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Article 1.

[New York Times](#)

Shimon Peres on Obama, Iran and the Path to Peace

Ronen Bergman

January 9, 2013 -- “This part of the conversation is highly sensitive,” said the spokeswoman for Israel’s president. “I want all cellphones taken out of the room.” It was July 25, 2012, and I was interviewing Shimon Peres in a wood-paneled suite at the King David Hotel in Jerusalem. I handed my phone to one of the guards standing at the door, and Peres swiftly opened a scathing

monologue against a potential Israeli attack on Iran's nuclear sites. "Israel cannot solve the problem alone," he said. "There is a limit to what we can do."

Referring to the continuing tension between Prime Minister Benjamin Netanyahu and President Barack Obama, Peres said: "I cannot tell you what Bibi's considerations are on the subject of Iran. I am not his spokesman and also not [Defense Minister Ehud] Barak's. That's not my job. I am not looking for confrontations with them. I do think that I can explain the American pattern. America knows how to throw a punch when it has to, in order to keep the world balanced. But the punches follow a set procedure. They don't begin by shooting. They try all the other means first — economic sanctions, political pressure, negotiations, everything possible.

"But in the end," he added, "if none of this works, then President Obama will use military power against Iran. I am sure of it."

I was surprised by Peres's stridency. He had long been perceived as a moderating force on Netanyahu, a mediator between the prime minister and the international community that was losing patience with him. A month earlier, Obama awarded Peres the Presidential Medal of Freedom — America's highest civilian honor. But the ceremony served only to deepen the rift between Peres and Netanyahu, and three weeks later, as reports became more frequent that Netanyahu was planning to send bombers to Iran, Peres took advantage of his 89th-birthday celebrations to speak out publicly against an attack. The prime minister's office responded with ferocity, proclaiming, "Peres has forgotten what the president's job is," and recalling that in

1981, Peres opposed Prime Minister Menachem Begin's decision to bomb Iraq's nuclear reactor, an act that many Israelis consider a great achievement.

There are those who see Peres's confrontation with Netanyahu as one of the principal reasons that an attack on Iran has not yet materialized. "I will not attribute any such thing to myself," Peres told me. "Let others say it. I expressed my opinion, and that was my duty. How influential was it? 'Let another man praise thee, and not thine own mouth,' " he said, quoting the Book of Proverbs.

Peres's clash with Netanyahu over Iran is only one of many disagreements between the two men. On the one hand, Netanyahu is a conservative prime minister who relies on a hard-line, hawkish coalition and who is likely to win next week's Israeli elections by a landslide. On the other, Peres is Israel's elder statesman, who, very late in his life, has attained a degree of popularity that eluded him throughout his earlier career. In a survey conducted by the Israel Democracy Institute, 84 percent of Jewish respondents said Peres was trustworthy, while 62 percent thought Netanyahu was.

It is a pleasure to spend time with this man, whom David Ben-Gurion took under his wing and who became a top official of the Israeli defense establishment at age 24. Peres is a man of the world, full of insights and curiosity that have not worn down over the years. Though he is about to enter his 90s, he recalls in vivid detail his encounters with central figures in the post-World War II era: a Soviet joke competition started by President Ronald Reagan, marathon drinking sessions with the German defense minister Franz Josef Strauss and what he learned from

the founder of modern Singapore, Lee Kuan Yew. But it is Ben-Gurion, and the many years he spent in his proximity, that Peres returns to time and again.

Although he says, “I take no interest in history, it bores me,” he devotes much effort to clarifying how significant his own imprint on modern history has been. This may be in part because, despite his enormous contribution to the power of the Israel Defense Forces, Peres never served in the military. Moreover, he was not a native-born Israeli “Sabra,” having immigrated to Palestine with his family at age 11.

Peres has been Israel’s president since July 2007. He is a firm believer in the power of social networks. There is no move that he makes, no remark or observation that is not immediately reported by his staff (which is, with the exception of a military aide and a foreign-ministry representative, entirely female) on Facebook, Twitter or Instagram. There was a time when Peres made frequent mention of his conception of “a new Middle East.” Today, a new Middle East is indeed taking shape, but it is not the one he envisioned. Over the past five months, we sat down half a dozen times to talk about the current state of Israel-Palestine relations, his relationship with and opinion of Netanyahu, and what he now sees as the future of the Middle East and Israel’s (and his) role in it. The following answers have been condensed from those talks.

“People usually tend to believe grim words, rather than positive ones,” he told me in December. “When you say, as I do, that you are a confirmed optimist, you are seen as unbalanced. But if you look at history, you will see that it is an ongoing failure for pessimism, not for optimism. It has befallen me to live for many

years, and throughout them I have seen that faith triumphs more often than cynicism or skepticism. I think” — and here he expressed harsh criticism of Netanyahu without explicitly mentioning his name — “that if the people of Israel heard from the leadership that there is a chance for peace, they would take up the gauntlet and believe it.”

You don’t believe, then, that for now nothing should be done, as Prime Minister Netanyahu proposes?

He may do nothing, but that doesn’t mean that things won’t be done. This idea, that history is a horse that can be held by the tail, is a foolish idea. After all, the fire can be lit in an instant: another word, another shot, and in the end everyone will lose control. If there is no diplomatic decision, the Palestinians will go back to terror. Knives, mines, suicide attacks. The silence that Israel has been enjoying over the last few years will not continue, because even if the local inhabitants do not want to resume the violence, they will be under the pressure of the Arab world. Money will be transferred to them, and weapons will be smuggled to them, and there will be no one who will stop this flow. Most of the world will support the Palestinians, justify their actions, level the sharpest criticism at us, falsely label us a racist state. Our economy will suffer gravely if a boycott is declared against us. The world’s Jews want an Israel they can be proud of and not an Israel that has no borders and that is considered an occupying state.

What effect does the bad relationship between Obama and Netanyahu have on the immediate future of Israel and the Middle East?

The problem is not between individuals, but between those individuals’ policies. It’s not whether they can have coffee

together or not. Neither one is going to kick the other.

Although perhaps they would like to.

It makes no difference. The problem is that Obama would like to reach peace in the Middle East and has to be convinced that Israel agrees with this.

And he isn't convinced?

Of course, he's not convinced. He demanded an end to settlements and got a negative response, and they [members of the Likud-led government] are to blame for the ongoing activity in the settlements. President Obama thinks that peace should be made with the Muslim world. We, the State of Israel, do not appear to be thinking along those lines. We must not lose the support of the United States. What gives Israel bargaining power in the international arena is the support of the United States. Even if the Americans do not take part in the negotiations, they are present at them. If Israel were to stand alone, its enemies would swallow it up. Without U.S. support, it would be very difficult for us. We would be like a lone tree in the desert.

