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Article 1.

Financial Post

## **Israel's gas diplomacy**

[Lawrence Solomon](#)

Feb 24, 2012 -- How do you survive when you're surrounded by enemies, as is Israel? You win allies among the nations that surround your enemies.

This increasingly successful Israeli approach — dubbed the periphery strategy — exploits an arsenal of Israeli assets that its new-found allies need: Israel's military, its counterterrorism skills, its technology, and especially of late, its surprising wealth of hydrocarbons.

Israel's periphery strategy is nothing new. After Israel survived its war of independence in the late 1940s, when it was invaded by six neighbouring Arab armies, Israel set about winning friends in the Middle East among non-Arabs. In this it succeeded wildly — Israel won friends among black African states, to which it transferred water-conserving agricultural technologies; among small non-Arab Muslim countries and ethnic groups that were at odds with the Arab states, and with Iran and Turkey, two non-Arab regional powers that became full-blown military allies.

Then the strategy all but collapsed with the OPEC oil boycott of 1973. "Stay friends with Israel and we'll cut you off from oil," the Arab states told the many poor oil-dependent countries that had relations with Israel. Poor countries felt they had no choice but to comply. Israel was from that point mostly abandoned, its former friends suddenly harsh critics at the United Nations, where they voted en masse to condemn Israel in one Arab-sponsored resolution after another.

Now Israel's periphery strategy is back big time, thanks largely to hydrocarbon diplomacy. Apart from a major oil find in its interior, Israel has known gas reserves of some \$130-billion in the Mediterranean, with some estimating that twice as much will materialize as exploration continues. Israel's Mediterranean neighbour, the island nation of Cyprus, is also discovering immense amounts of gas in the sea bed adjacent to Israel's. The two are now developing their gas jointly, with plans to export it to Europe or Asia or both. Greece, which may have more oil and gas in its extensive Mediterranean waters than either, is now talking of joining Cyprus and Israel in joint ventures.

The sea change in the attitude of Greece and Cyprus is breathtaking. Until recently, these two ethnically Greek nations were frigidly cold toward Israel, partly because they believed their economic interests lay in the more populous Arab world, partly because they feared for the safety of the 250,000-member Greek community in Egypt if they were to establish good relations with Israel.

Today the Greek calculus has changed. Not only did Greek trade with Arab states fail to blossom, the Greek presence in Egypt has all but vanished. Egypt's Greek-owned industries were nationalized; Egypt's Greeks were persecuted for their Christian faith. The official remaining count for Egyptian Greeks, once the most affluent and influential minority in Egypt, is but 3,000.

In contrast, Greeks now have common cause with Israel in exploiting their hydrocarbon riches and in defending them — Turkey, an enemy of the two Greek nations as well as Israel, has vowed to stop both Cyprus and Greece from developing their hydrocarbons on the basis of long-standing territorial claims. The Israeli-Greek-Cypriot alliance is likely strong enough to stand up to Turkey and allow these new-found friends to profit together.

But for Israel, profit is only the half of it, as a senior advisor to Israeli Prime Minister Bibi Netanyahu told the press in an interview last week, when the two were in Cyprus to further the nations' hydrocarbon cooperation. "Gas is our strategic interest. It is ... a diplomatic tool for creating new partnerships, first in our region, as well as with the great powers of India and China."

Israel views Cyprus and Greece as part of the "Western arc" of its periphery strategy, along with other European countries such as Christian Romania and Bulgaria, and Muslim Albania, which has been a standout defender of Israel in the United Nations. Israel now also has allies to the east, such as Georgia and Azerbaijan in Central Asia. And as part of its southern diplomacy, Israel recently established an East African alliance with predominantly Christian Kenya, Tanzania, Ethiopia and South Sudan designed to fend off Iran and Islamist terrorism. Israel's stock in East Africa is particularly high because of its role in gaining independence for South Sudan, the world's newest state.

Over much of South Sudan's half-century struggle for independence, Israel almost single-handedly armed and supported the black African rebels against what was widely recognized as genocide and enslavement perpetrated by the Arabic rulers based in northern Sudan. In recognition of Israel's role in its liberation, the leader of South Sudan made Israel his first foreign stop following independence and promised to establish his country's embassy in Israel's capital of Jerusalem, the only country in the world to do so.

Israel's military help will continue to be needed in East Africa. The oil-rich South Sudan may well find itself at war again with the north and East African countries may find themselves subject to terrorist attack, particularly since South Sudan plans to pipe its oil eastward to ports in Kenya and Ethiopia instead of north through Sudan, which relies on South Sudan's oil.

Focus on Israel and it appears to be a tiny isolated country surrounded by a sea of hostile Arab nations. Zoom out, though, and it is the Arab nations that are revealed to be isolated, increasingly surrounded by age-old adversaries, most of which have growing ties to Israel. With Israel's hydrocarbon assets continuing to grow, and with Israel's military and intelligence assets remaining dominant in the region, Israel's periphery diplomacy has emerged as one of the country's remarkable achievements.

*Lawrence Solomon is executive director of [Energy Probe](#).*

Article 2.

The Daily Star

## **Only true reform will mollify Jordan's wary tribes**

Hassan A. Barari

February 24, 2012 -- Tribes in Jordan have played a unique role in politics over the decades. Tribal support has been instrumental in the survival of the Hashemite regime amid a volatile Middle East. Traditionally, the Jordanian army has drawn most of its recruits from tribes to guarantee their continued support for the regime. The semi-rentier political economy in Jordan has also helped the state create a stake for the tribes in the regime. During the 1980s, increased educational attainment and sedentarization nurtured a process of detribalization; this meant that tribal affiliation relevant to people's sense of identity was waning. This notion was solidified in the by-election of 1984, when meritocracy rather than tribalism characterized the voting behavior of a great number of the

Jordanian intelligentsia. Accordingly, tribalism – in the sense that people place family ties above all other political allegiance – was declining starting in the mid-1980s.

By the end of the 1980s, it was obvious that the state could not sustain its rentier relationship with tribes. Due to the economic crisis that befell Jordan at that time, the government started a process of economic restructuring in line with International Monetary Fund recommendations. State subsidies declined and tribal people, who previously had easy access to state resources, found it hard to adapt to this new reality.

The political liberalization of the late 1980s created an opportunity for Jordanians to mobilize politically and realize their objectives. The elections of 1989 were a manifestation that tribalism was further on the decline, as common Jordanians put meritocracy before tribal affiliation. Then, in anticipation of peace with Israel, King Hussein redrew the rules of the game in the kingdom. The government gerrymandered an electoral law to emasculate the opposition and secure public support for the peace treaty. A by-product of this politically motivated change in the electoral law to a one-person-one-vote system was that tribalism, as voting behavior, re-emerged.

The obvious outcome of this electoral law change is that all parliaments elected ever since have been too weak to stand up to the government. Further, over the last decade economic liberalization and privatization – the shrinking of the public sector and the retreat of the government from economic activity – have both failed to meet the demands of the tribes and been aggravated by an unprecedented level of corruption. The common argument in Jordan today is that state corruption has impoverished Jordanians and especially Transjordanians, who form the social backbone of the regime.

