

## Article Round Up

May-June 2009

### Economic Security and Trade

1. Vietnam: Sustaining Growth in Difficult Times

Jonathan Pincus. ASEAN Economic Bulletin, April 2009, 14 pages.

The author discusses the state of Vietnam's economy in the wake of the 2008 global financial crisis. According to the author, growth slowed in 2008 as foreign investment and exports both declined. The government was forced to tighten credit last year to slow down price inflation, but what should the government do now? The author offers several recommendations for the Vietnamese government, which include depreciating its currency to boost export prospects, focusing on more labor-intensive projects, and imposing greater discipline on state-owned enterprises.

2. Vietnam's Growing Pains

Long S. Le. Far Eastern Economic Review, May 2009, 3 pages.

Vietnam's growth rate for the first quarter of 2009 was its lowest in a decade. It is now more vulnerable to a global recession than a decade ago because it is more dependent on the global economy. Still, the government's response to overheating in 2008 and continuing remittances from abroad place the country in a position to weather the storm. In the short term, Vietnam is likely to avert a crisis but unlikely to meet the government's target growth rate.

3. Despite setback, ASEAN still plays an important role

Simon Tay. Yale Global, April 2009, 4 pages.

The cancellation and raid of the ASEAN summit in Pattaya in April 2009 has led many skeptics to deem ASEAN irrelevant. However, the author outlines some of ASEAN's successes—internally and externally, diplomatically and economically—to show its importance. He then outlines what ASEAN must do now: socialize states toward greater regionalism, continue to promote peace and inclusiveness, and help shape Asia's response to the global economic crisis.

4. Buying Farmland Abroad: Outsourcing's Third Wave

The Economist, May 2009, 7 pages.

[http://www.economist.com/world/international/displaystory.cfm?story\\_id=13692889](http://www.economist.com/world/international/displaystory.cfm?story_id=13692889)

Countries that export capital and import food have traditionally bought food on the world market. But the author details a new trend in lower-income countries: outsourcing farm production to countries that need money but have land to spare. Governments and influential companies have been leasing farmland abroad (mostly to Africa), growing crops there, and shipping them back home. Opponents of these deals have dubbed them “neocolonialist”, and they often strip customary owners of their de-facto land. The author evaluates this controversy and offers alternative solutions for governments strapped for farmland.

5. The Perils of Global Banking

David Henry and Matthew Goldstein. *Business Week*, May 2009, 7 pages.

This article discusses how subsidiaries of major investment banks have contributed to the global financial crisis. It uses a Lehman branch in Amsterdam as a case study for how this can happen. The unit, called Lehman Brothers Treasury, successfully sold \$35 billion in toxic bonds while the company was going bankrupt. The article discusses Wall Street’s inclination to search extensively for the world’s most friendly business environments, noting that it is difficult for regulators to keep watch over these activities. It discusses Lehman Brothers Treasury’s activities in detail, including its relationships with UBS and Citigroup.

**Social Issues and Governance**

6. Negroponete on Obama’s Asia Policy

Colum Murphy. *Far Eastern Economic Review*, May 2009, 4 pages.

The author interviewed former Deputy Secretary of State John Negroponete in Ho Chi Minh City about President Obama’s Asia policy. Mr. Negroponete expressed his optimism about Mr. Obama and Secretary of State Hilary Clinton’s first steps in Asia, but he also highlighted the daunting tasks they face. He discussed Afghanistan/Pakistan in detail, stressed the importance of ensuring that other countries can solve their own problems, and emphasized the importance of domestic support for operations. He then discusses U.S. policy toward China, the Korean Peninsula, and Vietnam, where Mr. Negroponete lived for four years.

7. Globalization, Migration, and Challenges

Nazli Choucri and Dinsha Mistree. *Current History*, April 2009, 8 pages.

The authors discuss migration patterns in an increasingly globalized world whose borders have become more porous. The article discusses how nations govern the flow of people and goods, focusing on the modes of unilateral state action and coordination through international institutions. It then discusses the history of migration patterns, the dynamics of globalization, and the effects of 21<sup>st</sup> century technology on migration patterns.

8. The Dark Figure of Corruption

Claire Berlinsky. Policy Review (Stanford University) June 2009, 13 pages.

The author describes cites examples from Laos, Turkey, Haiti, and Africa to show that corruption is a massive global problem. She notes that corruption is particularly difficult to measure because its participants are especially unmotivated to cooperate with efforts to study it. The “dark figure of crime” is the sum of the true crime rate and the crimes of corruption committed by the authorities. Measures of the dark figure include anecdotal evidence, institutional analysis, and the Corruption Perceptions Index (CPI). The author evaluates the pros and cons on each of these measures and decides that none of them are perfect.

