

America's Energy Future

WASHINGTON – The good news is that America is now among the top three world fossil fuels producers. The bad news is that increased US fossil fuels production will create a disincentive in exploring and then deploying needed alternatives to fossil fuels.

The real challenge

The energy policy challenge for the US –both the government and the private sector–is to be able to look at current and future reliance on abundant domestic oil and gas both as a providential support for current energy needs but also as a temporary “necessary evil”, as we get busy trying to identify non carbon energy sources that will power America in the long run.

Indeed, these –oil and gas– are the essential energy sources that we badly need right now. However, as we take advantage of the fossil fuels bonanza, at the same time we must be steadfast and relentless in the all out pursuit of economically viable, emissions free energy alternatives, however long this may take. Put it simply, if we do not want to cook up the planet, our long term future –America's future and the world's future– has to be powered by clean, emissions free energy sources.

The fracking revolution

That said, if you did not know anything about the immense threat represented by man-made global warming, and therefore you had no reason to doubt that fossil fuels are the best answer to America's massive energy needs, then you would be reassured and comforted by recent trends. Indeed, thanks to abundant domestic oil and gas, this is a great season for the American economy, and for the US fossil fuels industry.

Thanks to hydraulic fracturing technologies, (better known as “fracking”), and horizontal drilling, scores of US energy companies, large and small, in the last decade managed to tap into vast energy resources, (located mostly in Texas, Oklahoma, North Dakota, Louisiana, and Pennsylvania), until recently deemed to be uneconomic because of the technical challenges represented by drilling into shale formations in order to free up the hydrocarbons trapped in shale.

Well, thanks to old-fashioned Yankee ingenuity, the technical challenges were overcome –with spectacular results. Thanks to fracking, US oil and natural gas production jumped to almost unimaginable heights, this way transforming not just the American energy market, but the entire dynamics of global energy markets.

US is ahead

Let’s take stock. America is now the number one world producer of natural gas, and poised to surpass Russia as the biggest oil producer in 2019, having already overtaken Saudi Arabia. (This forecast may change, of course, because both Russia and Saudi Arabia have ample spare capacity that could be easily tapped, this way increasing their production).

A mere decade ago, the idea of a massive scale US fossil fuels renaissance would have been labeled a silly fantasy. Any reliable forecast would have pointed out that the US had already used most of its known fossil fuels reserves.

In 2008 the consensus was that, going forward, America could have powered itself only via massive additional energy imports, (both oil for transportation and natural gas for power generation and heating).

This unpleasant assessment created unease in many quarters, given the enormous cost involved in importing most of the hydrocarbons needed to power America, the second largest energy consumer, (after China), and given the worrisome

negative national security implications of utter dependence on foreign suppliers for such vital commodities.

The impact of fracking

Well, today we have a completely different scenario. While America continues to rely on some oil imports, the percentage has shrunk substantially. Furthermore, today the national security concerns related to imported oil are far less significant, because our oil imports come mostly from our close neighbors: Canada and Mexico, (and some from Venezuela), therefore these supplies are relatively secure. Which is to say that America is now close to achieving what the experts call "*Hemispheric Energy Independence*". Indeed, as most of our additional energy needs come from stable countries located in our immediate neighborhood, we no longer rely on a significant scale on distant and potentially unreliable suppliers.

And it gets better. In fact, while we still import some oil, now we also export oil, and growing amounts of oil products. And the quantities of our energy exports are growing.

The real challenge is to develop emissions free energy sources

That said, this positive short and medium term energy outlook is deceptive. This fossil fuels renaissance is not the end of the story when it comes to America's energy sources and their impact on the environment.

We now know that continued reliance –on a massive scale– on burning fossil fuels will contribute to additional greenhouse gases emissions and therefore to the exacerbation of global warming.

Of course, we know that many companies and scientists are busy trying to find workable –that is technologically viable and cost-effective– alternatives to reliance on hydrocarbons. But this is not easy.

Bad policies will not help

And it seems that policy-makers are approaching the problem in the wrong way. The prevailing policy choice is to “force” the adoption of currently available renewable energy solutions –today– by creating mandates for renewable energy usage, and tax subsidies for wind, solar and electric vehicles. In my view, while these policies of mandates and subsidies may be well intentioned, they will not succeed.

The fact is that new forms of energy production and new types of vehicles will be spontaneously adopted on a massive scale only once they prove to be cost-effective, without the distorting incentives of mandates and tax subsidies.

Fund more R&D

Public policy can help not via subsidies but by providing significantly more funding for additional research in alternative, emissions free, fuels. We simply do not know today what the future ideal new energy mix will be. It is too early to say.

Electric vehicles, EVs, look very promising. And yet manufacturers still need to find ways to make cheaper, more energy-efficient, and lighter batteries. The good news is that the cost of wind and solar has gone down –very significantly. But we still do not have effective ways to store the electricity they produce so that it can be used when the wind is not blowing and the sun is not shining.

In other words, still plenty of work to do before we can reliably move away from hydrocarbons for both power generation and transportation.

