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Why=Putin Can't Solve Syria

David Rohde <<http://rendezvous.blo=s.nytimes.com/author/david-rohde/>>

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NYT

Why Putin Can't Solve Syria

David Rohde <<http://rendezvous.blogs.nytimes.com/author/david-rohde/>>

May 11, 2013 -- Moscow -- After marathon meetings with Secretary of State John Kerry here this week, the Russian foreign minister, Sergey Lavrov, hinted that Moscow might finally pressure President Bashar al-Assad of Syria to leave office.

"We are not interested in the fate of certain individuals," Mr. Lavrov said at a late night news conference <http://www.state.gov/secretary/remarks/2013/05/209117.htm> on Tuesday. "We are interested in the fate of the Syrian people."

Mr. Lavrov and Mr. Kerry announced that they would host an international conference where Syrian government officials and rebels will be given a chance to name an interim government <http://www.reuters.com/article/2013/05/07/us-syria-crisis-conference-idUSBRE9461S20130507>. The odds of the two sides agreeing are low but Mr. Kerry deserves credit for securing a small diplomatic step forward here.

The problem is that Mr. Lavrov and his boss, President Vladimir Putin, may be unable to deliver on Mr. Assad.

For nearly two years, Mr. Lavrov and Mr. Putin have served as the Syrian leaders' chief diplomatic allies but Iran has provided far more military support. Russian analysts say Washington is kidding itself if it believes Mr. Putin can orchestrate a quick and easy Assad exit.

"All of this is wishful thinking," said Sergei Strokan, a columnist for the liberal Moscow daily Kommersant. "Moscow has quite limited influence on the Syrian regime."

Decades from now, President Barack Obama's decision to not arm Syria's rebels may be condemned or praised. But a visit to Moscow this week showed that it has come at an immediate price. Washington's failure to act created a vacuum that Mr. Putin and Mr. Lavrov used to boost Russia's global standing.

"For the last two years, Lavrov has dramatically elevated his profile on the world stage," Susan Glasser recently wrote in Foreign Policy magazine. "He has done so by almost single-handedly defying Western attempts to force some united action http://www.foreignpolicy.com/articles/2013/04/29/minister_no?page=full to stop Syria's deadly civil war."

Mr. Lavrov and Mr. Putin have also used Syria to bolster their standing at home. Mr. Kerry's widely publicized visit coincided with the one-year anniversary of disputed elections in Russia that led to Mr. Putin's third term in office. Before meeting with Mr. Kerry, Mr. Putin fired a key lieutenant who was the architect of the system that has allowed the Russian leader to control major industries, seize most media outlets and intimidate or co-opt rivals.

With the price of oil low, Putin's oil-dependent economy is flagging. Barring a surge in prices, massive social welfare payments are unsustainable. Corruption is endemic, consuming an estimated \$300 billion a year <http://www.bloomberg.com/news/2013-05-07/strongman-putin-is-no-match-for-corruption.html>, 16 percent of Russia's gross domestic product. Transparency International, an anti-corruption group named Russia the worst nation on earth in its most recent Bribe Payer's index <http://bpi.transparency.org/bpi2=11/results/>, which ranks firms on their likelihood to bribe.

A spate of recent laws on libel, protests, blasphemy and treason has made it more difficult to exercise basic rights http://articles.washingtonpost.com/2013-04-17/world/38597570_1_russia-putin-alexander-cerkasov, the Washington Post reported last month. Mr. Putin also recently ordered prosecutors nationwide to search for non-governmental organizations that have failed to abide by a new law requiring them to register as "foreign agents" if they receive foreign funding.

Mr. Putin is probably secure until the end of his term in 2016. But a slowing economy and public fatigue with Mr. Putin are taking a toll. In the end, the key factor may be the price of oil, the pillar of Putin's one-dimensional economy. "If the price of oil drops below \$50 [a barrel], it is a death sentence," said a Russian analyst who asked not to be named.

On the international stage, meanwhile, Russia is ascendant. For Mr. Putin, Mr. Kerry's request for help marked the achievement of a decade-old goal. From the North Atlantic Treaty Organization's 1999 bombing of Kosovo, to the 2003

invasion of Iraq, to the 2011 U.N.-backed toppling of Muammar Gaddafi, Moscow has been largely irrelevant. Mr. Putin saw each post-Cold War American intervention as an attempt to remove opponents, not defend human rights.

"In Putin's view, they were all victims of a cynical U.S. plot for global domination," journalist Lucian Kim wrote last year, "whether any weapon is fair game, be it smart bomb, a pro-democracy grant or Twitter."

<http://www.luciankim.com/blogs/lucian-in-moscow/the-syrian-connection/>

Instead of being the West's potential victim, Mr. Putin is now its vital interlocutor. Maria Lipman, a scholar-in-residence at the Carnegie Moscow Center and a leading political analyst, said Mr. Putin's logic is simple: "You may denounce us," she explained, "but when it comes to the most important international issue today, you come to Moscow."

So, why is the Obama administration turning to Mr. Putin for help? The answer is simple: the White House's deep desire to not get entangled in Syria. To American officials, a deal with Russia is a cost-free solution. The geopolitical equivalent, if you will, of a drone strike. No American lives will be lost. There will be little domestic political risk.

In truth, though, there is no easy way to stem the conflict in Syria, which increasingly threatens to destabilize the region. Blame is widespread. Mr. Assad, of course, is the worst culprit. His refusal to relinquish power in the face of an initially peaceful protest movement has led to the killing of an estimated 70,000 people. In Washington, Mr. Obama allowed exaggerated fears of another Iraq to paralyze his administration.

Mr. Putin, though, has arguably been the most cynical. He exaggerated his control of Mr. Assad and may also be double-dealing.

Twenty-four hours after Mr. Kerry left Moscow, the press reported that Russia was planning to sell surface-to-air missiles to Syria <http://news.yahoo.com/kerry-russia-sells-missile-defense-syria-152511867.html> that would make any American intervention in the conflict vastly more difficult. The Wall Street Journal reported that Israeli officials had warned the Obama administration

<http://online.wsj.com/article/S=10001424127887324059704578471453006383248.html> of Russia's imminent sale to Syria of sophisticated S-300 missiles with a range of 125 miles.

Asked about the sale at a press conference in Rome on Thursday, Mr. Kerry said Washington would prefer that Russia not provide arms to Syria and called the missiles "potentially destabilizing" to Israel. If true, the missile sale would be a personal affront to Mr. Kerry, who lauded Mr. Putin and Mr. Lavrov in Moscow.

Sale or no sale, the proposed conference should be carried out. Both sides may miraculously agree on an interim government.

But it is more likely that the United States has lost control of the rebels, particularly the jihadists. And Russia has lost control of Mr. Assad, who retains Tehran's backing and has killed so many people that he cannot compromise. Syria's downward spiral will continue.

