

record six percent of gross domestic product (GDP). But that's small potatoes compared with what's in store if nothing changes. While the recession has brought the current account deficit down, Bergsten's institute predicts it will reach 15 percent of GDP by 2030. America's net foreign debt will rise from \$3.5 trillion today to \$50 trillion. The interest alone will come to \$2.5 trillion annually. That means that the United States will be shipping seven percent of its GDP overseas every year—if economic disaster doesn't strike first.

Bergsten does not advocate a total abdication of the dollar. Rather, he thinks it should share its role with the euro, the Chinese yuan, and other currencies, as well as the new Special Drawing Rights system of the International Monetary Fund, which is based on a basket of currencies.

At bottom, though, Bergsten

Job one for the United States must be to reduce the staggering federal budget deficit.

believes that the fundamental problem is U.S. government deficits. The dollar glut is an enabling condition. As Washington borrows more money to finance the deficits, interest rates rise, attracting foreign investors and pushing up the value of the dollar. The trade deficit grows. And the writing on the wall suggests a dark future: This year's \$1.5 trillion federal budget shortfall was more than triple the previous record, but trillion-dollar deficits stretch into the foreseeable future.

Job one for the United States must be to reduce those budget deficits, Bergsten writes. That

would allow the Federal Reserve to keep interest rates (and the value of the dollar) relatively low. But Washington must also work to “prevent and counter deliberate currency undervaluations by other major countries” that harm U.S. competitiveness. China is the chief offender—despite a recent climb, the yuan remains undervalued by 20 to 40 percent—but there is a long list of others, including Germany, Japan, and Switzerland. Multilateral “name and shame” efforts directed at currency manipulators and the enforcement of certain provisions of the World Trade Organization are two possible antidotes. But the stakes are high enough that Bergsten thinks the United States should be prepared to take unilateral action, perhaps by imposing import surcharges on products from countries that continue to game the system.

FOREIGN POLICY & DEFENSE

Clipping the President's Wings

THE SOURCE: “Presidential Power Over International Law: Restoring the Balance” by Oona A. Hathaway, in *The Yale Law Journal*, Nov. 2009.

IT MAY BE CONGRESS'S JOB TO write the laws in America, but when it comes to international affairs, the legislators have all but relinquished their role. Today,

roughly 80 percent of the United States' international commitments are made by the president acting alone, writes Oona A. Hathaway, a professor of international law at Yale Law School.

In the years after World War II, Congress began passing statutes that delegated power to

the president to make certain kinds of international agreements without further congressional input. Although many of the initial provisions were carefully constrained, today's are vague and open-ended, giving the president unilateral and expansive authority over almost every area of international law, from fisheries to atomic energy. In the past decade, the State Department has reported an annual average of 200 to 300 agreements made by the president under the authority of these statutes. One such agreement, made in 2007, dealt with

the safety of drugs and medical devices imported from China. In that same time span, Congress has ratified just 20 treaties annually.

But presidential power grab it wasn't. Rather, it was Congress that, "because of a combination of institutional myopia and political incentives," more or less unwittingly gave away its power bit by bit. Handing over international lawmaking to the president meant more time to work on the domestic issues that decide elections. The courts, Hathaway writes, "have done nothing to correct the imbalance."

Some have argued that the resulting arrangement is preferable—that Congress is ill suited to making international policy. An effective international negotiator must have the authority to sign an agreement that will not be second-guessed and amended by Congress, they contend. Hathaway is unconvinced. Not only is it "inconsistent with basic democratic principles" for the executive to have unmitigated power in conducting international affairs, but it "can lead to less favorable agreements" that don't have necessary support from Americans who will be affected. And a negotiator who has to answer to Congress often has a stronger position, she argues. With the legislative branch lurking in the background, the president can refuse to give ground on certain provisions, on the pretense that such a deal will never garner approval.

Hathaway proposes compre-

hensive reform in how the United States makes international law. Congress could continue delegating authority to the president to make international agreements, she suggests, but those delegations should be narrow and include sunset provisions. The president should have to submit more agreements to Congress for review before they go into effect, a requirement that would encourage him to seek the legislative branch's input throughout the process. And legislators should adopt an expedited process for approving agreements. Through such changes, Congress would be brought back into the process. Hathaway stresses that making international law should not be the prerogative of the president.

FOREIGN POLICY & DEFENSE

E-Warfare

THE SOURCE: "The Cyberwar Plan" by Shane Harris, in *National Journal*, Nov. 14, 2009.

THE MILITARY OF THE UNITED States reigns supreme on land, in the air, and at sea. But who will rule cyberspace remains an open question.

Shane Harris, a correspondent for *National Journal*, reports that cyberwarfare—attacks on a nation's power grid, air traffic control system, banks, Web servers, or phones—is now an integral part of U.S. military strategy. The government has made its efforts to keep American computers secure well known, but now evidence that the United States has engaged in an

offensive cyber-strategy is piling up. Harris reveals that in May 2007 President George W. Bush authorized an attack on the cell phones and computers of insurgents in Iraq. Unnamed former officials credit such operations with helping to "turn the tide of the war." Some suggest they were even more instrumental than the thousands of additional troops President Bush sent to Iraq as part of the surge in 2007.

With the creation of high-level posts to coordinate U.S. cyber-strategy and the emergence of a younger generation of leaders, the new way of war is getting more attention from the defense establishment. But the United States faces major challenges in keeping pace with Russia and China. An independent study published in July found the nation's cyberwar staff fragmented and inadequate; the study blamed low salaries and a hiring process that can stretch on for months.

Secretary of Defense Robert Gates has said that the military is "desperately short" of cyber-warriors. The Defense Department graduates about 80 students each year from schools devoted to teaching cyberwarfare and hopes to quadruple that number in the next two years. But the government must compete with the private sector for top talent. For example, defense contractor Raytheon Company recently posted a "Cyber Warriors Wanted" advertisement on its Web site and announced 250 open spots.

The United States appears to have proceeded cautiously, in part