for the ongoing debate over the deployment of a missile defense system. In particular, our research highlights the pressing need for the United States to develop a broad set of

nuclear countermeasures. A space-based defense system, coupled with sea-launched interceptors and lasers deployed on commercial class 747s, was found to provide American players with significant benefits in a range of scenario variations, so much so that even the supervising researchers were surprised. Though a defensive technology, a missile shield facilitated the projection of American strategic influence, and the advantages gained were so great that other participants complained that the technology caused American actors to pursue policies far more aggressive than was warranted. In one memorable incident, an American player announced that he had, “already won,” and that everyone might as well go home. When prompted by the referee to expand upon this statement, the player declared his intention to, “nuke anybody who doesn’t do what I tell them.” Further investigation is clearly warranted in order to determine whether this behavior is an understandable consequence of the presence of the defensive shield, or simply an artifact of the scenario method of research, one revealing the inherent difficulty in modeling domestic public opinion.

In light of the overwhelming benefits that America accrued as a result of the missile shield, other actors found it necessary to fund initiatives aimed at circumventing these measures, thereby provoking an escalating exchange of measures and counter-measures. Smaller players, unable to compete at these stratospheric levels of expense and deployment, quickly shifted their resources to the development of low-tech delivery systems like suitcases, shipping containers, and NAFTA-licensed trucking firms. This shift in behavior suggests that US efforts to deploy a space based shield are not enough to secure the homeland, and that there also exists a need to allocate resources to the development of defensive technologies aimed at deterring the possibility of land and sea based strikes. In fact, the evidence demonstrating this need is so strong that the RAND Corporation, in conjunction with DOD, has begun assembling a task force to examine the matter in greater depth. Funding levels remain undetermined, but the initial response suggests that there exist significant Congressional support for such an undertaking.

Continued from page 50



The American ruling class, a victim of inbreeding and wealth's inevitable suppression of natural selection, is markedly less intelligent than the population as a whole. Given this fact, it is essential that the public schools produce ignoramuses capable of empathizing with anyone's interest but their own. These persons are unlikely to bring critical faculties to bear on the existing social order, and are more willing to join in the dangerous and ill-conceived doings of the pampered elite. Public school graduates are the sorts of individuals who accompany the wealthy on drunken drives into large bodies of water, for example, and join them for late night walks along sandy beaches beside family compounds in Florida.

Continued on page 70

License and Registration, Please

The 1990s witnessed an across the board decline in nearly all forms of criminal activity. As the table shows, murder fell 40 percent from its 1991 high, aggravated assault fell by 20 percent, rape by more than a quarter, and property crimes by similar percentages.

Instances per 100,000 Inhabitants

	1991	1992	1993	1994	1995	1996	1997	1998	1999
Murder and non-neglegent homicide	9.8	9.3	9.5	9.0	8.2	7.4	6.8	6.3	5.7
Forcible rape	42.3	42.8	41.1	39.3	37.1	36.3	35.9	34.5	32.7
Robbery	272.7	263.6	255.9	237.7	220.9	201.9	186.3	165.4	150.2
Agravated assault	433.3	441.8	440.3	427.6	418.3	390.9	382.3	361.3	336.1
Burglary	1,252.0	1,168.2	1,099.2	1,042.0	987.1	944.8	919.4	863.0	770.0
Larceny	3,228.8	3,103.0	3,032.4	3,026.7	3,043.8	2,979.7	2,893.4	2,729.0	2,551.4
Motor vehicle theft	659.0	631.5	606.1	591.3	560.4	525.6	506.0	459.8	420.7

1

These declines are impressive, but without context they are also meaningless. The fact is, *the aggregate level of violent crime in America today remains about 250 percent higher than it was in 1960*. Even with the best efforts of the past decade, one marked by a return to law and order policies and a quadrupling of the US prison capacity, criminal activity remains near historic highs.

Two theories competed to explain this surge in criminality. One school held that demographics were responsible, that the rate of criminal activity was primarily a function of the size of the young adult male population. On the other side were proponents of an economic explanation; they argued that crime was a function of factors like real wage levels and unemployment. In the absence of any definitive evidence, the two sides fell into a stalemated position, with each using its respective journals and conferences as a platform for attacking the other.

Given the vitriolic nature of the debate, it is no surprise that recent research which appears to settle the issue once-and-for-all has been met with consternation. This lukewarm reception may be due to the conclusion suggested: the data shows that, while economics and demographics each play a role in fostering criminality, the single most powerful factor in explaining criminal behavior in known offenders is... an upbringing in a fatherless household! These studies show a greatly increased risk of criminality in children raised by single mothers when other factors, such as income, geography and education level, are held constant.² By some estimates, a 10 percent increase in local illegitimacy leads to a 17 percent increase in local violent crime.³ As psychiatrist Jack Westman explains, "The family profiles associated with criminality have been described both

¹ Source: FBI Unified Crime Reports.

² LaFree, Gary. *Losing legitimacy: Street crime and the decline of social institutions in America*. Boulder, CO: Westview Press, 1998

³ Fagan, Patrick F. *The American family: Rebuilding society's most important institution*. In Stuart M. Butler and Kim R. Holmes (Eds.) *Issues 2000: The candidate's briefing book*. Washington, D.C., The Heritage Foundation, 2000

statistically and qualitatively. According to the Bureau of Justice Statistics, 72 percent of youths in long-term state-operated juvenile institutions come from other than two-parent homes.”⁴ Boys raised in fatherless families are roughly seven times more likely to engage in criminal behavior, and 2.7 times more likely to serve serious prison time, than boys raised in a two-parent home. Children raised without their fathers in the home are twice as likely to drop out of school than children raised with their fathers, and girls raised in a fatherless environment are much more likely to have

...parents who rear their children out of wedlock tend to have substantially lower IQs than married parents

children out of wedlock, thus continuing the cycle of poverty and pathology.⁵ Children raised in fatherless homes are about 14 times more likely to be abused than their counterparts in a two-parent home, and 33 times more likely to suffer abuse if the mother’s boyfriend (not the child’s parent) is living under the same roof.⁶

Fatherless parenting is associated with less obvious—and more controversial—disadvantages, as well. Parents who rear their children out of wedlock tend to have substantially lower IQs than married parents who raise their children together under one roof.⁷ This observation, along with evidence that intelligence as measured by IQ scores is highly heritable, suggests that illegitimate children likely have lower IQ scores than children raised in two-parent homes. Low IQ may also be responsible, in part, for the dysfunctional family structures that produce unsocialized children, in that less intelligent individuals are less likely than their more intelligent counterparts to appreciate and manage the difficulties associated with attempting to parent children alone. Given this tendency, as well as the close relationship between criminal activity and fatherless rearing, it is no coincidence that White males who have been arrested score on average 10 points lower on IQ tests than White males who have never been involved with the criminal justice system.⁸

A REMEDY

It still remains unrecognized that to bring a child into existence without a fair prospect of being able, not only to provide food for its body, but instruction and training for its mind is a moral crime, both against the unfortunate offspring and against society; and that if the parent does not fulfil this obligation, the State ought to see it fulfilled at the charge, as far as possible, of the parent.

John Stuart Mill⁹

Once the relationship between crime and poor parenting is recognized, an obvious remedy to both problems presents itself: the federal government

⁴ Westman, Jack C. *Licensing Parents: Can We Prevent Child Abuse and Neglect?* New York: Insight Books, 1994

⁵ Maynard, Rebecca. *Kids having kids : economic costs and social consequences of teen pregnancy.* Washington, D.C.: Urban Institute Press, 1997

⁶ Whelan, cited in Fagan.