Fast track the development of clean energy sources

So, here is the challenge for America. By all means, let’s take advantage of the incredible fossil fuels renaissance,

simply because today there is no reliable alternative technology that could be deployed on a massive scale.

But let's not fool ourselves. Oil and gas are not and should not be looked at as long term energy solutions. The long term solution has to be in emissions free, clean energy sources –whatever they may be. With this goal in mind, let us unleash American ingenuity so that we can get to a reliable, and economically viable post-fossil fuels era as soon as possible.

We all love our planet. Let's do our best to preserve it.

Coal Makes India The Super Polluter

WASHINGTON – In case you were wondering, we are not making much progress in our planetary war against global warming. There is cause for serious alarm. However, despite the exaggerated media focus on Washington, the real problem is not President Donald Trump and his denial of the dangers of global warming, illustrated for instance by exiting the Paris Accord, and by his “promises” to support US coal miners in order to make coal great again.

America failing to lead

Sure, the fact that America, the world's number two country (behind China) when it comes to emissions, is failing to lead is not helpful, to say the least. That said, while America's position on this global threat is very disappointing, America is not the main problem.

The problem is India

The monstrous size problem is India. The Subcontinent's economy, (with a population now in excess of 1.2 billion people), is growing, and with growth comes a voracious appetite for energy, specifically for thermal coal, the kind of cheap coal used for electric power generation. A recent long survey in The Economist paints a rather horrible picture. 3/4 of India's electricity is generated by coal, and coal consumption is actually growing.

Too much coal

Sure, India has also launched a large number of important renewable energy projects. But compared with the amount of electric power generated by coal they are not very significant.

And cutting down on coal used for power plants is almost impossible, for economic and political reasons. Coal mining is concentrated in the rather poor East of the country. Which is to say that this industry provides badly needed jobs and income to many low income Indians. By the same token, coal transportation is a major source of revenue for Indian freight railways. And coal is relatively cheap. Hard to see how India's policy-makers can cut down its use without causing major upheavals.

Dependence here to stay

If you take all is this together, unless the cost of renewable energy goes down more rapidly, it is easy to realize that India's heavy dependence on coal is not going to go away any time soon. And this means that India will continue to lead on global greenhouse gas emissions, because of its super sized fleet of coal-fired plants.

Paolo von Schirach is the Editor of the Schirach Report www.schirachreport.com. He is also President of the Global Policy Institute www.globalpi.org and Professor of International Affairs and Economics at BAU International

The New Immigrants And America's Future Identity

WASHINGTON – We now know that the Australian government is openly concerned that unless it can manage its immigration policies properly, there is a serious risk that Australia may soon lose its political and cultural identity. There is fear that there are now too many new economic immigrants who, while living and working in Australia, do not fully understand and embrace the core values that bind Australia together. If this were indeed the case, the country will soon lose its identity and become something else.

Non assimilated immigrants

On the face of it, this stance does not seem to be motivated by anti-immigrant prejudice, or xenophobic hysteria. Rather, it seems to be driven by a genuine concern that all new comers to Australia, even if initially motivated mostly by economic reasons when they decided to become immigrants, along the way have also embraced Australia's national values.

If this is not so, non assimilated economic immigrants may contribute to the progressive fragmentation of the Australian society. This is valid concern in a country largely composed of recent immigrants.

America is also a country of immigrants

If we switch over to the U.S., the current immigration

debates, well-meaning in some aspects, emotional and acrimonious in others, are somewhat similar. America is also a country of immigrants. However, there is a significant qualitative distinction between earlier waves of migration to America, mostly from Europe, and the current wave composed mostly of individuals immigrating to the U.S. from Mexico, Central and South America. ***Most of the old immigrants wanted to become Americans as soon as possible.***

In contrast, the new immigrants are usually happy to be here. But they do not feel the same urgency/pressure to quickly assimilate. given this, just like the Australians, we would like to be reassured that there is a way whereby the new immigrants can and will be successfully assimilated into the main stream of American culture and society, just like millions of others before them.

Is the American core still intact?

In other words, as a society, we should be able to feel confident that new waves of immigration will not weaken America's core values as enshrined in the U.S. Constitution. America's core values are relatively simple, yet of fundamental importance. But we cannot assume that every new American truly understands them and will live by them.

Simply stated, America is a country based on popular sovereignty in which the government has been established to preserve individual freedom and serve the People, where accountability is a duty, and the protection of all basic individual freedoms is the main obligation of all public institutions, while a properly functioning system of checks and balances prevents abuses and protects minorities. Sounds really simple.

But it is not at all simple. Understanding the deep meaning and broad implications of these relatively elementary principles requires deep reflection, and in most cases the

rejection of other models in which the state is sovereign and the citizen a subject.

No pressure to assimilate

But why can't we be sure that these American principles are properly embraced by the new immigrants? Very simple. Fundamental changes have occurred in the immigration process in the last 20 to 30 years. Absorbing core values was an integral part of the assimilation process, mostly because new immigrants wanted to be part of the mainstream.

But here is the thing. Assimilation as we understood it until a few decades ago may not be happening anymore. New immigrants are no longer automatically "blended", this way quickly becoming Americans. The US has already become a multi-ethnic, multi-cultural and multi-lingual society, with distinctive ethnic enclaves within which people preserve the language, culture and belief systems of their country of origin.