Article 2.

The Washington Post

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In Syria's war, the lines that matter aren't red

Fouad Ajami

May 9 -- It is rarely a good idea to draw maps in a hurry. But that is what colonial cartographers did in the Arab world after the First World War, and the borders they painted were superimposed on old tribal and religious attachments that long predated the new states.

Today, the folly of those lines is made clear, as Syria's war http://www.washingtonpost.com/world/reported-israeli-airsrikes-threats-of-retaliation-complicate-syrian-civil-war/2013/05/06/4e821766-b67b-11e2-92f3-f291801936b8_story.html?tid=pm_world_pop threatens not just its territorial unity but that of its neighbors as well.

Alas, it was perhaps optimistic to ever imagine that the fighting between Syria's Alawite regime and the Sunni-led rebellion would remain within the country's borders. Syria is at once the pivot and a mirror of the Fertile Crescent, and its sectarian and ethnic fissures reproduce themselves in neighboring Arab states. As an oddly passive President Obama ponders what he might do in Syria http://www.washingtonpost.com/world/national-security/on-syria-recent-developments-favor-case-for-stepped-up-us-military-aid/2013/05/06/b0089cce-b682-11e2-b94c-b684dda07add_story.html — and whether to do anything at all — he should be less preoccupied with red lines of his own making than with the blurring of the lines drawn in Arab sands decades ago.

On the map, Tripoli, on the Mediterranean Sea, lies within the borders of Lebanon and is the country's second-largest city. But Tripoli, staunchly Sunni, with an Alawite minority, has always been within the orbit of the Syrian city of Homs. So it is no mystery that a deadly conflict now rages in Tripoli between Sunni and Alawite neighborhoods, rendering the place ungovernable. Sunni jihadists and preachers see the Syrian struggle as their own, an opportunity to evict the Alawites from their midst and to restore Sunni primacy.

Look to Iraq, on Syria's eastern border, for the region's quintessential artificial entity. Today, the government in Baghdad, Shiite-led for the first time in a millennium, sides with the Alawite dictatorship http://articles.washingtonpost.com/2013-03-24/world/37989851_1_maliki-iranian-flights-state-john-f-kerry in Damascus. But in western Iraq, the Sunni strongholds of Anbar province and Mosul have been stirred up by the Syrian rebellion. The same tribes straddle the border between the two countries. Smugglers and traders, and now Sunni warriors, pay that border no heed.

The American war upended the order of things in Iraq; the Sunni minority lost out to the Shiites and bristled under that change of fortunes. The Syrian rebellion, a Sunni upheaval against an Alawite minority, has been a boon to the Sunnis of Iraq. The Sunnis have bottomless grievances against the government of Prime Minister Nouri al-Maliki. To them, Maliki, who spent a quarter-century exiled in Syria and Iran, is an agent of the Iranian theocracy. So even though the regime in Syria did its best to subvert the new order in Baghdad — between 2003 and 2009, Syria was the transit point for jihadists converging on Iraq to fight the Americans and the Shiites — the Maliki government, with oil money, and anchored in the power of the (Shiite) Dawa party, is throwing a lifeline to the Syrian dictator.

The Shiite appetite in Iraq has grown with the eating. Anti-terrorism laws and the provisions of de-Baathification have been unleashed on the Sunnis, and the forces of order have become instruments of the Maliki government. Thousands languish in prison on spurious charges, and protests http://articles.washingtonpost.com/2013-05-03/world/3899422_1_security-forces-sunni-protest-site-civil-war have broken out in Sunni cities. The Syrian conflict has added fuel to the fire. If the Sunnis needed proof that the Shiite coalition in the region (comprising Iran, the Iraqi state, the Alawite regime in Damascus and Hezbollah in Lebanon) is hell-bent on robbing them of their historic place in Iraq, their government's tilt toward Bashar al-Assad provided it.

It was a matter of time before these millennial conflicts were given new life by the Syrian civil war, which has acquired the passion of a religious calling. So Shiite warriors from Iraq and Lebanon flock to Syria today, they tell us, to protect the shrine of Sayyida Zeinab in the eastern suburbs of Damascus. It is easy work for Hasan Nasrallah, the secretary general of Hezbollah, to dispatch young foot soldiers to Damascus and drape his support for the Syrian dictator in the garb of religious duty.

Terrorist groups, Nasrallah said on April 30, had threatened to overrun and destroy the shrine. "If such a crime were to take place, it will carry with it grave consequences," he warned. "Countries supporting these groups will be held responsible for this crime."

Nasrallah is not a subtle man. He proclaimed nothing less than a sectarian war over Syria: "Syria has real friends in the region, and the world will not allow Syria to fall into the hands of America, Israel and the takfiri groups," or militant Islamists. Nasrallah, very much in the tradition of Maliki in Baghdad, offended the Sunnis in his own country. Sunni preachers in Beirut, Sidon and Tripoli have called on their own http://articles.washingtonpost.com/2013-04-27/world/38856=12_1_syrian-rebels-syrian-civil-war-syrian-border-region to rise to the defense of the Syrian rebellion.

The schism over Syria was given away in a Pew survey released May 1 that found 91 percent of Lebanon's Shiites had a favorable opinion of Assad, and 8 percent held an unfavorable one. The results among the country's Sunnis were the reverse: 7 percent favorable, 92 percent unfavorable. Such estrangement in a small, claustrophobic country!

Syria's war plays out differently among its neighbors. Jordan, through no choice of its own, is caught up in the struggle as southern Syria, for all practical purposes, spills over its border. An estimated 500,000 Syrians have made their way into Jordan http://articles.washingtonpost.com/2013-04-21/world/38717617_1_syrians-jordanians-amman-government — almost a staggering 10 percent of that country's population. Jordan is overwhelmingly Sunni, so it has been spared the virulence of the vendettas blowing through Iraq and Lebanon. But it has its own fault line — between a secular monarchy and a strong Muslim Brotherhood. The Brotherhood is invested in the success of the rebellion in Syria, and the monarchy is on edge. It can't close its border in the face of the Syrians, and it struggles to cope with a huge economic burden http://articles.washingtonpost.com/2013-03-04/world/37438059_1_zaatari-syrian-refugees-nw-refugees amid its own scarcities. It waits for deliverance — help from the Gulf Arabs and from the United States — and prays for an end to this war from hell.

Israel is, of course, a Syrian neighbor apart. Wisely, it initially kept a policy of benign yet watchful neglect of this fight. There was no love lost for the Syrian dictatorship but no faith that the rebels would make better neighbors if and when they came to power. On the one hand, the dictatorship, under Assad and his father before him, had kept the peace on the Israeli-Syrian border. But the Syrians had also stoked tensions on the Lebanese-Israeli frontier and had given Iran access to the Mediterranean, so perilously close to Israel. It was the better part of wisdom to steer clear of Syria's fire.