⁷ Lykken, David. *The antisocial personalities.* Hillsdale, NJ: Lawrence Erlbaum Associates, Inc., Publishers, 1995.

⁸ Lykken, 1995.

⁹ Mill, John Stuart. *On liberty.* 1859. New York: Penguin Classics, 1986

should institute a system of parental licensure to guarantee that prospective parents meet minimum competency requirements before being granted the privilege of bringing a child into the world. Just as we license other activities and professions that could cause harm when performed improperly, parenting should also be subject to review and regulation by the state.

The parental licensure program described here is a skeletal version of the one proposed by University of Minnesota psychologist David Lykken in his article, "The American Crime Factory."¹⁰ His system would exclude from parenthood, either temporarily or permanently, those individuals lacking the economic or psychological resources to support a child in a manner conducive to its growth into a well-adjusted adult. Lykken offers five criteria that would serve as a basis for this licensing scheme:

1. Neither parent may have a debilitating mental illness, or have been convicted of a felony associated with violence, nor of a misdemeanor involving domestic violence.
2. The couple must demonstrate an income stream sufficient to provide the basic necessities for themselves and their child.
3. Both parents must have successfully completed a course in basic parenting skills, one provided free of charge by the licensing authority.
4. The couple must provide a marriage license, proof of common-law marriage status, or some other reasonable guarantee that the child will be raised in a two-parent home.
5. Neither parent may have previously initiated a divorce while responsible for children under the age of twelve, and neither parent may have a history of failing to pay court ordered child support.

Those individuals who cannot meet the minimum criteria described here would not be allowed to parent

In no way can these criteria be construed as draconian regulations intended to prevent worthy parents from having children. In fact, adoptive parents will recognize these criteria as being very similar to the conditions they were required to meet before being allowed to adopt children. As a matter of equal protection with regard to the rights of children, there is no justification for the practice of screening biological parents any less rigorously than their adoptive counterparts. Prospective parents who are refused a license will have recourse to an appellate body empowered to identify special circumstances and to grant licenses in contravention of the original refusal when it sees fit. And it is important to note that none of these requirements interfere in any way with the application of "alternative parenting" philosophies, unless of course these alternatives allow for child abuse, malnourishment, or abandonment.

Those individuals who cannot meet the minimum criteria described here

¹⁰ Lykken, David. "The American crime factory." Unpublished Article. U of Minnesota

would not be allowed to parent; if they have children without a license, their offspring will be put up for adoption. Habitual scofflaws will be sterilized after the second offense. As harsh as this may seem, the right of children to be raised in an environment free from violence and abuse must be given precedence over the right of incompetent individuals to burden society by their lack of self-control.

Unexpected pregnancies need not be problematic. The process described above would still apply, and the parents would be required to seek a license before the child was born. In those cases where a child is carried to term by parents who cannot or will not fulfill the licensure requirements, the child will be removed from their custody immediately after birth, pending fulfillment of the licensing requirements. Children removed from their parents' care will be placed with a foster family or, if the foster care system cannot provide for them, in a federally funded, locally administered childcare cooperative. These cooperatives will achieve several important goals simultaneously. Most importantly, they will provide material and social necessities to children who would otherwise be deprived of them by incompetent parents. And while doing this, they will provide both employment and childcare training to potentially licensable young people who are willing to make a commitment to becoming competent parents.

OBJECTIONS

1. Aren't you proposing to give the power to decide who has children to a potentially racist or classist agent of the state?

As stated above, the criteria set forth are hardly subjective. If a couple meets these conditions, they will be allowed to have a child. Of course, as in any bureaucracy, there will always be room for abuse by self-interested bureaucrats, but the possibility of such abuse is the appellate body's *raison d'être*. And, for further protection of individual rights, it may even be desirable to allow another level of appeal beyond the board to a family court judge. This is essentially the same appeals process already in place for handling charges of discrimination in administrative matters, and there is every reason to believe it will work in this situation, as well.

2. Whether by design or not, this program is an attack on the poor. How can you deprive poor people of the right to have children simply because the existing social order denies them the ability to earn a decent living?

Look, as long as we're discussing seemingly impossible applications of common sense to public policy, we might as well allow (as Lykken does) for the substitution of all federal and state welfare programs by a federally sponsored job for everyone who wants one, on the model of the WPA or CCC. A program of this sort would provide job training, lower the costs of many essential services, improve American infrastructure, and could be structured in such a way as to provide an income sufficient to allow parental licensing.

3. This plan is eugenics by another name, and eugenics is forever tarnished by its association with fascism.

Lykken describes his proposal in the following way:

The correct name for the program advocated here is a new term, "eumemics," coined by the anthropologist, Vincent Sarich, and based on another new word, "meme," coined by the British evolutionary biologist, Richard Dawkins. Just as the gene is the unit of genetic influence upon the development of the individual, so the meme is the unit of experience or environmental influence. Then "eumemics" is the science of maximizing good memes and minimizing the bad ones in the developmental experience of our children.¹¹

Of course, even when drawing a distinction between eugenics and eumemics, Lykken acknowledges that a parental licensure program of this sort would have eugenic consequences—but what of it? Objections like this demonstrate a problematic breakdown in critical thinking, akin to maintaining that Hitler's implementation of a full-employment regime in Germany in the 1930s discredits Keynes' macroeconomic theories. Eugenics as a pleasant byproduct of policy differs in type from eugenics as a primary aim of policy.

4. It seems obvious that, for a variety of social and historical reasons, a program like this will deny a disproportionate number of Blacks the right to bear children; therefore, implementing such a program with full knowledge of this consequence is unarguably racist.

One can also say with confidence that implementing this program will unarguably save a disproportionate number of Black children from miserable lives of poverty and violence. And it will have positive effects within the Black community, as well, since most crime committed by Black perpetrators is committed against other Blacks. Clearly, a program of parental licensure is no more racist than affirmative action, another social initiative whose benefits accrue disproportionately to Blacks. In fact, the key distinction between the two is the manner in which each is applied: parental licensure would be applied to all prospective parents, without regard to race, while affirmative action is race selective.

5. Giving birth to children is a God-given right, and no state in the world can take that away from me!

The notion of "God-given rights" has little place in rational discourse, and those who believe in them will find this an uncomfortable discussion from beginning to end. Now, secular philosophers have long enunciated the concept of inalienable rights emanating from principles of natural law, and this thinking is more worthy of attention. Nothing in the concept of parental licensure interferes with an individual's inalienable rights any more than is to be expected within the framework of civil society. Living with others undeniably involves the attenuation of one's absolute rights, and the degree of acceptable attenuation of those rights is, to a large

¹¹ Lykken, "The American crime factory."

degree, a function of the social outcomes desired by the community. Too many libertarians wish to reap the rewards of modern, complex, social-industrial production, while obeying only those sparse legal and social rules that applied to pre-capitalist tribal communities. This means that, in all probability, no program, no matter how socially advantageous, will satisfy a radical libertarian. An individual may have the physical capacity to operate a motor vehicle without a license, or to release mercury into a lake whenever she pleases, but the community has denied her the free exercise of these rights for the simple reason that, in modern societies, individual actions have predictable consequences that extend beyond the individual. Parental licensure recognizes the durable negative effects that an unsocialized adult can have on the entire community, and is therefore, without question, a communitarian project. Industrial society is necessarily communitarian in nature, and no amount of wishing will change that.