And this happened in large measure because there is no longer any strong incentive nor pressure to assimilate and be assimilated. It is a fact that in the U.S. many states or regions within them now are predominantly Hispanic or Latino, and Spanish-speaking. Other ethnic enclaves also exist; but the communities from south of the border are by far the largest.

No pressure to embrace American core values

Let me be absolutely clear. These relatively new Americans are mostly industrious, good people. Still, if we cannot be sure that these new immigrants, after they came here, fully embraced the American political culture and its underlying values, overtime this will lead to a significant –in fact structural– transformation of the America we know today.

And since America developed and grew in what it is today because its diverse citizens subscribed to a certain set of

constitutional principles, it is important to check as to whether most citizens still share those beliefs. And if some do not, we have a real problem.

There is no more a “melting pot”

The main –and probably irreversible– change when it comes to the difference between old and new immigration, is that the old “*melting pot*” metaphor used to describe America no longer applies. Up to the 1960s the “*melting pot*” was a fair representation of the willingness and ability of the American society to receive, absorb and homogenize large waves of diverse immigrants, this way turning them rather quickly into “*true Americans*” .

All this no longer applies. The US ceased to be this mostly Anglo-Saxon “*cultural blender*” that overtime absorbed, digested, homogenized and integrated millions of other immigrants coming from different backgrounds.

Old immigrants under pressure to become assimilated

How did this happen? Here is the thing. The reason why the “melting pot ” metaphor no longer applies is about the fundamental difference between the immigration experience of the Europeans who came to America a hundred years ago and the experience of the Latinos who come today. The qualitative distinction is that most of the older immigrants –in particular the Europeans– came to the U.S. with a keen awareness, explicit or implicit, that by immigrating into the U.S. they had also permanently severed their ties to their countries of origin.

Sure, in many cases they would retain, at least the immigrant generation, a specific identity within the American ethnic mosaic. But most of them were absolutely bent on “becoming Americans”, as soon as possible. Rightly or wrongly, fast assimilation was deemed to be the ticket into the American mainstream. With assimilation came acceptance; and therefore

more economic and social opportunities, for the new immigrants and certainly for their children growing up in America.

Superficial differences remained

Looking among newcomers to America a century ago, one could have easily recognized Polish Americans as different from Italian Americans. But, by and large, whatever the different countries of origin, physical appearance and accents, there was a unifying trait that most new immigrants shared.

Indeed, those who came to the U.S. and stayed here had made a total commitment to becoming Americans, and to place any residual tie or connection with their country of origin: linguistic, cultural or culinary, on a much lower tier.

Old ties soon dissolved

Furthermore, in many if not most cases, the new immigrants were unable or unwilling to preserve their linguistic identity and pass it on to the following generations. Many of them were often semi-literate or illiterate within their own cultures. Thus they did not have the tools to preserve linguistic and cultural complexities that they did not fully master.

Therefore, the kaleidoscope of exotic last names that still today dots the American landscape has value mostly for the ethnographers and historians who can spot and identify Norwegian, Irish, Greek, Russian, Polish, Portuguese, or German origins.

Immigrants intermarried

However, if we fast forward to today, the individuals who bear those last names –the descendants of the original immigrants– with a few exceptions, usually can barely tell you that their great grand parents came from somewhere in Ireland or Germany. Besides, mixed marriages among different immigrants blurred the picture even further. The Italians intermarried with the

Irish and their offspring later on with other descendants of other nationals. A third or fourth generation American today can easily be part German, Swedish, Scottish, Russian and Greek. Therefore, for him or her it is almost impossible to determine a meaningful national or cultural origin, let alone have strong feelings of belonging to it.

Immigrants today stay connected

Well, today it is different, very different. And the basic difference between these old waves of immigrants and the Latino waves rests largely on geographic proximity to the countries of origin, and the consequent easy travel back and forth, relatively higher standards of living, and the availability of low cost or zero cost communication tools that keep the old ties alive and relevant. This level of communication between new immigrants and their country of origin was simply unimaginable a century ago.

A hundred years ago, most European immigrants by and large came on a one way third class ticket on overcrowded steamers. ***Once they had landed, and after they had been processed at Ellis Island, they were psychologically and materially committed to a fast track to integration in order to increase their chances of improving their lot vis-a-vis the other Americans. In most cases, going back to the country of origin was out of the question. Immigration to America was final. Thus, embracing this new world, in all its aspects, including its political culture and values, was absolutely necessary in order to have a chance to succeed in it.***

Ties to the country of origin

The Latinos belonging to this new wave of migration instead do not have the same urgency to assimilate. They come by bus, by car or by air, many of them across the Mexican border. For the most part, (even if we take out the many who do not have legal papers who therefore cannot cross the border back and forth

for fear of apprehension), except for the very poor, these immigrants have the opportunity to travel at least occasionally to their country of origin. Some do this rather frequently. Back home in Mexico, El Salvador or Colombia there are many relatives and circles of old friends. US-based immigrants send money back to them. At least some of them plan to make enough money in America, so that they can bring their savings back home and live comfortably there.