But alleged Israeli airstrikes http://www.washingtonpost.com/world/middle_east/israel-says-hezbollah-target-not-syria/2013/05/06/438d805e-b683-11e2-92f3-f291801936=8_story.html over Damascus in recent days have demonstrated the limits of Israel's patience. The targets were depots of Iranian missiles, meant to be delivered to Hezbollah. These missiles had a range of 200 miles and could carry half-ton warheads. The Israelis made good on their "red line." They would not permit Hezbollah that kind of power over their security.

Even with all this instability, I don't believe that the borders of the Fertile Crescent will be erased. Western Iraq will not secede and join Syria, nor will Tripoli slip into Syria. But a Syria ruled by a Sunni majority would rewrite the rules of the region's politics.

It could put an end to the militarization of Syrian society that has wrecked that country. Free of despotism, the Syrian middle class might erect the foundations of a more open and merciful nation. Syria is a land of merchants and commerce, and therein lies the hope that a better country could emerge from this ruin.

Lebanon, too, would be given a chance at normalcy. The power of Hezbollah in that country has derived to a great extent from the power of the Syrian dictatorship. If Syria is transformed, Lebanon must change as well, and the power of Hezbollah could be cut down to size. Utopia will not visit the region after the fall of the Syrian tyranny, but there is no denying that better politics may take hold in Syria and in its immediate neighborhood.

The remarkable thing about this drawn-out fight, now entering its third year, is the passivity of the United States. A region of traditional American influence has been left to fend for itself.

Of course, these sectarian enemies do not lend themselves to an outsider's touch. Nor did Obama call up these furies; they cannot be laid at his doorstep. But the unwillingness of his administration to make a clean break with Assad helped radicalize the Syrian rebellion. The landscape would have been altered by American help. A no-fly zone near the border with Turkey could have sheltered and aided the rebels. An early decision to arm the rebellion would have leveled the killing field. Four of the president's principal foreign policy advisers from his first term advocated giving weapons to the rebels — Secretary of State Hillary Rodham Clinton, Defense Secretary Leon Panetta, CIA Director David Petraeus and the chairman of the Joint Chiefs of Staff, Gen. Martin Dempsey. But the president overrode them, his caution of no help in a conflict of such virulence.

Under the gaze of the world, Obama instead drew a red line <http://www.washingtonpost.com/blogs/worldviews/wp/2013/04/30/video-obama-reiterates-syria-red-line-but-vague-on-response-if-crossed/> on the use of chemical weapons and warned that his calculus would change if these weapons were used or moved around. He thus placed his credibility in the hands of the Syrian dictator and, in the midst of a storm of his own making, fell back on lawyerly distinctions.

A Greater Middle East, an Islamic world, used to American campaigns of rescue — Kuwait in 1991, Bosnia in 1995, Kosovo in 1999, Afghanistan in 2001, Iraq in 2003, Libya in 2011 — is now witnessing the ebb of American power and responsibility. Obama has held his fire in the face of great slaughter, and truth be known, congressional and popular opinion have given him a pass. America has wearied of Middle Eastern wars.

Syrian rebels sure that the American cavalry would turn up after this or that massacre have been bitterly disappointed. It's the tragic luck of the Syrians that their rebellion has happened on the watch of an American president who has made a fetish of caution, who has seen the risks of action and overlooked the consequences of abdication.

Fouad Ajami, a senior fellow at Stanford University's Hoover Institution, is the author of "The Syrian Rebellion" and "Dream Palace of the Arabs: A Generation's Odyssey."

Article 3.

Foreign Affairs

Israel's Man in Damascus

Efraim Halevy

May 10, 2013 -- In October 1995 Israeli Prime Minister Yitzhak Rabin telephoned Egyptian President Hosni Mubarak to inform him that peace was at hand between Israel and Syria. Two weeks later, Rabin was dead, killed by a reactionary Jewish Israeli fanatic; the peace agreement that Rabin referenced ended not long thereafter. But Israeli hopes for an eventual agreement with the Assad regime managed to survive. There have been four subsequent attempts by Israeli prime ministers -- one by Ehud Barak, one by Ehud Olmert, and two by Benjamin Netanyahu -- to forge a peace with Syria.

This shared history with the Assad regime is relevant when considering Israel's strategy toward the ongoing civil war in Syria. Israel's most significant strategic goal with respect to Syria has always been a stable peace, and that is not something that the current civil war has changed. Israel will intervene in Syria when it deems it necessary; last week's attacks testify to that. But it is no accident that those strikes were focused solely on the destruction of weapons depots, and that Israel has given no indication of wanting to intervene any further. Jerusalem, ultimately, has little interest in actively hastening the fall of Bashar al-Assad.

Israel knows one important thing about the Assads: for the past 40 years, they have managed to preserve some form of calm along the border. Technically, the two countries have always been at war -- Syria has yet to officially recognize Israel -- but Israel has been able to count on the governments of Hafez and Bashar Assad to enforce the Separation of Forces Agreement from 1974, in which both sides agreed to a cease-fire in the Golan Heights, the disputed vantage point along the shared border. Indeed, even when Israeli and Syrian forces were briefly locked in fierce fighting in 1982 during Lebanon's civil war, the border remained quiet.

Israel does not feel as confident, though, about the parties to the current conflict, and with good reason. On the one hand, there are the rebel forces, some of whom are increasingly under the sway of al Qaeda. On the other, there are the Syrian government's military forces, which are still under Assad's command, but are ever more dependent on the Iranian Revolutionary Guard and Hezbollah, which is also Iranian-sponsored. Iran is the only outside state with boots on the ground in Syria, and although it is supporting Assad, it is also pressuring his government to more closely serve Iran's goals -- including by allowing the passage of advanced arms from Syria into southern Lebanon. The recent visit by Iranian Foreign Minister Ali Salehi to Damascus, during which he announced that Iran would not allow Assad to fall under any circumstances, further underscored the depth of Iran's involvement in the fighting. It is entirely conceivable, in other words, that a post-Assad regime in Syria would be explicitly pro-al Qaeda or even more openly pro-Iran. Either result would be unacceptable to Israel.

Of course, an extended civil war in Syria does not serve Israel's interests either. The ongoing chaos is attracting Islamists from elsewhere in the region, and threatening to destabilize Israel's entire neighborhood, including Lebanon, Jordan, and Iraq. It could also cause Assad to lose control -- or decide to rely more on -- his stockpile of chemical weapons.

Even though these problems have a direct impact on Israel, the Israeli government believes that it should deal with them in a way that does not force it to become a kingmaker over Assad's fate. Instead, it would prefer to maintain neutrality in Syria's civil war. Israel does not want to tempt Assad to target Israel with his missile stockpile -- nor does it want to alienate the Alawite community that will remain on Israel's border regardless of the outcome of Syria's war.

