

# Secretary Kerry Delivered A Powerful Indictment Against Syria – But Expect Little Action – President Obama Talked About A “Limited” And “Narrow Act”

By Paolo von Schirach

August 30, 2013

**WASHINGTON** – On August 30 Secretary of State John Kerry presented the most comprehensive US Government legal, political and moral case against Syria. In a most compelling and quite convincing manner Kerry described in detail the facts that establish Syria’s clear responsibility for a major chemical weapons attack against civilians. In so doing, the Assad regime is in clear breach of international norms that ban the use of chemical weapons.

## **Strong case, but little action**

Having established all this, it is clear, continued Kerry, that there has to be retribution. Such heinous acts cannot go unpunished. Quite frankly, given the powerful language and forceful delivery, it would not have been unreasonable to expect an equally powerful closing. Something like: “We shall pursue this vile regime in Damascus with all the means at our disposal. We shall not rest until Assad and his men are brought to justice and their regime dismantled”.

But that’s not how Kerry harangue ended. It ended on a smallish tone. He said that, whatever action may be undertaken

by the United States, it will be limited, and not aimed at eliminating the Assad regime. No “regime change” for Syria. The US will not become involved in the ongoing Syrian conflict. This is not going to be another Iraq, and so on. Anyway, you get the picture. The talk was great. But it is mostly talk.

### **Obama promised little, “limited” action in a passionless tone**

Act two in this now diminished drama took place a bit later, when President Obama made a few, pointed remarks on Syria at the White House, before a meeting with leaders of the Baltic Countries. His tone was decidedly flat. None of Kerry’s elegant and flowery prose. While Kerry had the advantage of reading a carefully prepared speech, nonetheless the contrast between his fiery rhetoric and Obama’s flat tone was quite noticeable.

Quite frankly Obama looked and sounded like a disappointed Head Master announcing that there will have to be disciplinary action against unruly students who engaged in acts of vandalism. Something rather serious happened. Some pupils do not understand discipline, and they will be dealt with.

Obama sounded stern but not especially outraged. He did say that the United States will not stand by as major international norms are broken. But he added that any US action will be “limited”. It will be a “narrow act”. There will be no “open-ended” intervention. And, just in case you were wondering, God forbid, there will not be any “US boots on the ground”. The whole US response will have a “narrow” focus, and so on. In other words, this Syria business is serious, but not “that” serious.

### **Kerry set the right tone, at the beginning**

Well, call me sentimental; but I really liked Secretary Kerry’s speech, at least until its rather flat end. In the best American tradition, Kerry blended a well presented legal

case with a terse, fact based narrative. He invoked principles, the universal principles of human decency that are the foundations of America and that still inspire its conduct. He talked about a world of laws. His voice seemed to tremble a bit when he described the corpses of little Syrian children killed by chemical agents. He talked about the need to act forcefully. But then the whole thing lost steam, and the speech ended rather poorly.

### **Assad should not worry too much**

Kerry succumbed to the political imperative of toning the whole thing down. He knows that most Americans do not want any more wars. Therefore he had to stress that , while Assad may be a thug, we are not really after him. We just want to “give him a lesson”.

And what came from Obama, the Commander in Chief, was truly uninspiring. His White House remarks were mostly about what America will not do in response to this vile behavior by a brutal regime. As I said in a previous piece, if I were Assad I would not worry too much. This President has no will to deliver a decisive blow against him.

All this stuff about Syria quite frankly is news today only because it is the end of August, Congress is not in session, not much is happening, and this was a slow day.

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# **There Is a Syria Plan That Would Hurt Assad While**

# Helping The Secular Rebels – Retired General Keane Endorsed It

By Paolo von Schirach

August 30, 2013

**WASHINGTON** – The public debate on US military options regarding Syria is extremely superficial, if not silly. We are told by many stunningly uninformed US law makers that any US military engagement in Syria will immediately become another Iraq: a costly, inconclusive war that will result in helping America's enemies get into power. The way Senator Rand Paul, Republican from Kentucky, sees it, the Syrian anti-Assad rebels are dominated by Islamist factions. Therefore, if America strikes against Assad, we are only helping al Qaeda's friends. This being the case, it is in the US national interest to stay away from Syria and do nothing.

## A real plan?

The only alternative to this “do nothing” policy is to engage in a symbolic, short military action, a “pinprick” attack aimed at showing that America has done “something” to punish Assad for using chemical weapons against civilians, and then go home.

