

ARTICLE ROUND UP MAY and JUNE 2008

BILATERAL ISSUE

1. Vietnam, United States to Increase Cooperation on Education

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U.S.-Vietnamese relations are expanding on all fronts, and in particular, on the education front. The U.S. and Vietnam signed a new agreement to set up an education task force to create more and deeper linkages between the two countries, to increase the number of Vietnamese studying at U.S. colleges and universities and to promote educational programs that will help Vietnam's modernizing economy. Good relations precipitate the desire to expand programs, including the Fulbright program and the Global Undergraduate Exchange Program, and to begin new programs, such as a Peace Corps program. In 2007, the United States issued visas to more than 8,000 Vietnamese students, an increase of 359 percent since 2005. The article outlines the details of the extent of cooperation on education and these particular programs.

ECONOMIC SECURITY (ES)

2. Rising Food Prices in East Asia: Challenges and Policy Options

Milan Brahmbhatt and Luc Christiaensen. The World Bank, May 2008, 18 pages.

Rising food prices are affecting many developing countries in East Asia in various ways, including higher inflation, slowing the pace of poverty reduction, and rising concerns about civil unrest. The authors examine the reasons for the surge in world food prices, particularly that of rice, and review the economic and poverty impacts of rising food prices in East Asian countries. They also assess policy responses undertaken by East Asian economies to date and discuss upcoming policy options, including the importance of regional and international cooperation in addressing high food prices.

3. What Is Driving the High Oil Prices?

Ariel Cohen, Ph.D. and Owen Graham. WebMemo #1951, June 10, 2008, published by the Heritage Foundation, 4 pages.

A perfect storm of demand and supply factors is driving the high oil prices. Goldman Sachs predicts oil will reach \$200 per barrel by the end of the year... Absent significant changes, high prices are here to stay, and, a correction notwithstanding, may keep increasing in the long term.

4. Booming, China Faults U.S. Policy on the Economy

Edward Wong. New York Times June 17, 2008, 4 pages.

Not long ago, the Americans scolded the Chinese on mismanaging their economy. But in recent weeks, senior Chinese officials are publicly and loudly rebuking the Americans for their handling of the economy and are defending their own more assertive style of regulation. Chinese officials seem to be galled by the apparent hypocrisy of Americans in telling them what to do while the American economy is at best stagnant. Some officials are promoting a Chinese style of economic management that they suggest serves developing countries better than the American model, in much the same way they argue that they are in no hurry to copy American-style multiparty democracy. All this reflects a brash new sense of self-confidence on the part of the Chinese. China seems to feel unusually bold before the Summer Olympics, and the Chinese attitude is no doubt bolstered by the lame-duck status of the Bush

administration. In China, economic observers are noting that the Chinese posture toward the Americans has decidedly shifted.

5. Inflation: Causes, Costs, and Current Status

CRS Report for Congress, Marc Labonte, Specialist in Macroeconomics Government and Finance Division and Gail E. Makinen, Economic Policy Consultant, Government and Finance Division, 14 pages.

During the post-World War II era, the U.S. has experienced continuous inflation, not seen before World War II. The Consumer Price Index in 1941 was virtually the same as in 1807. During the last economic expansion, March 1991 to March 2001, the inflation rate remained relatively low by post-World War II standards. This is significant as the U.S. economy during the final three years of the last expansion period was fully employed or nearly over-employed, but contrary to expectations, this period of full employment did not ignite a burst in inflation. Rather than measuring inflation by using the rate at which prices overall are rising, some economists prefer a measure that reflects primarily the systematic factors that raise prices. This yields the “underlying” or “core” rate inflation. Until recently, with the sharp increase in food and energy prices, the U.S. has maintain a relatively low rate of inflation during this economic expansion. This study reports the distilled knowledge of economists on the real cost to an economy from inflation.

6. Can the Interest Rate Control Inflation?

A. Angeriz, Philip Arestis, John McCombie and Warren Mosler. Challenge, March-April 2008, 15 pages.

Current policy is designed to use interest rates as a control on long-term inflation. However, the authors assess the concept, summarize the empirical data, and find that the theory may not work. Supply shocks may cause inflation, not demand.

INTERNATIONAL SECURITY (IS)

7. The Case Against the West; America and Europe in the Asian Century

Kishore Mahbubani. Foreign Affairs, vol. 87, no. 3, May/June 2008, pp. 111-125.