Last week's attacks were a case in point. Israel did not hesitate to order air strikes when it had intelligence that arms were going to be funneled from Syria to Hezbollah. Although Israel took care not to assume official responsibility for the specific attack, Minister of Defense Moshe Yaalon publicly stated that Israel's policy was to prevent the passage of strategic weaponry from Syria to Lebanon. But parallel with that messaging, Israel also made overt and covert efforts to communicate to Assad that Jerusalem was determined to remain neutral in Syria's civil war. The fact that those messages were received in Damascus was reflected in the relatively restrained response from the Assad regime: a mid-level Foreign Ministry official offered a public denouncement of Israel -- and even then the Syrian government offered only a vague promise of reprisal, vowing to respond at a time and in a manner of its choosing.

As brutal as the Syrian war has become, Israel believes that another international crisis is even more urgent: Iran's continued pursuit of a nuclear program. Jerusalem has long believed that mid-2013 would be an hour of decision in its dealings with Iran. In the interim, Israel wants to focus its own finite resources on that crisis -- and it would prefer that the rest of the world does the same.

Article 4.

Al-Arabiya

Spectre of bankruptcy haunts Egypt

Adel al-Toraifi

9 May 2013 -- There were two worrying pieces of news from Egypt this week. One was the reshuffling of Prime Minister Hisham Kandil's cabinet based on partisan calculations, rather than competencies as was initially hoped. The second piece of news was the report that Egypt's population now stands at more than 84 million. This is the result of the birth rate doubling during the revolution due to the decline in birth control programs, which had previously been sponsored by the government and international institutions. The population increase is a concern for a very simple reason; it will present additional financial and environmental burdens on Egyptian society, particularly in the country's already overcrowded cities and slums.

Two decades ago, Egypt was one of the world's largest agricultural exporters, whereas today it is one of the largest importers of wheat. For this reason, it is no surprise that we find President Mursi requesting that his Russian counterpart Vladimir Putin—at the height of Russian military aid to the Bashar al-Assad regime in Syria—grant Egypt preferential rates in an attempt to reduce the cost of subsidizing bread. There can be no doubt that the economy could force political concessions simply to guarantee the price of bread. In a country where incomes have declined over the past two years, more than 60% of foreign currency reserves have evaporated, and the Egyptian pound has lost 7% of its value since the beginning of the year, talk about a program of economic reform is not just necessary, it is crucial. Unfortunately, it does not seem that the ruling party today—or the Brotherhood, if you prefer—is serious about solving the problems facing the Egyptian treasury and the economy at large, not to mention putting an end to the weakening of the Egyptian pound and record inflation.

Delaying the crisis

However, more dangerous than this is some observers resorting to the tactic of “delaying the crisis” for future budgets, saying that the deficit in the trade budget is normal under such circumstances, and that this can only be resolved in future budgets. This is because expenditure, from their point of view, is necessary to revive growth during the current stage of economic slowdown that Egypt is experiencing.

In principle, this proposal has merit. However, in terms of implementation during the Mursi era, expenditure—rather than investment—is already on the rise, thanks to government assistance programs, not to mention other financial burdens on the state. Of course, there are those in Egypt who play down the risk of the treasury becoming bankrupt, believing that the Egyptian economy is, as they say, too big to fail. They base this on Egypt's huge human resources and wealth, and expected sources of financing, such as foreign investment and tourism, particularly if political stability can be ensured.

More than 60% of foreign currency reserves have evaporated, talk about a program of economic reform is not just necessary, it is crucial

Adel al-Toraifi

Those who hold this opinion believe that domestic demand will prevent the Egyptian economy from facing bankruptcy. But hold on—this view is based more on the sense of Egyptian national dignity, rather than the language of numbers. Brazil and Mexico would have announced bankruptcy during the 1980s were it not for the intervention of the International Monetary Fund (IMF) and the World Bank. Everybody knows how countries like Chile in 1975 and Yugoslavia in 1989 and Nicaragua in 1990 went bankrupt, or, to put it in the language of economists, experienced huge inflation and the collapse of the national economy.

Let us take Argentina in the 1980s as an example. Argentina borrowed in a way that repayments became a heavy burden, and following the loss of political stability in the country—as is happening today in Egypt—international lenders refused to help. As a result, the country had no choice but to devalue its currency in order to reduce the value of its debt. This was a way of announcing bankruptcy.

Egyptian vulnerability

Is the Egyptian treasury vulnerable to bankruptcy? Not yet, but if it continues on this course then there can be no doubt that this will be its fate. There can also be no doubt that some people are relying on Western or Gulf assistance; nobody wants to see the Egyptian treasury declare bankruptcy, as it would have political and security consequences for everybody.

However, at the same time, the Egyptian government is not helping itself or allowing others to help it to fix the situation. What does it mean for Qandil to name an al-Azhar professor specializing in Islamic jurisprudence and murabaha (Sharia-compliant sale) as the country's new finance minister? What does specializing in Islamic studies have to do with the USD 4.8 billion interest-based IMF loan? The answer is that this minister was appointed simply because he is affiliated with the Muslim Brotherhood, and he only has the power to pass directives—not to implement the required corrective plan.

Although the judgment against the new finance minister may come a little early, would it not have been better to choose a competent Egyptian with international experience who enjoys the confidence of the national private sector. If you remain unconvinced of the possibility of bankruptcy, then you must face the facts: Egyptian GDP per capita is less than U.S. \$2,000 per annum and the average Egyptian household's expenditure on foodstuffs represents more than 50% of its annual income, despite government subsidies of bread, cooking oil and fuel.

According to a study by researcher Dalibor Roháč of the Washington-based Cato Institute entitled "Towards a reform of Egypt's commodity subsidies," a third of Egyptian public spending goes on subsidizing foodstuff and other goods, while around 80% of the Egyptian population depends on government financial assistance. This is the state of affairs created by the 1952 revolution, which turned Egypt into a consumption-based economy, establishing a black market which, for decades, specialized in pillaging this financial assistance. Roháč's study shows that only a quarter of this assistance finds its way to Egypt's poor, with the rest benefitting the middle and upper income brackets.

Reforming government support

It is true that some of the ruling Freedom and Justice Party members have spoken on a number of occasions about their intentions to reform the system of government support, suggesting a number of mechanisms that failed to achieve much. However, the IMF loan conditions are based mainly on the gradual reduction of fuel subsidies, which is a pledge that Qandil's government has failed to fulfil, fearing the response of the street which is still in a "revolutionary" mindset.