Well, there is at least another plan. Such a plan however could fly only if Americans were united in believing that it is in the US national interest to seriously help the secular opposition against Assad and that their eventual victory would represent a welcome change in the Region. Assuming such a consensus, (and we are not even near that), then there is a plan. As we read in the WSJ, this plan was elaborated by Christopher Harmer, a retired Naval Aviator, and it has been

endorsed by retired General Jack Keane, one of the key strategists behind the successful Iraq “surge” in 2007.

### **America’s national interest**

The premise of this approach is that America’s goal is not just to “punish” Assad for one egregious international law violation, (the use of chemical weapons), while leaving the balance of forces in the Syrian theatre essentially unchanged.

No, the premise is that Washington wants to help the Syrian rebels win. In various media appearances General Keane explained that the targets of a focused US military action should be the main Syrian air bases. While there are several, only six of them are home to the bulk of the Syrian air force. Therefore only those six bases have real military value. According to Keane, it would be relatively easy to destroy them. In so doing America would deprive Assad of air power, his main tactical and strategic advantage in the fight against the rebels. Such a decisive action, combined with a serious program to arm the rebels, would tilt the balance of forces in their favor, giving the secular opposition a far better chance to prevail in this long and nasty conflict against Assad.

### **Many assumptions**

This strategy is premised on many assumptions. The first one is that America is united in believing that helping the secular Syrian opposition is in America’s national interest. The second one is that the secular opposition is indeed in the lead in Syria, while the Islamists are far less relevant and unlikely to get any significant role in any post-Assad regime in Damascus. The third is that America can and will deal with any direct or indirect consequences of its involvement in the conflict, such as terrorists attacks inspired by Hezbollah and Iran, and possible retaliations against Israel.

### **We do not have a consensus**

This plan has merit. Still, the way I see it, the political climate is not at all favorable for such an undertaking, even though this plan, mainly focused on degrading Assad's air power advantage, would not include the use of US ground troops or any long-term US military engagement. Most Americans are convinced that there is nothing worthwhile we can do in Syria, while most political leaders are afraid of any type of engagement.

This being the case, unless President Obama has something really surprising in store, I would rule out anything beyond a very limited engagement aimed at showing the world that America will "punish" those who openly break international law by using outlawed chemical weapons.

Be that as it may, at least the Harmer plan, now endorsed by General Keane, is a plan. It starts from a definition of US political interests regarding Syria and it outlines credible military actions that could be undertaken to achieve them.

This is a lot better than saying that nothing can be done, or that we are just going to slap Assad and then go home.

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## **On Syria, Timid West Offers Embarrassing Spectacle**

By Paolo von Schirach

Related story:

<http://schirachreport.com/index.php/2013/08/27/america-will-act-in-syria-but-do-not-expect-much/>

August 29, 2013

**WASHINGTON** – I recently argued that America is in no mood to get into another war in Syria. We did poorly in Afghanistan and Iraq, while spending fabulous sums of money, (see link to related story). Besides, right now the US Government is essentially broke. Indeed, the Pentagon, caught in the middle of the ill-advised “sequester”, (automatic, across the board spending cuts that target defense more than any other public spending), is trying to adjust to rapidly declining budgets. Probably the worst possible time to engage in a new conflict. And finally US public opinion does not believe that America must act in order to punish Syria for its use of chemical weapons against civilians. The American public does not want to hear about the Middle East, Muslim countries or any talk of another war, big or small.

### **Evident reluctance to do anything**

I did say that America, acting with British and French support, would “do something” in order to “punish” Syria. However the action would be limited, symbolic and in the end probably irrelevant. Well, it turns out that perhaps I was too optimistic.

Just a few days later, the political signs out of Washington, London and Paris are quite unclear. Certainly I do not detect any determination to act. French President Francois Hollande talks about the need to find a “political solution” for the Syrian mess, while the British Parliament is divided. President Obama, supposedly in the lead, stated in a TV interview that he has not made up his mind, while adding that whatever action may be undertaken it would be limited and not aimed at regime change in Damascus. After this rather tepid statement by a President who is obviously most reluctant to act, we heard from US intelligence officials that it would be very difficult to obtain unequivocal, conclusive evidence that chemical weapons were actually used and that the Syrian Government ordered such action. In other words, we are not quite sure that a retaliation would be justified.

