

An Obsolescent Army?

“A Different War” by Peter J. Boyer, in *The New Yorker* (July 1, 2002), 4 Times Sq., New York, N.Y. 10036–6592.

What was the key military lesson of the overwhelming U.S. victory in the 1991 Persian Gulf War? That the U.S. Army is in urgent need of radical reform.

The army was “a magnificent Cold War force, perfectly suited” for set-piece battles in Europe, notes Boyer, a staff writer at *The New Yorker*. But the desert war showed how needs had changed, and it “revealed two potentially disastrous flaws: the army’s light forces weren’t lethal enough to stop Saddam Hussein by themselves, and the armored units were so heavy that it took them months to reach the battlefield.” Immediately after Iraq invaded Kuwait in August 1990, the lightly armed 82nd Airborne Division was dispatched to Saudi Arabia to establish a defensive line. The Pentagon knew it was no match for Iraqi armor. If the Iraqis had attacked, there would have been “a slaughter,” one general told Boyer.

It took five months to move what the army calls “the iron mountain” and assemble the victorious U.S. force. At 70 tons, the prized Abrams tank, for instance, was too heavy to be transported to the battlefield by air. Later missions in Haiti, Bosnia, and Kosovo made the army’s flaws even more apparent. On a limited mission in Kosovo in 1999, “armored American units, mired in mud, watched helplessly from the other side of bridges they couldn’t get across,” as the Serb army “maneuvered at will.”

General Eric K. Shinseki, named army

chief of staff in mid-1999, promised drastic change. “He said that he wanted an army that was nimble, light, and lethal,” according to Boyer. Heavy tanks and armored vehicles would be replaced with “systems so advanced that they couldn’t be detected by the enemy, using technology not yet invented.”

As a first step, Shinseki ordered the creation of a new type of brigade—a medium-weight unit, organized around lightly armored vehicles. “The Stryker Brigades will depend heavily upon information technology, and enhanced intelligence, surveillance, and reconnaissance capabilities,” Boyer explains, “to compensate for their lack of armored protection.”

Predictably, Shinseki’s reforms ran into resistance from the army. The surprise is that the chief of staff has also gotten the cold shoulder from Secretary of Defense Donald Rumsfeld and his circle. They envision even more radical change, says Boyer, with “conflicts in the information age being fought and won mostly from the air and from space, with satellites, sensors, and precision weapons. Implicit in this thinking (though rarely expressed) is a diminished role in future wars for ground forces.” Shinseki’s eventual successor has already been named.

Looking beyond a possible war with Iraq, in which ground forces would be critical, wrenching change of some sort seems to be in the army’s future. “If you don’t like change,” Shinseki warned his officers, “you’re going to like irrelevance a lot less.”

The Foreign Aid Cartel

“The Cartel of Good Intentions” by William Easterly, in *Foreign Policy* (July–Aug. 2002), 1779 Massachusetts Ave., N.W., Washington, D.C. 20036.

If the goal of foreign aid organizations is to raise the living standards of the world’s poor, why do they make life so difficult for those they are supposed to be helping? Not only do aid organizations require mountains of paperwork—Niger recently spent 15 months preparing a 187-page poverty reduction plan—but

they often fail to direct assistance to the areas where it’s needed most.

The problem, argues Easterly, a former World Bank official who is now at the Center for Global Development, is that aid groups such as the World Bank and U.S. Agency for International Development operate like a car-

tel. Because they collectively possess a monopoly on the “commodity” of aid, they avoid competition for “customers”—poor citizens in developing countries. Like the Organization of the Petroleum Exporting Countries (OPEC) and other cartels, aid organizations place a higher priority on mutual “cooperation” (which barely papers over their fierce bureaucratic rivalries) than on providing the kinds of help developing countries want.

The results defy common sense, says Easterly. Despite all the talk of coordination, bureaucratic jostling ensures that aid organizations “mindlessly duplicate services for the world’s poor. . . . The Tanzanian government churns out more than 2,400 reports annually for its various donors, who send the poor country some 1,000 missions each year.” Aid groups often favor showy development projects that please the public and politicians back home but waste precious aid money: health clinics rather than medicines or building maintenance, schools rather than textbooks and paper. (“A recent study . . . estimated that the return on

spending on educational instructional materials was up to 14 times higher than the return on spending on physical facilities,” Easterly reports.)

Most people in the aid business are hard working and well intentioned, and foreign aid has produced some important advances. In Africa, it has helped reduce infant mortality and increase literacy since 1970. The rate of economic growth, however, has dropped virtually to zero, despite significant infusions of aid. Easterly is critical of the cartel’s perpetual arguments for more money, which are full of sloppy thinking. The World Bank trumpets the claim that a \$1 billion boost in aid could lift 284,000 people in the developing world above the poverty level, which is defined as a per capita income of \$365 annually. Easterly did the math: If the numbers are correct, the bank actually would be spending \$3,521 per person annually.