Mahbubani, formerly Singapore’s ambassador to the U.N. and currently dean of the Lee Kuan Yew School of Public Policy at the National University of Singapore, describes the ascendancy of East Asian democracies as an example of how domestic good governance can succeed. Mahbubani is highly critical of Western policies in many areas such as foreign aid, nonproliferation, global warming, international trade and the Middle East, believing them to have long become counterproductive. He suggests that the West’s stranglehold on global institutions reveals a reluctance to acknowledge that “the era of its domination is ending and that the Asian century has come.” He contends that the U.S. and Europe will need to adapt a more inclusive world view which reflects the growing political and economic power of Asian countries. The West needs to acknowledge that sharing power it has accumulated in global forums would serve its interests," writes Mahbubani.

8. Asia Soft Power Survey 2008: Results of a 2008 Multinational Survey of Public Opinion

The Chicago Council on Global Affairs in partnership with East Asia Institute, 18 pages.

The Chicago Council on Global Affairs in collaboration with the East Asia Institute (South Korea) conducted a six-nation public opinion survey examining the current and potential use of soft power in East Asia. The survey was carried out in the United States, Japan, China, South Korea, Indonesia and Vietnam.

9. China's Netizens Aid Earthquake Relief

Thomas Christopher. *Forbes Magazine*, June 3, 2008, 2 pages.

In the aftermath of China's catastrophic May 12 earthquake, many lives were saved thanks to the Internet. The author notes that the presence of large numbers of potential news reporters online spurred the Chinese government to act quickly. In fact, the People's Liberation Army first responders were able to locate a landing site near the disaster area, thanks to an instant message posted on popular local messaging services Baidu Post Bar and QQ. The poster, a Wenchuan native, gave the location and topography of the field where the army helicopter was able to land.

Currently available online at http://www.forbes.com/technology/2008/06/03/china-earthquake-internet-tech-cio-cx_ct_0603china.html

10. China in Africa: Implications for U.S. Policy

Elizabeth C. Economy and C.V. Starr, Senior Fellow and Director, Asia Studies Council on Foreign Relations. Testimony before Senate Committee on Foreign Relations Subcommittee on African Affairs, June 4, 2008, 8 pages.

In light of the recent expanding relationship between Africa and China, the United States takes a strong interest in how an increased Chinese presence in Africa bears on the U.S. relations with Africa. Chinese engagement in Africa poses a clear challenge to U.S. commitment in Africa to good governance and American business competitiveness. Elizabeth Economy outlines the emerging challenges to Chinese involvement in Africa, as directed by the growing sense of disquiet among some African governments and sectors of civil society. These challenges include inequitable trade and investment deals, export of Chinese labor to Africa, corruption, poor labor and safety standards, environmental degradation, and regional governance issues. The author then outlines the prospects for change in Chinese policy towards Africa, including expanding economic, technical and education exchange; delivering united aid (Overseas Development Assistance); assuming a role to increase African regional security; developing Corporate Social Responsibility; and rethinking military involvement in Africa. These challenges to Chinese involvement and the prospect for change in the nature of the Chinese involvement offer the United States the ability to increase its own political and economic engagement with Africa.

11. China's Search for Military Power

M. Taylor Fravel. *Washington Quarterly* Summer 2008, Volume 31 No. 3. pp 125-141.

Over the past decade, China has been engaged in a sustained drive to create a modern and professional military. How much military power does China ultimately desire? Although the answer is unclear, the ambiguity that surrounds China's motivations for the modernization of the People's Liberation Army (PLA) generates concern and even anxiety about the future of peace and stability in East Asia. A recent Pentagon report notes, for example, that "much uncertainty surrounds China's future course, in particular in the area of its expanding military power and how that power might be used....China's leaders have yet to explain in detail the purposes and objectives of the PLA's modernizing military capabilities."

Looking toward the future, several approaches might be used to determine how much military power China seeks to acquire. One option is simply to focus on the worst case and assume that all states, including China, want to develop as much military power as domestic resources and external constraints permit. The study of threat perceptions offers another approach, tracking changes in China's security environment to identify core drivers of military modernization and possible force structures.