Against this backdrop, and due to the lack of credible political parties that can mobilize the public, protest movements are organized in Jordan along tribal lines, further deepening tribalism as a feature of political behavior. Now that tribes are alienated from the state, they feel more secure in displaying their tribal identity and affiliation. Paradoxically, identification with tribes is a weapon that has recently been deployed by all, and it pays off. Even people accused of corruption have been resorting to their tribes

for protection from the law. By and large, tribes protect individuals and the state backs down.

If anything, this outcome is the direct consequence of the state's failure to reinforce national identity. The rise of tribalism in Jordan recently has been triggered by the weakness of the state. Unfortunately, successive governments have been incapable of imposing the rule of law because many people no longer trust state institutions. In all surveys that have been conducted by the Center for Strategic Studies at the University of Jordan, the trust gap between the state and society is widening alarmingly. This is a dangerous trend, particularly against the backdrop of the Arab Spring that has already brought down several regimes.

The dilemma – and herein lies the crux of the matter – is that there is no one to get the message. Jordanian society has undergone radical changes in which the tribes' loyalty to the regime is no longer unconditional. And yet decision-makers, particularly those in the office of King Abdullah, are not qualified to address the situation by introducing genuine reform. At the very least, Jordanians need to see the state punish individuals guilty of corruption.

In brief, tribal politics are on the rise and the regime has lost the initiative. The demands imposed by the tribal reform movements on the regime are unprecedented. It seems that nothing short of genuine reform will pacify the tribes and keep them from taking to the street. There is no guarantee they will remain peaceful unless the king steps in and meets the tribes' need for political reform.

*Hassan A. Barari is a professor of international relations at the University of Jordan and the author of "Israelism: Arab Scholarship on Israel, a Critical Assessment" (London: Ithaca, 2009).*

Article 3.

NYT

## **What Two Enemies Share**

Roya Hakakian

February 25, 2012 -- "IF a war were to break out between [Iran](#) and [Israel](#), whose side would you be on?" someone asked me on Facebook a few

weeks ago, when an Israeli strike against Iran's nuclear facilities was reportedly imminent.

From early adolescence, at the start of Iran's 1979 revolution, my loyalties have so often been questioned that I've come to think of such suspicions as my Iranian-Jewish inheritance.

In the early 1980s in Tehran, a small group of socialist intellectuals who clandestinely gathered in an apartment every Thursday evening let me into their circle. Those were dangerous years. The government was new to power and violently insecure. Opposition groups were under assault. A war was raging with Iraq, and the United States had imposed sanctions. Our days were spent in queues, as the most basic staples were rationed.

Every member of the group was assigned to follow one of these pressing issues. I, however, was to give weekly updates on the Israeli-Palestinian conflict. Though much younger than the rest, I knew exactly what kind of sympathies I was expected to express. The land had to be returned to the [Palestinians](#), I would declare at the conclusion of each summary. I never mentioned that among the Jews living on that land were my penniless relatives who moved to Israel from Iran after their home and store were torched by an angry mob during the mayhem that preceded the revolution. Silence and submissiveness were and are the cornerstones of the character of the Iranian Jew. We walked past and away from confrontation. We burrowed in oblivion while living alongside Muslim friends and neighbors. Security and success came to those who blended in best, to those who did not allow any part of their Jewish identity to bleed into the Iranian.

Today, it's that oblivion that threatens to engulf both peoples. No two nations have ever been so deeply shaped by each other and yet so unaware of their debt to each other.

At the dawn of the 20th century, Iran was racked by the lawlessness and tribalism that were endemic to the region. By about midcentury, under Reza Shah Pahlavi, Iran had an army and an effective central government, which made subsequent industrialization possible. The credit for a surprising amount of that industrialization goes to the efforts of leading Iranian Jews.

Among them were the Nazarian brothers, who left Iran for Israel in the late 1940s, fought in Israel's 1948 war of independence, went on to work in construction and, when they had mastered those skills, committed the

unthinkable: they returned to their birthplace to begin building there. They became manufacturers of loaders, dumpers, cranes and cement mixers, and made these modern tools of urbanization available and affordable for the first time in Iran. The city of Isfahan, one of Iran's greatest tourist destinations, whose proverbial grandeur equals "half the world," became so only when the brothers, in collaboration with top Israeli engineers, built its underground sewer system and rid the city of disease and noxious air. Another group of brothers, the Elghanians, erected high-rise buildings and highways that inoculated the country against tribal isolation. They also founded Iran's first advanced plastic factory, which paved the way for other socioeconomic and scientific advances.

But soon after the fall of the shah, the chief of the Revolutionary Courts, Sadegh Khalkhali, executed hundreds of democratic-minded youths who had turned against the new regime. He also executed one Elghanian brother, Habib, on the charges of sowing "corruption on earth" and "espionage for Israel." Mr. Elghanian's execution set fire to the Jewish community. Many of Iran's 100,000 Jews fled, mostly for Israel or the United States, and today only around 20,000 remain.

Just as the majority of Iranians are unaware of this history, so too are Jews unaware of the contributions of Iranians to Jewish survival. All too often, I've witnessed American Jews' look of surprise when, upon meeting me, they learn of the existence of Jews in Iran for the first time, despite the fact that Iran still remains the largest home to Jews in the Middle East outside of Turkey and Israel.

As early as the sixth century B.C., Jews, exiled in Babylonia, found a savior in Persia's Cyrus the Great, who helped them return to Israel. In the early 1940s, Iran became a refuge to Jews, who were this time fleeing Hitler's army. Thousands owed their lives to the valorous conduct of Abdol-Hossein Sardari, the head of Iran's diplomatic mission in France, who defied Nazi orders by issuing thousands of passports and travel documents to Jews. Even when President Mahmoud Ahmadinejad was in top Holocaust-denying form, the descendants of the Polish survivors who chose to settle in Iran were laying flowers upon the graves of their loved ones in what's known as the Polish Cemetery in Tehran.

Would the two nations allow their rulers to begin a war if they were aware of their depth of indebtedness to each other? By bombing Iran, Israel

would be bombing a portion of Jewish history. If that happens, which side I would choose will not be a question. I will be twice destroyed by the two imperfect yet beloved cultures that each make up half of the woman I am.

*Roya Hakakian is the [author](#) of "Assassins of the Turquoise Palace."*

Article 4.

[Carnegie Endowment for International Peace](#)

## **Putin's National Security Vision**

[Dmitri Trenin](#)

February 24, 2012 -- Vladimir Putin has laid down his views on Russia's national security policy. In an article in the Rossiyskaya Gazeta, he pledged to make Russia militarily strong, so as "not to tempt others" into thinking they might win control of its resources. But the problem with Putin's vision is that the military modernization he has in mind still rests on the unreformed concept of the United States as Russia's principal likely adversary.

There is no question that a country with Russia's natural riches, given its complex geopolitical position, declining population, and lack of alliances with other major powers, needs to have modern defenses and a capability to protect its national interests. It is also true that, as Putin mentioned, Russia's military was neglected for two decades-until the beginning of military reforms in 2008. There is no doubt that a Russia that is comfortable within its own borders and friendly with its neighbors, and that forms partnerships with the United States and Europe as well as China and India, is a major, even indispensable factor for global stability.