To think of Polish peasants transplanted in Illinois at the turn of the last century taking an even occasional summer vacation to visit relatives back in the village is preposterous. Except for the extremely successful few who had become really rich in America, hardly anybody ever went back.

Easy to communicate

On top of that, nowadays, even for the relatively poor Latinos, phone and video contact with relatives back home is the norm rather than the exception; while the gigantic remittance flows from the U.S. into Central and South America, indicate continues involvement with families and communities in the countries of origin.

And the retention of the Spanish language as the primary or at least co-equal language is an indication that these immigrants do not have the same urgency to integrate and in some fashion forget about their origins. They see no need for this.

Large immigrant communities retain their identities

The strength of large numbers in most cases may help in shaping attitudes. No need to learn English fast in large communities where the Spanish-speaking Latino population is actually the majority. Indeed, at least in some communities in the U.S. it is possible to have a reasonably "normal" life in terms of semi-decent work opportunity without any need to acquire real English fluency, something that certainly was not the case, even in the most "ethnic" states or regions, at the

height of the European immigration waves.

Learning English used to be the ticket to success

Certainly, even in the past there have been many large ethnic islands within the United States. And it is true that many immigrants could get by in America with little or no English. However, the understanding of all was that English was the only official language of the country and that all official transactions would be conducted in English. No equivalent at that time of the now ubiquitous “*press 2 for Spanish*”, in any telephone help line, let alone taking driver license tests in languages other than English, or the notion of having officially sanctioned bilingual education.

We know that being an American is not about ethnicity, as demonstrably there is no “American” ethnic group. ***However, becoming an American is both possible and absolutely necessary, if we want the original American ethos, as enshrined in the U.S. Constitution, to be preserved.***

And it all boils down to the voluntary and sincere embrace (“*without mental reservation, or purpose of evasion*”, as the Oath all citizens have to take says), of a set of constitutional principles and the values that sustain them.

Immigrants had to become Americans

Of course, we know that, even in the past, most immigrants coming to the U.S. were primarily economic immigrants, driven by material needs, rather than by lofty political ideals.

However –and this is a crucial distinction between then and now– whether they liked it or not, the old immigrants were “forced” by circumstances to buy into the prevailing Anglo-Saxon political culture and become sooner than later “homogenized Americans”, thus quickly shedding the legacy of their origins and embracing America and its core values, at least in most cases. As indicated above, at that time, America

was a genuine melting pot. Today, it is a completely different story. No more a melting pot.

Civics exams do not make citizens

True enough, the rule today is that before being naturalized, that is legally accepted into the American society and polity, all applicants must take and pass a test of basic knowledge of the U.S. Constitution.

This is not a bad idea. But since this is the only test, it is a truly low bar. So low, in fact, that it is insignificant. Demonstrating decent knowledge about how many Justices sit on the U.S. Supreme Court is important, but hardly conclusive evidence that the would-be US citizen understands –and most importantly agrees with– the principles of the American Constitution when it comes to the preservation of individual liberties, popular sovereignty, limited government, or the purpose of effective checks and balances, let alone the values that should sustain these core principles.

No real differences among the descendents of earlier immigrants

When political leaders today affirm that the strength of America lies in the diverse backgrounds of the diverse immigrant population that somehow enriches all of us, they are talking nonsense. They should know that when we talk about Americans of European descent, today this “diversity” is in fact so superficial that its is in fact insignificant. They know that the descendants of those Italian, Swedish, Portuguese, German, Russian and Greek immigrants are now indistinguishable from one another.

Indeed, while some of them may have retained some superficial traces of their distinctiveness, (Italian Americans may have dark hair, Scandinavian Americans have blonde hair), at this is point they are all homogenized Americans. Kohl, Lantos, Giuliani, Voinovich, Kerry, Tenet, Dukakis, Rubio, Pompeo,

just to stay within the sphere of people involved in public policy, are all “ethnic” names. Yet, all these are Americans –with a capital A.

Latin immigration is different

However, ten years from now, will we say the same about the Mercado, Martinez, Ortiz, Lopez and Rodriguez who will be the Mayors, Senators, Governors and eventually national leaders of America? The critical difference between the old and the new immigrants is that many Latinos did not and do not have the same pressure to integrate and quickly become “*homogenized Americans*”.

Both old and new immigrants appreciated then and appreciate now the opportunity to have a better life in the USA. However, to the extent that the new immigrants (most of them from Central and Latin America) can easily maintain an active connection with their countries of origin, (something that those who came along with the previous immigration waves simply could not do), they do not seem to have the same urgency to totally and quickly transform themselves into “*Anglo*”.

Embracing America and its values

If, while preserving the old family and cultural ties, all or at least most of them would voluntarily choose to truly and fully embrace the values of their adopted country, this would be a genuine achievement of good multiculturalism.

Let me be clear, this is not about “forcing” people to abandon their cultures, their language and their roots. There is absolutely nothing wrong in retaining and cultivating one’s culture and language of origin, as long as there is also a genuine embrace of American values up to the point that they become the key reference.