What happened during the long period that you tried to mediate between Netanyahu and Mahmoud Abbas [also known as Abu Mazen, the president of the Palestinian Authority]?

Abu Mazen and I met for long talks, with Netanyahu's knowledge, and even reached more than a few agreements. To my regret, in the end there was always some rupture, and I do not want to go into the reasons for that now. This is not a simple negotiation — but I thought the conditions exist to set out on the path. Like the Oslo process, it has to be secret.

And when you say this to Netanyahu?

He doesn't argue with me on this. It's not an issue of absolute agreement or absolute disagreement. After all, he accepted my proposal for economic peace to improve the standard of living of the Palestinians in a number of areas. He also made the Bar-Ilan speech [in which Netanyahu accepted the idea of a Palestinian state]. We do not agree in our evaluations of Abu Mazen. I do not accept the assertion that Abu Mazen is not a good negotiating partner. To my mind, he is an excellent partner. Our military people describe to me the extent to which the Palestinian forces are cooperating with us to combat terror.

Today, there are 550,000 settlers in the West Bank and East Jerusalem. There are those who believe that the settlers have eliminated any chance of establishing a Palestinian state, because no one would be able to evacuate these politically motivated people from their homes, which is a necessary condition for any agreement with the Palestinians.

The settlers have not eliminated the chance for the establishment of a Palestinian state. The settlements today cover 2 percent of the entire area. The Palestinians have already accepted the Clinton parameters, which include leaving three blocs of Jewish settlements and exchanging other territory for them. In my opinion, many of the rest will leave of their own free will. The difficulty with us is similar to that of the man with a hammer who thinks every problem is a nail. Problems are not nails. If there is good will, they can all be overcome. This applies, for example, to the issue of water. Soon there will be a surplus of water in Israel, thanks to seawater desalination, and we will be able to make up the Palestinians' shortage of potable water. Look, the whole world is in turmoil. The Palestinian problem isn't the main problem in the Middle East. But there are a billion

and a half Muslims. The Palestinian problem affects our entire relationship with them. If the Palestinian problem were to be solved, the Islamist extremists would be robbed of their pretext for their actions against us. Of course, this requires concessions. The problem in this case is not only the prime minister but also his coalition. I am not claiming that peace with the Palestinians will solve all the problems. People who think in sweeping terms are being superficial. There are two things that cannot be made without closing your eyes — love and peace. If you try to make them with open eyes, you won't get anywhere. Peace is not an exciting thing, and it entails accepting many compromises and tedious details. A woman, too, can sometimes be exciting and sometimes less so. There's no perfection. Making peace is complicated.

But what kind of peace are we talking about? Look how President Mohamed Morsi of Egypt sent you a personal letter in July and then denied writing it.

Why does that matter? President Morsi has to answer a great many questions inside his own party. I was surprised not by his denial but rather by the fact that he sent me the letter. The whole matter shows me that Morsi, like any leader taking office, faces tough dilemmas. It is very easy to play the role of the abiding Muslim when you are not in power, but things get complicated when you are. Take, for example, the Egyptian economy, which relies heavily on tourism. If they don't allow tourists to come and spend their vacations the way they like, they won't come. No bikini, no tourism.

What attitude should Israel adopt toward the Arab Spring?

You ask foolish questions. Israel is an island in an ocean. And when I ask myself, "What has a greater impact, the ocean on the

island, or the island on the ocean?” I have to maintain a certain degree of humility. The important thing isn't how we relate to it, but what is happening, why there is an Arab Spring. It isn't a soccer match that we are refereeing. The young generation of the Arab world is suppressed and unemployed. That is what brought about the revolution and uprooted the dictatorships, not me and not you. The storm that has hit the Middle East obliges each state to choose whether to enter the scientific age or not. If it does not, it will have no growth. The great and intriguing debate in Egypt today is about the constitution, in effect about whether to give women freedom or not. It is here that the Arab Spring will be judged. President Obama asked me who I think is preventing democracy in the Middle East. I told him, “The husbands.” The husband does not want his wife to have equal rights. Without equal rights, it will be impossible to save Egypt, because if women are not educated, the children are not educated. People who cannot read and write can't make a living. They are finished.

In Syria, the end of the Assad regime inches closer. Are you concerned about their arsenal of chemical weapons?

Assad knows that using chemical weapons will immediately invite an attack by outside elements. The whole world would mobilize against him. It would be a suicidal act. On the other hand, it's obvious that his days are numbered. A situation in which, let's say, his palace comes under fire, could put him in an irrational state and lead him to act out of despair. If the Syrians dare to touch their chemical weapons and aim them at us or at innocent civilians, I have no doubt that the world as well as Israel will take decisive and immediate action. No less important, Assad is liable to transfer the chemical weapons to

Hezbollah, which from our point of view will constitute crossing a red line. It is incumbent upon Israel to prevent such a thing from happening, and it will take firm military action to do so.

During the several months

over which Peres and I spoke, the conflict between Israel and Hamas intensified. In response to rocket fire from Hamas forces in the Gaza Strip, Israel assassinated Hamas's military commander and launched a bombing campaign that resulted in widespread international censure and ended in a cease-fire engineered by the United States and Morsi. In some cases in the past, Peres expressed opposition to Israel's use of assassination as a weapon to achieve its goals. He opposed the killing of Khalil al-Wazir, the deputy of the P.L.O. leader Yasir Arafat, in Tunis in 1988, and the targeted elimination of the spiritual founder of Hamas, Sheik Ahmed Yassin, in Gaza in 2004. He also protected Arafat from plots to kill or deport him. This time, Peres expressed strong support for the Israeli operation. "This wasn't a war or a military operation, but rather an educational lesson for Hamas," he told me. "We acted in order to explain to Hamas that it has to decide on one or the other. You want to build houses? No problem. You want to build missile bases inside those houses? Then we'll relate to those houses as targets for our aircraft.

But during the campaign, civilians were killed on both sides, many more in Gaza.

We made a supreme effort not to harm civilians in Gaza, although it was very difficult to distinguish between Hamas militiamen and innocent civilians. We have no desire to spill blood, not ours and not that of others. The operation was short, and the moment the lesson was conveyed and deterrence was

established, it was stopped.

What lesson do you think Hamas learned?

Hamas will now start taking care. Even there, the understanding must penetrate that there's no such thing as a cocktail of gunfire and peace.