6. Let's pretend parental licensure becomes the norm—where will it end? Isn't this simply a step on the path to totalitarianism?

Parental licensure recognizes the durable negative effects that an unsocialized adult can have on the entire community

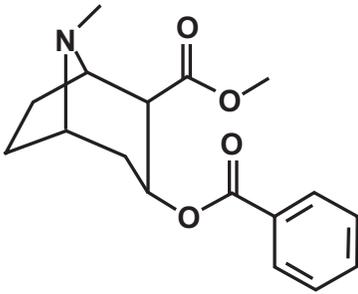
Fears of the creeping power of the state are well-founded, but arguments against state regulation always seem to focus on the logical possibility of one more regulation leading to a totalitarian future. Sure, parental licensing might lead to other, more intrusive regulations, but one could have said the same of laws against child labor, compulsory education laws, court ordered child

support, and residential health codes—after all, what business is it of the state to tell me how and in what conditions I raise my child? Obviously, though, once it was recognized that children had rights and were not simply the property of their parents, it became necessary for the state to safeguard these rights, and it did so by adopting and enforcing laws that limited the rights of parents with respect to their children. So, while it is logically possible that these instruments of child protection have set us on an irrevocable course towards the complete and utter destruction of our individual liberty and our total incorporation into a bureaucratic dictatorship, they have definitely protected the rights of millions of children, and saved many of them from lives of desperation and suffering.¹²

It goes without saying that the objections dealt with here are strictly philosophical; implementation related questions are obviously too numerous to treat in this limited space, and are not relevant to the parental licensure project at this stage of the discussion. As the feasibility of social initiatives depends more often than not on the political will that exists to undertake them, advocates of parental licensure must focus on libertarian and leftist protests if they wish to bring their proposal to a wider public.

¹² Note, as well, the explicitly Christian and millenarian character of this objection: come the "End Times," a small group of the faithful face the Beast (the evil State) which deceives the masses by performing seemingly good and miraculous deeds (social engineering) and then demands submission to its laws. Those who choose to follow God's laws are persecuted, and a vision of Hell is invoked to warn of the punishment awaiting the faithless. But instead of representing Hell by means of Babylonian mythology as in Revelations, modern libertarians invoke the Hell-on-Earth that was the gulag of Soviet Russia. Now, an individual has every right to believe in the mythology of his own choosing, but let's have full disclosure if the application of these superstitions is impeding social progress.

While confidently trumpeting this simple prescription for a set of entrenched social ills, it must be admitted that the point where crime, race, and personal liberties intersect is a politically charged one. Progressives recognize the critical importance of the childrearing environment when it translates into material conditions such as class sizes, the provision of day-care, subsidized housing, school lunch programs, and other welfare efforts reminiscent of the Great Society, but attempts by conservatives to justifiably implicate poor parenting in the perpetuation of social dysfunction are condemned as veiled strategies intended to cut already meager social funding. Whatever the political utility of the conservative position, there is a great deal of research suggesting that the composition of a child's home environment is the most important factor in determining the adequacy of that child's socialization, and thus his social success. Stemming the flow of unsocialized children and criminal adults onto America's streets means shutting down the production facilities that are turning them out at ever-increasing rates. Far from being a jackbooted government incursion into the reproductive rights of the citizens, an effective parental licensure program will re-focus attention on protecting the rights of children, and reaffirm the right of average citizens to feel safe and secure in their homes and neighborhoods.



"Towards a Transformational Grammar of Cocaine: Addiction as a Language Game" by Patricia Nielsen

Pre-publication reviewers are raving:

- *"a devastating critique of contemporary rehabilitation efforts"*
- *"a strongly worded call to arms...it should be required reading for any drug warrior having second thoughts"*
- *"a brisk dose of sanity among the posturing and rhetoric of the drug legalization effort"*
- *"a must-read for all persons with an interest in the future of U.S. narco-policy"*
- *"With the publication of this book, Nielsen has done a great service for anyone in need of an accessible, single volume summary of the linguistic basis underlying the addictive personality. Beginning with a fresh re-examination of the links between the founders of modern psychotherapy and the drug culture of the 1960s, the author traces the relationship between the increasingly sophisticated propaganda of the pro-drug forces and the semiotic patterns exhibited in the speech and thought processes of late adolescent addicts. A delicious read!"*

This title will be available in hardcover beginning December, 2001.

Published by Cambridge Press

Blueprint for an Effective Global Order

In the half century since its creation, the United Nations has amassed a record unblemished by any but the most qualified of successes. From Korea to Sarajevo, with countless sub-Saharan stops in between, the internationalists and their blue-helmeted retainers have shown an unfailing ability to make matters worse, their arrival always signaling the escalation of a crisis. And the U.N. isn't alone in this inability to bridge the gap between rhetoric and action: the international community has consistently failed in its efforts to bring peace, democracy, and prosperity to the world's trouble spots. Though their defenders would have us believe otherwise, this ineffectiveness does not stem from a lack of resources—all of these organizations have annual budgets exceeding the GDP of many of their member states. Instead, their troubles are systemic in nature.

Flawed principles give rise to misdirected efforts

These organizations are charged with promoting feel-good abstractions like 'peace' and 'democracy'. These are easy ends to advocate, but making them real requires choosing among the claims of often-irreconcilable interests. International organizations, committed as they are to democratic process, are ill-suited to balancing these demands, a fact reaffirmed each time American forces are called upon to rescue U.N. peacekeepers from yet another foreign entanglement. And as difficult as it may be to bring peace, 'nation-building' is an even more challenging task, one further complicated by this tendency to fetishize the ballot box.

Democratic pluralism is not an appropriate political framework for all cultural and economic contexts, but it is the only system acceptable to the institutions charged with the task of development, guided as they are by charters espousing universal rights and freedoms. Were the international community motivated by an impulse more pragmatic than the desire to cultivate democracy, the world would be a safer, more stable place.

The structure of the U.N...guarantees that any initiative which poses even the slightest challenge to established authority will be derailed

Corrupted parts and a poisoned whole

The structure of the U.N., with the privileged few members of the Security Council having veto authority over any act of consequence, guarantees that any initiative which poses even the slightest challenge to established authority will be derailed. Because actions that advance ideals like 'democracy' and 'peace' subvert exactly these entrenched interests, there will always exist institutional resistance to policies that further these values. And just as problematic is the unwillingness of the world's most powerful nations to vest these bodies with binding, decision-making authority. Of course, this reluctance to cede sovereignty to institutions in which non-democratic states have comparable representation is perfectly understandable, as it is politically impractical and ethically immoral for liberal states to voluntarily surrender any degree of authority over their citizens and holdings to bodies that reflect, because of their composition, non-democratic values.

Careerist dreams of a foreign appointment

Though the principles that guide international bodies may be idealistic, such a charge cannot be leveled at the bureaucrats who staff these organizations. Assignment to one of these bodies is frequently the only means

Unlike their state suckled internationalist cousins, market discipline has shaped the F50 into the creatures they are

of escaping an overpopulated, tropical hell-hole, and it takes years of politicking and bribery for a civil servant to even be considered for such a plum position. The lucky few that make it to Geneva, Brussels, or New York, live in terror of repatriation, and they take great care to avoid offending any institutional interest that could threaten their tenure. These transplanted bureaucrats quickly find that the

safest course is to build a reputation as a 'consensus builder', someone quick to recognize the wisdom of received opinion and respectful of the organization's leadership.