Easterly suggests several cartel-busting reforms. Aid agencies could set aside money in a common pool, for example, allowing

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Europe and the End of War

The indetermination of the Europe under construction, or its indefinite territorial extension, is in part the result of a very powerful disposition in us: an indifference to frontiers or borders, even a disdain for them. Now borders most often result from wars, or peace treaties that end wars, when there are peace treaties. The indifference to borders thus manifests our attitude toward war, not only, to be sure, the conviction that war is inhuman or immoral but also that it no longer has any political meaning or validity. Territory and war—war for territory, territory defined as the result of war—appear to us as aspects of the old politics, which henceforth have no political meaning except as political nonsense, that is, as anachronisms, as residues from the past, something to be definitely overcome. Present among us for a long time, these sentiments found a striking confirmation in the fall of the Berlin Wall in November 1989: The Wall, and more generally the border dividing Germany and separating West and East Germany, simultaneously symbolized and materialized the line of separation established by the encounter between American and Soviet troops at the end of World War II. The peaceful collapse of the Wall made visible to all the following fact: The greatest war in history had lost its power; its most visible, most important, and also its most inhuman political result, as it were, evaporated in a few days, not only without violence but with a celebration. The phenomenon assuredly is extraordinary, and it is both natural and legitimate to be very impressed by it.

—Pierre Manent, a political philosopher at the École des Hautes Études en Sciences Sociales in Paris, in *Perspectives on Political Science* (Summer 2002)

poor nations to draw from it to work on projects (and with aid organizations) of their choosing. Or, poor individuals and communities could be given vouchers to use as

they saw fit. That would promote more competition among aid groups and give the poor nations a bigger voice in how aid dollars are spent.

Two Koreas Forever?

“Our Other Korea Problem” by Nicholas Eberstadt, in *The National Interest* (Fall 2002),
1615 L St., N.W., Ste. 1230, Washington, D.C. 20036.

Wouldn't it be great if North and South Korea could end their long, tense standoff, allowing the 38,000 U.S. troops stationed in the South finally to come home? Not according to Eberstadt, a scholar at the American Enterprise Institute.

To begin with, he argues, South Korean president Kim Dae-Jung's determined “sunshine policy” toward the totalitarian North Korean regime might lead to a less-than-genuine reconciliation. If North Korea's Kim Jong-il then tried to reunify the peninsula under his own rule, the stage could be set for “a potentially devastating conflict in Korea,” which might also involve the United States and other regional powers.

“But even presuming genuine rapprochement between North and South and some measure of stability in Korea,” Eberstadt says, a U.S. pullout “would still create a security vacuum and invite a latter-day version of the Great Game of realpolitik the Pacific powers played so roughly in the region a century ago.” Particularly worrisome to many of those powers is the possibility of a more assertive Japan.

If the U.S. forces in South Korea were withdrawn, or even transformed into a neutral peacekeeping force while the two Koreas moved toward unification, only one U.S. fighting force would remain on East Asian soil:

the 40,000 troops in Japan. That would greatly increase pressure in Japan—where the U.S. base in Okinawa is already a sore point—for a reduced American presence.

In public, China and Russia favor a reduced U.S. presence in East Asia, but according to Eberstadt they are privately ambivalent about an American withdrawal from South Korea and an end to “the U.S.-dominated security order in East Asia.” It's hard for Eberstadt to see who would benefit, except for North Korea.

South Koreans, however, seem to see both the military threat from the North and the need for a U.S. garrison as diminishing. Forty-two percent of South Koreans surveyed in 2000 wanted the U.S. presence reduced; 15 percent wanted it ended.

Much may depend on what happens this December, when South Koreans go to the polls to choose a new president. Roh Moo-hyun, the candidate of Kim's ruling party, called as recently as 1990 for the ouster of U.S. forces. His opponent, Lee Hoi-chang, favors a tougher stance toward North Korea. In parliamentary by-elections held this August, Lee's party won 11 of 13 seats in the National Assembly, gaining control of the 273-member body—a major defeat for the lame duck Kim and a possible sign of what's to come for his “sunshine policy.”

ECONOMICS, LABOR & BUSINESS

Seeds of Scandal

“Perverse Incentives” by Edward Chancellor, in *Prospect* (June 2002),
4 Bedford Sq., London WC1B 3SRD, England.

Plain old greed may go a long way toward explaining the past year's rash of spectacular corporate meltdowns and accounting scandals, but they also have

their genesis in a flawed idea.

That idea is shareholder value, a product of the early 1980s, when American investors finally lost patience with a long