As Putin claims, nuclear deterrence indeed continues to be an important pillar of strategic stability in the world. And the current reality of precision-guided-weapons systems, the advent of ballistic missile defenses, and the prospect of weapons in space, not to mention cyber-threats of all types, makes maintaining that strategic stability a much more complex exercise. To confront these threats, Putin has promised to add, within the next ten years, 400 intercontinental and submarine-launched ballistic missiles, as well as eight ballistic missile submarines. And that is only part of the story.

Large-scale military modernization demanding 23 trillion rubles-more than \$750 billion over a decade-should also buy Russia 20 multipurpose subs, 50 surface ships, 100 military spacecraft, 600 aircraft, over 1,000 helicopters, 28 S-400 missile interceptors, and more.

Priorities include command, control, and communications systems, drones, and equipment for the protection of individual soldiers. While conscription will not be abolished, the percentage of contracted servicemen should increase from about 40 percent today to 70 percent in five years' time to almost 85 percent in 2020. Expenditure on such a scale is controversial, even within the Russian establishment, but Putin is determined to push the plan through-and he might succeed.

Still, Vladimir Putin's vision of national security begs several serious questions. The first is whether the massive spending he supports is actually sustainable. Former finance minister Alexei Kudrin resigned last year over the issue. Since then, Russia's growth prospects have been revised downward.

The second is whether the idea of turning the defense industrial complex into the locomotive of Russia's overall industrial, scientific, and technological modernization is the right course. Pumping huge sums of money into one of the most corrupt sectors of the government bureaucracy-and wasting it all-is the worst possible outcome.

The third issue is the underlying assumption that the United States is Russia's former, present, and likely future adversary. The continued obsession with the United States, inherited from the Soviet Union and amplified by Russia's own military weakness, distorts Moscow's strategic thinking and does little to ensure the country's national security.

Fourth, the title of Putin's article spoke about national security, but its content was essentially all about military modernization. There is no question that Russia needs a modern and capable military. National security in the twenty-first century, however, is more about education and health, science and technology, and social stability and good governance. Finally, the task of Russia's modernization demands close relations with the countries that can provide the resources for this process. These countries are all members of the Organization for Economic Cooperation and Development. Of them, the European Union nations are the most important by far. To be able to fully use the EU resource, however, Russia needs to

have at least decent relations with the United States. Moscow should be looking for ways to progressively demilitarize Russo-American relations not to reenter an arms race with the United States.

Though modern defenses are certainly necessary, Russia's political leaders would do well to update their threat landscape. The former Western front, facing NATO, is ready to be turned into a museum. Meanwhile, the Eastern façade, facing China, should never be allowed to become a front line. For the past thirty-plus years, Russia has been fighting exclusively in the south. That is where it needs to focus its military resources. The rest is just deterrence.

*Dmitri Trenin is director of the Carnegie Moscow Center.*

Article 5.

Project Syndicate

## **A World Bank for a New World**

[Jeffrey D. Sachs](#)

2012-02-24 – The world is at a crossroads. Either the global community will join together to fight poverty, resource depletion, and climate change, or it will face a generation of resource wars, political instability, and environmental ruin.

The World Bank, if properly led, can play a key role in averting these threats and the risks that they imply. The global stakes are thus very high this spring as the Bank's 187 member countries choose a new president to succeed Robert Zoellick, whose term ends in July.

The World Bank was established in 1944 to promote economic development, and virtually every country is now a member. Its central mission is to reduce global poverty and ensure that global development is environmentally sound and socially inclusive. Achieving these goals would not only improve the lives of billions of people, but would also forestall

violent conflicts that are stoked by poverty, famine, and struggles over scarce resources.

American officials have traditionally viewed the World Bank as an extension of United States foreign policy and commercial interests. With the Bank just two blocks away from the White House on Pennsylvania Avenue, it has been all too easy for the US to dominate the institution. Now many members, including Brazil, China, India, and several African countries, are raising their voices in support of more collegial leadership and an improved strategy that works for all.

From the Bank's establishment until today, the unwritten rule has been that the US government simply designates each new president: all 11 have been Americans, and not a single one has been an expert in economic development, the Bank's core responsibility, or had a career in fighting poverty or promoting environmental sustainability. Instead, the US has selected Wall Street bankers and politicians, presumably to ensure that the Bank's policies are suitably friendly to US commercial and political interests.

Yet the policy is backfiring on the US and badly hurting the world. Because of a long-standing lack of strategic expertise at the top, the Bank has lacked a clear direction. Many projects have catered to US corporate interests rather than to sustainable development. The Bank has cut a lot of ribbons on development projects, but has solved far too few global problems.

For too long, the Bank's leadership has imposed US concepts that are often utterly inappropriate for the poorest countries and their poorest people. For example, the Bank completely fumbled the exploding pandemics of AIDS, tuberculosis, and malaria during the 1990's, failing to get help to where it was needed to curb these outbreaks and save millions of lives.

Even worse, the Bank advocated user fees and "cost recovery" for health services, thereby putting life-saving health care beyond the reach of the poorest of the poor – precisely those most in need of it. In 2000, at the Durban AIDS Summit, I recommended a new "Global Fund" to fight these diseases, precisely on the grounds that the World Bank was not doing its job. The Global Fund to Fight AIDS, TB, and Malaria emerged, and has since saved millions of lives, with malaria deaths in Africa alone falling by at least 30%.

The Bank similarly missed crucial opportunities to support smallholder subsistence farmers and to promote integrated rural development more generally in impoverished rural communities in Africa, Asia, and Latin America. For around 20 years, roughly from 1985 to 2005, the Bank resisted the well-proven use of targeted support for small landholders to enable impoverished subsistence farmers to improve yields and break out of poverty. More recently, the Bank has increased its support for smallholders, but there is still far more that it can and should do.

The Bank's staff is highly professional, and would accomplish much more if freed from the dominance of narrow US interests and viewpoints. The Bank has the potential to be a catalyst of progress in key areas that will shape the world's future. Its priorities should include agricultural productivity; mobilization of information technologies for sustainable development; deployment of low-carbon energy systems; and quality education for all, with greater reliance on new forms of communication to reach hundreds of millions of under-served students.

The Bank's activities currently touch on all of these areas, but it fails to lead effectively on any of them. Despite the excellence of its staff, the Bank has not been strategic or agile enough to be an effective agent of change. Getting the Bank's role right will be hard work, requiring expertise at the top.

Most importantly, the Bank's new president should have first-hand professional experience regarding the range of pressing development challenges. The world should not accept the status quo. A World Bank leader who once again comes from Wall Street or from US politics would be a heavy blow for a planet in need of creative solutions to complex development challenges. The Bank needs an accomplished professional who is ready to tackle the great challenges of sustainable development from day one.

*Jeffrey D. Sachs is Professor of Economics and Director of the Earth Institute at Columbia University. He is also Special Adviser to United Nations Secretary-General on the Millennium Development Goals.*

The Atlantic Monthly

# **Africa's Amazing Rise and What it Can Teach the World**

G. Pascal Zachary

Feb 25 2012 -- The poverty mafia once controlled the development debate in Africa. No longer. The old approach was about how to prevent Africa from getting poorer. All development goals were essentially negative, as experts wallowed in risk-aversion and promoted various doomsday scenarios of an Africa with a rapidly growing population.

