"This is only the latest in a series of radical transformations," Spector writes, "that have reshaped the American sailor's trade over the last hundred years."

FOREIGN POLICY & DEFENSE

Still Standing

THE SOURCE: "Not Fade Away" by Robert Kagan, in ***The New Republic***, Feb. 2, 2012.

A GLANCE AT THE CURRENT AFfairs titles at any bookstore would suggest that the United States is on the verge of an irreversible decline. Not only are commentators exaggerating our current struggles, but they're also romanticizing our recent past, argues Robert Kagan, a senior fellow in foreign policy at the Brookings Institution and the author of the new book *The World America Made*.

Pessimists liken the United States today to the British Empire around the time its influence began to wane, in the late 19th century. That decline was reflected in the "clear-cut, measurable, and steady" deterioration over half a century of "two of the most important measures of power": the size of the empire's economy and the power of its military.

America's performance in these areas is still strong, Kagan contends. The U.S. share of global economic output has held steady at 25 percent since the 1970s, even with the burgeoning prosperity of emerging economies such as Brazil and India. The growth of these countries has taken a bite out of Europe and Japan's share of global wealth, not the United States'. Furthermore, these rising powers are not nemeses reminiscent of the Cold War, but strategic partners eager to cooperate with America. The U.S. military, after all, remains far and away the most powerful in the world.

China presents a real challenge, Kagan admits. But even if it does eclipse the United States as the world's largest economy, Chinese world dominance will not automatically follow. China boasted the world's biggest economy in the 19th century, yet it was still a "prostrate victim" of smaller European powers. GDP per capita and military capability are also important indicators of a country's strength, Kagan argues, and China has a very long way to go to compete with the United States in these categories.

Commentators also blunder when they assess America's power by measuring it against past glories, Kagan notes. "For every great achievement in the early Cold War, there was at least one equally monumental setback." The losses were significant: The Soviet Union developed an atomic bomb; the United States launched a costly intervention on the Korean Peninsula. Allies ignored the wishes of Washington on issues ranging from diplomatic recognition of Communist China to the invasion of Egypt over control of the Suez Canal. Nor was the embrace of American soft power uncritical: Young people around the world gravitated toward jeans and rock music, but they and their elders were put off by American domestic politics, consumerism, and foreign policy.

The Great Recession has unduly darkened the outlooks of

EXCERPT

Simmering Soldiers

I felt I was watching some of the men unravel toward serious crimes, if, in fact, they had not already committed them elsewhere in Afghanistan or Iraq. Evil or atrocity often explodes from a furnace built by the steady accretion of small, unchallenged wrongs. Some men in Destroyer platoon had been drifting that way for a long time.

Of course, we require our fighters to be ready hurricanes, on-call combat machines. We want them held easily in check, and we expect light-switch control over their aggression. . . . We vaguely hope their anger does not spill over, or come home. It is not simple. My own reaction to the men of Destroyer is difficult. I liked them. I still want to believe they were merely full of bravado.

—**NEIL SHEA**, a journalist who has covered the wars in Afghanistan and Iraq, in ***The American Scholar*** (Spring 2012) some pundits, Kagan adds. In 2004, commentator Fareed Zakaria proclaimed that the United States was experiencing a moment of "comprehensive unipolarity"; just four years later, he was churning out pieces about the "post-American world."

The United States has experienced difficult times before (see the 1970s), only to see its fortunes revive in a few years. Yes, the challenges facing the country are daunting. But decline "is a choice," Kagan asserts, echoing columnist Charles Krauthammer. If the United States wants to maintain its stature, it can start by ensuring the health of its top-notch military and thus the present world order, which, "with its widespread freedoms, its general prosperity, and its absence of great-power conflict, is as fragile as it is unique."

ECONOMICS, LABOR & BUSINESS

Ringing Up Better Pay

THE SOURCE: "Why 'Good Jobs' Are Good for Retailers" by Zeynep Ton, in ***Harvard Business Review***, Jan.–Feb. 2012.

Cashiers have to be skilled at counting nickels and dimes for more than one reason: They brought home less than $20,000 in pay on average in 2010—if they were lucky enough to work 40 hours a week. Cutting hours and workers is one of the first steps many retailers take when sales slow.

Some retailers have bucked this trend, however, while still managing to offer low prices, good customer service, and impressive financial returns. What's their secret?

Zeynep Ton, an operations management specialist at MIT's Sloan School of Management, studied four highly successful retail businesses: Costco, the retail giant; the specialty grocery chain Trader Joe's; the convenience store line QuikTrip; and Mercadona, the Spanish supermarket chain.

Common to all is what Ton calls a "virtuous cycle" of success, which begins when a store opens with adequate numbers of decently paid staff. Starting wages at Trader Joe's amount to $40,000 a year, and Costco pays about 40 percent more than its leading rival, Sam's Club. Mercadona hires all staff on a permanent basis. Coupled with generous pay are training and promotion opportunities that give employees a way to see a future for themselves. Not surprisingly, these chains' stores boast some of the lowest turnover rates in the industry. "Investment in employees allows for excellent operational execution, which boosts sales and profits, which allows for a larger labor budget, which results in even more investment in store employees," Ton explains.

But it's not so simple as "happy employees equals happy customers." These retailers have worked hard to reduce costs in areas other than labor, such as inventory. Trader Joe's only stocks 4,000 items, far fewer than the average supermarket's 30,000. As does Costco, it buys many items directly from manufacturers, sidestepping fees to middlemen. A smaller inventory reduces overhead and the number of supply-and-demand mismatches. Plus, because

Retail stores like QuickTrip don't just make customers happy; employees are smiling, too.

AP PHOTO/JAMES A. FINLEY