But, here is the thing. The old immigrants willingly or

unwillingly were “*sucked into America*”.

As for today’s immigrants, realistically most of them will not spend sleepless nights poring over the *Federalist Papers* or other tomes on Jefferson or the U.S. Constitution in order to critically understand and fully appreciate America’s core values and how they were incorporated into the Constitution.

But here is the thing. Without the perception that in order to have a normal life in America they need to embrace the values of this society, most new immigrants will simply tend to their own private affairs. And, in the pursuit of their own interests, they will be guided by the principles that they acquired in their formative years.

America is not just the place you found work

If this is so, regarding these new waves of immigrants, we cannot rest assured that their value systems and beliefs are or will be the same as those that are prevalent among other Americans, simply because their backgrounds are different and their learning and socialization took place in a different context, while the urgency to embrace American values is simply not there.

And herein is the challenge. America has worked reasonably well so far because a recognizable political culture has been preserved and passed on to new generations and millions of new immigrants over more than two hundred years through a fairly successful homogenization process that caused total outsiders—millions of immigrants from different countries—to become integrated into the American mainstream rather painlessly and in a relatively short time.

More than just language

The substantial recent inflow of millions of people from nearby Mexico, Central and South America who bring with them not just another language but also different values and

who see neither the obligation nor the need to fully understand and subscribe to the American political culture will bring about substantial qualitative changes. These changes will provoke new debates about what is it that we mean by “being an American”.

Once again, let me be clear. I am not even remotely suggesting that all these new Latin immigrants are disloyal or suspect people. I am simply suggesting that most of them are fundamentally economic immigrants who –unlike the European economic immigrants who landed here more than a century ago– are not under any pressure to understand, absorb and fully embrace American values.

Many Americans do not know much about their history and values

True, the notion that all the descendants of the old European waves have an unflinching, clear understanding as to what are the American values that they theoretically subscribe to is highly questionable. Indeed, many do not. But, at least in general, they cannot look at political or cultural alternatives that derive from other perspectives that coexist in their cultural and personal universe.

That said, if anything, the lukewarm appreciation about the distinctiveness of American political culture and values among many descendants of older immigrants complicates the problem, as it does not present to the new immigrants a really clear picture of the value system that they should absorb in order to become “real” Americans.

America is a political society shaped by shared values

We all know that America is a rather unique country, in as much as those who are here today cannot point to a shared ethnic, religious or cultural identity. America is not a Nation-State in the European sense. America is a community of people coming from a variety of countries who freely decided to subscribe to a set of values which became the unifying

principles of this republic.

Americans are Americans because they share a political culture. Until not too long ago, the implicit assumption was that all of those who are here genuinely understand it and willfully embrace it.

This political culture has been the intangible yet ultra strong magic glue that kept this complex machinery of the American society together. Going forward, we have to face the fact that this glue may not be as strong a bonding agent as it used to be.

A new era

And we have to face this fact now. Indeed, for the first time in our complex history, we have a large chunk of new immigrants who may very well live here as law-abiding, productive citizens; but who are under no pressure to truly join in by sincerely embracing our political culture.

Again, let me stress that this does not automatically make these new immigrants disloyal or dangerous citizens. But it makes them different.

Just like the previous waves of immigration into America, these are predominantly economic immigrants. ***However, unlike the immigrants of old, these relatively recent immigrants did not and will not go through the “political and cultural indoctrination”, benign or “forced”, willfully accepted or “suffered” by millions of others before them. The old blender that homogenized everybody and made them into “true Americans” is no longer working.***

The new immigrants are different. Their large and growing numbers will affect the culture and the values of the broader society in which they live, and eventually they will radically transform it –its value systems and core beliefs. How this transformation will change America and us all is impossible to

predict.

But America will never be the same.

Does America Need Nuclear Energy?

WASHINGTON – Can nuclear power come back as a cost-effective modality to generate electricity in America? Some scientists and innovators claim that the sector, challenged by prohibitively high costs of construction and fears of accidents may have a future after all, and it is called Small Modular Reactors, or SMRs. According to them, it would appear that the sweet spot for nuclear will not be in the traditional model of large scale, expensive and difficult to build power plants that will serve millions of customers. The future is in Small Modular Reactors, SMRs that can be built quickly and cheaply.

Small nuclear?

If this were indeed so, if we could indeed quickly build several SMRs at a reasonable cost, this would be a true game changer, for the nuclear power industry, for the future of electrical power generation in the U.S., and more broadly for all efforts aimed at devising a mix of electrical power generation sources that will help us drastically reduce carbon emissions, and therefore finally put a stop to global warming.

On the road to extinction

By most account, here in the U.S., nuclear power plants are on the road to a silent and unlamented extinction. A combination

of fears of accidents, uncertainties about a reliable way to dispose of all the spent fuel and then huge, in fact prohibitive, upfront construction costs for new plants created almost insurmountable policy, political, psychological and financial barriers that work against the very notion that nuclear is a viable, safe, reliable, non carbon solution to our needs for electricity.