## **Assad should not be afraid**

Well, after this impressive display of outrage and determination, may be President Assad will decide to take a break and go fishing in the next few days. Chances are that, in the end, nothing will be done. If the US and its junior European Allies can find a face-saving exit, possibly with Russian cooperation in the guise of some kind of UN Security Council Resolution promising some sort of (non military, of course) action against Syria, then Obama would be able to say that we have made our point, that Assad has been punished by the international community for his illegal actions, and that all is well.

Well, if this compromise does not work out, then we are back to the symbolic military action. I am convinced that America has the military assets in place in the Eastern Mediterranean (mostly US Navy war ships armed with long-range missiles) to launch an attack against Syria. They can target military installations, command and control centers, critical infrastructure, and a lot more.

## **A limited attack is pointless**

However, short of a prolonged engagement –I mean a real devastating blow that would destroy or seriously impair Syria's war making capabilities and the ability of the Damascus Government to function– a limited US attack would change very little.

Let's remember what Carl von Clausewitz wrote a couple of centuries ago. The only purpose of military action is coercion. You use military means to obtain a political goal: i.e. force your adversary to do what it refuses to do. I do not believe that von Clausewitz would have approved of a limited military action aimed at sending a "signal". And what if the other side does not get our "signal", in this case a clear warning that any further use of chemical weapons would

have devastating consequences? Then what? We send another “signal”?

*War is not about “sending signals”. War is about the complete destruction of the political will of the adversary. Through decisive military action we bend them to our will. Who knows, may be they stopped teaching von Clausewitz at the US military academies.*

### **The West looks weak**

In conclusion, there are two possible scenarios here, both of them indicating Western reluctance and timidity. In the first one, there is some kind of UN inspired “action” that gets Washington, London and Paris off the hook. In the second one, there will be a limited attack against Syrian targets. Such a limited attack will not change the course of the Syrian civil war, while it will be used by all anti-Western Islamists as further evidence of America’s evil intentions against Arabs and Muslims.

You can bet that, hours after the US missile attacks, Syrian TV will display the corpses of women and children killed by Americans Tomahawk cruise missiles. In the end, whatever Washington’s intentions, this is the only “signal” that the other side will get. Is this what we want?

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**Underneath China’s Still  
Impressive 7.5% Growth There**

# Is A Mountain Of Debt

By Paolo von Schirach

August 28, 2013

**WASHINGTON** – The official news about China is that the number two world economy, expertly managed by the careful Beijing technocrats, is adjusting to a slower but still very impressive rate of growth. After an amazing almost 30 year run with more than 10% growth, year after year, from now on China will be cruising at 7.5% a year. If you think that Europe is barely above zero, while the once mighty America is advancing at a pitiful 2% rate, 7.5% is fantastic.

## Too much debt

Well, this is what appears. But it is not so. Not even close. The truth is that China's growth is largely artificial and now mostly debt driven. And debt is growing at an alarming rate. If you read the hard-hitting pieces on China's debt crisis published by The Financial Times on August 27 and 28, you get a truly scary picture. China's construction boom, itself one of the major drivers of GDP growth is based mostly on speculation and enormous amounts of bad debt that now call into question the solvency of many local financial institutions. Likewise, Chinese corporations for years over estimated demand for almost everything. As a result there is enormous overcapacity in practically every sector, from coal to chemicals to steel. Corporate debt, much of it held by non official banking institutions, has skyrocketed.

And this is has nothing to do with the predictable ups and downs of the business cycle. Here you have a major country whose growth is now sustained mostly by an enormous amount of debt. The good news is that China's exports over time generated huge cash reserves. However, if a large portion of this capital will have to be used to cover all this red ink,

there will be a lot less available for productive investment. Therefore, assuming that this scenario is correct, forget about 7.5% growth, year after year.

### **Local governments and corporations are in trouble**

Just a few illustrative facts drawn from the excellent FT articles referred to above. China is now the most indebted among emerging markets. Aggregate debt (corporate, household, government) has soared from 40% in 2007 to 100% in 2012. Local government debt usually does not include debt carried by local non-bank financial institutions. Therefore, while official figures indicate local government debt level up to 16.8% of GDP, in truth this goes up to 57.8%.

At the local level, local governments used to make money by expropriating farm land that was then sold to developers. Land holdings were used as collateral to obtain cash that would finance infrastructure. Well, now the construction boom has halted because developers have over built. Many of them are in big trouble as they have unsold inventory that cannot be liquidated. In the meantime all the sectors, such as steel and cement, that used to be driven by the construction boom are suffering because of demand contraction. Back to the local government, with the end of the construction boom, now they own far less valuable land that is no longer accepted as collateral. Hence a mounting debt crisis at the local level.