This article explores a third method, one grounded in Chinese texts on military doctrine. Analysts have always faced limitations on access to data with which to study China's armed forces. Over the past decade, however, the availability of sources on China's military doctrine, including textbooks on

strategy and operations used to train PLA officers, has grown. These sources, which are part of the PLA's "revolution in doctrinal affairs," permit a preliminary assessment of China's national strategic goals as well as the capabilities and force structure required to achieve them.

DEMOCRACY & GLOBAL ISSUES (DGI)

12. Where has all the Water Gone?

Maude Barlow. *American Prospect*, vol. 19, no. 6, June 2008, pp. A2-3

The author, head of the citizen activist group Council of Canadians, writes that the world is facing a freshwater crisis, due to pollution, climate change and population growth. The lack of access to clean water affects two fifths of the world's population, and is responsible for a growing incidence of waterborne diseases. Exacerbating the water crisis is the growing pressure to privatize public water utility systems. Barlow argues that the growing scarcity of fresh water is as serious a threat as global warming, but is underreported in the mainstream media and ignored by most political leaders. In Barlow's view, the water crisis can be solved, but national governments lack the political will. This is the introductory article in a special report, *The Global Freshwater Crisis and The Quest for Solutions*.

13. To Blog or Not to Blog: That is Not the Question

Kathy Cassidy. *Connect*, March/April 2008, 3 pages.

With the plethora of online tools available, primary students need to be taught -- in a safe and controlled environment -- what constitutes appropriate behavior on the Internet. The author discusses the use of blogs as a tool for learning and examines why blogging is an excellent way for children to connect and share their thoughts with the entire world.

14. Think Globally, But Where to Start?

Amy S. Blaine. *Searcher*, March 2008, 6 pages.

Nowadays, every newscast, paper, and magazine includes a segment or column on celebrities or industries "going green," but what exactly does this buzz phrase mean to the ordinary individual who is busy with work, play, and family life? Fortunately, for the green newbie, a plethora of websites and blogs exist that provide suggestions for making greener choices. This article offers information on several web sites that promote the green concept.

15. Social Exclusion and the Gender Gap in Education

Maureen Lewis and Marlaine Lockheed. *World Bank Policy Research Working Paper#4562*, March 2008, 40 pages.

Despite a sharp increase in the share of girls who enroll in, attend, and complete various levels of schooling, an educational gender gap remains in some countries. The authors discuss the importance of female education for economic and social development. A review of evidence regarding gender and ethnic differences in schooling and the theoretical perspectives of various social science disciplines that seek to explain such differences are also provided.

U.S. SOCIETY & VALUES (SV)

16. The McCain Doctrines

Matt Bai. *New York Times Magazine*, May 18, 2008, pp. 40//70.

Senator John McCain (R-Arizona) is now the prospective nominee for his party's presidential nomination. Among the many issues in his party's platform, he has made Iraq the battle he has chosen to fight, despite criticism from members of the Republican Party that such a stand could hurt him and

the party in the November elections. However, in the U.S. Senate, senators are reluctant to impugn one another's motives or integrity, whatever their disagreements on policy, including strong support or opposition to the Iraqi conflict. Many of McCain's colleagues who were also Vietnam veterans, like Chuck Hagel (R-Nebraska) and Jim Webb (D-Virginia), suspect that the senator, a former POW in Vietnam, came away from his captivity with little of their disillusionment -- he spent the worst years of the war in a Hanoi prison camp, giving him a different perspective from his fellow "in country" colleagues who believe that some wars simply can't be won on the battlefield, no matter how many soldiers are sent there to die. Instead, McCain is staking everything on the notion that the American public can be convinced that the Iraq war is winnable and worth the continued sacrifice. Without that national retrenching, the senator maintains that this war, like the one in Vietnam, is probably doomed.

17. The Two Obamas

David Brooks. New York Times, June 20, 2008, 2 pages.

An op-ed article commenting on the recent decision of presidential candidate Barack Obama to go back on his pledge to use public financing this fall in the final months of the campaign. Mr. Brooks highlights the split personality of Obama -- describing him on the one hand as a liberal university-town dreamer naïf, but on the other hand as a promise-breaking, ruthless opportunist. The author highlights the numerous instances of Obama's schizophrenia: "Just try to imagine Mister Rogers playing the agent Ari in 'Entourage' and it all falls into place." Mr. Brooks begs the question "What won't he sell out?" but then suggests that this ruthlessly opportunist behavior is exactly what America may need in the global affairs arena, calling him "the most effectively political creature we've seen in decades."