Egypt could try replacing the government subsidization system—which is a program whose corruption and lack of effectiveness has been proven for decades—with direct support for the poor: directly providing funds, or coupons, to the poor so that the government can revive market competition. There are a number of successful examples of this model; however, that does not necessarily mean that it would succeed in Egypt. There are a number of reasons for this, most prominently—the government’s lack of administrative competence, not to mention the lack of legitimacy that would allow the ruling party to take difficult decisions without the street rising up against them.

In Iran, for example, President Ahmadinejad tried to implement this in two stages. However, the result was an increase in expenditure, as more than 95% of the people applied for direct financial assistance, while the political parties and forces rejected the price increase imposed on fuel. In other words, the results were both counterproductive and costly: the people know how to take advantage of the government’s funds.

The Freedom and Justice Party are facing a huge challenge, and failing in this task may take Egypt back decades, both economically and politically.

Adel al-Toraifi is the Editor-in-Chief of Asharq al-Awsat and Editor-in-Chief of Al Majalla magazine. As a specialist in Middle Eastern affairs his research focuses on Saudi-Iranian relations, foreign policy decision making in the Gulf and IR theories on the Middle East.

Article 5.

Project Syndicate

The Egypt-Israel Peace Test

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10 May 2013 -- The rocket strike that a militant Islamist group recently fired from the Egyptian Sinai into the Israeli city of Eilat served as yet another reminder of how delicate bilateral relations remain two years after Egypt’s revolution. Terrorist activity could easily cause a crisis on the border, with the potential to trigger an unwanted confrontation that would threaten the peace treaty http://avalon.law.yale.edu/20th_century/israel-egypt.asp that normalized bilateral relations in 1979. To avoid such an outcome, Israel and Egypt must take convincing action now to uphold the treaty. Last November, when hostilities erupted in Gaza, Egyptian President Mohamed Morsi mediated a swift resolution, even providing a guarantee for a cease-fire with Gaza’s ruling Hamas. Morsi thus implicitly

recommitted Egypt to upholding peace on the border and to playing a constructive role in the Palestinian-Israeli conflict. This boosted confidence in Israel that the Muslim Brotherhood, Egypt's ruling party, would uphold the 1979 peace treaty. But Morsi has not explicitly endorsed peace with Israel and has avoided direct engagement with Israeli leaders.

Preserving peace is in both countries' interests. The attack on an Egyptian army outpost in the Sinai last summer, in which armed militants killed 16 soldiers, demonstrated that terrorism threatens Egypt just as it does Israel. In this volatile environment, reverting to a confrontational relationship with Israel would be extremely dangerous, inviting the risk of another disastrous war. Upholding the peace treaty with Israel would have the opposite effect, enabling Egypt to pursue its goals of consolidating the military's authority at home and enhancing its influence throughout the Middle East.

Egyptian and Israeli leaders must recognize that the ongoing struggle to secure the Sinai Peninsula since 1967, which the treaty established as a demilitarized zone – is testing peace daily. Israel has so far tolerated Egyptian military activity and force deployments that technically violate the bilateral treaty, approving them retroactively in the hope that Egypt will do more to secure the border and crack down on weapons smuggling into Gaza. But Israel has little confidence that the deployments will enhance its security, and Israeli leaders are becoming increasingly anxious about the Egyptian military's mobilization of forces without notice. In Egypt, the treaty is even more clearly under threat. The Muslim Brotherhood has long called for a referendum on the treaty, viewing the restrictions on Egyptian forces in the Sinai as an affront to national sovereignty. The Brothers condemned Morsi's involvement in resolving the Gaza crisis last year, portraying it as kowtowing to Israel. In fact, Morsi is under fire from both the left and the right for upholding former President Hosni Mubarak's obliging approach to Israel, as well as for reasserting Mubarak's authoritarian bargain – diplomatic and financial support in exchange for "stability" – with the United States. Faced with a collapsing economy and approaching elections, the temptation for Morsi to stoke nationalist, anti-Israel sentiment will become stronger. A major incident on the border could be enough to push him over the edge. In order to sustain the peace treaty, Egypt and Israel should renegotiate its military annex to allow Egypt to deploy forces in previously restricted zones and re-establish full sovereignty over the Sinai. Such a move would strengthen bilateral relations, generate goodwill in Egypt, and increase Israel's confidence in the Muslim Brotherhood's commitment to peace.

During such a renegotiation, the two countries would discuss in detail the most effective approach to tackling their shared challenges related to terrorism and transnational crime, in order to ensure that Egypt's increased military presence in the Sinai also enhances Israel's security. Egypt's newly democratic government would be more strictly accountable for fulfilling the treaty's terms if it played an active role in establishing them. At the same time, the agreement would boost domestic support for Egypt's government and enhance its regional standing. Likewise, US involvement in the negotiations would benefit all parties. The process would provide an opportunity for the Egyptian military to engage with the US, helping to bolster its case for aid in a difficult environment.

Moreover, the US could set clear, narrow terms for the talks and provide a guarantee that the outcome would not impinge on Israel's core interests, thereby mitigating Israeli officials' fears that opening the treaty's military annex for revision would call into question its other terms. Finally, playing a successful role in bolstering Israel-Egypt relations could advance US Secretary of State John Kerry's diplomatic initiatives in the Middle East.

In a region as volatile as the Middle East, no country can afford to take peace for granted. But, by renewing their bilateral treaty now, Egypt and Israel would maximize their chances of prolonging an arrangement that has kept them from fighting for more than three decades.

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The Atlantic

What Is China's Plan for The Middle East?

Matt Schiavenza

May 10 2013 -- Solving the Israel/Palestine crisis has long been the holy grail of American foreign policy -- an elusive goal that each successive president has strived to achieve. Like moths to a flame, American presidents cannot resist the temptation to solve a problem from which so many other issues -- terrorism and Iran, notably -- seem to come from.

Could China, then, be stealing America's thunder? President Xi Jinping made waves

last week by inviting both Israeli prime minister Benjamin Netanyahu and Palestinian leader Mahmoud Abbas to China, a diplomatic maneuver that elicited the attention of the U.S. media. The ambitions for the visit weren't terribly ambitious; Netanyahu and Abbas never met, and Xi issued a bland "four-point plan" that reinforced existing norms for resolving the crisis. But the fact that China thrust itself in the situation nonetheless was significant. Why, then, did China decide to do it?

There are two major forces at play. First, publicly claiming an interest in solving this crisis is consistent with China's new global approach to foreign policy. For years, China focused its attention primarily on its periphery, but as its economy grew Beijing needed to come up with a strategy to deal with the rest of the world, one that, at least, went beyond "just sell us natural resources and we'll let you do whatever you want to your people." Now, a strategy has emerged. On the United Nations Security Council China has formed a de facto alliance with Russia, using their respective vetoes to stymie American-led initiatives. Beijing has also flexed its diplomatic muscle through organizations like the Shanghai Cooperation Organization (a grouping of Central Asian republics plus China) and the Association of Southeast Asian Nations (which, though not a member, China exerts significant influence in). China may claim to be just a middle-income developing country, but in diplomatic terms it has become much more than that.