Back to industry, many state-owned corporations now are kept artificially alive via easy government credit funneled to them via state-owned banks. Smaller companies that do not have easy access to credit are struggling. Some now pay their bills through promissory notes. Others disguise their troubles through increased unpaid leaves for their workers, so that official employment numbers appear unchanged.

### **No problem?**

As all this is unfolding, we are told that there is no

problem. And this is indeed the real problem. Denial and obfuscation is not a good way to deal with an emerging crisis. Remember Greece? Until the day (back in 2009) in which the Greek Government announced that it had cooked the books regarding the actual level of its debt, it all seemed perfectly normal.

In the US we have had our spectacular 2008 crash. While we can debate how the main actors and the regulators did not see this coming, after the collapse policy-makers and the public knew what had happened. And, sure enough, we have had our own gigantic bail outs. Still, when the Federal Government essentially took over General Motors, it did so publicly, at the same time demanding a credible restructuring plan that included closing down facilities, destruction of jobs, plus salary and benefits cuts for those lucky enough to keep a job.

### **No transparency**

There is no such publicity and transparency in China. Therefore there is far less pressure to restructure in order to obtain leaner and more competitive state owned corporations. As to the local governments and their troubled finances, most likely their debts will become government debts. Still, debt is debt –and it slows you down.

In the end, for sure China must have many healthy companies that are doing and will be doing well. Still, digging a bit deeper, as the FI has done, we discover a country with huge and as yet undeclared systemic problems. It is going to take time and a lot of money to fix all this. China's economy will stay large. But it will be far less impressive than you would have thought.

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# America Will Act In Syria – But Do Not Expect Much

By Paolo von Schirach

August 27, 2013

**WASHINGTON** – Sadly, the strong words of moral outrage uttered by Secretary of State John Kerry regarding the use of chemical weapons in Syria are destined to remain just that: words. Sure, some (face saving) symbolic military action will be undertaken. But do not expect much more than that. There are essentially two reasons for this.

## **No money and no will**

Number 1: America is broke. And the Pentagon is even more broke as it has to adjust to the fiscal effects of the “sequester” now in place. In simple language, most of the automatic spending cuts that came into force this Spring because no broad agreement on spending and revenue could be reached between Republicans and Democrats have targeted defense spending.

In this unusually constrained environment it is inconceivable that America will engage in another conflict. Totally inconceivable.

Number 2: there is no special feeling for Syria in Washington. US policy-makers are not totally united on this, but the general consensus is that we do not want to help a Syrian opposition that may be strongly influenced by al Qaeda and/or other Islamic radicals. There is certainly no sympathy for Assad and his dictatorship; but there is no interest in

expending US blood and treasure in an effort that will replace him with an even more anti-Western regime.

These two factors, lack of money and lack of an identifiable national interest in entering this conflict, conspire to have a minimal, I suspect mostly symbolic, response to the use of chemical weapons by Syria.

### **Autocrats can breathe easily**

Having said that, this scenario has huge implications for America and its role as a superpower. It is now clear that dictators and autocrats around the world can do pretty much whatever they please, without fear of retribution from tired and penniless Washington. And this is only a short while after the intervention in the Libyan conflict was justified on the basis of a brand new international law doctrine whereby the international community can and will intervene when a government behaves badly towards its own people, as in Libya's case.

Well, forget about all that. That theory apparently applies only in the case of small countries. Syria is a much, much bigger problem: more people, more weapons, more factions and more foreign supporters, including Russia, Iran and Hezbollah from Lebanon.

### **Who would join America?**

I just do not see a strong "coalition of the willing" led by America about to launch an invasion of Syria. Both Paris and London saw first hand the sorry state of their air forces during the engagement in Libya. They have not forgotten that they had run out of ammunitions just days into the air war. I do not believe that they are any better prepared now. And they know that Syria would be a much tougher nut to crack.

### **Redefinition of the national interest**

So, here is the bottom line. Forget about Pax Americana. America's redefinition of the national interest (a polite way to say retreat) is due to two key factors. In the first place, the stupendously expensive and inconclusive wars in Afghanistan and Iraq have not broadened support for interventions. Secondly, a country with an unresolved fiscal crisis, now getting ready for another nasty political confrontation on how to raise the "debt ceiling", (this "domestic conflict" is about to take place come October), is in no shape and no mood for war.