The political leader of Hamas, Khaled Meshal, came to Gaza in December to celebrate the organization's 25th anniversary. He delivered a blunt speech, indicating that it's not at all clear that deterrence was achieved. Perhaps the time has come to conduct a dialogue with Hamas?

If Hamas accepts international demands, forsakes terror, stops firing missiles at us and recognizes the existence of the State of Israel, it will be possible to open negotiations. Where did this Khaled Meshal suddenly pop out of, with his words that come straight from the Middle Ages? Precisely now, when the whole world is tired of wars and violence, he arises out of the dark of night with these sadistic desires to strike and to murder? Does he really think that they will be able to destroy the State of Israel, with the I.D.F. and our intelligence services? That we are a bunch of turkeys that will march in formation to a Thanksgiving feast?

You didn't think that Arafat should be assassinated.

No. I thought it was possible to do business with him. Without him, it was much more complicated. With who else could we have closed the Oslo deal? With who else could we have reached the Hebron agreement? On the other hand, I tried to explain to him, for hours on end, a complete educational course: how to be a true leader. We sat together, with me eating from his hand. It took courage. I told him he must be like Lincoln, like

Ben-Gurion: one nation, one gun, not innumerable armed forces with each firing in a different direction. At first, Arafat refused, he said, “La, la, la” [Peres does a fairly convincing imitation of Arafat saying “no” in Arabic], but later he said, “O.K.” He lied right to my face, without any problem [regarding promises to fight Palestinian militias and insurgencies].

You were asked by many important people to run against Netanyahu and reunite the center-left. Do you regret not doing it?

They pressed me hard, but I concluded that I should not run, for reasons I do not wish to elaborate on. I was elected president for a seven-year term, and I will carry out this commitment. My record is the only way to judge me honestly. I do not think there are many people in the world who can say they managed to bring down a 600 percent inflation rate, create a nuclear option in a small country, oversee the Entebbe operation, set up an aerospace industry and an arms-development authority, form deep diplomatic relations with France, launch a Sinai campaign to open the Straits of Tiran and put an end to terror from Gaza. I do not, perish the thought, claim to have done all this alone. I just think that perhaps without me it would not have happened. Yitzhak Shamir was prime minister for seven years. So what? I don't think my record is inferior to his.

You have never spoken much about your wife, Sonia, and for decades she was absent from your public life. Why?

Sonia always told me that she married a kibbutz cowman, not a politician. She didn't like appearing in public, and she didn't like titles. In family life, you need two things. Both love and compromise.

You didn't seem to compromise so much, but she did.

She compromised, and so did I. I never, ever insisted, never asked her, if it wasn't necessary, for her to come. I never said, "Come for appearance' sake." If I'd said it was for appearance' sake, she would never have come.

Still, I imagine that over all those years, you had arguments about when she would go with you and when not.

There were arguments, but there was very deep love, both from my side and from hers. It was the only love in my life. She gave me the greatest gift a wife can give a husband — she brought up our children exemplarily. She knew that sometimes I couldn't come to a child's party, and she forgave me. And if it served the state, she came with me. If it served my career: "No, sir. A family's life is at home," she would tell me. "Don't mix things up." She came to the Nobel Prize ceremony because she thought the prize was being awarded to the state and not only to me.

Five years ago, when you became president, she wanted you to not take office. What happened?

Sonia told me: "It's enough. You've done your share. Come, let's live these years together." I told her: "First of all, I don't know what to do with free time. Second, I think that I can fulfill a duty here, too, serve the country, unite it." She said to me: "Go your way. I'm staying here." There was nothing to do about it. Women get edgy about things men will never understand. I packed a bag, and I left home.

Peres moved into the president's official residence in Jerusalem. Sonia stayed on in their modest apartment in north Tel Aviv. In January 2011, one of their grandchildren found her dead in her home, apparently from cardiac arrest. Peres rushed to the

apartment and kissed her on the forehead before she was taken away.

You have surrounded yourself with female aides. You told me once that you had many fine male assistants who later went on to betray you. Looking back, are you sorry that from the beginning it wasn't only women?

I have always had women around me. Women have a clear-cut advantage in their ability to read people, and I trust their eye a lot more. Each woman is born a mother, and every man dies a baby. There's no woman who thinks a man is fully grown up.

Here, his spokeswoman says, "Good, now give a nonchauvinistic reply."

"I've been chauvinistic?" Peres asked.

"It's even irritating me," she said. "You are having such a good time with this man-talk. Excuse me, you didn't pick women because they treat you like a baby."

"Ask anyone," he said. "I had the best bureaus in the country. I never boycotted men, but I found women with remarkable managerial talent."

"You've corrected yourself a little bit," she said.

You are nearly 90 years old. Does the idea of death bother you?

No. It is only logical. Without death, there wouldn't be life. I was given my life, those two and a half billion seconds: Young man, decide what you want to do with it. I did some reckoning, and I decided to do something with those seconds, to make a difference, to affect the lives of millions of people. I think I

decided correctly. I got my life as a gift. I'll give it up without an overdraft.

Will you live to see peace in the Middle East?

I think and believe so. If I have another 10 years to live, I am sure that I will have the privilege of seeing peace come even to this dismal and wonderful and amazing part of the world.

Ronen Bergman, an analyst for the Israeli newspaper Yedioth Ahronoth, is the author of "The Secret War With Iran" and a contributing writer for the magazine.

Article 2.

The Economist

Jack Lew: A new name on the dollar

Jan 10th 2013 -- TREASURY secretaries are often picked based on the challenges they will confront. Barack Obama tapped Timothy Geithner, a central banker and veteran crisis manager, in late 2008 when the global financial system was in freefall. Some four years later, Mr Obama's priority is dealing with the resulting deficit. And so he is expected to name Jack Lew, his chief of staff and former budget director, to succeed Mr Geithner.

Mr Lew has spent most of his career on budget issues, starting in 1979 as an aide to Tip O'Neill, the then-speaker of the House of Representatives. He ran the Office of Management and Budget for Bill Clinton from 1998 to 2001, and for Mr Obama from 2010 to 2012.

There had been speculation that Mr Obama would appoint a

high-profile outsider, perhaps from Wall Street, to repair relations with business and build bridges to Republicans in Congress. Mr Lew, by contrast, is the consummate insider. He is almost unknown outside of Washington. An orthodox Jew who observes the Sabbath, his most distinctive trait may be his signature, a series of loops that will need revision if it's going to be legible on America's currency.