As all this was debated here in America several years ago, the Fukushima Daiichi accident of March 11, 2011, in Japan was an additional and huge body blow to the entire nuclear power sector and the companies and policy-makers that support it.

Leaving aside all the technical analyses about the very specific circumstances that caused that major accident in Japan, (a major tsunami that flooded the plant, disabling the pumps), U.S. public opinion, or at least a big chunk of it, became even more convinced that nuclear power generation is inherently dangerous.

There are other options

Therefore, energy experts argued, as we do indeed have choices, let's discard nuclear power as a means to generate safe and reliable electricity. The Greens of course advocated renewables. Others focused on the emerging and promising shale gas sector. Indeed, with so much new and cheap natural gas coming on line, America could reliably generate all the affordable electricity it needs, for decades.

And so, as a result of all this skepticism regarding nuclear, while other commercially viable alternatives have been developed, we are witnessing the progressive shrinking of the U.S. nuclear power electricity generation sector. The stark reality is that no new nuclear plants are built, while old plants little by little are phased out and decommissioned.

This is a big deal. Nuclear used to provide about 20% of all electrical power generation in America, a huge percentage of

the total and a large overall amount for an advanced industrial power like the U.S. that produces and consumes a great deal of electricity.

Nuclear is dangerous and too expensive

As indicated above, for some this transformation may not be so bad. Nuclear –they argue– is dangerous, as we do not have an effective way to dispose of all the waste produced by the plants. And then there are possible accidents. May be not of the Fukushima kind. But other possible malfunctions may cause the release of harmful radiations in the atmosphere. The consequences of such events would be dire.

On top of that, the fact that nuclear is now so expensive is an additional reason for deciding to move on to other more promising technologies. If you are Green, you want to focus on solar and wind, technologies that have become much more cost-effective in recent years. If solar has become so cheap, why bother with nuclear? If you are not Green but are simply looking at cost-effective ways to generate electricity, you focus on shale gas, not exactly clean, but far better than coal when it comes to emissions.

Renewables are not enough

Well, the advocates of SMRs argue against complete reliance on renewables as the silver bullet that will deliver enough safe and sustainable, non carbon based, power. Unless renewables become dramatically more efficient, they argue, you simply cannot install enough renewable energy sources to meet current and future power needs. As things stand today, it is impossible to build enough wind farms and solar plants to power the entire planet. And if we seriously want to progressively “decarbonize” our power generation mix, they tell us, then shale gas will not do it. Yes, it is better than coal, but it is not clean.

In the end, say the SMRs advocates, if we want green

solutions, solar and wind, plus hydro power wherever it may be possible to develop it, will simply not be enough. You also need nuclear.

Small Modular Reactors to the rescue

Here is the strong argument in favor of a new generation of SMRs. If we agree that coal is bad, and natural gas from shale only somewhat less harmful, we simply cannot focus solely on solar and wind as the means to deliver all the power we need.

Unless we assume tremendous technological breakthroughs that will substantially increase the productivity of all existing renewable technologies, while solving at the same time the huge bottle neck of the lack of energy storage systems – a problem that limits the flexibility and therefore the usefulness of solar and wind power generation– renewables are simply not enough. Without large scale, effective storage solutions, renewables produce electricity; but not 24/7. No sun at night. No power when there is no wind.

And then there is the energy density issue. We simply cannot successfully address our planetary electrical power generation needs by building thousands upon thousands of wind farms, while covering large chunks of the Earth's surface with solar panels. It is just not practical.

That said, if we want to drastically diminish and eventually phase out our dependence on carbon based electrical power generation, we better come up with something else that can be successfully added to the mix.

Are SMRs commercially viable?

Hence the importance of refocusing on nuclear, albeit a different type of nuclear: small, modular, cheap, and effective. Of course, all this is very interesting. Except for one basic fact. SMRs, although the object of serious studies and research, are not commercially viable at this stage. They

are much more than concepts, but they are not part of the choices commercially available today to utilities and consumers. At this stage, SMRs are a hope, not a real alternative.

If this SMRs hope does not soon become reality in terms of companies that can offer safe and reliable SMRs to utilities at a competitive price, we are in a real bind. We can generate all the electricity we need; but we are and we shall be unable to seriously curtail greenhouse gases emissions. And this means that Global Warming will get worse.

This is bad news for Planet Earth.

Why Self-Driving Cars? Upgrade Bus Networks Instead

WASHINGTON – The ongoing buzz about the marvel of “driverless cars” soon hitting the roads is a bit too optimistic. A great deal of money and effort is devoted to perfecting this futuristic technology. We know that Google and other high-tech companies are involved in this research. General Motors has entered a \$ 500 million partnership with Lyft to produce a robot vehicle that will drive itself. Eventually driverless cars will be managed by Uber or similar services and used for ride-sharing.

The advantages

I see the point of getting into a car that can safely take you anywhere. Instead of focusing on driving, while in the car, you are just a passenger. You can read, do work. You can safely make phone calls, or rest.

I can also understand how older or disabled people who can no longer drive but need to go places would find a self-driving vehicle to be the perfect solution to their daily mobility needs.