Sure enough, expect some "action". But that's not the same as "decisive action" aimed at changing the course of the conflict in Syria.

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## **New York State Governor Andrew Cuomo Claims He Needs More Facts Before Allowing Fracking**

**By Paolo von Schirach**

August 26, 2013

**WASHINGTON** – When major policy decisions are driven by science, you would think that when the scientists settle an issue policy-makers take their cues from them and adjust their policies on the basis of their findings. This is the beauty of science. It is about facts. Of course, scientific knowledge evolves. There is no "final truth" about most issues. We know all that.

## **Science based policies**

Still, usually when there is an overwhelming body of evidence leading in one direction, policy follows in that direction. Well, this is not the case when it comes to hydraulic fracturing, or fracking, the technology now used across the United States to extract precious natural gas trapped in shale formations.

Here are some key facts. While fracking is still opposed by die-hard environmentalists, scientists who have looked into this practice have concluded that it is safe, provided that energy companies follow best industry practices in designing and operating their wells. While there have been numerous instances of accidents, there is no evidence that they are due to an inherently dangerous technology. The consensus is that they are due to inexperienced practitioners, just like car accidents occur because of bad drivers and not on account of inherently unsafe vehicles. Indeed, after more than a decade of fracking, no one has come up with conclusive, science-based evidence that properly executed fracking causes damages.

Well, this science-based conclusion has shaped policies across the United States. State authorities, first and foremost the various environmental protection agencies, while eager to keep an eye on the fracking industry under their jurisdictions, have not indicated that they intend to ban it on account of any threat to the environment.

At a national level, President Obama, usually no great friend of fossil fuels, has recognized the immense value of additional natural gas supplies recovered now thanks to fracking. The Federal Government will soon issue guidelines for fracking that will take place on Federal Lands.

## **This science does not apply in NY State**

Well, if this is so, then something really extraordinary must be going on in New York State. You see, Western New York State

shares the same geology of Eastern Pennsylvania. The large Marcellus Shale cuts across both states. Plenty of recoverable shale gas in PA and probably an equal amount in Western New York. The huge difference is that in PA there is a thriving fracking industry, while in New York State there is nothing, on account to a moratorium imposed by Governor Andrew Cuomo.

The reason (read excuse) for the moratorium is that NY State needs more data/information about the possible damage that may be caused by fracking to the environment, to the aquifer, and what not. While one should commend Governor Cuomo for not diving too fast, unless his science/environment advisors know something that the rest of America does not know, it is rather obvious that this is all about politics. For more than ten years Cuomo's colleagues have endorsed fracking, while he still hesitates, claiming he does not have all the facts. What is it, is there an invisible barrier that prevents knowledge from getting into New York State?

### **It is all about politics**

The hard truth is that Governor Cuomo has to deal with a much more vociferous environmental movement. And he needs their votes. Therefore he will not antagonize these grass-roots organizations vehemently opposed to fossil fuels by allowing fracking, something they are dead against on ideological grounds.

Alright, so the whole thing is about politics. We can understand that. But what is truly disingenuous is for the Governor of a major state to disguise a political problem as "scientific research".

### **Science does not cross state borders?**

As a result of this laughable travesty, we are confronted with this rather bizarre picture. The science about fracking that applies in Eastern PA does not apply in Western NY. The science driven policies followed by the State

Government in Harrisburg do not apply to the policies shaped in Albany.

Yes, in 21st Century America, believe or not, scientific knowledge does not cross state borders.

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# **Obamacare Will Not Improve America's Deeply Flawed Health Care System**

**By Paolo von Schirach**

August 25, 2013

**WASHINGTON** – The real problem with soon to be implemented Obamacare is that, contrary to what many believe, it is not “health care reform”. It is just “health insurance reform”. President Obama’s noble goal was and is to extend coverage to the many millions of Americans who have no insurance and to many others who (on account of pre-existing conditions) are denied coverage. Indeed, given the exorbitant costs of even routine procedures, getting sick in America, without benefiting from the shield provided by health insurance, means financial ruin.

## **Improve a bad system?**

That said, the fundamental flaw of Obamacare is that it intends to “improve” a really bad system by making it even bigger and more cumbersome. The law is not yet in force. But all we read about its possible impact on those who are currently insured, on employers who will be forced to pay for insurance, and on young people uninsured is that it may make

everything more expensive, while causing other distortions. For instance, as the mandate to provide medical insurance would apply to companies with 50 or more full time workers, we see many employers who are now cutting their labor force down to 49 workers and who hire part time laborers in order to get out of the mandate. So, business decisions are influenced by Obamacare, and not in a good way.