The fiscal challenge Mr Lew inherits is almost as daunting as the financial abyss that greeted Mr Geithner. America's deficit, around 6% of GDP this year, should decline in coming years as the economy improves, but then head inexorably higher as the cost of entitlements such as Social Security (pensions), Medicare and Medicaid (health care for the elderly and poor) mount.

Mr Obama and Republicans in Congress failed several times to strike a bargain that restrained entitlement growth and raised more revenue by reforming the tax system. They settled for a smaller deal earlier this month that freezes taxes for most households, barely touches the deficit, and leaves several fiscal land mines to defuse.

Automatic spending cuts of nearly \$90 billion this year, split between defence and domestic programmes, kick in at the start of March. At the end of March, government operations will shut down unless funding for roughly a third of the budget is renewed. Most worrying is the prospect of another debt-ceiling crisis. If Congress fails to act, the Treasury will run out of legal borrowing authority between February 15th and March 1st, according to the Bipartisan Policy Center, a think tank. Then it would be forced to stop paying some bills and risk

defaulting on the national debt.

Negotiations with Republicans over the budget were already likely to be contentious. Mr Obama's selection of Mr Lew may make them more so. Unlike Mr Geithner, Mr Lew comes from the Democratic Party's liberal wing, and his relations with Congress are not particularly warm. During negotiations in 2011 to raise the debt ceiling and the subsequent deliberations of a deficit supercommittee, Republicans complained that Mr Lew lectured them on what was good for their own party while repeatedly raising obstacles to a deal. At one point Mr Boehner sought to exclude him from negotiations, according to an account by Bob Woodward, a journalist and author.

Mr Obama probably doesn't care. As with Chuck Hagel, his nominee for defence, Mr Obama wants cabinet secretaries who are loyal and share his views, even if they rub Republicans the wrong way. That said, Mr Lew's confirmation will face far less opposition from Republicans than Mr Hagel's.

Despite having done a stint at Citigroup, Mr Lew's greatest weakness is his inexperience in financial markets and the international arena. Mr Obama could address that weakness by naming a deputy (if the current deputy, Neal Wolin, departs) with a background in those areas, such as David Lipton, the number two at the International Monetary Fund, Michael Froman, a White House adviser, or Lael Brainard, the treasury undersecretary for international affairs.

Mr Lew has one major advantage Mr Geithner lacked four years ago: a growing economy. In late 2008 and early 2009, employment was plummeting by 600,000 to 800,000 per month.

This past December, it grew 155,000, or 0.1%, from November, close to its average for the year. Though unemployment remains painfully high at 7.8%, it's remarkable the economy has performed as well as it has given uncertainty over taxes and the threat of government shutdown and default.

Firms and investors have come to trust Mr Obama and Congress to avoid disaster at the last minute. Mr Lew's job will in large part be to help the administration maintain that trust.

Article 3.

The Council on Foreign Relations

The Middle East in 2013: Don't Count on It

Steven A. Cook

January 8, 2013 -- It is finally the second week of January, meaning that the annual year-end/beginning lists and prognostications are mercifully behind us. Some of these catalogues of best-worst and "what to expect" are more interesting than others—my favorites are best books and articles—but mostly, these exercises are filler for the December 20-January 5 slowdown. The problem with the annual lists is that because they are with one eye on the snow conditions at Aspen or the water temperature in the Caribbean or the traffic on I-95, they are often dashed off in a vacuum— with no context and no sense of how these observations connect to each other in useful analytic ways.

The Middle East in 2012 was surprising, exhilarating,

depressing, and endlessly fascinating. Will it be the same in 2013? Odds are, yes, but there is really no way of forecasting despite the penchant for lists. If we've learned anything in the last few years, let's try not to build scenarios—a favorite Washington, DC, exercise. Yet, we can take some of the emerging trends and try to understand how they will shape the politics of the region in 2013 and beyond.

Throughout 2012, some observers began to lament that the “Arab spring” had become an “Islamist winter”—there were more than a dozen articles and blog posts using this new moniker. It certainly seems that way; Islamists have made gains in Tunisia, Egypt, and are at the leading edge of the opposition to the Assad regime in Syria, and even though Islamists have not prevailed in the immediate post-Qadhafi period, the Islamist extremism factor in Libya is high. Before the uprisings in the Middle East, the received wisdom was that Islamists could be a force for more open politics. Yet with political pressure on the media, distinctly majoritarian approaches to the political process, and efforts to foist particular interpretations of Islam on society, the conclusion that Islamism would be progressive seems like misplaced faith. Pretty grim.

Still, all is not necessarily lost. The media and much of the academic as well as policy worlds want to focus on the Islamist end of the political spectrum, and for good reason: Islamist politics in the Middle East is dynamic, it's a good story, and the Islamists are the people in charge. Yet, the emphasis on Islamism obscures a far richer political environment of secular nationalists, leftists, and liberals who have a powerful message of their own. This is not something new, however. Politics in the region may have seemed to be a two-dimensional game

between regimes and those who claimed that Islam is the solution, but there was always a broader political debate. Indeed, prior to the uprising in Egypt in January 2011, liberal ideas framed much of the public discourse. Both the hated National Democratic Party and the Muslim Brotherhood appropriated liberal ideas about political reform for their own, ultimately non-democratic ends, but the fact that both the Brothers and the alleged reformers of the old regime felt it was necessary to leverage liberal principles says something about the power of those ideas.

It is true that Islamists seem to have run the table in the region, especially in Egypt, but many in the region do not seem particularly happy with the way the Islamists have approached governance. Observers will tell you it is all about bread and jobs, which is only true to a point. The three weeks or so of protests in Egypt in late November and early December weren't about economic grievances, they were about President Mohammed Morsi's power grab. The problem is, of course, that liberal, secular, nationalist, and leftist opposition groups cannot get their acts together when it comes to the formal political process. There are already splits in Egypt's National Salvation Front, which was created during those tense moments where Egyptians of all walks and political persuasions expressed their disapproval of Morsi and the Muslim Brotherhood's authoritarian moves. Even if the secular-oriented opposition throughout the Middle East fails politically, their ideas will remain important in the national debates about the best way forward. Just watching the Muslim Brothers, the Salafis, and extremists will tell us much about the Middle East in 2013, but it will not give observers a full view of the complex and multi-

layered politics of the Arab world.