Darwinian processes shape even this sphere of life

Contrast the failure of the international community with the success of the Fortune 50. Each day, multinational corporations profitably deliver billions of dollars in goods and services to consumers around the world, accomplishing this with a minimum of taxpayer subsidy and government protection. Unlike their state suckled internationalist cousins, market discipline has shaped the F50 into the creatures they are, organisms optimized for survival in the international jungle. These firms are characterized by a clear sense of mission, one expressed in the balance sheet and subject to the instantaneous discipline of the markets. Their org charts are lean, with flattened hierarchies and well-defined profit centers, and they are staffed by motivated individuals, each of whom knows that her personal success is dependent upon her ability to identify opportunities for advancing the organization's interests.

These companies deftly overcome the same political and logistical impediments that thwart the best efforts of international agencies. Their influence extends from world capitals to war zones, and though they may not be liked, they are always respected. Given this record of success, there is every reason to believe that these MNCs can successfully handle the kinds of undertakings currently reserved to international agencies. Certainly, they can do no worse than the international community has done. All that's needed is a way of enticing the F50 into dedicating their talents and resources to the resolution of the problems that plague the world's most desperate lands.

Identifying an appropriate incentive structure is an easy task. These firms have never concealed their desire for trade liberalization; in fact, they've spent vast sums lobbying to hasten its arrival. Since even the most optimistic proponents of liberalization concede that global acceptance of such a program is at least a generation away, it stands to reason that any MNC gaining preferential treatment in the present will profit handsomely. This,

then, is our carrot: narrowly targeted trade liberalization, specifically, the granting of well defined trading rights and exemptions, fully enforceable through WTO mechanisms, to an individual MNC in exchange for its assistance in resolving a long-standing political or social problem.

No pie in the sky vision

In its early stages, the program will involve the adoption of a wayward nation by an MNC 'big brother'. The MNC will be responsible for coaxing the nation's leadership into implementing any needed reforms and educating the populace about the need for these reforms. In return, the company will receive special trading rights in proportion to the geopolitical significance of its success.

General Electric, for example, might be offered a worldwide 5% reduction in all tariffs imposed by WTO signatories on the movement of arms related materials in exchange for coordinating central bank reforms in South Korea. As the MNC participants in this program gain experience in the day-to-day administration of a nation-state, more complex situations—those requiring a greater devolution of decision-making power from the nation's administrative apparatus to the MNC—can be addressed, with correspondingly richer rewards available. A corporation tackling a more difficult scenario—peace in Colombia, perhaps—might gain a worldwide 50% reduction in all trade barriers related to its core business, for a period of up to a decade.

Eventually, it may even be desirable to allow troubled regions to be placed into a state of receivership by a supermajority vote of the WTO

As a confidence building measure, the first clients admitted into this program should be states whose troubles are easily addressed: for instance, those whose troubles stem from the incomplete adoption of the neoliberal reforms necessary for success in the new global marketplace. Initially, participation will be on a voluntary basis, but after a time it may become necessary to make World Bank loans, IMF aid, and other assistance contingent upon participation in the program. Eventually, it may be desirable to allow troubled regions to be placed into a state of receivership by a supermajority vote of the WTO, with day-to-day administration of these "failed states" turned over to a qualified MNC.

A program of this kind will require extensive planning and preparation in order to succeed. Country-specific indicators—social, political, and economic—will have to be identified, and benchmarks devised to track them. Objectives must be clearly spelled out, with milestones agreed upon and exit conditions stipulated. All negotiations will need to be conducted in secret, of course, in order to deter any third party that might wish to disrupt the program by skewing one or more 'money' indicators. An unscrupulous competitor, knowing that a participating firm's compensation was based, in part, upon the level of unemployment in its partner nation, might seek to boost the number of jobless by provoking a refugee influx from a neighboring country. Care must also be taken to avoid over-speci-

fyng the means by which any goals are to be met, as the approach adopted by an MNC will be as unique as its corporate identity.

Animus in consulendo liber

Security and defense matters must be addressed with great care. Most MNCs lack the resources and knowledge needed to manage a complex security operation, much less field a force larger than a few regiments, and even in cases where such a thing is practical, any move of this kind would likely provoke a negative reaction from a public not yet ready for the privatization of a function still considered by many to be a fundamental responsibility of the state. Because of this, these needs will be met in the early stages of the program by a multinational force, one drawing its membership from the pool of WTO signatories, with contributions in proportion to a nation's share of world GDP.

This force will have several responsibilities, its primary duty being to provide MNCs with the specialized knowledge required to adequately utilize the military resources of a partner nation-state. It is inevitable that some participating nations will be in a state of conflict when they enter this program. Unfortunately, most MNCs have little experience in this field; in consequence, they will need assistance supervising and deploying their partner's defensive resources. The independent, WTO-affiliated force will provide this assistance, on terms specified in the master agreement.

There may also be occasions when an MNC-proposed remedy requires military capabilities not possessed by the partner state. Advanced satellite reconnaissance and NBC related actions are obvious examples, but in the case of less developed states, it may be something as simple as access to a mechanized infantry unit for a short period of time. The WTO force will be available to meet these needs, as well, on a fee-for-service basis. Of course, contractual protections must be in place to prevent the deployment of elements of this force against other WTO affiliated resources.

Finally, the master agreement between the WTO, MNC, and nation-state will describe a complex web, with extensive asset transfers, physical and human resource grants, and the like, and in order to safeguard the interests of all parties involved, there must be a speedy mechanism for resolving disputes and enforcing contractual terms. It is assumed that impartial WTO appointed arbitrators will fill this role, and that WTO forces will enforce any judgments. Of course, it is unlikely that these forces will ever need to act as collection agents; instead, the mere presence of troops charged with enforcing any terms of agreement should be enough to motivate compliance.

The arc of history is towards justice

Ecuador will make a fine test case. In response to public protests, the country's leaders have repeatedly postponed the implementation of needed structural reforms. Wrongheaded policies designed to protect the traditional Ecuadorian way of life—subsistence living in unheated huts nestled

against barren mountains—have amplified the economic costs associated with these delays, and Ecuador now finds itself battling inflation, unemployment, and a restless indigenous population. Unless something is done, Ecuador risks losing its place among ‘developing’ nations and slipping back into the third world.

Any MNC partner must have a presence in the region and possess the resources to badger Ecuador into acting in its own best interest. The company must be skilled at portraying hardheaded policies in a consumer friendly fashion, and have a demonstrated ability to work with recalcitrant regimes. It just so happens that Texaco, one of the world’s most powerful MNCs, has extensive dealings in Ecuador. The company’s yearly gross of \$50B is almost equal to Ecuador’s reported \$54B, indicating its managers are already comfortable running an operation of this size. Texaco’s enormous public relations machine has quietly dominated American politics for years, and would have no trouble managing Ecuadorian public opinion. Similarly, the company’s leadership, accustomed to negotiating with many of the world’s most hostile regimes, is well equipped to navigate Ecuadorian politics.