However, Beijing's involvement in the Middle East has as much to do with the United States than it does with China. Prospects for U.S. brokerage of Israeli/Palestinian peace are bleaker than they've been in a long time. President Obama's relationship with Netanyahu, to put it mildly, is not warm, and the continued split between Fatah and Hamas complicates matters further. The administration has also publicly signaled a "pivot to Asia", a declaration that foreign policy priorities won't be dominated by the Middle East forever. And when recently asked about the Israeli/Palestinian crisis, Secretary of State John Kerry pessimistically gave the "two-state solution" a window of two more years. Clearly, Washington doesn't see good about the situation.

So will China fill the breach? Beijing's involvement does offer a fresh dynamic to the region; whereas Washington is seen as a staunch Israel ally, China tilts much more toward the Palestinians. It wasn't a coincidence that it was Mahmoud Abbas, not Netanyahu, who was awarded full state visit honors in China. That said, China still lacks the clout to play more than a peripheral role in the Middle East peace process-- something Beijing surely knows. But by meeting with the two leaders, Xi Jinping served a timely reminder that his country, at the very least, wasn't going to sit this issue out anymore.

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The National Interest

The Day After a Strike on Iran

Marwan Muasher

May 10, 2013 -- All eyes are on what it will take to prevent Iran from getting its hands on a nuclear weapon. If sanctions and diplomacy prove incapable of containing Tehran's nuclear ambitions—and soon—a military strike to destroy or at the very least delay its program is seen as the least bad option available. Iran gaining a nuclear-weapons capability is a red line that the United States and Israel just won't let it cross.

But not enough thought has been given to what happens after a strike is actually carried out.

Debate in the United States ends at how to prevent Iran from getting the bomb, while the repercussions of a military strike are not widely discussed. This ominously echoes the run up to the war in Iraq.

When Washington was preparing to invade Saddam Hussein's Iraq, little consideration was given to what came next. Ten years later, the mistakes are evident. Iraq did not pose the immediate security threat that Washington believed, forcefully building a democracy was easier said than done, and the difficulties bogged U.S. troops down for years. The war cost trillions of dollars and damaged America's standing in the Arab world.

And now the real issues are being left unaddressed again. Conventional wisdom holds that a military strike on Iran is the best thing to do in the face of a legitimate fear. But tough questions must not be avoided.

Will a strike stop Tehran from pursuing a nuclear weapon or push it to weaponize?

A successful military attack on Iran's nuclear facilities will likely set the country's program back, but it won't be enough to end its nuclear activities for good. A strike could actually have the opposite effect. If Tehran hasn't yet decided to weaponize, as many intelligence experts presume, an attack could certainly make its leaders feel the need to speed up their efforts.

Will hitting Iran help the region, or hurt those standing against extremism?

Moderate voices in the Arab world, as weak as they are presently, are finally beginning to be heard with the outbreak of the Arab Awakening. But an attack on Iran could have significant ramifications. A strike that is perceived as illegitimate in the region could push more people toward extremist views, increase negative perceptions of the United States, and deal a fatal blow to the moderates.

Will a strike weaken Iran in the Middle East, or resurrect it from the dead?

Tehran lost popularity and legitimacy following its crackdown on protesters in the aftermath of its 2009 election and by supporting the brutal Syrian regime. Damaging Iran's nuclear program won't necessarily weaken Iran further, however, as the action could flip the script. Tehran could be seen in a more positive light as the latest victim of an unwarranted attack and actually gain influence in the Middle East.

Until these three questions are answered, the military option should be left off the table.

A strike is taken as a fait accompli if negotiations fail. This is wrong. I think it's clear that a military attempt to derail Iran's nuclear program will push Tehran to weaponize, threaten the moderates emerging in the Middle East, and give Iran newfound legitimacy across the region as the country standing up to imperialist America.

But don't take my word for it— These questions need to be properly considered and openly debated. Proponents of military action need to analyze the long-term repercussions and defend how this will serve wider interests and not just tackle an immediate concern. Opponents need to publicly discuss how they believe diplomacy serves U.S. interests more than war.

Today, everyone recognizes the mistakes made waging the battle in Iraq. Washington rushed into a conflict without a proper assessment of the risks or plans for what came after the smoke had cleared. Let's not let history repeat itself only a decade later.

The United States should not start something it does not want to finish. Serious thought needs to be given to the day after a strike on Iran to avoid its downsides or plan for its consequences.

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Prospect

Michael Sandel and AC Grayling in conversation

May 10, 2013 -- On Wednesday night (8th May), Prospect hosted an evening of conversation between Michael Sandel and AC Grayling at the Royal Geographical Society in London. Here is an edited transcript:

AC Grayling: You were brought up mainly in California, educated at Brandeis and then at Oxford. You were a Rhodes scholar there and stayed on for your doctorate, and you were supervised for your doctoral studies by Charles Taylor. What influence still persists from your time talking to Charles Taylor?

Michael Sandel: I had a wonderful time at Oxford and Charles was at the centre of a small but compelling group of heterodox, moral and political philosophers who stood outside the then mainstream of purely analytic philosophy, which was largely utilitarian.

I came late to philosophy—I had studied politics as an undergraduate. So I was first enticed, almost forced, to study Kant by Alan Monfiore. Then after I had done that, with Charles I studied Aristotle and Hegel, and then with Stuart Hampshire, Spinoza. All of these thinkers were in a way counter-cultural, at odds with the mainstream.

I found it all fascinating, and the influence this had on me was to question some of the overly individualistic assumptions that inform contemporary moral and political philosophy, including those of Rawls. Also, to question the idea that debates about justice and rights can be neutral with respect to conceptions of the good life.

Grayling: I know you don't like the label "communitarian" but that is of course one that's associated with Charles Taylor's views. You did mention the overly individualistic view of things. This is tremendously important because a large part of what you've thought, especially in talking about the marketisation of our society, has really been a lament for the sense of community.

So there is a sense that the label, although you don't quite like it, does somewhat describe the position you come from—and it would be a Charles Taylor sort of position.

Sandel:

There is a sense, you're quite right, that the term fits. But it's in the sense that suggests that it's not reasonable, it's not possible in some cases, and not desirable in others, to try to reason about justice or rights or the good society by stepping back from the particular identities that shape citizens.

Grayling: You urged against Rawls's idea that somehow you could think about how you would like to see society organised if you were ignorant of where you would be in society. Your point is you can't start from there—you've got to start from where you are located.

This is a theme in a great deal of what you have written and said. It naturally enough raises questions in the minds of those who do have an interest in conceptions of autonomy, individual liberty and the rest, that they lie in tension with the idea that we are already connected and, to use a wonderful word coined by Bishop Berkeley, embroiled in society.