A lot of these politics revolve around national empowerment and dignity. In other words, “nationalism” actually means something in post-uprising societies. To be sure, nationalism has always been a powerful force in the Middle East—as it is in most places—but the now deposed leaders in the region were not credible nationalists. Mubarak was completely compromised. Qadhafi was once an exemplar of Arab nationalism, but because his ideas were so clearly delusional, it was hard for anyone, save a relatively small group of die-hards, to take him seriously. Tunisia’s Ben Ali sacked the country’s first leader after independence and nationalist par excellence, Habib Bourguiba, but was unable to use his predecessor’s legacy for political effect because of the police state he built alongside obscene corruption. Assad is Alawi and dependent on Iran, neither of which helps even if you consistently claim that Syria is the “beating heart of Arab nationalism.” With the exception of Syria, which has deteriorated into a gruesome civil war as Assad hangs on, you now have leaders in the region who can make legitimate claims to be good or better nationalists than their predecessors. That is why nationalist ideas are bound to be more important and potent going forward. When Mubarak, for example, made some sort of nationalist appeal, it was generally met with a collective yawn or derision. More credible leaders who can assert that they are pursuing policies specifically for their country’s interests are likely to have more political success.

The renewed usefulness of nationalism is going to make the Middle East even tougher for outsiders. It is too much to say that external actors will be gone; despite the tumult and economic troubles of the present moment, the West and the

United States, in particular, continue to have significant influence. Nevertheless, as the calendar turned over it was hard to draw any conclusions about the foreign policy trajectories of various countries in the Middle East. It stands to reason that it is going to be difficult to replicate the U.S.-friendly regional political order that prevailed until late 2010. In a broad sense, the Gulf states remain firmly aligned with the United States, as does Ankara and Jerusalem. No doubt a powerful group, but everywhere else remains in flux, making it hard to determine how and with whom the United States can/will be able to work to achieve its interests in the region.

It is hardly bold to suggest that the defining features of Arab politics in the old year—demands for democratic government, economic opportunity, national dignity, and fierce contestation over who gets to define political and social institutions—will continue to animate the region in the new one. Yet, observers consistently fail to see how tightly these issues are woven together, setting them up for some big surprises in 2013.

Steven A. Cook is the Hasib J. Sabbagh Senior Fellow for Middle Eastern Studies at the Council on Foreign Relations and a noted expert on the Arab world and the Middle East.

Article 4.

Al-Monitor

Iran Top Backer of Palestinian Islamic Jihad

Abeer Ayyoub

January 9 2013 -- As far as the Al-Quds Brigades, the armed wing of the Palestinian Islamic Jihad, are concerned, 2012 was their golden year. For the first time, it managed to use qualitative weapons that seemingly altered the pace of the Israeli-Palestinian conflict.

Often taking a backseat to Hamas' Izz ad-Din al-Qassem Brigades, Islamic Jihad's fighters have become a key component of Gaza's defense, proving their improved capabilities in Israel's latest Pillar of Defense.

Abu Ahmad, Al-Quds Brigades spokesperson, referred to the four years between the Israeli assault on Gaza in 2008-2009 and the most recent in November 2012 as the reason behind the progress. Islamic Jihad fighters intensified their training following Israel's war on Gaza in 2008-2009, including receiving a significant upgrade to its weapons capabilities and logistical support from foreign friends, most notably Iran.

"The last assault was such a fruitful experience for us; it was such a practical training that obviously proved we have developed," he told Al-Monitor.

Much of Islamic Jihad's military improvements can be attributed to support in recent years from Iran and Syria, according to Mukhaymar abu Sa'ada, political analyst and lecturer at Al-Azhar University.

"The armed wing of the Islamic Jihad has been receiving Iranian and Syrian support recently, which allowed it to have a marked precedence on the ground," he said.

Abu Ahmad confirmed that Iran remains Islamic Jihad's main supporter, but added that there were other minor foreign contributors which he refused to disclose. Iranian support was not a choice for Islamic Jihad, Abu Ahmad stressed, as Tehran was the only foreign state willing to support the Palestinian resistance.

"We are not the only Palestinian armed group that receives an Iranian support, but we are the one that admits it the loudest. We feel it's like an inevitable gratitude," he told Al-Monitor.

"I wonder why Iranian support for Palestinian armed groups is not acceptable as we are the victims, while the American support for Israel is acceptable despite Israel being the aggressor," he added.

Islamic Jihad has been receiving Iranian backing since it was founded in the 1970s. The support is not only limited to military aid, Tehran also sponsors families of Islamic Jihad prisoners and injured fighters of the faction.

Hamas' strained ties with the Islamic Republic over the Syrian crisis have not hindered Islamic Jihad's relationship with Tehran, and thus, Iran's ability to influence Palestinian affairs in the Gaza Strip.

The benefits of its close ties to Iran were revealed in Islamic Jihad's improved performance in the latest confrontation with Israel.

Islamic Jihad was the first to fire long-range rockets at Tel Aviv in the latest round, and in the view of abu Sa'ada, has moved to the top of the military brass out of all the armed groups in Gaza.

Details released last week on Al-Quds Brigades website revealed that it lost 31 fighters, fired 933 rockets, killed 3 Israelis and wounded tens more in the latest conflict with Israel.

It also demonstrated its newly improved cyber capabilities, succeeding for the first time to hack the cell phones of more than 5,000 Israeli soldiers, sending threatening text messages in Hebrew in what the armed wing termed the “War of Nerves.”

Al-Quds Brigades boast a force of thousands of fighters who work according to different tasks. Fighters do not usually operate together on the field unless there is an Israeli ground invasion, like in the 2008-09 war. During the Pillar of Defense, Islamic Jihad only deployed its rocket unit.

Since the cease-fire was implemented in November, Israel has committed continued violations, including shooting at farmers near the border and arresting fishermen almost on a daily basis. But, like Hamas, Islamic Jihad says it is committed to respecting the cease-fire, and played a major role in Egypt’s mediation efforts.

Abu Ahmad said that his faction insisted on having the item of “right of response” included in the cease-fire deal, and warned that his movement will not stand idle should Israeli violations continue.

“There’s an Egyptian committee that’s tracking the cease-fire, Israeli violations and our commitment, but if Israel crosses the red line, we will certainly respond,” he warned.

In an ominous sign of the fragility of Hamas’ ability to restrain Palestinian factions, Abu Ahmad stressed that his faction

reserves the right to respond to any Israeli attack without consulting Hamas, citing an “agreement that was previously made to respond to any serious Israeli violation.”

The two armed wings of Hamas and Islamic Jihad are, for the time being, coordinating to maintain the cease-fire, but their fighters rarely cooperate on the ground when violence flares.

Islamic Jihad sustained some damage to its infrastructure in the latest Israeli attack, but most was unscathed. Improving its military infrastructure and ability to hide its weapon storage facilities from Israel is one of the main objectives for Islamic Jihad following Pillar of Defense.