By and large, as the law is not yet in force, much of what is said now about its long term impact is based on assumptions that may or may not be correct. However, common sense would dictate that it is difficult to improve upon a bad system by making it bigger.

**“Fee for services” is the problem**

*And why is the system on top of which Obamacare will be built so bad ? It is bad because it provides the worst incentives to those who theoretically should be the guardians of high quality care at affordable prices. In America, you have doctors who are in the private sector. And they operate on a “fee for service” basis. The only way in which they make money is to have sick patients in need of care. Of course, doctors want to make money while providing an essential service.*

*The question is: how much money? Well, there is no built-in restraint. And for a very simple reason. You, the patients, need their services. However, most of you do not pay for those services, because you have medical insurance, usually provided for by your employer.*

**Over prescription of “everything”**

Well, then how does this work? What happens is that, even though there are some price ceilings and certain restrictions on reimbursable procedures negotiated with insurance companies, by and large providers manage to overdo almost everything: diagnostics, therapies, surgeries,

procedures, prescription medications.

And why do they do this? Because they have a financial incentive to do so, and because they know they can get away with it, in as much as the patient does not pay out of his/her pocket for most of this "care". The insurance pays.

Therefore the care recipient will not protest. He/she is not going to ask probing questions like: *"Is this really necessary? Are there alternatives to this surgery? How much will this cost? Can I get this cheaper somewhere else?"*

### **Unethical practices**

This set up of *"I treat you; but someone else pays the bill"* is a built-in incentive for unethical practices that essentially boil down to overdoing almost "everything", from surgeries to physiotherapy sessions. Scores of studies indicate that up to 1/3 of all procedures ordered by doctors in America may be unnecessary. Think of that. We are talking about billions of dollars, year after year, totally wasted on unneeded procedures.

### **Treating chronic diseases**

And this is not all. This system that will always over prescribe has now the fantastic opportunity to treat tens of millions of chronic patients who actually do need care on account of diseases contracted because of a bad life style. America is now in the midst of an obesity epidemic. And obesity caused an explosion of chronic illnesses ranging from Type 2 diabetes to hypertension and all sorts of cardiovascular conditions. Treating all these patients costs now hundreds of billions, with no end in sight.

### **No prevention**

These treatments are horrendously expensive. However, the good news is that in most cases, assuming proper diet and plenty of

exercise, these chronic conditions can be reversed. The bad news is that a system with built-in incentives to treat and over treat people provides no financial incentives to physicians to teach patients anything about preventing or reversing diseases.

***The money is in care, and not in prevention.***

**No way to improve this system by making it bigger**

Well, this is US health care. It takes truly heroic optimism to believe that by broadening this perverse system that blends profit oriented doctors with insurance companies that will always jack up premiums you are going to make it more efficient.

In the end, Obamacare may not be the disaster that its opponents claim it is; but it is impossible that it will amount to a serious reform of a truly bad system.

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## **U.S. Marines Song: " I Did My Best"**

**WASHINGTON** – The beginning of a famous U.S. Marine Corps marching cadence says quite simply: *"If I die on a combat zone, patch me up and send me home – Tell my girl I've done my best...."* Well, this is what the tough, rugged, perhaps mythologized US Marines sing while they run to build strength and endurance: *"If I die, I die with a clear conscience, because I know I've done my best"*.

**Honor, Courage, Country**

Yes, this is about elite soldiers: *"The Few, the Proud, the Marines"*. And all the recruiting TV commercials portray a life of constant endeavor where *"Honor"* is the guiding light and *"Courage"* is the fuel that sustains the effort. And all this is to protect *"Country"*: our Commonwealth, our United States of America.

### **You never quit**

In the end, it is all so simple. Guided by a simple moral principle –Honor– we should summon all our strength –Courage– to protect our society –Country.

And one more thing: *"You never quit. Because, if you quit today, you' may become a quitter"*.

In the end, what is required is that you remain a person of integrity, and that you do your job seriously –because you really mean to do the best you can. If these conditions are met, then you are OK, because *"You've done your best"*.

Whatever your material accomplishments, you have really tried. No, you did not quit mid-course, because it was too hard to try. Failure is alright. However, not trying your best is not alright.