The new thinking on development is to share Africa's wealth more equitably. That's right: Africa's wealth.

In 2000, when I first visited Sub-Saharan Africa, to report on the civil war in Burundi, the international community was preparing itself for a new round of development failures. Wealth was a dirty word. The influential economist Paul Collier even suggested that African countries were better off poor because wealth -- especially resources that could be sold on international markets -- inevitably fueled civil wars.

Yet at that same moment when leading development thinkers saw the most modest of futures for the sub-Saharan as a region, a diverse group of determined African technocrats -- from Ghana to Uganda, Zambia to Kenya, South Africa to Rwanda -- joined forces with technologically savvy, globally oriented capitalists to launch a quiet revolution in development thinking. In time, their changes helped lead to Africa's dramatically improved economic performance, and greater confidence in their ideas.

The economic evidence that they were right, building since the start of the new century, now seems incontrovertible. In the ten years from 2000 to 2010, six of the world's ten fastest-growing countries were in sub-Saharan Africa: Angola, Nigeria, Ethiopia, Chad, Mozambique, and Rwanda. In eight of the past ten years, sub-Saharan Africa has grown faster than Asia, according to The Economist. In 2012, the International Monetary Fund expects Africa to grow at a rate of 6%, about the same as Asia.

Ten years ago, development was synonymous with disappointment for Africa watchers, to paraphrase the chapter in Frederick Cooper's classic survey, "Africa Since 1940." The decades following de-colonization in the late 1950s and early 1960s saw metrics in economics, health, and well-being decline almost across the board. Writing in 2002, Cooper observed, "No word captures the hopes and ambitions of African leaders, its educated populations and many of its farmers and workers ... better than development." Yet "development and disappointment," Cooper concluded, went hand in hand as the development strategies of African governments, and the foreign-assistance strategies of the international community, proved ineffective and, to some critics, even retarded African development. What changed? Partly, the boom in commodities. Sky-high copper prices have lifted copper-rich Zambia. Record cocoa prices are bringing \$2 billion annually into Ghana. Kenyan farmers, mostly small, are responsible for \$1 billion in annual exports of fruits, vegetables, and flowers, a figure that dwarfs the country's traditional coffee and tea exports. And, of course, high demand for oil and gas has helped a number of countries enormously. But even countries without such natural resources, such as Rwanda, have seen significant gains, mostly because of improved economic governance and the return of money and skills from Africans who left their countries during the dog days. Rwanda, for instance, long an importer of food, now grows enough to satisfying the needs of its people, and even exports cash crops such as coffee for the first time.

Technology also plays an important part in the new African boom. Probably the most astonishing development success since 2000 in Africa has been the communications revolution. A dozen years ago, merely making a phone call (or receiving one) was virtually impossible even in Africa's most important commercial centers. An elite business person might hire two or three people fulltime simply to repeatedly dial phone numbers over the crumbling, puny, and perversely sub-optimal government-owned telephone systems. Nigeria, at the time a country of 100 million people, had at most 100,000 working dial tones. It was not remarkable for one call out of every 50 made to be completed. Naturally, the effect on productivity was devastating, but equally as bad was the sense of isolation. Everything had to be done face to face, consigning people to long trips for even trivial maneuvers. Waiting became a way of life.

No longer. The advent of mobile telephones has brought instant communications to hundreds of millions of Africans, rich and poor, urban and rural. Africans are now on the move. Text messaging and digital money-transfer services, such as Safaricom's M-pesa in Kenya, have transformed ordinary life. Yet this most visible of all African advances, this gigantic step forward in linking Africans to each other and to people around the world, occurred with virtually zero assistance from the professional development community of donors and economists, aid workers and development agencies. Uniformly, these "experts" said Africans were simply too poor to benefit from mobile telecommunications, so they provided scant assistance in the 1990s and early 2000s when African governments, in the main, relaxed their long hegemony over telecommunications and permitted private companies to lead the push into mobile phones.

Some Africans have made fortunes. The Sudanese engineer Mo Ibrahim even became a billionaire from piecing together a regional network of mobile companies. In virtually every single African nation, the leading mobile phone company is now the leading taxpayer to the government, the leading local donor to local causes, and one of the leading employers. But more important than the economic impact of the mobile revolution was the mental impact. The twin values of self-reliance and exceeding expectations were cemented by the success in mobile telephony, which compelled development experts to rethink their commitment to African under-development.

The striking improvements in living standards in Africa, especially for small farmers, have triggered a new optimism about the prospects for the continent. While gloomy "Afro-pessimists" still dominate the global debate, more optimistic and pragmatic voices are starting to challenge old orthodoxies. "Policies devised by governments and donors imply a daunting lack of ambition," declared a 2010 report from the London-based Africa Research Institute. While the report is specifically about "why Africa can make it big in agriculture," the same observation -- that international development experts inexplicably downplay African prospects -- could be made across industries.

Even African nationalists missed the turn towards more expansive development aims. Damiso Moyo, a Zambian economist working in

London, was so intent on bashing the wrong-headedness of Western economic advisers in her 2010 polemic *Dead Aid* that she failed to notice the rise of an indigenous capitalist class across the Sub-Saharan. Moyo also insisted that China, whose economic influence in the region rose from almost nothing ten years ago, should provide a development model for Africa because its own internal resources could not sustain growth. Expectations are radically different now. A decade ago, *The Economist* labeled Africa "the hopeless continent." In December, the magazine predicted that "the continent's impressive growth looks likely to continue." Apologizing for their former Afro-pessimism, the editors [now conclude](#) "a profound change has taken hold" in the region.

The conversation about development, still too often mired in outmoded discussions of African poverty and stagnation, must catch up to the realities on the ground. A decade ago, development experts lectured African governments on the importance of crafting pro-poor policies. Now the question increasingly asked is how Africans can share their wealth more equitably. Inequality in sub-Saharan is rising even as, in most countries, the basic standard is also rising. In a lengthy essay of my own on African inequality, published in 2010 by the Milken Institute Review of Economic Policy, I cited the work of Xavier Sala-i-Martin, an economist at Columbia University who found ample evidence for "exploding" wealth inequality in the region.

Other development challenges remain. While women and children are faring much better in the region, on balance, than they were a generation ago. The need for more improvement is still urgent. Public health also lags economic growth. So too do gains in human rights and effective government. Finally, a surge in anti-gay attitudes and actions highlight the problem that newfound prosperity can fuel prejudice.

These development "deficits" raise persistent doubts about how far market-oriented policies can take African societies. In the next wave of creative thinking about development, the nation-state must return as a subject of conversation. African states need to take a stronger role in promoting general welfare even as they cannot return to the practices of the past that stifled individual initiative, robbed "surplus capital" from the enterprising, and reinforced social inequality, consigning women and children to the worst forms of abuse. Only strong nation-states, committed to fairness, can

manage the new tensions brought on by wealth and insure that the old risk-averse agenda of African development -- obsessing over preventing further slippage into poverty rather than nakedly pursuing legitimate achievable gains -- becomes an artifact of history.