“Every offensive Israel wages on Gaza is usually harder than the previous. This is why we are focusing now to strengthen our infrastructure and to store more weapons,” Abu Ahmad said.

Al-Quds Brigades has also recently began producing its weapons locally due to the increasing challenges of smuggling weapons through the Gaza tunnels that cross into Egypt. It is also much easier to receive financial support to produce the necessary weapons at home, with blueprints supplied.

“Our local rockets proved their high level of proficiency, especially in the latest round of the battle,” Abu Ahmad said.

While headlines around the world have largely credited Hamas with achieving a new balance with Israel, it cannot be undernoted that the actions of Islamic Jihad have significantly contributed to the new reality on the ground.

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Article 5.

Project Syndicate

The World in 2030

Joseph S. Nye

9 January 2013 -- What will the world look like two decades from now? Obviously, nobody knows, but some things are more likely than others. Companies and governments have to make informed guesses, because some of their investments today will last longer than 20 years. In December, the United States National Intelligence Council (NIC) published its guess: Global Trends 2030: Alternative Worlds. The NIC foresees a transformed world, in which “no country – whether the US, China, or any other large country – will be a hegemonic power.” This reflects four “megatrends”: individual empowerment and the growth of a global middle class; diffusion of power from states to informal networks and coalitions; demographic changes, owing to urbanization, migration, and aging; and increased demand for food, water, and energy. Each trend is changing the world and “largely reversing the historic rise of the

West since 1750, restoring Asia's weight in the global economy, and ushering in a new era of 'democratization' at the international and domestic level." The US will remain "first among equals" in hard and soft power, but "the 'unipolar moment' is over." It is never safe, however, to project the future just by extrapolating current trends. Surprise is inevitable, so the NIC also identifies what it calls "game-changers," or outcomes that could drive the major trends off course in surprising ways.

First among such sources of uncertainty is the global economy: will volatility and imbalances lead to collapse, or will greater multipolarity underpin greater resilience? Similarly, will governments and institutions be able to adapt fast enough to harness change, or will they be overwhelmed by it? Moreover, while interstate conflict has been declining, intrastate conflict driven by youthful populations, identity politics, and scarce resources will continue to plague some regions like the Middle East, South Asia, and Africa. And that leads to yet another potentially game-changing issue: whether regional instability remains contained or fuels global insecurity. Then there is a set of questions concerning the impact of new technologies. Will they exacerbate conflict, or will they be developed and widely accessible in time to solve the problems caused by a growing population, rapid urbanization, and climate change?

The final game-changing issue is America's future role. In the NIC's view, the multi-faceted nature of US power suggests that even as China overtakes America economically – perhaps as early as the 2020's – the US will most likely maintain global leadership alongside other great powers in 2030. "The potential for an overstretched US facing increased demands," the NIC

argues, “is greater than the risk of the US being replaced as the world’s preeminent political leader.”

Is this good or bad for the world? In the NIC’s view, “a collapse or sudden retreat of US power would most likely result in an extended period of global anarchy,” with “no stable international system and no leading power to replace the US.” The NIC discussed earlier drafts of its report with intellectuals and officials in 20 countries, and reports that none of the world’s emerging powers has a revisionist view of international order along the lines of Nazi Germany, Imperial Japan, or the Soviet Union. But these countries’ relations with the US are ambiguous. They benefit from the US-led world order, but are often irritated by American slights and unilateralism. One attraction of a multipolar world is less US dominance; but the only thing worse than a US-supported international order would be no order at all.

The question of America’s role in helping to produce a more benign world in 2030 has important implications for President Barack Obama as he approaches his second term. The world faces a new set of transnational challenges, including climate change, transnational terrorism, cyber insecurity, and pandemics. All of these issues require cooperation to resolve. Obama’s 2010 National Security Strategy argues that the US must think of power as positive-sum, not just zero-sum. In other words, there may be times when a more powerful China is good for the US (and for the world). For example, the US should be eager to see China increase its ability to control its world-leading greenhouse-gas emissions. US Secretary of State Hillary Clinton has referred to the Obama administration’s foreign policy as being based on “smart power,” which

combines hard and soft power resources, and she argues that we should not talk about “multipolarity,” but about “multi-partnerships.” Likewise, the NIC report suggests that Americans must learn better how to exercise power with as well as over other states. To be sure, on issues arising from interstate military relations, understanding how to form alliances and balance power will remain crucial. But the best military arrangements will do little to solve many of the world’s new transnational problems, which jeopardize the security of millions of people at least as much as traditional military threats do. Leadership on such issues will require cooperation, institutions, and the creation of public goods from which all can benefit and none can be excluded.

The NIC report rightly concludes that there is no predetermined answer to what the world will look like in 2030. Whether the future holds benign or malign scenarios depends in part on the policies that we adopt today.

*Joseph S. Nye, a former US assistant secretary of defense and chairman of the US National Intelligence Council, is University Professor at Harvard University. His most recent book is *The Future of Power*.*

Article 6.

Foreign Affairs

The New Power Map

World Politics After the Boom in Unconventional Energy

Aviezer Tucker

January 9, 2013 -- The energy map of the world is being redrawn -- and the global geopolitical order is adrift in consequence. We are moving away from a world dominated by a few energy mega-suppliers, such as Russia, Saudi Arabia, and Venezuela, and toward one in which most countries have some domestic resources to meet their energy needs and can import the balance from suppliers in their own neighborhood. This new world will feature considerably lower energy prices, and in turn, geopolitics will hinge less on oil and gas. Within the next five to ten years, regimes that are dependent on energy exports will see their power diminished. No longer able to raise massive sums from energy sales to distribute patronage and project power abroad, they will have to tax their citizens.

The revolution in unconventional energy production results from technologies that make drilling and extraction from underground shale formations increasingly easy and cheap. One cutting-edge procedure, hydraulic fracturing, involves injecting a mixture of sand, chemicals, and either water, gel, or liquefied greenhouse gases into shale rock formations to extract hydrocarbons. Although the technique was first conceptualized in 1948, only recently have other technologies arrived to make it commercially viable. (One such procedure, horizontal drilling, allows operators to tap into shallow but broad deposits with remarkable precision.)

Hydraulic fracturing has been used widely for only about the

past five years. But the result -- a staggering glut of natural gas in the United States -- is already clear. The price of natural gas in the country has plunged to a quarter of what it was in 2008. The low price has prompted changes throughout the U.S. economy, including the projected retirement of one-sixth of U.S. coal power generation capacity by 2020, the conversion of hundreds of thousands of vehicles from gasoline to compressed gas, and the construction and repatriation from China of chemical, plastic, and fertilizer factories that use natural gas as both raw material and fuel. By 2025, the professional services firm PricewaterhouseCoopers predicts, energy-intensive industries will create a million new U.S. jobs.