How are we going to deal with the difficulty that there seems to be an irresolvable conflict between, on the one hand, the interests that individuals have in their own lives and projects and so on, and these commitments that they cannot escape from?

Sandel:

Take the right of freedom of speech. There are some who say that the moral basis of freedom of speech is that government should be neutral with respect to the content of people's speech and respect the fact that it is the speech of a freely choosing self.

I would put the case of freedom of speech differently. It deserves special protection for two reasons. First, respecting freedom of speech is essential to democratic life. Democratic life matters not just because it satisfies individual preferences, but because it makes us better. It enables us to develop our human capacities more fully if we participate in self-government and deliberate about important public questions.

The second reason goes beyond civic virtue and suggests that we are free when we actively participate in public deliberation and develop the full range of our human faculties. So you might call this an Aristotelian defence of freedom of speech because it does refer to a certain conception of the good life and maybe even virtue.

Grayling: The way you set that up is that the reason central civil liberties like freedom of speech matter is that it makes for a good society, that if people are fully participating, are fully informed and take part in the conversation then society will flourish as a result.

Sandel:

Grayling: Some people could read Aristotle as saying that it's better that society is good so that individuals within it can flourish. In other words, the direction of emphasis is towards the flourishing of the individual. Whereas the other direction of emphasis is to accord individuals these civil liberties so that society can be a good one. I'm wondering which direction we're moving in with you.

Sandel:

Grayling: I'm very sympathetic to that view but I can hear two different kinds of critics responding to it. One critic might say that the best kind of society from the point of view of the individual flourishing is the minimalist society. This might be your bog standard Republican who wants government to get out of the way.

In the other direction you might have someone say that a good society is one that compensates for the failings of the individuals within it. Famously, Churchill said democracy was the least bad of a lot of bad systems. But he also said that the strongest argument against democracy was two minutes of conversation with any voter.

Sandel:

Grayling: That's very interesting. We must come back to it because of course in your discussion of the marketisation of society in *What Money Can't Buy*, you end by pointing out how corrupting of our civic life it would be if everything could be bought or sold.

Before we do, the motivation for what you say in that argument is predicated on the disenchantment you have with economics and economists. Perhaps you could explain what it is about them that has made you fed up.

Sandel: Some of my best friends are economists. When I started graduate school, I started out thinking I would do PPE and study philosophy and economics since I'd studied politics before. My project with economics was to see if I could include within the economic model a concern for equality, or whether equality as a normative consideration had to be brought in from outside those models. So I strayed from that project, although I feel like I've come back to it, in a way, 35 years later.

In the old days, back with Adam Smith and the classical economists, economics was understood, I think rightly, as a branch of moral and political philosophy. In the 20th century, economics established itself as an autonomous discipline and presented itself as a value-neutral science of social life and human behaviour. This is how economics is largely taught today.

I think it's a mistake to view economics as a science. When economics concerns itself with traditional economic topics, such as employment, inflation, how to avoid recession, foreign trade, banks and stocks, then it is easy enough to see how it's possible to think of economics that way. But when economics enlarges its ambition and undertakes to explain the whole of life, then I think it's less and less plausible to think of it as a value-neutral science.

When economic reasoning and markets govern not just things like toasters and cars but family life, personal relations, health, education and civic life—when economics tries to explain and inform every domain of life—then it has to enter into morally contestable choices, although it does so often without fully owning up to it.

Economists often assume that markets are inert, that they don't touch or taint the goods they exchange, and this may be true enough if we're talking about material goods. If you give me a flat-screen television or sell me one, the flat-screen television will work just as well either way. But the same may not be true when it comes to using market mechanisms or cash incentives, for example, to motivate young students to study harder. Cash for good grades or high test scores—many US schools districts have tried this as an experiment. In Dallas, Texas they pay eight-year-olds \$2 for each book they read. From the standpoint of traditional economic analysis, the only test is: does it work? Does the number of books read increase? What has actually happened is that the grades have not increased in most of these experiments.

But the real question is: what lesson is being taught by offering cash for grades or studying? My worry is that the lesson being taught is that reading is a chore, the kind of work to be done for money. And if that's what's being taught, the market mechanism is not neutral—it changes the meaning of the activity and crowds out attitudes and norms that we care about.

Grayling: However much economics tries to portray itself as value-neutral it isn't, because another thing you're concerned about is that economics assumes that consenting adults are the party to these deals they make with one another. So if I want you to advertise my book and I pay you enough to have it written on your forehead, that would be an example where the question of analysis would be, "is the person renting out their forehead coerced by their economic circumstances?" This is something that makes you anxious.

Sandel:

But I also worry on another, independent ground. Even if it is voluntary rather than through economic desperation, there is the question of whether the tattoo ad on the forehead is degrading. It's a question that arises classically in debates about prostitution. There's the worry about coercion, or implicit coercion. But even if that objection is met there's still the question of whether it's morally objectionable because it's degrading.

Grayling: Paying somebody to wait in line for you, for example, for a congressional hearing. This doesn't do anyone any harm and this is someone who might need some money. Certainly, people who are drawn into sex work, that's troubling—but it's not always easy to draw a line. Drawing a line involves some kind of value judgement and then the inevitable question arises: whose values? And I take it part of your answer is that it's got to be our values, that somehow we have to reinvigorate a conversation in society about what's acceptable and what isn't. The big question is, how the heck do we do that?

Sandel:

The objection to paid line standing does involve the degradation argument, the idea of it being demeaning, but not necessarily in the case of it being demeaning of the person who has the job. Here it's different from the tattoo or the surrogate mother. It's demeaning of the institution of the government that allows this kind of ticket touting to govern access to Congress or Parliament or the Supreme Court. It's demeaning of representative government to put access up for auction in this way.

We've seen these long queues where people pay for someone to get them the first new iPad or iPhone. I think that's different, because that's a commercial product. You'll then say, "OK but that restates precisely the question as it's a value judgement." I agree it is and you rightly want to know whose judgement should govern. I would say ours, but the hard question is how should we reflect those values?

If we take the arguments from degradation or corruption seriously, as I think we have to if we are to define the moral limits of markets we have to reason together in public about the right way to value goods, whether the goods at stake are the integrity and dignity of the human person or the proper way of governing access to institutions that represent government.

Grayling: There's an obvious connection between your interest in the concept of justice and these issues. Questions about what's just have always been front and centre of the great moral arguments. What do you take those forms of justice to be? Is it distributive or is it some other conception?

Sandel: Justice is an important virtue of social institutions. I don't think it's the only virtue—there are other virtues to do with community, fellow feeling, solidarity, self-government, the scope for and the quality of public deliberation, all of which may have some bearing on justice, but which may also have independent moral importance.

