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NOVEMBER / DECEMBER 2005

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THE LIMITS OF INTELLIGENCE REFORM
BLOWBACK FROM IRAQ**

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Carbon Challenge It is increasingly accepted that rising levels of greenhouse gases are contributing to changes in the world's climate. One of the main culprits is carbon dioxide. We exhale carbon dioxide when we breathe. Our cars, homes, factories, and the power plants that light our streets all release carbon dioxide into the air. It's also emitted when fossil fuels are burned for energy. But that's about to change.

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More Energy But the project won't just have environmental benefits. It will actually enhance the recoverability of oil. In fact, returning carbon dioxide to the reservoir could increase the amount of oil extracted from the field by up to 40 million additional barrels. This particular North Sea oil field is scheduled to cease production

within the next two years. The carbon return process could extend that life span by 15 or even 20 years, which in turn would provide a boost for jobs and the economy. BP and partners plan to invest \$600 million to make this facility a reality. When fully operational, the project is expected to capture and store around 1.3 million tons of carbon dioxide each year, while providing 'carbon-free' electricity to the equivalent of 250,000 homes. If applied to just 5% of the new electricity-generating capacity the world is projected to need by 2050, we could reduce global carbon dioxide emissions by around 1 billion tons a year. We expect to complete front-end engineering design by the second half of 2006. If an economic review is successful, the facility could begin operation in 2009. This facility will be the first of its kind. But the ability to create electricity at scale with virtually no carbon dioxide emissions holds great potential as a solution to the challenge of climate change.

It's a start.

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Blowback Revisited

Peter Bergen and Alec Reynolds

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The struggle against the Soviet occupation of Afghanistan in the 1980s bred a generation of international terrorists, including Osama bin Laden. The aftermath of the current conflict in Iraq could be even more dangerous.

Who Will Control the Internet? *Kenneth Neil Cukier*

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Foreign governments want control of the Internet transferred from an American NGO to an international institution. Washington has responded with a Monroe Doctrine for our times, setting the stage for further controversy.

Independence for Kosovo *Charles A. Kupchan*

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Given the atrocities they have suffered in the past and the autonomy they are enjoying now, Kosovo's Albanians will never accept continued Serbian sovereignty. The time has come to give them what they want—independence.

Essays

Iraq: Learning the Lessons of Vietnam *Melvin R. Laird*

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During Richard Nixon's first term, when I served as secretary of defense, we withdrew most U.S. forces from Vietnam while building up the South's ability to defend itself. The result was a success—until Congress snatched defeat from the jaws of victory by cutting off funding for our ally in 1975. Washington should follow a similar strategy now, but this time finish the job properly.

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The Time for Urgen

War, terrorism, workplace violence, sabotage, theft . . . the list of security-related worries preoccupying today's executive seems to grow each year. Who can predict what looms on the horizon? It's easy to pretend that corporations cannot shield themselves from these threats. Publicized tragedies heighten vigilance: anthrax made people think twice about opening parcels, workplace shootings led to new focus on disgruntled employees, and the September 11 attacks united the nation in a fight against terrorism. Unfortunately, complacency seems always to return with time.

Do you compromise on security when it comes to protecting your family? Experts know that *the more you do, the safer you are*. Workplace security is no different; only the stakes are much greater. A large corporation is like an extended family living in a huge neighborhood: the chance of something going wrong somewhere increases with scale and there are more lives and livelihoods at risk.

Not all organizations think about security in terms of its total cost—at their peril. Some corporate budgets measure the dollars spent on security personnel and equipment but ignore the costs of crime and terror—the human tragedy, the liability expenses, the legal fees, the public relations and crisis management costs, the increased insurance premiums, the lost revenue from business interruption, the shaken confidence of customers and shareholders, the devastation in employee morale. Consider one example: A terminated employee, heavily armed, gains unauthorized entry past a new and inexperienced security officer. A single mistake, and several minutes later, lives are lost. Just one such tragic incident can jeopardize the future survival of an entire organization.

When companies view security services as a commodity, that is what they get. Some purchasing departments often only look at the unit cost, selecting the lowest bidder. Many service providers, however, fail to include additional costs, such as health insurance, vacations and even training, in their rates—which the customer may not discover until the invoicing starts. Other companies compete by minimizing their investment in wages, training and employee screening. Transient hourly employees treat their jobs in a perfunctory way. With limited authority, security managers cannot invest in quality or innovation. And yet if a serious incident occurs, they take the blame for failing to bring in a quality provider. This vicious circle detracts from buying the necessary value and focusing on what truly counts in security—results.

Being serious about security is not just about employing more security officers or buying more technological equipment. It is about approaching security in a different, smarter way. It is about knowing the

backgrounds of one's employees and on-site contractors. It is about ensuring that the one person accountable for security also purchases security. It is about considering the realm of possible threats and developing proactive solutions. It is about forming vendor partnerships to give others a stake in ensuring that all that can be done is done. It is about a commitment to total quality.

No entity can be entirely immune from crime and terrorism. When organizations commit time and resources to an urgent focus on security, however, they can minimize risk and create tangible value. A thoughtful security infrastructure supported by dedicated, energetic employees offers a shield against attack and often surpasses the traditional call of duty: responding to an accident on the shop floor and saving an employee's life or detecting a mechanical malfunction that could lead to a plant shutdown. A strong security program also acts as a deterrent. According to reports published in a leading national newspaper, a murderous terrorist cased a sensitive public facility in California and found the Guardsmark security to be so tight that he selected different targets, shooting six people and killing one. The wounded included three children.

When we founded our company in 1963, we saw an industry that failed to focus on total quality. We sought to fill a market void by offering higher pay to employ and retain better people—offering a career, not a job. To support these professionals, we built an unmatched management team composed of former FBI and Secret Service officials, military officers, and leaders of law enforcement agencies, creating a unique think tank for a broad spectrum of security-related issues.