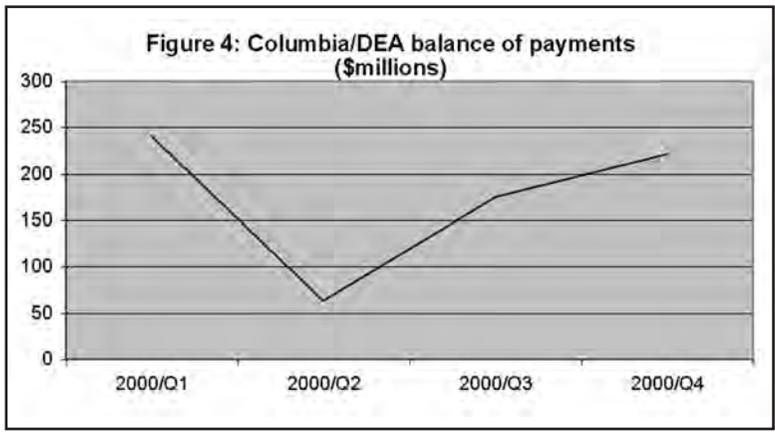
Texaco’s enormous public relations machine has quietly dominated American politics for years, and would have no trouble managing Ecuadorian public opinion.

Texaco will be charged with managing Ecuador’s transformation into a modern economy. This may include executive retreats with Ecuador’s political elite, media campaigns directed at the Ecuadorian public, anti-insurgency raids into the remote jungle—anything Texaco’s managers deem necessary. If successful, the company will receive an appropriately lucrative set of trade privileges. Texaco’s concentration in petrochemical production and distribution makes it easy to imagine a bundle of incentives sufficient to draw the company into a partnership of this sort. Given Ecuador’s proximity to the United States, a likely option is the stair-step elimination of any trade barriers affecting the transfer of petroleum products between South America and the United States on ships sailing under Texaco’s flag.

It would be no surprise to find that the novel nature of this project causes some Ecuadorians to fear that their national sovereignty is being eroded. Clearly, no such threat exists, but care must still be taken to alleviate these concerns. Towards this end, any master agreement must provide a mechanism for rewarding key opinion makers willing to assist in easing Ecuador’s transition into the program. In exchange for lump sum transfers, these individuals would be expected to use their positions to bolster support for such a move, and to counter any opposition. Prominent media figures and established political leaders are obvious candidates for recruitment, as are military officers, law enforcement officials, and members of the intelligence apparatus.

Continued from page 56

When not preying upon their fellow citizens, the Kennedys, like millions of other Americans, do their part to bolster the international drug trade. The drug business has grown so large, in fact, that only close cooperation between foreign suppliers and agents of the federal government can ensure that the needs of the American people are met in a timely, cost-effective fashion. In June, CitiCorp released the data given in figure 4:



After a slump in the second calendar quarter—attributable, in part, to the agency’s own “Operation Guardian” anti-corruption investigation—the balance of payments between the Colombian drug cartels and the DEA returned to healthy levels. Though the rise of the Internet is often cited as a once-in-a-lifetime opportunity for motivated members of the lower classes to improve their social and financial standing, one must not overlook the fact that the DEA, INS, and ATF have also given thousands of persons who might otherwise have been forced into a life of crime the opportunity to accrue social prestige and wealth at a rate far beyond what their meager talents warranted.

Continued on page 78

Books and Publications

A Question of Conscience

David Jacoby, S.O.J.

Vatican Press, 2001

The Vatican's role in the anti-revolutionary struggle of the late 1970s is often overlooked. If they give it any thought at all, most people remember priests of this era—and Jesuits, in particular—as a bunch of liberation theology crazed bomb throwers fomenting trouble and preaching class war to the Third World poor. Few realize that an equal number of Catholic clergy were arguing, organizing, and even taking up arms in defense of property and tradition; in fact, one of the most successful Contra units in the Nicaraguan conflict was composed almost entirely of Franciscan friars. Now, with the publication of this timely and well-written book, we are beginning to see history set right.

In 1980 the author—a Jesuit—was dispatched by the Vatican to report on events in El Salvador. He quickly found himself entangled in the briar patch of Salvadoran politics, with his fellow priests, US Aid workers, and corporate apparatchiks alternately badgering, cajoling, and threatening him in an effort to influence his reports back to Rome. A self-described liberal when he set out on this journey, a few months traveling around the countryside convinced him that Central America was, as many conservatives were claiming, a battleground between the forces of light—embodied in the rightist, populist militias—and the army of darkness, exemplified in the Sandinistas and other left insurgents.

The story's decisive scene takes place outside a prison where Archbishop Romero, a leader of the anti-Enlightenment forces, was being held (and where he would eventually be executed). Jacoby, on his way to dine at the American embassy, happened upon the prison just as a frenzied mob of leftist rabble, trade unionists, and even a few Jesuits were about to overrun the police barricades and attack a much smaller group of individuals picketing in support of the government's preemptive detention of the Archbishop. Jacoby ordered his driver to stop, and without hesitation he took his place alongside the much-outnumbered defenders, where he maintained a solidarity vigil that lasted through the night. This book is a must read for anyone still entertaining doubts as to the appropriateness of America's efforts in the region during the Reagan administration.

Northern Ireland: A Troubled Legacy

Richard Boatwright

University of Edinburgh Press, 2000

Boatwright offers a gripping account of a twenty-year career spent assassinating terrorists, intimidating political figures, and defending the right of drunken Orangemen to march in commemoration of long ago happenings. Of particular interest is his description of the 1982 Londonderry fiasco, a daring daylight raid that went terribly awry. A source close to the republi-

can movement—Boatwright is careful not to name the person, but hints that the individual is now a sitting member of the Northern Ireland parliament—informed the intelligence service that an enormous store of C4 explosive was hidden in the basement of a Catholic elementary school. Fearing that double agents within their own ranks would tip off the terrorists, the authorities decided to move quickly, and within hours an operation was underway. An elite anti-terrorist team, backed by SAS regulars, entered the school. Explosive-sniffing dogs raced through the hallways as ninja suited commandoes escorted crying children from their classrooms; tear gas swirled around the building, and the shrill whine of an accidentally triggered community alert siren drowned out normal conversation. Fearful parents and curious gawkers were herded behind hastily erected barricades, while the students were confined to a ‘security zone’ delineated by crime scene tape strung between several police vans. When the announcement came that no munitions were present, an angry exchange erupted between the now agitated crowd and the frustrated security force. Bottles were thrown, riot police were deployed, and tensions erupted into the worst sectarian rioting since 1972.

Boatwright describes in great detail the government’s attempt at damage control in the aftermath of the incident, focusing on his own role as manager of the smear campaign targeting the photojournalist whose gripping images of the raid horrified a worldwide audience. The campaign against Michael Adams sought to portray him as a homosexual pedophile with republican leanings, an individual with an obvious interest in discrediting the security services. Towards this end, the press was provided with expertly doctored images showing the young Irishman engaged in all manner of deviant behavior; when this failed to garner the desired public reaction, members of Boatwright’s team leaked to friendly investigators the theory that Adams, hoping to create an incident which he could then photograph, may have been the source of the original, faulty intelligence. A public already accustomed to cynical exploitation of tragedy received this suggestion more sympathetically than earlier spin attempts, and doubts about Adams’ involvement dogged him until his death in a single vehicle accident on Cyprus a few years later. Boatwright received a royal commendation for his efforts, and he proudly notes that the FBI later employed these same tactics, with little modification, in its campaign against Richard Jewell, the alleged Atlanta Olympics bomber.