Meanwhile, the United States is using innovative energy technologies ever more frequently to extract shale oil, tight oil, and methane from coal beds. Accordingly, the share of U.S. oil consumption that is imported from abroad has fallen sharply, from about 60 percent in 2005 to less than 45 percent this year. It will likely continue to decrease until the country, or at least North America, is energy self-sufficient.

The economic and geopolitical shockwaves will be felt worldwide. Decreasing demand in the United States for liquid natural gas, oil imports, and domestic coal is already reducing global prices for these commodities. As a result, European countries have a stronger position in negotiations over natural gas imports with Russia, from which they receive a quarter of their supply. The newfound leverage might have emboldened the European Union to open an investigation in September into a possible price-fixing scheme by Gazprom, the Russian energy giant. In addition, European countries have been negotiating fewer long-term gas contracts with Russia in which the agreed-upon price for the gas is pegged to that of oil -- the kind that

Gazprom favors. Instead, they are opting for spot purchases -- short-term acquisitions based on market prices -- in the expectation of rising supplies and falling prices. Russia has already granted some countries roughly ten percent discounts on existing contracts.

Until recently, Gazprom was in denial about the shale gas revolution, claiming that unconventional gas technology was not commercially viable, and that it posed severe risks to the environment. Given that Russia raises most of its federal revenue from energy exports -- about 60 percent, according to most estimates -- a reduction in natural gas sales would be politically catastrophic. Both the collapse of the Soviet Union and the downfall of former Russian President Boris Yeltsin in the late 1990s coincided with periods of low energy prices; Vladimir Putin, the current president, knows this history all too well.

The problem is that all of his options in a world awash with cheap energy are bad. His regime could try to maintain Russia's market share in Europe by continuing to reduce prices, but that would mean accepting drastically smaller revenues. To make matters worse, Gazprom's profit margins are low. Given that it sells 60 percent of its gas domestically at a loss [1], Gazprom must obtain wide profit margins from its European exports to stay afloat. (Currently, it sells gas in Europe at about a 66 percent profit margin.)

On its exports to Europe, Gazprom needs to earn \$12 per thousand cubic feet of natural gas just to break even. (The price of natural gas in the United States today is below \$3 per thousand cubic feet.) Part of the reason for this is that the state

and the elite siphon billions from the politicized, inefficient, and opaque monopoly. Such plain corruption coincides with geopolitical maneuvering in large pipeline projects: just as neighboring Alaska has its infamous bridge, Russia has pipelines to nowhere.

Consider, for example, Nord Stream, the undersea natural gas pipeline that connects Russia directly to Germany, bypassing both Ukraine and Poland. The project had no economic rationale; it would have been far cheaper for Moscow to come to terms with Kiev over transit fees. But Russia was unwilling to do so. As usual, corruption played a role, too: Arkady Rotenberg, the owner of the company that laid the pipelines, is Putin's childhood friend, and the Russian government paid him an exorbitant fee -- amounting to a profit margin of 30 percent -- for his work. Now, Gazprom is planning another pipeline folly, South Stream, which will again bypass Ukraine by traveling under the Black Sea to southern Europe.

Such outrageous infrastructure projects might become even more routine if Gazprom attempts to recoup its falling revenues in Europe by upping its sales to China [2]. To do that, it would have to build long pipelines across unforgiving Siberian terrain. That task would pale in comparison to the challenge of convincing China to pay anything close to what Russia currently charges European countries -- not only because the Chinese are tough negotiators but also because China possesses the largest deposits of shale gas of any country in the world (886 trillion cubic feet compared with the United States' 750 trillion, the world's second-largest deposits). Although China is just beginning to tap its gas deposits, by the time any Sino-Russian pipeline project could be completed, it might be churning out enough unconventional gas to be energy self-sufficient.

According to Chinese government estimates, the country has enough natural gas to provide for its domestic needs for up to two centuries. The only hope for Gazprom is that Chinese shale rock formations will not respond well to the new technologies -- but there is no reason to believe that this will be the case.

For now, Russia has been attempting to protect its market share by simply preventing unconventional energy technologies from spreading. For its part, the United States, through its 2010 Unconventional Gas Technical Engagement Program, transfers technologies to nations that it would like to see become more energy independent, such as India, Jordan, Poland, and Ukraine. Countries that achieve greater energy independence, Washington assumes, will be less susceptible to bullying from unfriendly petro-states.

Russia, meanwhile, is attempting to block or at least slow the process. One of Moscow's favorite tactics involves pressuring companies that want to do business in Russia not to explore for shale gas elsewhere. For example, Moscow might have pressed ExxonMobil to pull out of Poland [3], which could have the largest shale gas deposits in all of Europe, in exchange for a cooperation agreement with Rosneft. As always in the free market, however, when one company exits, another rushes to fill the void. The U.S. company Chevron has commenced shale gas and oil exploration throughout the region between the Baltic and Black Seas. The financier George Soros, moreover, has already invested \$500 million in unconventional energy projects in Poland.

A more effective Russian tactic involves financing environmentalist groups to lobby against shale gas. So far, there is no credible scientific evidence that hydraulic fracturing has adverse effects on either air or water. Several studies, including

ones conducted by the Royal Society, the U.S. Secretary of Energy Advisory Board, and the International Energy Agency, have concluded that hydraulic fracturing is reasonably safe when properly regulated. Yet, following a swell of environmentalist protests, both Bulgaria and the Czech Republic recently imposed moratoria on the use of the technology. The mark of outside influence is clear: In Bulgaria, there are rarely demonstrations of any kind, and in the Czech Republic, environmentalist groups have remained mum on other major issues, namely, the planned expansions of the nuclear power station in Temelín.

The former members of the Soviet bloc -- such as Bulgaria, the Czech Republic, Poland, and Ukraine -- still purchase all or most of their natural gas from Gazprom. Poland and Ukraine have enough potential shale deposits to free themselves entirely from this dependency. Although Bulgaria and the Czech Republic are not so blessed, even modest domestic production can challenge Gazprom's monopoly power and reduce the price of imported natural gas.