Part of my argument in the book on justice and the book on markets is that we can't entirely discuss these sets of questions independently of one another. What counts as a good society unavoidably embroils us in questions of virtue and the good life. It can't altogether be separated from whether the distribution of income, wealth and power and opportunity in that society is fair, even recognising that fairness isn't the only thing that matters.

Grayling: Your lectures at Harvard have famously become available to everyone in the world online. MOOCs [massive=open online courses] look as though they're going to transform education worldwide.

But there has been a push back on two fronts. One is that if these massive courses have tens of thousands of students taking them, and they do essays, there just aren't enough professors to go around to mark them, so they're graded by software. So here's one question mark that pops up in people's minds: is being taught by a computer OK?

Then the second thing is you've been challenged recently by an entire philosophy department at San Jose State University, who said, "you're just about to put us out of a job because if our college just has your lectures online, they won't need us."

Where is higher education going?

Sandel:

The effect was beyond anything we could have imagined. They tell us that tens of millions of people have been watching them. For me, the most rewarding part of the experiment is simply providing free and global access to the Harvard classroom, or to any classroom, so that anyone, anywhere, including someone in an Indian village or in a remote part of China or Africa who has access to the internet can see it and can hear about Aristotle and John Stuart Mill, follow the lectures and engage in the online discussion if they want to. For me it's a way of giving expression to the idea that higher education should be seen and treated as a public resource and not as a private privilege.

But as far as the push back, I would emphasize that I don't think an online course can replace the experience of students and teachers gathered in person and deliberating together as part of an academic community. And I hope that even financially pressured colleges and universities won't assume that it can.

QUESTIONS FROM THE AUDIENCE

Question: You're probably aware, Michael, that there's been much discussion in political circles recently with respect to the morality of tax avoidance. What answer would you give to this issue?

Sandel: I'm against tax avoidance. I think that countries need to work together to find ways to reduce tax havens that drain important resources from the public treasuries of societies that have democratically enacted certain tax rates and tax laws.

Secret banking arrangements in the Cayman Islands, Switzerland and elsewhere provide a way for people to evade taxes. Some of the tax avoidance is done through loopholes that are in the tax codes itself. I think both forms are objectionable, not only because they exacerbate the budget crises, indeed the austerity and the pain that governments struggle with when they lack the resources that they would otherwise have under the law, but also because I think it's a kind of civic corruption.

We should find a way collectively and globally of cracking down on that, and preventing that, because it's corrosive of a democratic civic life. It's not just a loss to the treasury.

Question: What part of equality do you espouse: equality of outcome or equality of opportunity? How does your view of equality relate to your notion of justice?

Sandel: Equality of outcome and equality of opportunity are often thought to be the two alternative ways of conceiving equality, and I'm not sure they fully capture the range of possibilities. I would be for a third kind of equality that might be described as equality of condition.

Democracy does not require perfect equality, but it does require that men and women from different social backgrounds and different walks of life inhabit a common life, enough so that they realise that we are all in a common project. Just how much equality is necessary for that is a qualitative judgment.

To what extent do we have common spaces and public places that gather people together, that provide people access to the fundamental prerequisites of a good life? My worry is that against the background of rising inequality over the last three decades, allowing markets to dominate more and more aspects of life is corrupting that commonality. We find that people of affluence and people of modest means increasingly lead separate lives. We live and work and shop and play in different places. Our children go to different schools. This isn't good for democracy and I don't think, ultimately, that it's a satisfying way to live, even for those of us who may inhabit the more privileged places of social life.

Question: Bearing in mind the abuses that took place in the run-up to the credit crunch, at what point do imbalances in information between market participants lead to markets becoming unacceptable?

Sandel: Privilege of access and privilege of information did play a role in the run-up to the financial crisis. One of the things that's striking in the aftermath of the financial crisis is that despite the virtual meltdown of the global financial system, we have not really had a fundamental debate about the proper role of money and markets in our societies.

I think most of us expected that the financial crash would mark the end of an era of market triumphalism that goes back to the early 80s. An era defined by the faith that markets and market mechanisms are the primary instruments for achieving the public good. And although we had some debates about regulation of the financial industry, we didn't really go beyond that. The market faith has had a remarkable staying power, even after the financial crisis, and I think it's interesting to try to figure out why, and also an important question for our public life.

Question: Women do a lot of the unpaid work in society. I've tried to come up with how we could change society so that women are not taken advantage of. The market seems to be the only answer because it would put a value on their work. But I worry a lot about going down this road, because of the moral consequences and the limits of markets. How, other than a transaction that puts value and worth on something like childcare, can we address such an issue?

Sandel: It's a great question, and not an easy one to answer because, as you say, much of what is traditionally regarded as women's work is not commodified. In a market-driven society like ours, work that is not rewarded with money tends to be undervalued and unappreciated. And so there's the temptation to think, just as you suggest, that commodifying what is traditionally regarded as women's work in the household is a liberating alternative.

And yet we see marketising and commodifying roles to do with care, including care of children and care of the elderly. Those tend to be jobs that are poorly paid, and in fact are paid far out of proportion to what their moral importance suggests they should be paid. So it could be that simply commodifying what is traditionally regarded as women's work would not solve the fundamental problem, which is that the roles of care are not sufficiently recognised, appreciated and rewarded in our society.

The real question is: how can we change that? Whether women perform those roles or men perform those roles, we need a public debate about it, because simply commodifying care-giving roles may perpetuate and entrench the underappreciation of those roles if they are not remunerated in a way that indicates their true importance.

The appeal of the market faith isn't just that markets deliver higher GDP or economic efficiency. The deeper appeal is that markets seem to be value-neutral ways of deciding social questions. They seem to spare us democratic citizens the hard work of reasoning together about contested values and judgments about the good life, and questions of care and their importance go directly to the question of the good life, and how we should value social roles.

We should resist the temptation to think that we can outsource moral judgment and civic judgment to markets. And that means that we need to grapple directly, not only as philosophers, but also in public life and in public discourse, with the hard questions, Anthony [Grayling], that you are putting to me: Is there a right way of valuing this or that good?

And if there is, how can we possibly decide together, when we live in pluralist societies where we disagree about the good life, and virtue and how to value goods?

It is a mistake to think that leaving these questions to markets will leave them undecided. Instead, as we've seen, that will decide them for us, and that's why we need to find our way to a morally more robust, admittedly more demanding, form of public discourse. Not because we'll agree, but because it will engage more directly with the questions we have to decide if we're to take democratic citizenship seriously. And it will also enable us to keep markets in their proper place.

Michael Sandel is a professor at Harvard University and author of "What Money Can't Buy: The Moral Limits of Markets". Anthony Clifford Grayling is emeritus professor of philosophy at Birkbeck College, University of London, and master of the New College of the Humanities. His latest book is "The God Argument" (Bloomsbury)