### **The spirit of the Frontier**

In a different but related context, the real actors in the incredible experience of the American Frontier, the Westward expansion of the United States of America, were mostly inexperienced people who went into the vast unknown with very little knowledge, no expertise about the world they were entering, very few tools, but a lot of courage.

They pursued a dream of a new home, some farmland, a new life. They were not soldiers, but they were gutsy and determined people. Most of them did their best in their attempts to overcome huge obstacles and unexpected hardships.

And still today your heart is stirred when you watch an old Western movie and an actor like John Wayne shouts: "*Wagons Ho!*"— and you see the caravan of covered wagons beginning to move West, into the great adventure.

### **"Wagons Ho, America"**

America is supposed to be a combination of lofty principles and an irrepressible "*can do*" spirit. The benign assumption is that our actions must lead to goodness, because our values are good.

Well, it does not always turn out this way, we know that. We do make mistakes. Many mistakes.

Still, while we acknowledge our imperfections, it would be more than enough if all us could say, at the end of each day, and with a clear conscience "*I've done my best*".

We do not have to be U.S. Marines to do strive for that. Indeed, let's do our best.

*"Wagons Ho, America!"*

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# **Oklahoma Killing Does Not Fit Any Politically Correct Narrative And Therefore The Media Will Let It Go**

**By Paolo von Schirach**

August 23, 2013

**WASHINGTON** – The Florida killing of Black teenager Trayvon Martin by White (actually half Hispanic) George Zimmerman was successfully reinterpreted by all the self-appointed civil rights leaders as racially motivated and therefore as yet one more piece of evidence of Whites oppressing a defenseless Black minority. *No, America, contrary to what you believe, racism was not abolished by the civil rights legislation passed back in the 1960s. No, oppression motivated by prejudice is still there. And the killing of Trayvon Martin reconfirmed this sad truth.* Even President Obama, himself half Black, had to intervene in order to stress this point. He did say that it is totally understandable that Black Americans would look at the Trayvon Martin killing through the lenses of a long and painful history of segregation, oppression and persistent racism. There you have, this was a racially motivated killing, even the President said so, sort of.

### **Assumed racial bias**

What is most extraordinary in all this is that the racial bias that supposedly motivated George Zimmerman to target and then murder Trayvon Martin has neither been alleged nor proven by the prosecution during the lengthy trial in which the State sought to have Zimmerman convicted of second degree murder. But it does not matter. Since racial bias on the part of the killer is a critical element to justify the narrative of a racially motivated murder, it is simply assumed. ***And here we see how a convenient invention becomes “fact”, at least for all those who want reality to fit their pre-formed ideas.***

### **Blacks killing Whites? Not interesting**

Well, in order to have a closer look at how this selective outrage works, fast forward to the killing of Christopher Lane, an Australian student in Oklahoma. A fairly detailed CBS News website account of how this innocent jogger was targeted by three “bored” teenagers and shot dead, omits the rather

significant detail that two of the three, including the alleged shooter, are Black. Furthermore, no mention that said shooter, according to the police, was dancing and joking after he was arrested. Needless to say, no reaction on the part of the Black leaders. So, there you have it: *White killing Black, an outrage. Black killing White, just another murder.*

### **What if Lane had been Black and his killer White?**

Now, imagine a different scenario, with the races of the key characters flipped. Imagine that the innocent jogger had been Black and his killer, (who, after being apprehended appears remorseless, making fun of the whole thing), White. Occurring right after the tempest caused by the George Zimmerman trial, do you think that the media and the Black leaders would have failed to point out that this murder would be indeed further evidence of the climate of intimidation created by White violence constantly visited on a defenseless Black Community?

Sure enough, the dynamics of the two incidents are quite different. It would appear, so far at least, that the Oklahoma shooters did not have any special agenda in mind. Most incredibly, the claim is that they were "bored" and that therefore they killed someone just because they needed a bit of thrill. But even in the case of George Zimmerman, as indicated above, there is no shred of evidence that in the fateful evening in which he shot and killed Trayvon Martin he had gone out with the goal of killing a Black person.

### **The established prejudice needs to be reaffirmed, the facts are irrelevant**

Be that as it may, none of this matters. Facts do not matter. What matters is that there is an established narrative of persistent White on Black violence motivated by deep racial hatred. The Trayvon Martin killing was consciously cherry picked and conveniently reinterpreted so that it would fit that narrative. The killing of Christopher Lane in Oklahoma

obviously cannot be reinvented. Therefore, while talked about for a few days, it will simply be ignored.