I can also see how it may possible within a realistic time frame to match car services like Uber and driverless cars. If this formula worked, many people would simply not buy cars anymore. And this would help alleviate traffic congestion. (More on this in a moment).

You are still stuck in traffic

That said, this is not necessarily the best way to invest precious funds. And here is why. Suppose we get there. Suppose that there is some kind of breakthrough. Consumers will soon be able to buy an affordable, safe, intelligent car that they do not need to drive. Or we shall let Uber do the driving, so that some of us will not feel the need to own private cars anymore. Fine.

Now imagine yourself in your new robot-vehicle that drives you. You are in the middle of Los Angeles, or Cairo, or Paris, or Nairobi, at rush hour. Guess what, the car may drive you, but both the futuristic vehicle and you are still stuck in horrible traffic. Sure, you are not as stressed as you used to be by bumper to bumper congestion, because the car does the driving. But you are still stuck in an endless traffic jam. True enough, if many cars will be owned and operated by Uber or equivalent services, most definitely there will be fewer cars on the road. Still, there will be plenty of cars. Not to mention delivery vehicles, trucks, ambulances, police cars, buses, you name it. Which is to say that your daily commute will continue to be long and unpleasant. Your driverless car will help alleviate congestion. But it will not eliminate it.

So, here is my point. All this focus on making cars smart is a poor allocation of scarce resources. The problem is not that

cars are not smart enough. The fact is that in large urban areas the car, private or Uber managed, is a poor choice to address the issues of easy, affordable, dependable personal mobility.

Let me say it again. There are just too many cars on our roads! And too many cars means shared discomfort for all users.

The car is a bad solution to mobility needs

The fact is that we are way past the point of diminishing returns when it comes to the usefulness of the automobile in all large urban areas, anywhere in the world. In most big cities the car is the wrong answer to our need to move around at leisure, in comfort, and reasonably fast. There are just too many people with too many cars sharing limited road surfaces.

The answer to epic traffic jams and slow-moving traffic, often 24/7, is not to make cars more intelligent. ***The answer is to get rid of cars altogether in large urban settings, and opt for smart mass transit solutions.***

(PLEASE NOTE: This general rule applies only to large cities. People living in rural areas, in isolated communities, or remote farms need cars. And, of course, cars may still be necessary for road trips, long and short).

Bus Rapid Transit systems

While there may be several options available, at the moment the most cost-effective –and proven– solution seems to be **Bus Rapid Transit, BRT, systems.**

“Come again? We are working on high-tech, intelligent cars and you are proposing clunky old buses? “Yes, I recognize that this does not sound terribly sophisticated. And in fact it is not. And, yes, in the roll-out phase this BRT option can be

very disruptive.

But let me tell what you get with Bus Rapid Transit. You get all the advantages –in terms of speed and reliability– of an underground subway system, minus the often prohibitive cost of digging tunnels which make subways systems always inadequate from the perspective of the average would-be user. Walking 30 minutes in order to get to the subway station and then another 20 to get from the closest station to your final destination is not appealing. And in some large metropolitan areas there is no subway, because of cost. Period.

Dedicated lanes, fast buses

Here is the issue when it comes to buses operating like subway trains. In most large cities, in order to create a BRT system you would have to ban or at least severely restrict private cars. The new seamless bus network becomes fast and efficient only if buses can have complete right of way via “buses only” dedicated lanes, not shared with other vehicles. And this means large areas within cities where cars cannot travel.

Once we know that buses will be able to move freely without being stuck in traffic created by private vehicles, then BRT planners will be able to create a seamless network, with bus stops that become interchanges working just like subway stations. Passengers will buy their tickets before boarding. They will ride on a bus, exit at a stop that will also be an interchange, quickly board another bus, if they need to, and get to their final destination within the estimated time.

Just like a subway, minus the construction cost

In other words, you get all the advantages of an underground subway system, in terms of easy access, service reliability, and speed, minus the extravagant cost of digging tunnels and building underground stations.

In most countries, these upfront costs are prohibitive. And

this is why most cities do not have subways systems. Or, if they have them, they are not large enough to properly serve the entire population. Hence the continued reliance on private cars.

“So, are you telling us that the old-fashioned, humble bus can take care of all urban transportation needs?” Yes, it can. But this new (in fact not so new, as you will see in a moment) model assumes vision on the part of municipal leaders.

They have to be able to sell to their citizens the unfamiliar notion of people moving around quickly and efficiently using surface public transportation that works exactly like a subway system, minus the cost of construction. They have to convince them that the bus network will be user-friendly, affordable and efficient.

It works

Well, here are the key questions. Does this BRT system work? Has it been tried before? The answer is yes, and yes. It works and there is plenty of evidence to demonstrate this.

It all started back in 1974 in the city of Curitiba, Brazil. The very first BRT system was the result of years of experimentation by urban planners who finally came up with the model of *“bus just like the subway”*. And then the model spread throughout Latin America. In 2000 Bogotá, the capital of Colombia, launched its own TransMilenio BRT system.

And now you have similar mass transit solutions in Brisbane, Australia; Stockholm, Sweden; Cape Town, South Africa; Ottawa, Canada; and many more cities around the world.