Sudan: A First Look

Jonathan Prizle

Franklin Press, 2001

Thoughtful observers have long sought to explain the lack of interest American policy makers have shown in the Sudanese war, the longest-lived conflict anywhere in the world. Until recently, the consensus was that Sudan’s geopolitically insignificant location and lack of oil were equally responsible for this oversight, but now, with the publication of this

delightful coffee table sized work, a third reason has been identified. Prizle argues that Sudan suffers from a dearth of photogenic sites, people, and rituals, a shortfall that makes the nation wholly unsuited to today's image-focused media environment. There is simply nothing to recommend this desperately poor nation; the cruel desert wind has created a land of desolate plains and bleak, indistinguishable hills, a suitable home, indeed, for a people broken by generations of crushing poverty. Lacking subject matter, photojournalists have opted, instead, to document famine in Ethiopia, environmental destruction in Egypt, and the slave trade in Chad—all of them far more visually appealing stories and places.

Not content to simply explain the situation, Prizle set himself to remedying it. Drawing upon his extensive contacts in the fashion community, he arranged for a dozen of the world's top fashion models to travel to Sudan, where they were met by representatives from Europe's most prominent design houses. Two weeks of shooting followed, and the best work is collected here. The results are fantastic: Sudan comes alive, with Prizle's imagined notion of the spirit of the Sudanese people visible in each carefully staged scene. A culture-less people balanced precariously on the edge of oblivion are transformed into the last remaining descendants of a powerful dynasty whose rule once stretched from the British Isles to the Cape of Good Hope; rags become robes, and distended bellies are hidden by fold and fabric. In a further demonstration of his commitment to the Sudanese cause, Prizle has pledged ten percent of any profits generated by this book to a fund for the assistance of Sudanese refugees pursuing fashion design careers in London.

Factbook 2001: Social and Economic Indicators for the Palestinian People

*United Nations Commission on Refugees
United Nations Press, 2002*

In an attempt to appear "balanced" and "objective," the editors have produced a work that can only serve the interests of anti-Semites and their fellow travelers. When social indicators and economic statistics for the 'Palestinian' people are presented without context, it inevitably makes Israel appear villainous. For this reason, any discussion of these figures must explain the key role that the 'Palestinian' leadership plays in perpetuating poverty and misery in the 'occupied territories'. Unfortunately—and predictably—it's just this sort of context that's missing from these pages. Average lifespan, per capita GDP, infant mortality—all of the usual measurements are cited, the obvious purpose being to slander the state of Israel and undermine the American-Israeli alliance, a relationship which is the cornerstone of American policy in the Middle East, if not the entire hemisphere.

The Coldest Warrior

Catherine Brokencross

Verso Press, 2001

Drawing from archival materials, published speeches, and previously unreleased personal correspondence, the author reconstructs the autobiography that William Casey never wrote. While the unorthodox methodology is certain to stir controversy, there can be no doubt that this book is a valuable addition to both the intelligence and policy-making literatures. The portrait that emerges is of a complex figure, one whose later, often questionable policy decisions are inextricably bound up with a troubled childhood. Casey's own father died when Casey was an infant, and his stepfather was, by all accounts, an emotionally distant individual preoccupied with efforts to construct a free energy device. Casey's mother entered a tuberculosis hospital when he was fourteen and passed away six months later, leaving him effectively orphaned. Shortly thereafter World War II began, Casey lied about his age in order to enlist, and his lifelong affiliation with the military-industrial complex began.

And what a career it was! If Brokencross writing as Casey is to be believed, Casey played a role in nearly every high-profile intelligence operation of the past four decades. The Bay of Pigs, Watergate, and Iran-Contra are all accounted for, as are a host of other, lesser-known affairs, most of them reading like a fantastically exaggerated first draft of the next Bond movie. Here's Casey racing through Monaco on a motorcycle, a copy of the Soviet Union's nuclear control codes in his vest pocket; six months later, he's working with a squad of green berets in Angola, helping the insurgents set up their own counter-intelligence service; two years after that, he's sitting before a congressional committee, defending the Nixon administration's decision to employ nerve gas against American defectors in Laos—truly, a man for all seasons.

German Tobacco Shop Collectibles, 1910-1930

John Gage

Cambridge Press, 2001

Every field of study passes through three stages of development: first, an initial flurry of activity, with established scholars and precocious laymen racing to stake out positions. Then comes a consolidating period during which conventional wisdom congeals, and priests and heretics are identified. Finally, the field is accepted as a legitimate subject of inquiry, a fact confirmed when college deans grow willing to fund faculty travel to far off conferences.

After nearly two decades of infighting, 'Holocaust studies' is now ready to enter the third stage of institutional integration, and evidence of the field's acceptance can be found in the growing number of Holocaust related books being published, many of them intended for crossover mass-market

audiences. This attractive volume is just such a work, and it will be a welcome addition on any bookshelf. Gage examines the Weimar era policies that made the rise of Hitler inevitable, couching it within an extended photo essay documenting the collectibles offered by the various chains of tobacconists operating in Germany during the period in question. Tobacco products played a key role in the semiotics of early twentieth century European political theater—think, for example, of Churchill's ever present stogie, or the Kaiser's famous ivory cigarette holder—and Gage does a fine job of unraveling the many linguistic, psychological, and even historical links between these strong oral-connoting signifiers and the growth of anti-Semitism among the German people in the years following World War One.

AIDS and the Death of Cultural Significance

Neil Montgomery
Cornell Press, 2000

In this well researched work, Montgomery argues that the emergence of AIDS was responsible for the triumph of the post-modern ironic voice. He notes that, given the prominent role gays have always played in the arts, it only stands to reason that the bitter fatalism which arose in homosexual circles in the early years of the epidemic should have found its way into the larger culture. It's an interesting thesis, and Montgomery is to be commended for the huge mass of citations that he marshals in support, many of them drawn from regional gay newspapers and sex trade journals often overlooked by academic researchers. One criticism: Montgomery gives short attention to the response of lesbian artists to the epidemic. Though many Americans still fail to distinguish between gay and lesbian cultures, Montgomery is obviously innocent of such a charge, and it is disappointing that he chooses to give only passing note to the lesbian performers and artists whose work was informed by an awareness of the disease just as deep as that of their gay associates.

Netizens, Nation Building, and the Promise of Cyber-Liberation

By Katherine Murray, M.F.A.
Wired Press, 2000

Avoiding the too-common tendency among writers reporting from the front lines of the Internet revolution to engage in cyber-boosterism and tech-stock cheerleading, the author builds a well-reasoned case for the recognition of virtual Net-based states as legitimate actors in the new world order. Central to Murray's thesis is the fait accompli nature of this recognition, as many of these virtual domains already offer passports, name ambassadors, and claim embassies in Western capitals—all they lack is formal membership in the community of nations. The situation is, as Murray correctly notes, eerily similar to that of the first wave of post-colonial Asian states, 1950-1955. Historians will recall the absurdity of that era,

a time when government appointed commissions in London and Paris purported to make policy for territories that had declared their independence months, even years prior. If we are to avoid an equally ridiculous situation in our own age, it is essential that the international community promptly recognize this wholly new dimension to the public sphere.

Survival Guide for a Neo-Liberal World

Amanda and Jeff Ames
Nolo Press, 2000

This eminently useful book is intended for the silent majority who failed to reap huge rewards during the dot-com frenzy. The authors—both of whom are career counselors by training—pursue two separate but related themes: first, the book presents a clear-headed strategy for prospering in the coming post-boom years, one based on the time-tested techniques of diversification and risk management; second, and just as important, the authors seek to reassure those readers feeling distress over their failure to cash in during the largest market run-up in history. Yes, even individuals with a five-figure net worth can be decent human beings—they simply need to work a little harder at it! Like many recent releases, the hardcover edition includes a multimedia CD-ROM; this one features several self-awareness building exercises and profiling tools to assist the individual in gauging her level of risk-adverseness.