*G. Pascal Zachary, a former foreign correspondent for The Wall Street Journal, is the author of [Married to Africa](#). He is a professor of practice at the Walter Cronkite school of journalism at Arizona State University.*

26 February, 2012

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Financial Post

**Israel's gas diplomacy**

[Lawrence Solomon](#)

Feb 24, 2012 -- How do you survive when you're surrounded by enemies, as is Israel? You win allies among the nations that surround your enemies. This increasingly successful Israeli approach — dubbed the periphery strategy — exploits an arsenal of Israeli assets that its new-found allies need: Israel's military, its counterterrorism skills, its technology, and especially of late, its surprising wealth of hydrocarbons.

Israel's periphery strategy is nothing new. After Israel survived its war of independence in the late 1940s, when it was invaded by six neighbouring Arab armies, Israel set about winning friends in the Middle East among non-Arabs. In this it succeeded wildly — Israel won friends among black African states, to which it transferred water-conserving agricultural technologies; among small non-Arab Muslim countries and ethnic groups that were at odds with the Arab states, and with Iran and Turkey, two non-Arab regional powers that became full-blown military allies.

Then the strategy all but collapsed with the OPEC oil boycott of 1973. "Stay friends with Israel and we'll cut you off from oil," the Arab states told the many poor oil-dependent countries that had relations with Israel. Poor countries felt they had no choice but to comply. Israel was from that point mostly abandoned, its former friends suddenly harsh critics at the United Nations, where they voted en masse to condemn Israel in one Arab-sponsored resolution after another.

Now Israel's periphery strategy is back big time, thanks largely to hydrocarbon diplomacy. Apart from a major oil find in its interior, Israel has known gas reserves of some \$130-billion in the Mediterranean, with some estimating that twice as much will materialize as exploration continues. Israel's Mediterranean neighbour, the island nation of Cyprus, is also discovering immense amounts of gas in the sea bed adjacent to Israel's. The two are now developing their gas jointly, with plans to export it to Europe or Asia or both. Greece, which may have more oil and gas in its extensive Mediterranean waters than either, is now talking of joining Cyprus and Israel in joint ventures.

The sea change in the attitude of Greece and Cyprus is breathtaking. Until recently, these two ethnically Greek nations were frigidly cold toward Israel, partly because they believed their economic interests lay in the more populous Arab world, partly because they feared for the safety of the

250,000-member Greek community in Egypt if they were to establish good relations with Israel.

Today the Greek calculus has changed. Not only did Greek trade with Arab states fail to blossom, the Greek presence in Egypt has all but vanished. Egypt's Greek-owned industries were nationalized; Egypt's Greeks were persecuted for their Christian faith. The official remaining count for Egyptian Greeks, once the most affluent and influential minority in Egypt, is but 3,000.

In contrast, Greeks now have common cause with Israel in exploiting their hydrocarbon riches and in defending them — Turkey, an enemy of the two Greek nations as well as Israel, has vowed to stop both Cyprus and Greece from developing their hydrocarbons on the basis of long-standing territorial claims. The Israeli-Greek-Cypriot alliance is likely strong enough to stand up to Turkey and allow these new-found friends to profit together.

But for Israel, profit is only the half of it, as a senior advisor to Israeli Prime Minister Bibi Netanyahu told the press in an interview last week, when the two were in Cyprus to further the nations' hydrocarbon cooperation. "Gas is our strategic interest. It is ... a diplomatic tool for creating new partnerships, first in our region, as well as with the great powers of India and China."

Israel views Cyprus and Greece as part of the "Western arc" of its periphery strategy, along with other European countries such as Christian Romania and Bulgaria, and Muslim Albania, which has been a standout defender of Israel in the United Nations. Israel now also has allies to the east, such as Georgia and Azerbaijan in Central Asia. And as part of its southern diplomacy, Israel recently established an East African alliance with predominantly Christian Kenya, Tanzania, Ethiopia and South Sudan designed to fend off Iran and Islamist terrorism. Israel's stock in East Africa is particularly high because of its role in gaining independence for South Sudan, the world's newest state.

Over much of South Sudan's half-century struggle for independence, Israel almost single-handedly armed and supported the black African rebels against what was widely recognized as genocide and enslavement perpetrated by the Arabic rulers based in northern Sudan. In recognition of Israel's role in its liberation, the leader of South Sudan made Israel his first foreign stop following independence and promised to establish his

country's embassy in Israel's capital of Jerusalem, the only country in the world to do so.

Israel's military help will continue to be needed in East Africa. The oil-rich South Sudan may well find itself at war again with the north and East African countries may find themselves subject to terrorist attack, particularly since South Sudan plans to pipe its oil eastward to ports in Kenya and Ethiopia instead of north through Sudan, which relies on South Sudan's oil.

Focus on Israel and it appears to be a tiny isolated country surrounded by a sea of hostile Arab nations. Zoom out, though, and it is the Arab nations that are revealed to be isolated, increasingly surrounded by age-old adversaries, most of which have growing ties to Israel. With Israel's hydrocarbon assets continuing to grow, and with Israel's military and intelligence assets remaining dominant in the region, Israel's periphery diplomacy has emerged as one of the country's remarkable achievements.

*Lawrence Solomon is executive director of [Energy Probe](#).*

Article 2.

The Daily Star

## **Only true reform will mollify Jordan's wary tribes**

Hassan A. Barari

February 24, 2012 -- Tribes in Jordan have played a unique role in politics over the decades. Tribal support has been instrumental in the survival of the Hashemite regime amid a volatile Middle East. Traditionally, the Jordanian army has drawn most of its recruits from tribes to guarantee their continued support for the regime. The semi-rentier political economy in Jordan has also helped the state create a stake for the tribes in the regime. During the 1980s, increased educational attainment and sedentarization nurtured a process of detribalization; this meant that tribal affiliation relevant to people's sense of identity was waning. This notion was

solidified in the by-election of 1984, when meritocracy rather than tribalism characterized the voting behavior of a great number of the Jordanian intelligentsia. Accordingly, tribalism – in the sense that people place family ties above all other political allegiance – was declining starting in the mid-1980s.

By the end of the 1980s, it was obvious that the state could not sustain its rentier relationship with tribes. Due to the economic crisis that befell Jordan at that time, the government started a process of economic restructuring in line with International Monetary Fund recommendations. State subsidies declined and tribal people, who previously had easy access to state resources, found it hard to adapt to this new reality.

The political liberalization of the late 1980s created an opportunity for Jordanians to mobilize politically and realize their objectives. The elections of 1989 were a manifestation that tribalism was further on the decline, as common Jordanians put meritocracy before tribal affiliation. Then, in anticipation of peace with Israel, King Hussein redrew the rules of the game in the kingdom. The government gerrymandered an electoral law to emasculate the opposition and secure public support for the peace treaty. A by-product of this politically motivated change in the electoral law to a one-person-one-vote system was that tribalism, as voting behavior, re-emerged.

The obvious outcome of this electoral law change is that all parliaments elected ever since have been too weak to stand up to the government. Further, over the last decade economic liberalization and privatization – the shrinking of the public sector and the retreat of the government from economic activity – have both failed to meet the demands of the tribes and been aggravated by an unprecedented level of corruption. The common argument in Jordan today is that state corruption has impoverished Jordanians and especially Transjordanians, who form the social backbone of the regime.