Whatever concerns our clients face—from routine loss prevention investigations to dealing with kidnappings and assassinations in distant lands—our men and women stand ready with the wisdom of experience, the ability to manage uncertainty, and an intricate network of valuable relationships. These crisis-resolution skills give our clients the confidence that their security provider can respond to any emergency anywhere at a moment's notice.

Never before has confidence in security been more critical. Homeland security has emerged as an unprecedented concern. The United States of America is engaged in a war against terrorists who want to attack Americans at home, and the nation must take immediate action to correct its greatest vulnerabilities. Unfortunately, some institutions and organizations have failed to demonstrate sufficient urgency, focus and attention to safeguarding against the heightened risk facing the entire nation. The threat is not restricted to high-profile cities such as New York and Washington, D.C.; in fact, tighter security measures in those municipalities may convince the enemy to seek softer targets in less-prepared areas of the country.

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cy Is NowSM

Increasing emergency preparedness is essential to minimizing casualties. The ability of the United States to strike back with swift, devastating force does not deter agents of terror. Consequently, local governments must receive assistance to prepare for attack and to improve the technological capabilities of our emergency response agencies. Similarly, every organization must not only strengthen its defenses to prevent an attack, but it must also prepare to manage the aftermath of a successful assault by training on-site emergency responders and developing partnerships with firefighters, police and medical professionals. Securing a facility so that an attack will either fail outright or produce minimally disruptive consequences at best will significantly decrease the likelihood of a future strike.

The world has changed. Complacency has never been wise, but at this time of increasing uncertainty, it has become outright dangerous and irresponsible. At Guardsmark, we realize that each of our employees is the critical ingredient in securing some facility somewhere. Who that person is, what that person thinks and how that person reacts may make the difference between calm and calamity. That is why we are committed to excellence in management, to continuous innovation, to organizational ethics and diversity, and to an unyielding focus on the customer. It all has to do with being serious about security. That is our mission. And we believe that is the mission that you need.

The time for urgency is nowSM.

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The Iraq Syndrome *John Mueller* 44

Public support for the war in Iraq has followed the same course as it did for the wars in Korea and Vietnam: broad enthusiasm at the outset with erosion of support as casualties mount. The experience of those past wars suggests that there is nothing President Bush can do to reverse this deterioration—or to stave off an “Iraq syndrome” that could inhibit U.S. foreign policy for decades to come.

The End of Europe? *Laurent Cohen-Tanugi* 55

Since French and Dutch voters rejected the European constitution last spring, the EU has been in crisis. The treaty debacle did not cause the EU's current troubles; the EU's long-standing problems caused voters' dissatisfaction. But the way out of the impasse should involve pragmatic steps to improve EU economics, not legal or institutional reforms.

Fighting the War of Ideas *Zeyno Baran* 68

While radical Islamist terrorist groups such as al Qaeda grab the headlines, their nonviolent ideological cousins remain little known. But groups such as Hizb ut-Tahrir play a crucial role in indoctrinating Muslims with radical ideology. Because they occupy a gray zone of militancy, regulating them is a difficult challenge for liberal democracies—but ignoring them is no longer an option.

Base Politics *Alexander Cooley* 79

As the Pentagon prepares to redeploy U.S. forces around the world, it should review its practice of setting up bases in nondemocratic states. Although defense officials claim that having U.S. footholds in repressive countries offers important strategic advantages, the practice rarely helps promote liberalization in host states and sometimes even endangers U.S. security.

Mbeki's South Africa *Jeffrey Herbst* 93

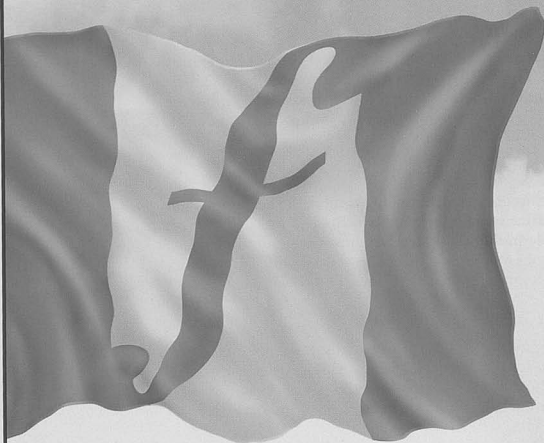
Despite remarkable progress since the end of apartheid, South Africa today is badly wracked by AIDS and severe wealth inequalities, with a leadership still fixated on racial struggle. After more than a decade in power, the ANC has yet to reconcile its various ambitions: curbing racism, promoting political participation, and advancing the interests of all South Africans.

The Limits of Intelligence Reform *Helen Fessenden* 106

The shock of September 11 focused long-overdue attention on the failings of the U.S. intelligence system. But less than a year after the passage of a landmark intelligence reform bill, the prospects for real change are increasingly remote. Bureaucratic self-protection and insider squabbling have thwarted sound policy yet again, and the consequences for national security could be dire.



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Mature democracies may not fight each other. But immature democracies, an important new book argues, can be quite bellicose. Unfortunately, Iraq might end up fitting the pattern.
- The Ethical Economist *Joseph E. Stiglitz* 128
In a major new work, Benjamin Friedman presents a compelling moral case for growth-oriented economic policies. But even he sometimes needs reminding that the kind of growth matters as much as the amount.
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Including Walter Russell Mead on *Sands of Empire*; L. Carl Brown on *The Far Enemy*; Richard Cooper on Saudi oil; and Nicolas van de Walle on Sudan.
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Printed in the United States. Visit our Web site at www.foreignaffairs.org.

GST number 1276886483RT.

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