This is how we conduct our mature national conversation on race, violence, and our totally untethered, amoral youth who go out and kill total strangers, apparently just for fun.

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# **In Order To Create Efficiency, Introduce Real Competition In US Health Care**

**By Paolo von Schirach**

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WASHINGTON – The two most bloated and least efficient sectors of the US economy, education and health care, also happen to be the most regulated and least competitive. This was stated back in 2005 by Paul London, Deputy Under Secretary of Commerce in the Clinton administration, in his book *The Competition Solution*. Yes, only true competition over time brings about more efficient, cost-effective solutions and improved quality of service. Simply stated, it is only when providers have to compete to get your business that they have an incentive to do their best. Macroeconomic reforms, such as a more efficient tax regime, may help the broader economy. But if a sector is shielded from competition because it is effectively controlled by oligopolies and rent-seeking entrenched constituencies who can determine their own prices, then costs will stay high while quality will not improve.

**Health insurance and the inflated cost of care**

A scary example illustrates this point. In America we do not have health insurance systems, argues Dr. Jeffrey Singer in a revealing WSJ op-ed piece, (*The Man Who Was Treated For \$ 17,000 Less*, August 22, 2013). In America we have a system whereby the patient's insurance is charged a pre-arranged lower fee for services that would ordinarily be much higher. Only patients with no insurance pay full price. But while this puts them at a disadvantage, the pre-negotiated fees between health care providers and insurers are a built-in disincentive to improve systems and generate efficiencies.

### **\$ 20,000 for minor surgery?**

Dr. Singer describes a simple case of a patient who needed minor surgery. He was covered by a bare bones insurance policy, therefore (he discovered) the discounted fees did not apply to him. And for this reason, for a minor hernia operation, he was told he would have to pay out of pocket \$ 20,000, on top of what his insurance would cover.

The patient refused. With the help of Dr. Singer he decided to go to a different hospital as an uninsured patient. Singer managed to negotiate a heavily discounted fee of \$ 3,000 for the whole thing. So the patient saved \$ 17,000, while the health care providers still made money. So, \$ 3,000 instead of \$ 20,000 for exactly the same procedure?

### **No incentive to become more efficient**

Again, if you carry a "regular" insurance policy you do not pay \$ 20,000. But the fact that these are the official fees indicates a system that could not care less about cost reduction and efficient services. Under the present, cozy arrangements the health care providers are guaranteed a certain profit. The insurance companies know what they will end up paying and so they adjust their premiums accordingly. Most patients pay only a little; and so they do not care. But, by accepting this system in which inflated costs are the

norm, we have created a monster that now absorbs 17.5% of US GDP. this stunning amount is about 1/3 (or more) higher than the cost of health care in other developed, rich countries. To put this in context, the amount of US health care waste is much larger than the entire US Defense budget, (about 4% of GDP and 20% of federal spending), by far the largest in the world.

### **The virtue of competition**

The solution? Well, the solution, argues Dr. Singer, is to expose everybody to the winds of competition. Medical insurance should be there to cover catastrophic events: accidents, major surgeries, cancer. For all the ordinary stuff make people pay out of pocket. All of a sudden, health care providers would discover and learn all about the virtue of efficiency, cost cutting and improved customer care. They would not charge \$ 20,000 for something that can be reliably done for \$ 3,000 down the street.

Well, competition is already the rule in the few areas of medical care that are not covered by health insurance, namely cosmetic surgery and Lasik eye surgery. Precisely because these providers know that they need to do their best to attract customers who will pay out of pocket and who have a choice, they have every inducement to find out ways to reduce their costs while improving quality in order to stay ahead of the competition. If they do not, they are out of business, just like in any other sector of the US economy.

### **Competition is the rule for all other sectors**

If the market oriented and competition driven environment created in these two (admittedly small) segments of medical practice could be extended over time to all the other areas of health care, chances are that all providers would be forced to adopt best practices. As they would have to compete for patients, they would need to be lean, as inexpensive as

possible and most reliable. Yes, they would need to follow the rules that apply to every other sector of the economy. Isn't that remarkable?

Indeed, as a society, we accept –in fact we demand– real competition when it comes to cell phones, automobiles, plumbers, financial services and everything else. And this is because we believe that competition increases choice and reduces prices. If this is indeed the standard, how can we think that by protecting the vast health care industry from real competition we are going to have better results?