Against this backdrop, and due to the lack of credible political parties that can mobilize the public, protest movements are organized in Jordan along tribal lines, further deepening tribalism as a feature of political behavior. Now that tribes are alienated from the state, they feel more secure in displaying their tribal identity and affiliation. Paradoxically, identification with tribes is a weapon that has recently been deployed by all, and it pays

off. Even people accused of corruption have been resorting to their tribes for protection from the law. By and large, tribes protect individuals and the state backs down.

If anything, this outcome is the direct consequence of the state's failure to reinforce national identity. The rise of tribalism in Jordan recently has been triggered by the weakness of the state. Unfortunately, successive governments have been incapable of imposing the rule of law because many people no longer trust state institutions. In all surveys that have been conducted by the Center for Strategic Studies at the University of Jordan, the trust gap between the state and society is widening alarmingly. This is a dangerous trend, particularly against the backdrop of the Arab Spring that has already brought down several regimes.

The dilemma – and herein lies the crux of the matter – is that there is no one to get the message. Jordanian society has undergone radical changes in which the tribes' loyalty to the regime is no longer unconditional. And yet decision-makers, particularly those in the office of King Abdullah, are not qualified to address the situation by introducing genuine reform. At the very least, Jordanians need to see the state punish individuals guilty of corruption.

In brief, tribal politics are on the rise and the regime has lost the initiative. The demands imposed by the tribal reform movements on the regime are unprecedented. It seems that nothing short of genuine reform will pacify the tribes and keep them from taking to the street. There is no guarantee they will remain peaceful unless the king steps in and meets the tribes' need for political reform.

*Hassan A. Barari is a professor of international relations at the University of Jordan and the author of "Israelism: Arab Scholarship on Israel, a Critical Assessment" (London: Ithaca, 2009).*

Article 3.

NYT

## **What Two Enemies Share**

Roya Hakakian

February 25, 2012 -- "IF a war were to break out between [Iran](#) and [Israel](#), whose side would you be on?" someone asked me on Facebook a few

weeks ago, when an Israeli strike against Iran's nuclear facilities was reportedly imminent.

From early adolescence, at the start of Iran's 1979 revolution, my loyalties have so often been questioned that I've come to think of such suspicions as my Iranian-Jewish inheritance.

In the early 1980s in Tehran, a small group of socialist intellectuals who clandestinely gathered in an apartment every Thursday evening let me into their circle. Those were dangerous years. The government was new to power and violently insecure. Opposition groups were under assault. A war was raging with Iraq, and the United States had imposed sanctions. Our days were spent in queues, as the most basic staples were rationed.

Every member of the group was assigned to follow one of these pressing issues. I, however, was to give weekly updates on the Israeli-Palestinian conflict. Though much younger than the rest, I knew exactly what kind of sympathies I was expected to express. The land had to be returned to the [Palestinians](#), I would declare at the conclusion of each summary. I never mentioned that among the Jews living on that land were my penniless relatives who moved to Israel from Iran after their home and store were torched by an angry mob during the mayhem that preceded the revolution. Silence and submissiveness were and are the cornerstones of the character of the Iranian Jew. We walked past and away from confrontation. We burrowed in oblivion while living alongside Muslim friends and neighbors. Security and success came to those who blended in best, to those who did not allow any part of their Jewish identity to bleed into the Iranian.

Today, it's that oblivion that threatens to engulf both peoples. No two nations have ever been so deeply shaped by each other and yet so unaware of their debt to each other.

At the dawn of the 20th century, Iran was racked by the lawlessness and tribalism that were endemic to the region. By about midcentury, under Reza Shah Pahlavi, Iran had an army and an effective central government, which made subsequent industrialization possible. The credit for a surprising amount of that industrialization goes to the efforts of leading Iranian Jews.

Among them were the Nazarian brothers, who left Iran for Israel in the late 1940s, fought in Israel's 1948 war of independence, went on to work in construction and, when they had mastered those skills, committed the

unthinkable: they returned to their birthplace to begin building there. They became manufacturers of loaders, dumpers, cranes and cement mixers, and made these modern tools of urbanization available and affordable for the first time in Iran. The city of Isfahan, one of Iran's greatest tourist destinations, whose proverbial grandeur equals "half the world," became so only when the brothers, in collaboration with top Israeli engineers, built its underground sewer system and rid the city of disease and noxious air. Another group of brothers, the Elghanians, erected high-rise buildings and highways that inoculated the country against tribal isolation. They also founded Iran's first advanced plastic factory, which paved the way for other socioeconomic and scientific advances.

But soon after the fall of the shah, the chief of the Revolutionary Courts, Sadegh Khalkhali, executed hundreds of democratic-minded youths who had turned against the new regime. He also executed one Elghanian brother, Habib, on the charges of sowing "corruption on earth" and "espionage for Israel." Mr. Elghanian's execution set fire to the Jewish community. Many of Iran's 100,000 Jews fled, mostly for Israel or the United States, and today only around 20,000 remain.

Just as the majority of Iranians are unaware of this history, so too are Jews unaware of the contributions of Iranians to Jewish survival. All too often, I've witnessed American Jews' look of surprise when, upon meeting me, they learn of the existence of Jews in Iran for the first time, despite the fact that Iran still remains the largest home to Jews in the Middle East outside of Turkey and Israel.

As early as the sixth century B.C., Jews, exiled in Babylonia, found a savior in Persia's Cyrus the Great, who helped them return to Israel. In the early 1940s, Iran became a refuge to Jews, who were this time fleeing Hitler's army. Thousands owed their lives to the valorous conduct of Abdol-Hossein Sardari, the head of Iran's diplomatic mission in France, who defied Nazi orders by issuing thousands of passports and travel documents to Jews. Even when President Mahmoud Ahmadinejad was in top Holocaust-denying form, the descendants of the Polish survivors who chose to settle in Iran were laying flowers upon the graves of their loved ones in what's known as the Polish Cemetery in Tehran.

Would the two nations allow their rulers to begin a war if they were aware of their depth of indebtedness to each other? By bombing Iran, Israel

would be bombing a portion of Jewish history. If that happens, which side I would choose will not be a question. I will be twice destroyed by the two imperfect yet beloved cultures that each make up half of the woman I am.

*Roya Hakakian is the [author](#) of "Assassins of the Turquoise Palace."*

Article 4.

[Carnegie Endowment for International Peace](#)

## **Putin's National Security Vision**

[Dmitri Trenin](#)

February 24, 2012 -- Vladimir Putin has laid down his views on Russia's national security policy. In an article in the Rossiyskaya Gazeta, he pledged to make Russia militarily strong, so as "not to tempt others" into thinking they might win control of its resources. But the problem with Putin's vision is that the military modernization he has in mind still rests on the unreformed concept of the United States as Russia's principal likely adversary.

There is no question that a country with Russia's natural riches, given its complex geopolitical position, declining population, and lack of alliances with other major powers, needs to have modern defenses and a capability to protect its national interests. It is also true that, as Putin mentioned, Russia's military was neglected for two decades-until the beginning of military reforms in 2008. There is no doubt that a Russia that is comfortable within its own borders and friendly with its neighbors, and that forms partnerships with the United States and Europe as well as China and India, is a major, even indispensable factor for global stability.