9. Budget Transparency and Development in Resource-Dependent Countries

Paolo de Renzio, Pamela Gomez, and James Sheppard. UNESCO, 13 pages.

The authors discuss the “resource curse phenomenon” whereby countries with greater resource abundance also have lower growth rates. They explain different approaches to understanding the resource curse phenomenon—economic, behavioral, etc—before offering a connection between budget transparency/accountability and the resource curse. Using an Open Budget Index and Human Development Index, they find a positive correlation between budget transparency and development. They then discuss three cases: Peru, Vietnam, and Angola.

10. Smart Power: Great Leaders Know When Hard Power Is Not Enough

Diane Coudu. Harvard Business Review, November 2008, 5 pages.

In this interview with Joseph Nye, former American government official and former dean of Harvard University’s John F. Kennedy’s School of Government, the author discusses challenges ahead for the U.S. These include combining hard power, characterized by coercion, and soft power, which relies on attraction. The combination of hard and soft power results in “smart power”, which mobilizes people around agendas that look beyond current problems. He claims that power is a tool, with clear communication serving as one of its most effective instruments.

11. Fighting for Our Health

J. Lester Feder. The Nation, April 2009, 4 pages.

This article discusses health care reform in the United States. It discusses how public debate is shaping up ahead of an expected Obama proposal for health care reform. It discusses potential political obstacles that Mr. Obama will face, including special interest groups opposed to a public insurance plan and a growing budget deficit. It then discusses factors in

Mr. Obama's favor, focusing on a public grassroots organization known as HCAN and its efforts to promote a progressive health care plan in line with Mr. Obama's ideals.

## Regional Security

### 12. Political Realignment in S.E. Asia

Hal Hill. *Far Eastern Economic Review*, April 2009, 6 pages.

Will the global financial crisis permanently alter the region's political economy and development dynamics? The author compares the global financial crisis to the Asian Financial Crisis of 1997-98 and wonders if this crisis will have the same transformative political impact as that one. He speculates where change would most likely occur, focusing on Thailand and Malaysia. The author examines short-term effects of the crisis on Southeast Asia in comparison to long-term threats.

### 13. U.S.-Vietnam Relations in 2009: Current Issues and Implications for U.S. Policy

Mark E. Manyin. Congressional Research Service, February 2009, 14 pages.

This report provides a comprehensive evaluation of the relationship between Vietnam and the United States. The author begins by providing historical background and evaluating both countries' interests and goals. Then, he discusses the major issues in the bilateral relationship, covering diplomatic, economic, security, and governance issues. He moves next to discussing conditions in Vietnam, focusing on economic developments, political trends, and the Sino-Vietnamese relationship.

### 14. North Korea's Nuclear Tantrum

Shim Jae Hoon. *Yale Global Review*, May 2009, 3 pages.

This article discusses North Korea's recent round of nuclear and short-range missile tests. It analyzes the motives of North Korea's leader Kim Jong Il, speculating on his succession and his relationships with the United States, and South Korea. It also assesses the strategic options for the United States and South Korea, debating whether it is better for each country to pursue a policy of confrontation or reconciliation.

### 15. The G2 Mirage: Why China and the United States Are Not Ready to Upgrade Ties

Elizabeth Economy and Adam Segal. *Foreign Affairs*, May/June 2009, 10 pages.

The authors note that the new U.S. policy toward China appears to be "more cooperation on more issues more often." However, they claim that elevating this bilateral relationship is not an ideal solution because the two sides have fundamentally different interests, values, and abilities. The authors discuss these differences as they apply to policy on sovereignty, use of

force, environmental policy, and military cooperation. Concluding that an elevated bilateral dialogue (G-2) would collapse in recriminations, the authors advocate for a more multilateral approach. They suggest how Japan, Korea, the European Union, and ASEAN can help promote a more inclusive and effective dialogue between the United States and China.

16. *The United States and the Asia-Pacific Region: Security Strategy for the Obama Administration*  
Elizabeth Ralph A. Cossa, et al. Center for a New American Century, February 2009, 88 pages.

Recognizing the geopolitical shifts toward Asia that have been underway for the past decade and the likelihood of increased regional tensions due to the global financial crisis, the authors urge the Obama administration to quickly articulate a new strategy for the region. They assess U.S. strategic imperatives in the Asia-Pacific and some policy recommendations for the Obama administration.