American Policy and the Balkans, 1990-1996

Maxwell James III
Harvard Press, 2000

James argues that American policy in the Balkans can be understood only as a cruel practical joke, one begun by the Bush administration and gleefully continued under Bill Clinton. The target of the joke was, of course, the European Union, which was forced to repeatedly confess its political and military dependence upon the United States. According to James, American policy makers, while publicly pressing for peace, were privately pursuing a strategy intended to foster confusion among the warring parties and undermine any unilateral European effort in the region, with the most promising EU initiatives thwarted by the careful coordination of American military and intelligence resources. Srebrenica was one of the most successful of these operations: images of crying Dutch peacekeepers watching helplessly as residents of the town were loaded into buses for transportation to the killing grounds where thousands would be massacred dealt a severe blow to EU prestige and set European integration efforts back by at least a decade. Destined to be a classic of diplomatic history, this book is a must-read.

In My Own Words

Augusto Pinochet, as told to Norman Olsen
Santiago Press, 2001

This book offers a fascinating encounter with one of the most engaging minds of our time. Eschewing the currently fashionable practice of fact checking, the interviewer allows Pinochet to tell his own story, and the portrait that emerges is of a man tormented by second-guessing over his role in the tragedy that befell Chilean democracy. Pinochet wonders: had he acted differently, could the fiasco of 1998, when a Spanish judge prompted the British government to seize the former head of a sovereign nation, have been avoided? Unhappily for future political leaders, Pinochet's concludes that the PC climate—which he believes to have become a permanent fixture of Western culture—made this unfortunate event inevitable. Though the book is primarily meant as a history, Pinochet does offer a chapter of policy proscriptions and musings meant to serve as a starting point for efforts intended to prevent a repeat of this incident. While many of his remedies would be difficult to implement—there is little political will to repeal the UN charter on torture, though it would undoubtedly be a step in the right direction—they do provide an insightful basis upon which to begin the discussion.

State & Citizen, Nov/Dec 2001

"Viaticals: What's a Conservative to Think?"

April James turns her keen intellect to the question of viatical settlements. On the one hand, viatical settlements are a market-spawned opportunity with the potential to increase the sum total of human happiness, particularly among the terminally ill and others in need of a boost. On the other hand, beneficiaries of these settlements are disproportionately homosexual, suggesting that this may be an instance in which government regulation is needed in order to prevent the possibility of an economically efficient yet morally unacceptable outcome.

The Public Interest, September 2001

"Red Men and Green Dollars"

Lisa Marshall argues that casino gambling is a necessary stage in the evolution of the Native American historical project. By placing tribal gaming within an historical context, Marshall shows that the hysteria surrounding the proliferation of tribal gaming is nothing more than puritan (and probably racist) anxiety.

Reason, September 2001
"Reading, Writing, and Reengineering"

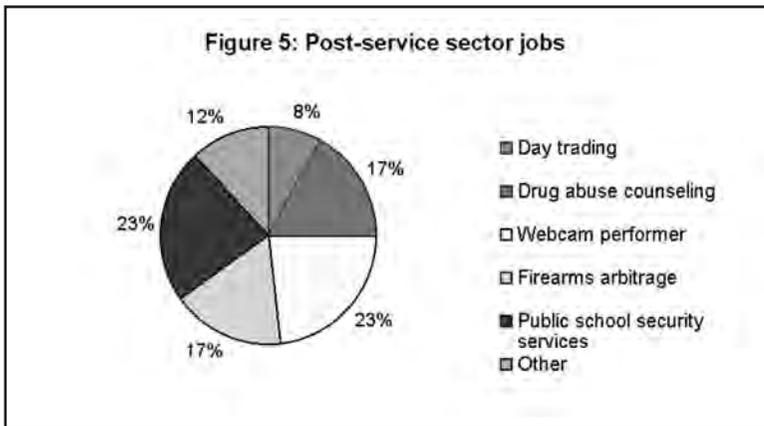
Thomas Spenser shows how Wisconsin's nascent effort to introduce market discipline into the Head Start program is already showing results. Traditional, inefficient, cost-center schools are being transformed into profit-center "enterprise academies," and the taxpayer is the biggest winner of all. Of particular interest are the job-training aspects of the program: Wisconsin's successful integration of piece-rate production facilities into its Head Start units is sure to become a model for reform efforts in other states.

The Nation, October 4, 2001
"Abortion: Life Affirming Ritual at the Nexus of the Generations"

Katha Pollit succinctly states the left's case for abortion, and in doing so she provides our side with all the ammunition we'll ever need.

Continued from page 70

Speaking of the new economy, Figure 5 gives the latest Department of Labor figures for the emerging post-service sector:



Firearms and fiber optics—it appears that the long promised 'digital convergence' has finally arrived. Glimpsing the future, investors are already trying to marry traditional health services with the individually targeted marketing made possible by new technologies: advertiser supported, free psychotherapy services have begun trials in several Southern California communities.

Our last issue, *The Three Rs: Reassessing, Repudiating, and Rebuking*, continues to inspire rancorous debate. Many took exception to our willingness to acknowledge the growing disquiet in the conservative movement, arguing that a public forum is no place to discuss family matters. Thankfully, more clearheaded readers offered their full support, agreeing that American conservatism is at an impasse, its future dependent upon an honest, critical evaluation of the persons who brought us to this point and the ideas they espouse. A representative selection of the mail follows:

Accusations Levelled and Rebutted

Sirs:

The interview with Mr. Kissinger which appeared in your publication is so riddled with factual errors, misquotes, and falsifications as to require a piece of equal length simply to set the record straight. In the interest of brevity, we will address only the most egregious lies and distortions here:

When he agreed to sit for the interview, Mr. Kissinger was led to believe that the article would be a lifestyle piece focusing on Mr. Kissinger's associations with many of the most talented and interesting persons of this age. In this light, Mr. Kissinger's repeated efforts to steer the conversation away from geopolitics towards, "celebrity whores and power-fellating scum" [the author's words] is perfectly understandable;

At no point in the conversation, and certainly not when speaking of the 1971 Chilean coup, did Mr. Kissinger assume an expression of "ghoulish delight";

At no point did Mr. Kissinger "laugh gleefully" at mention of the term, "war criminal";

Mr. Kissinger did not "giggle" or "smirk" when reference was made to the Nobel Peace Prize awarded him in 1973;

Mr. Kissinger has never referred to Ms. Sawyer as, "a tarted up piece of eye candy, dazzled by power, [and] always ready to service the best and brightest";

Mr. Kissinger's longstanding concern with human rights abuses on the part of the Chinese government is a matter of public record. To suggest that his manner when discussing the issue was "glib" or "light-hearted" displays a callous disregard for the tenets of responsible journalism;

Mr. Kissinger has never had a substance abuse problem, and has never sought treatment at the Betty Ford Center. In light of these facts, it is clear that Mr. Kissinger would never have "spoke[n] at length" about his "room-mate [at the Betty Ford Center], Chevy Chase." Further, Mr. Kissinger has never referred to Mr. Chase as, "one of my closest confidantes and advisors";

Mr. Kissinger, like all private citizens, is under no obligation to release his personal financial records, and his determination to safeguard his privacy can in no way be construed as "a clear act of self-incrimination." Since Mr. Kissinger has never released these records, it is clear that table 3 [titled, "A Sycophant's Rewards"], which purports to document Mr. Kissinger's finances is a work of fiction.