As Putin claims, nuclear deterrence indeed continues to be an important pillar of strategic stability in the world. And the current reality of precision-guided-weapons systems, the advent of ballistic missile defenses, and the prospect of weapons in space, not to mention cyber-threats of all types, makes maintaining that strategic stability a much more complex exercise. To confront these threats, Putin has promised to add, within the next ten years, 400 intercontinental and submarine-launched ballistic missiles, as well as eight ballistic missile submarines. And that is only part of the story.

Large-scale military modernization demanding 23 trillion rubles-more than \$750 billion over a decade-should also buy Russia 20 multipurpose subs, 50 surface ships, 100 military spacecraft, 600 aircraft, over 1,000 helicopters, 28 S-400 missile interceptors, and more.

Priorities include command, control, and communications systems, drones, and equipment for the protection of individual soldiers. While conscription will not be abolished, the percentage of contracted servicemen should increase from about 40 percent today to 70 percent in five years' time to almost 85 percent in 2020. Expenditure on such a scale is controversial, even within the Russian establishment, but Putin is determined to push the plan through-and he might succeed.

Still, Vladimir Putin's vision of national security begs several serious questions. The first is whether the massive spending he supports is actually sustainable. Former finance minister Alexei Kudrin resigned last year over the issue. Since then, Russia's growth prospects have been revised downward.

The second is whether the idea of turning the defense industrial complex into the locomotive of Russia's overall industrial, scientific, and technological modernization is the right course. Pumping huge sums of money into one of the most corrupt sectors of the government bureaucracy-and wasting it all-is the worst possible outcome.

The third issue is the underlying assumption that the United States is Russia's former, present, and likely future adversary. The continued obsession with the United States, inherited from the Soviet Union and amplified by Russia's own military weakness, distorts Moscow's strategic thinking and does little to ensure the country's national security.

Fourth, the title of Putin's article spoke about national security, but its content was essentially all about military modernization. There is no question that Russia needs a modern and capable military. National security in the twenty-first century, however, is more about education and health, science and technology, and social stability and good governance. Finally, the task of Russia's modernization demands close relations with the countries that can provide the resources for this process. These countries are all members of the Organization for Economic Cooperation and Development. Of them, the European Union nations are the most important by far. To be able to fully use the EU resource, however, Russia needs to

have at least decent relations with the United States. Moscow should be looking for ways to progressively demilitarize Russo-American relations not to reenter an arms race with the United States.

Though modern defenses are certainly necessary, Russia's political leaders would do well to update their threat landscape. The former Western front, facing NATO, is ready to be turned into a museum. Meanwhile, the Eastern façade, facing China, should never be allowed to become a front line. For the past thirty-plus years, Russia has been fighting exclusively in the south. That is where it needs to focus its military resources. The rest is just deterrence.

*Dmitri Trenin is director of the Carnegie Moscow Center.*

Article 5.

Project Syndicate

## **A World Bank for a New World**

[Jeffrey D. Sachs](#)

2012-02-24 – The world is at a crossroads. Either the global community will join together to fight poverty, resource depletion, and climate change, or it will face a generation of resource wars, political instability, and environmental ruin.

The World Bank, if properly led, can play a key role in averting these threats and the risks that they imply. The global stakes are thus very high this spring as the Bank's 187 member countries choose a new president to succeed Robert Zoellick, whose term ends in July.

The World Bank was established in 1944 to promote economic development, and virtually every country is now a member. Its central mission is to reduce global poverty and ensure that global development is environmentally sound and socially inclusive. Achieving these goals would not only improve the lives of billions of people, but would also forestall

violent conflicts that are stoked by poverty, famine, and struggles over scarce resources.

American officials have traditionally viewed the World Bank as an extension of United States foreign policy and commercial interests. With the Bank just two blocks away from the White House on Pennsylvania Avenue, it has been all too easy for the US to dominate the institution. Now many members, including Brazil, China, India, and several African countries, are raising their voices in support of more collegial leadership and an improved strategy that works for all.

From the Bank's establishment until today, the unwritten rule has been that the US government simply designates each new president: all 11 have been Americans, and not a single one has been an expert in economic development, the Bank's core responsibility, or had a career in fighting poverty or promoting environmental sustainability. Instead, the US has selected Wall Street bankers and politicians, presumably to ensure that the Bank's policies are suitably friendly to US commercial and political interests.

Yet the policy is backfiring on the US and badly hurting the world. Because of a long-standing lack of strategic expertise at the top, the Bank has lacked a clear direction. Many projects have catered to US corporate interests rather than to sustainable development. The Bank has cut a lot of ribbons on development projects, but has solved far too few global problems.

For too long, the Bank's leadership has imposed US concepts that are often utterly inappropriate for the poorest countries and their poorest people. For example, the Bank completely fumbled the exploding pandemics of AIDS, tuberculosis, and malaria during the 1990's, failing to get help to where it was needed to curb these outbreaks and save millions of lives.

Even worse, the Bank advocated user fees and "cost recovery" for health services, thereby putting life-saving health care beyond the reach of the poorest of the poor – precisely those most in need of it. In 2000, at the Durban AIDS Summit, I recommended a new "Global Fund" to fight these diseases, precisely on the grounds that the World Bank was not doing its job. The Global Fund to Fight AIDS, TB, and Malaria emerged, and has since saved millions of lives, with malaria deaths in Africa alone falling by at least 30%.

The Bank similarly missed crucial opportunities to support smallholder subsistence farmers and to promote integrated rural development more generally in impoverished rural communities in Africa, Asia, and Latin America. For around 20 years, roughly from 1985 to 2005, the Bank resisted the well-proven use of targeted support for small landholders to enable impoverished subsistence farmers to improve yields and break out of poverty. More recently, the Bank has increased its support for smallholders, but there is still far more that it can and should do.

The Bank's staff is highly professional, and would accomplish much more if freed from the dominance of narrow US interests and viewpoints. The Bank has the potential to be a catalyst of progress in key areas that will shape the world's future. Its priorities should include agricultural productivity; mobilization of information technologies for sustainable development; deployment of low-carbon energy systems; and quality education for all, with greater reliance on new forms of communication to reach hundreds of millions of under-served students.

The Bank's activities currently touch on all of these areas, but it fails to lead effectively on any of them. Despite the excellence of its staff, the Bank has not been strategic or agile enough to be an effective agent of change. Getting the Bank's role right will be hard work, requiring expertise at the top.

Most importantly, the Bank's new president should have first-hand professional experience regarding the range of pressing development challenges. The world should not accept the status quo. A World Bank leader who once again comes from Wall Street or from US politics would be a heavy blow for a planet in need of creative solutions to complex development challenges. The Bank needs an accomplished professional who is ready to tackle the great challenges of sustainable development from day one.

*Jeffrey D. Sachs is Professor of Economics and Director of the Earth Institute at Columbia University. He is also Special Adviser to United Nations Secretary-General on the Millennium Development Goals.*

The Atlantic Monthly

# **Africa's Amazing Rise and What it Can Teach the World**

G. Pascal Zachary

Feb 25 2012 -- The poverty mafia once controlled the development debate in Africa. No longer. The old approach was about how to prevent Africa from getting poorer. All development goals were essentially negative, as experts wallowed in risk-aversion and promoted various doomsday scenarios of an Africa with a rapidly growing population.