Some analysts have predicted that Asian demand for energy is virtually endless, and thus that energy prices are unlikely to fall substantially. But as the Morgan Stanley analyst Ruchir Sharma has argued [4], Asian economic growth is slowing and might soon flatten. Meanwhile, with ever-growing energy supplies from unconventional sources, newly discovered undersea gas fields off the coast of East Africa and Israel, and increased drilling in the Arctic, the world may soon enjoy an energy glut. At the very least, an era of lower global energy prices appears inevitable.

For Russia, the best scenario is that the energy glut will force structural reforms akin to those that Estonia and Poland underwent in the 1990s and that Russia started but never

completed. Such changes could eventually lead to the establishment of real democracy and the rule of law there. In the coming years, sheer economic necessity and looming bankruptcy will force Russia to reform. But throughout Russian history, modernization has not normally resulted in liberalization; and there is little evidence that this time will be any different. Nevertheless, unconventional energy technology has not only arrived -- it is here to stay. As new lines are drawn on the energy map of the world, many of the oldest and most stable geopolitical truths will be turned on their heads. It would be prudent for the tyrants who depend on revenues from energy exports to start planning for retirement.

Dr. Aviezer Tucker is Assistant Director of the Energy Institute. He studies energy issues in Eastern and Central Europe. He is particularly interested in the geo-political, local-political, and social aspects of shale gas extraction through hydraulic fracturing.

Article 7.

Washington Post

The robots are coming

Matt Miller

January 8, 2013 -- “The Robots Take Over!” cries this month’s cover story in Wired Magazine. “They’re coming for your job – and you’ll be glad they did.” The piece, by Kevin Kelly, chronicles the amazing roles robotic technology is poised to take on – from warehouse worker and waitress to artist, musician, therapist and even comedian. It trumpets the news with the breezy optimism that characterizes most talk of technology’s

impact on society.

And why not be breezy? One of the core tenets of economics is that technological advance is the wellspring of human betterment. Yes, new technologies disrupt old arrangements and devastate industries and workers they displace. But, over time, such innovation spawns new industries and jobs whose scale vastly exceeds the losses suffered by technology's "losers."

It's the nature of economic change. The Luddites, as we learned in school, were wrong. Or, to put it more precisely, no one could blame them for fighting the machines that eliminated their skilled textile jobs. But the broader notion – that technological advance could destroy more jobs than it creates or cause widespread economic harm – is a fallacy.

Well, what if the Luddite Fallacy was a fallacy only for the first 250 years of modern capitalism's existence? What if we're entering an era of geometrically accelerating technological advance in which artificial intelligence, robotics and nanotechnology will together pose much more profound threats to jobs, wages and social stability than has commonly been imagined? And what if it's not just the "unskilled" who are at risk, but most of us?

That's the unsettling scenario sketched by computer engineer and software entrepreneur Martin Ford in his cautionary book, "The Lights in The Tunnel: Automation, Accelerating Technology, and The Economy of the Future." It's the most provocative 2009 book you'll read in 2013.

"Tunnel" had been on my list (well, on my Kindle) for ages, but I finally got to it over the holidays – doesn't everyone like a

little dystopia with their egg nog? And be warned: You need to press past Ford's offputting "tunnel" metaphor to get to the guts of his unconventional analysis.

But if (like me) you're fascinated by futurist Ray Kurzweil's arguments that accelerating technology makes this unfolding era truly different, Ford's logic, and fears, will haunt you — and seem impossible to rule out. Is mass replacement of human work without the simultaneous creation of enough decently paid new work going to happen? If so, is the troubling inflection point 75 years away? Or two or three decades? If it's the latter, what should we be doing about it?

"The central thesis of this book," Ford writes, "is that, as technology accelerates, machine automation may ultimately penetrate the economy to the extent that wages no longer provide the bulk of consumers with adequate discretionary income and confidence in the future. If this issue is not addressed, the result will be a downward economic spiral."

In essence, Ford is hypothesizing that Marx may just turn out to have been a little ahead of his time when he talked about capitalism's "contradictions." Eventually capital will concentrate in fewer and fewer hands (in tomorrow's case, the robot owners'), and surging unemployment will combine with sagging wages to undermine the mass markets capitalism requires in order to function.

To be sure, every generation has seen such dark forecasts come to naught — but only this generation is living through the geometrical technological acceleration that the digital revolution (via Moore's law) has ushered in.

“The alarm has been raised, but so far the wolf has not shown up,” Ford writes. “Does that really mean the wolf is only an illusion?”

In a phone interview Tuesday, Ford emphasized that the pace of technological change is a much bigger force for disruption than globalization – yet it’s the latter that generates the ink and the fears. It’s wrong to think that only less-skilled workers are at risk, Ford adds; it’s much easier to automate a radiologist’s job than a housekeeper’s. For this reason, the idea that the policy answer is “education and training” strikes him as self-evidently flawed. Yet less-skilled workers will have no haven either, as Foxconn’s recent order of 1 million robots for its low-wage Chinese factories proves.

In the end, Ford says, if something like the scenario he sketches comes to pass, capitalism’s salvation will require that mass consumption not depend on income from work. What does that mean exactly? It means government redistribution on a scale that today seems as unthinkable as does the economy-wide automation of jobs he foresees.

Is Ford’s scenario worth losing sleep over? Clearly it’s not imminent, as Lawrence Summers, former economic adviser to President Obama, pointed out in an interview, because if we were in the situation Ford describes, productivity (i.e., output per human worker) would be rising dramatically, and it’s not. Economist Erik Brynjolfsson at MIT, co-author of “Race Against The Machine,” is looking at the same trends with a more hopeful sense of our prospects. Yet Jaron Lanier, who helped create virtual reality in the 1980s, and who authored the culture of technology critique, “You Are Not A Gadget,” has an

important book coming out this spring that will raise deep questions about technology's threat to the middle class. The New York Times' Paul Krugman, meanwhile, has tiptoed toward these questions (and the distributional issues they raise) in a few recent commentaries.

As for me? When I hear Kurzweil talk about the Singularity, I think, boy, if he's right — and we're going to essentially merge with machines and transcend human biology a few decades from now — what do I tell my 15-year-old daughter about how to live?

I feel the same way about Ford's vision. It's important to consider. And unsettling. I'm not sure what the odds are. I see signs out there that make me worry we're heading toward something like what he sees. And I'd like more top technologists and economists to do some hard thinking together about it now. Over to you, Paul Krugman.

Matt Miller is a senior fellow at the Center for American Progress. He is the author of "The Tyranny of Dead Ideas: Revolutionary Thinking for a New Age of Prosperity" (2009) and "The Two Percent Solution: Fixing America's Problems in Ways Liberals and Conservatives Can Love" (2003).