### **Global Issues and Environment**

17. *Asia's Next Challenge: Securing the Region's Water Future*  
The Leadership Group on Water Security in Asia. Asia Society, April 2009, 57 pages.  
<http://asiasociety.org/taskforces/water/>

This special report discusses Asia's water future. Although it is the world's most populous continent, Asia has less freshwater resources than every continent besides Antarctica. As urbanization increases and global warming continues, water shortages are likely to profoundly affect Asia's security. The report claims that many of these water problems stem from poor management and governance, not just poor environment. The report highlights water disputes and suggests an urgent need to prevent crisis and conflict as water scarcity increases. Finally, it offers a ten-point plan to avert an Asian water crisis. Recommendations include increasing public awareness on the issue, implementing climate change recommendations on water from the International Panel for Climate Change (IPCC), and rethinking water management.

18. *The End of Plenty: The Global Food Crisis*  
Joel K. Bourne Jr. National Geographic, June 2009.

This report discusses the current global food crisis in-depth. Several factors have led to this, and the world is now consuming more food than farmers have been producing. Populations in many poor countries are burgeoning, and consumers in countries experiencing new growth are eating more meat. There are growing demands for grain, animal feed and fuel, but global warming has restrained growth in yields by depleting water and soil resources. As a result, food prices have risen dramatically, and global grain reserves have dropped to

record lows; the author notes that these factors ensure that food prices are going to remain high for a while.

19. The Path of a Pandemic

Laurie Garrett. Newsweek, May 2009, 6 pages.

This report discusses swine influenza, otherwise known as the H1N1 flu virus. The report traces its origins back to New Caledonia in 1999 and a Wisconsin farm in 2005. It claims that the virus was passed from humans to pigs and then mutated before being passed back to humans. It discusses the challenges of fighting a disease that can develop without detection anywhere in an increasingly globalized world and speculates on how governments should prepare to combat the disease.

20. Sea Power

Mason Inman. World Watch, May/June 2009, 10 pages.

The author discusses the potential use of warm and cold running water as sources of alternative energy. The U.S. began funding ocean thermal energy research in the 1970s but cut back in the 1980s. Now, the technology is being rediscovered. The author discusses the enormous potential for ocean thermal energy, claiming it could become the world's largest source of alternative energy. But at the same time, he acknowledges that Ocean Thermal Energy Conversion (OETC) is largely unproven and has only been tested in small pilot projects so far.

**Media, Communications, and Information Technology**

21. The Inheritance: The New York Times on the Precipice

Mark Bowden. Vanity Fair, May 2009, 8 pages.

This article discusses the New York Times, the most notable newspaper and media-company in the United States. It focuses on its publisher/chairman Arthur Ochs Sulzberger Jr. and his role in the company. It discusses trends in the media industry, such as free online content, as well as poor business decisions, such as investing in back shares, to explain why the New York Times has seen a sharp drop in its revenues. It speculates on the future of Mr. Sulzberger as well as the company.

22. The Quality Control Quandary

Carol Sessions Stepp. American Journalism Review, April/May 2009, 6 pages.

The author discusses a phenomenon that she terms the "quality-control quandary". This term is used to describe a recent trend whereby newspapers have reduced their number of copy editors and posted more unedited stories online. The article discusses the potential

negative impact of this decline in editing vigilance, fearing that it will lead to greater reporting of incorrect stories and, consequently, more lawsuits against newspapers.

23. American Journalism Review, Statehouse Exodus

Jennifer Dorroh. American Journalism Review, April/May 2009, 16 pages.

The American Journal Review conducted a survey of U.S. State Capitols and found a significant reduction in media attention being paid toward U.S. State Governments. This article discusses this phenomenon alongside an offsetting trend. Digital news outlets—and the article focuses on the Arizona Guardian—are filling the gap to some extent. The article evaluates which trend is stronger and whether the rise of digital watchdogs compensates for the loss of traditional newspaper media attention.

**U.S. Society and Culture**

24. Building a Culture of Achievement

Mark R. Major. Education Digest, April 2009, 6 pages.

The author offers tips for teachers who wish to encourage a classroom culture that rewards student achievement. He suggests five ways that teachers can build success: making the path to success clear to students, believing that one's students can succeed, revealing the habits of successful performers to all students, convincing students to exert effort by constantly challenging them and maintaining a high level of energy, and ensuring that every student tastes success.

25. Blue-Collar America

The Economist, June 2009, 3 pages.

[http://www.economist.com/world/unitedstates/displaystory.cfm?story\\_id=13783060](http://www.economist.com/world/unitedstates/displaystory.cfm?story_id=13783060)

This article discusses the status of blue-collar workers in the United States. It claims that the recent bankruptcy of General Motors is linked to the decline of the blue-collar American, whose economic status has declined from its peak in the 1950s. No longer can a high-school graduate work on a manufacturing line, make enough to support his entire family, and retire after 30 years of work. The article offers suggestions to explain the decline but also notes that the collapse of GM provides blue-collar workers with an opportunity to recognize the sources of their decline and improve their situation.

END