The new thinking on development is to share Africa's wealth more equitably. That's right: Africa's wealth.

In 2000, when I first visited Sub-Saharan Africa, to report on the civil war in Burundi, the international community was preparing itself for a new round of development failures. Wealth was a dirty word. The influential economist Paul Collier even suggested that African countries were better off poor because wealth -- especially resources that could be sold on international markets -- inevitably fueled civil wars.

Yet at that same moment when leading development thinkers saw the most modest of futures for the sub-Saharan as a region, a diverse group of determined African technocrats -- from Ghana to Uganda, Zambia to Kenya, South Africa to Rwanda -- joined forces with technologically savvy, globally oriented capitalists to launch a quiet revolution in development thinking. In time, their changes helped lead to Africa's dramatically improved economic performance, and greater confidence in their ideas.

The economic evidence that they were right, building since the start of the new century, now seems incontrovertible. In the ten years from 2000 to 2010, six of the world's ten fastest-growing countries were in sub-Saharan Africa: Angola, Nigeria, Ethiopia, Chad, Mozambique, and Rwanda. In eight of the past ten years, sub-Saharan Africa has grown faster than Asia, according to The Economist. In 2012, the International Monetary Fund expects Africa to grow at a rate of 6%, about the same as Asia.

Ten years ago, development was synonymous with disappointment for Africa watchers, to paraphrase the chapter in Frederick Cooper's classic survey, "Africa Since 1940." The decades following de-colonization in the late 1950s and early 1960s saw metrics in economics, health, and well-being decline almost across the board. Writing in 2002, Cooper observed, "No word captures the hopes and ambitions of African leaders, its educated populations and many of its farmers and workers ... better than development." Yet "development and disappointment," Cooper concluded, went hand in hand as the development strategies of African governments, and the foreign-assistance strategies of the international community, proved ineffective and, to some critics, even retarded African development. What changed? Partly, the boom in commodities. Sky-high copper prices have lifted copper-rich Zambia. Record cocoa prices are bringing \$2 billion annually into Ghana. Kenyan farmers, mostly small, are responsible for \$1 billion in annual exports of fruits, vegetables, and flowers, a figure that dwarfs the country's traditional coffee and tea exports. And, of course, high demand for oil and gas has helped a number of countries enormously. But even countries without such natural resources, such as Rwanda, have seen significant gains, mostly because of improved economic governance and the return of money and skills from Africans who left their countries during the dog days. Rwanda, for instance, long an importer of food, now grows enough to satisfying the needs of its people, and even exports cash crops such as coffee for the first time.

Technology also plays an important part in the new African boom. Probably the most astonishing development success since 2000 in Africa has been the communications revolution. A dozen years ago, merely making a phone call (or receiving one) was virtually impossible even in Africa's most important commercial centers. An elite business person might hire two or three people fulltime simply to repeatedly dial phone numbers over the crumbling, puny, and perversely sub-optimal government-owned telephone systems. Nigeria, at the time a country of 100 million people, had at most 100,000 working dial tones. It was not remarkable for one call out of every 50 made to be completed. Naturally, the effect on productivity was devastating, but equally as bad was the sense of isolation. Everything had to be done face to face, consigning people to long trips for even trivial maneuvers. Waiting became a way of life.

No longer. The advent of mobile telephones has brought instant communications to hundreds of millions of Africans, rich and poor, urban and rural. Africans are now on the move. Text messaging and digital money-transfer services, such as Safaricom's M-pesa in Kenya, have transformed ordinary life. Yet this most visible of all African advances, this gigantic step forward in linking Africans to each other and to people around the world, occurred with virtually zero assistance from the professional development community of donors and economists, aid workers and development agencies. Uniformly, these "experts" said Africans were simply too poor to benefit from mobile telecommunications, so they provided scant assistance in the 1990s and early 2000s when African governments, in the main, relaxed their long hegemony over telecommunications and permitted private companies to lead the push into mobile phones.

Some Africans have made fortunes. The Sudanese engineer Mo Ibrahim even became a billionaire from piecing together a regional network of mobile companies. In virtually every single African nation, the leading mobile phone company is now the leading taxpayer to the government, the leading local donor to local causes, and one of the leading employers. But more important than the economic impact of the mobile revolution was the mental impact. The twin values of self-reliance and exceeding expectations were cemented by the success in mobile telephony, which compelled development experts to rethink their commitment to African under-development.

The striking improvements in living standards in Africa, especially for small farmers, have triggered a new optimism about the prospects for the continent. While gloomy "Afro-pessimists" still dominate the global debate, more optimistic and pragmatic voices are starting to challenge old orthodoxies. "Policies devised by governments and donors imply a daunting lack of ambition," declared a 2010 report from the London-based Africa Research Institute. While the report is specifically about "why Africa can make it big in agriculture," the same observation -- that international development experts inexplicably downplay African prospects -- could be made across industries.

Even African nationalists missed the turn towards more expansive development aims. Damiso Moyo, a Zambian economist working in

London, was so intent on bashing the wrong-headedness of Western economic advisers in her 2010 polemic *Dead Aid* that she failed to notice the rise of an indigenous capitalist class across the Sub-Saharan. Moyo also insisted that China, whose economic influence in the region rose from almost nothing ten years ago, should provide a development model for Africa because its own internal resources could not sustain growth. Expectations are radically different now. A decade ago, *The Economist* labeled Africa "the hopeless continent." In December, the magazine predicted that "the continent's impressive growth looks likely to continue." Apologizing for their former Afro-pessimism, the editors [now conclude](#) "a profound change has taken hold" in the region.

The conversation about development, still too often mired in outmoded discussions of African poverty and stagnation, must catch up to the realities on the ground. A decade ago, development experts lectured African governments on the importance of crafting pro-poor policies. Now the question increasingly asked is how Africans can share their wealth more equitably. Inequality in sub-Saharan is rising even as, in most countries, the basic standard is also rising. In a lengthy essay of my own on African inequality, published in 2010 by the Milken Institute Review of Economic Policy, I cited the work of Xavier Sala-i-Martin, an economist at Columbia University who found ample evidence for "exploding" wealth inequality in the region.

Other development challenges remain. While women and children are faring much better in the region, on balance, than they were a generation ago. The need for more improvement is still urgent. Public health also lags economic growth. So too do gains in human rights and effective government. Finally, a surge in anti-gay attitudes and actions highlight the problem that newfound prosperity can fuel prejudice.

These development "deficits" raise persistent doubts about how far market-oriented policies can take African societies. In the next wave of creative thinking about development, the nation-state must return as a subject of conversation. African states need to take a stronger role in promoting general welfare even as they cannot return to the practices of the past that stifled individual initiative, robbed "surplus capital" from the enterprising, and reinforced social inequality, consigning women and children to the worst forms of abuse. Only strong nation-states, committed to fairness, can

manage the new tensions brought on by wealth and insure that the old risk-averse agenda of African development -- obsessing over preventing further slippage into poverty rather than nakedly pursuing legitimate achievable gains -- becomes an artifact of history.

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