18. AEI Political Report

AEI Online, June 2008, 10 pages.

This issue of Political Report covers the polling data on McCain and Obama, Congress, the economy, Iraq, and more.

19. Educational and Cultural Exchanges to Restore America's Image

Carol Bellamy and Adam Weinberg. The Washington Quarterly, Summer 2008, pp 55-68.

With the percentage of people with a favorable image of the United States in decline, Carol Bellamy and Adam Weinberg challenge the next administration to restore the positive public perception of the U.S. by using a multi-pronged strategy centering on public diplomacy. Bellamy and Weinberg talk about expanding the public diplomacy beyond the media and messaging that helped win the Cold War, to citizen diplomacy. Citizen diplomacy is a way to promote mutual understanding. The authors emphasize the success of programs including the Fulbright program, the Sister Cities program, Peace Corps, and the International Visitor Leadership Program, highlighting the power of cultural and educational exchange in fostering mutual cross-cultural understanding. To make these cultural and educational exchanges more effective tools in the public diplomacy toolbox, the next administration needs to correct some flaws, which actually work against public perception of the United States. These changes include expanding the diversity of participants in exchange programs and deepening the cultural immersion and exchange experience. Bellamy and Weinberg conclude that while this task is challenging it is not impossible, but that carefully coordinated public diplomacy is essential to restoring America's image around the world.

20. How To Start A Non-profit: A Digital Resource

Jeff Jones. Searcher, vol. 16, no.4, April 2008, pp. 20-25.

Starting and managing a nonprofit [NGO] is a rewarding, but complex undertaking, notes Jones, a law librarian and writer. He outlines, in broad terms, the necessary steps it takes to tackle the process and suggests key online resources that help pave the way. Among other material, the long-established New

York City-based Foundation Center produces a concise 12-step startup guide with links to relevant outside organizations. Noting that both state and federal laws must be followed in creating a nonprofit, Jones cites representative government agencies, such as the Internal Revenue Service, and state associations that can be helpful. The websites of the Minnesota Council of Nonprofits [MCN] and the Maryland Association of Nonprofit Organizations are noted for offering streaming video, identifying alternatives to starting a nonprofit, and suggesting standards of conduct to help govern and manage nonprofits. The trade press and organizations that delve into the specifics of running a nonprofit or provide statistical analysis are also described.

21. The Day the TV Died

Stephen Bates. *Wilson Quarterly*, Spring 2008, pp. 29-36.

Next year, American television will go digital. According to the announcement of the Federal Communications Commission, DTV will replace the venerable analog format on February 17, 2009. Millions of users will have to buy converter boxes. The author reviews the history of color TV and discusses the impact of this decision on American people.

22. Malaria

Jeffrey Marlow. *World Watch*, May/June 2008, 4 pages.

Malaria is one of the oldest and most stubborn afflictions in the history of humankind. It has preyed on countless millions of people throughout the history of our species. Today, malaria is largely a disease of the developing world, killing 1 million people each year and causing a risk to roughly 2.5 billion people, particularly in tropical regions of Latin America, Africa and Asia. This article discusses how to fight malaria in effective and manageable ways.

23. How to Succeed in Life... by Really Trying

Arthur C. Brooks. *The American*, May/June 2008, pp 27//111.

Money doesn't buy happiness, but success does. The author explores how capitalism, moored in proper values of hard work, honesty and fairness, provides a key to American gross national happiness.

24. Backborn Infrastructure for America's Future: The Secret is the System

Bruce Seely. *Wilson Quarterly*, Spring 2008, pages 47-48, 52-58.

According to the author, the United States has settled for a patchwork approach to infrastructure. To stay ahead in the global economy, it needs to build adaptable networks like the 1956 Interstate Highway System.

25. Happy Trails

Diane Bramble and Lois Sandusky. *Connect Magazine*, May/June 2008, 4 pages.

How do teachers make nature an integral part of a child's life? At "Friends' School," an elementary school in Boulder, Colorado, the teachers guide students in its 2nd grade class to fall in love with nature by increasing their knowledge about the outdoors and respect for the environment. The authors discuss the importance of taking children outside as part of their educational development.

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