In summary, the piece demonstrates a reckless disregard for the truth and a fumbling lack of familiarity with the workings of civil society. On behalf of Mr. Kissinger, we demand an immediate retraction and apology.

[Signed by four partners of the firm, Shelby, Atwick, and Stone]

EoH: We stand by the piece.

Worrisome Hints

As a practicing psychologist, I read your interview with Henry Kissinger with much interest. Though one should never attempt to diagnose an individual based on his public persona, it seems clear to me that the esteemed gentleman may very well be suffering from false memory syndrome—certainly, in this interview and others, as well as his actions of the past two decades, Kissinger has exhibited many of the behaviors and belief structures associated with FMS.

Given his background—a New York intellectual of foreign descent—it seems reasonable to assume that Mr. Kissinger has spent some time in therapy, and this causes me to wonder whether there hasn't been gross negligence on the part of his therapist or therapists. No licensed practitioner could, in good conscience, allow this man to persist in such an elaborately constructed fantasy world for such a length of time. In fact, I fear that he may have reached such a state of self-rationalization that when the inevitable collision with reality occurs—perhaps as a result of one of the lawsuits now pending against him—his psyche will prove unable to reintegrate itself, with catastrophic consequences for his emotional and mental health. Please encourage Mr. Kissinger to seek qualified treatment at once.

Paul Digot, M.Sc., MACP
Santa Monica, California

EoH: We oppose any effort to stigmatize those individuals who seek treatment for psychological distress.

Praise from the Heartland

It was with great satisfaction that I read, then reread from cover to cover *The Three Rs: Reassessing, Repudiating, and Rebuking*. For some time now

I—and many others, I am sure—have believed the conservative movement to be in trouble. For your troubles, I have no doubt that you will be attacked from many directions, charged with indiscretion and even betrayal of conservative principles. I say, Screw 'em! It has been obvious for some time that the Republican establishment has no idea just how angry middle-America conservatives are. The party's commitment to one-world globalist policies is a slap in the face to every person who has ever voted Republican and then watched his job and future relocate to Mexico. Keep up the good work, and don't let the bastards grind you down!

Alfred Rawlings, U.S.M.C. (ret.)
Deerfield, Illinois

EOH: We proudly salute our nation's veterans, and support any and all efforts to grant them the recognition they so richly deserve.

A Plea for Discretion

The Right has always been its own greatest enemy, and your latest issue only continues a long tradition of self-immolation. Ours is a history of attempts to enforce ideological purity through regular purges, a cycle that guarantees a lack of leadership and vision whenever history presents us with an opportunity to make real change. Now I see the process beginning again, with your publication choosing to play the role of inquisitor. Please, do not pursue this line of inquiry—only our enemies benefit from the exhumation of long-buried doctrinal disputes and the smearing of our most prominent representatives. We need your attacks to be aimed at the liberals, the socialists, and their fellow travelers; they're the real enemies of freedom.

Francis Dawkin
Burbank, California

EOH: As Mr. Dawkin's letter shows, the rightist tendency to idolatry and cultism is alive and well, and it is for this reason that authentic conservatives must continue to ruthlessly critique both the base and superstructure of our worldview. A conservatism that refuses to engage in self-criticism is nothing more than traditionalism in a mercantile garb, and such a philosophy must inevitably lose mindshare and influence to the more fashionable left.

Anxiously Awaiting His Return

I found your caustic refutation of Mister Buckley's life-long project to be unacceptable. "Speaking truth to power," is all nice and good, but it does not excuse the leveling of easily rebutted accusations against one of the leading figures of American conservatism. For sometime now I've

observed your publication's drift towards 'neo-conservatism', and this hit piece only confirms my suspicions. Your publication, like so many on the soft right, is essentially anti-Christian in character; no surprise, to be sure, given the backgrounds of so many of the 'thinkers' (and I use that term loosely) associated with the 'neo-conservative' movement. Cancel my subscription; from now on, I'll be sending that money to Jews for Jesus.

Thomas Overbeek
Arlington, Virginia

EoH: This publication takes no official position as to whether Jesus of Nazareth was, in fact, the Messiah.

As this issue went to press we received news of the attacks on the Pentagon and World Trade Center. Like everyone else we watched events unfold with horrified fascination, mesmerized by the images. Scenes of devastation, crying survivors, shell-shocked response teams—it couldn't help but conjure memories of other televised tragedies. But nothing seen before compares, in scale or heinousness, to what we witnessed on the eleventh of September.

Like many analysts, we have long feared that an attack of this sort was inevitable. Weak leadership and ill-conceived policies have left America vulnerable, and it was only a matter of time before our enemies exploited these failures. But we believed that such an attempt was still years away; enough time, we hoped, for America's leaders to take the steps needed to safeguard the United States. Unfortunately, it seems none of us fully appreciated the damage done to our nation's security by the Clinton administration.

Now we are struggling to understand the motivations of the attackers, an undertaking made more difficult by the lack of any subsequent statement. The absence of any claim to responsibility is no surprise, of course; there can be only one response to an act such as this, and those responsible know that any acknowledgement of involvement will only hasten their demise.

With no explanation offered, we are left to guess at one, taking our guidance from the talking heads that fill the screen, endlessly speculating. Three theories are advanced:

Cultural: Many hold that this incident reflects an ongoing clash of civilizations, a conflict between Islamic East and Christian West. Religious fundamentalists and their allies against the modern understand that this is a struggle for history itself, and their actions will only grow more violent as their influence wanes. Proponents of this view tell us that the West must see these bombings for what they are, a call to arms.

Economic: A minority point out the link between poverty, despair, and violence, noting that fundamentalism thrives among the poorest of the poor. Globalization has enriched some and filled others with hate, with round the clock images of the wealthy West taunting the world's powerless.

Political: There are a few, albeit only a small number, who locate the cause of this attack in American foreign policy. They contend that a half-century spent defending mercantile interests rather than advancing democratic principles has engendered hatred for this country.

It is our suspicion that all of these views are correct, that each describes a facet of the problem, and that any understanding must incorporate all of these viewpoints. Such a synthesis suggests that the enemy is more than just a man, a group, or even a nation. Instead, one must conclude that history itself is the cause of these attacks.

And so we must abolish the past. We must destroy both the ideas that inspire madness, and the individuals responsible for these acts. Our response must target not just camps and bunkers, but the libraries, universities, and churches in which these thoughts reside. We must eliminate any basis for hating us. Let us wipe clean the slate of history and make it ready to receive a new story.

Of course, our own thoughts must be purged, as well. It will require a massive effort, a strength of will difficult to imagine. But surely the price is worth it, for inaction on our part will only lead to greater horrors. This time there were 5,000 victims—how many the next? 50,000? 500,000? Five million?

We will begin by forgetting the twentieth century: the wars and conferences, the alliances and betrayals—all of it, gone. And if that proves to be inadequate, we'll forget the nineteenth, and then the eighteenth, and we'll continue until we've forgotten the reasons for hating. In their place we will devise a new history, one that leaves no room for monstrous acts like those of September 11. Only then is there the possibility of breaking free from this cycle of violence, only then is there the possibility of overcoming the real power that stands against us. Our enemy, it is clear, is memory.

Coming Next Issue:

- Century 21 and the New World Order
- Sweden, Last Bastion of Euro-Socialism!
- Best Kept Secrets of the Chinese Managers
- Drug Legalization and Corporate Consciousness
- The Revolution in Military Affairs meets the Internet Appliance
- Nanotech: Conservatives and the End of Scarcity
- The Death of Management Science