Political impediments

The only reason why BRT systems have not been adopted more widely by other large cities across the world is that municipal leaders are afraid of voters' backlash. Mayors and

Municipal Councils do not want to deal with the unavoidable skepticism and probable resistance of millions of voters-drivers who may not believe that the new BRT system will work as advertised.

Oddly enough, faced with abrupt changes, most city dwellers would rather endure the misery they know –monstrous traffic jams– rather than try something new.

So, this is mostly a psychological/political impediment, rather than a technical obstacle. Meanwhile, however, millions of people spend hours and hours in traffic jams created by the shared, but totally mistaken, belief that the private vehicle is still the most cost-effective and most efficient way to address personal mobility needs.

Getting there, fast

So, back to driverless cars. Would you rather have a high-tech car that drives you, but can do nothing to avoid traffic congestion and an endless daily commute; or would you rather get where you need to go by low tech bus that gets you there fast, thanks to a seamless and efficient network?

Think about it.

Italy's Chaos May Endanger The EU

WASHINGTON – Italy is once again the problem country within the European Union (EU) and beyond. And this time it may be a really huge problem. After the recent inconclusive political

elections, the most improbable governmental coalition between the anti-system 5 Star party and the nationalist/xenophobic League party in the end could not happen on account of Paolo Savona, the openly anti-euro nominee placed by the two would-be coalition partners as Minister in charge of the Economy.

The president says no

Sergio Mattarella, the Italian president, argued that he could not swear in a cabinet in which this critical portfolio would be handed over to an openly anti-Euro economist. This move by the Italian president is border line unconstitutional. The Italian president usually approves the cabinet choices made by the parties that create a coalition government that has a parliamentary majority.

While taking this odd twist into account, without the president's approval of the proposed cabinet and lacking any new workable coalition, this means that Italy most likely will soon go to new political elections.

A care-taker government

In the meantime, president Mattarella gave the mandate to form a new coalition government to Carlo Cottarelli, a technocrat with IMF experience but zero political experience and backing. Clearly Cottarelli has no political mandate for any long term political solution. Assuming he can stitch something together, he will be the head of a care taker cabinet tasked to deal with day-to-day affairs, as the country prepares to go to new political elections.

This bad scenario: at first an improbable political path for Italy –an openly anti-European, populist, anti-immigrant coalition, without any credible economic or fiscal agenda–and now nothing except for fresh elections which may not yield better political outcomes, is seriously disheartening and potentially very disruptive for both Italy and the European Union. We should remember how just a short while ago the

financial/fiscal/political mess in Greece for years kept all of Europe preoccupied.

Another Greece?

At the time, some speculated that the Greek crisis might have caused the collapse of the entire Euro edifice. Well, in the end, with the enormous combined financial back up from EU Headquarters in Brussels, the European Central Bank in Frankfurt, and the IMF in Washington, DC, super indebted and comatose Greece was kept alive –if barely.

Worse than Greece

Well, if the confused Italians really want to pursue the objective of exiting the Euro, this would be a lot worse than the Greek crisis. Unlike tiny Greece, Italy is the third largest economy within the Eurozone. Yet, size notwithstanding, the Italian economy is extremely fragile due to low productivity and lack of innovation on a scale that would produce any real champion that could effectively compete in the global arena.

Besides, the Italian people have to shoulder an astronomic public debt, (the second worst as a percentage of GDP within the Eurozone, after Greece, and third largest in the developed world after Japan), while the country's economic fundamentals are very weak. Assuming even a small rise in interest rates, debt service alone could become an unmanageable fiscal problem.

Blame game

But the Italians have the bad habit of not taking responsibility for their own mess. They take refuge in convenient conspiratorial theories whereby all their economic and fiscal problems have been caused by others.

The semi-official narrative is that the Germans try to impose

their own will on Europe, including unwarranted fiscal discipline, on countries (like Italy) that believe that profligacy and debt are perfectly alright. Besides, many believe that the adoption of the Euro has caused constraints and burdens that the Italians do not like. You see, these days you cannot devalue your currency in the hope of regaining competitiveness for your exports.

The immigration crisis

Last but not least, (and here the Italians do have a valid point) , Italy's European partners have been looking mostly the other way when Rome repeatedly asked for help in dealing with the gigantic problem –in fact an emergency– of multi-year waves of illegal migration, mostly from Africa, into Italy.

Because of its geography, (Southern Italy and Sicily are fairly close to North Africa), Italy is the first port of call for thousands upon thousands of migrants from Northern and sub-Saharan Africa seeking a better life in Europe. For years they kept coming and there is no end to this migration. Semi-impooverished Italy for a number of years has been dealing all by itself with the massive and seemingly endless problem of welcoming and resettling hundreds of thousands –now several millions– of mostly poor, illiterate and unskilled African and Middle Eastern migrants.

Just imagine the cost of providing shelter, food, medical care and schooling for this helpless and expanding lot. And do not forget the obvious cultural/religious difficulties and consequent frictions caused by the attempt to “assimilate” poor African villagers, many of them Muslim, into the fabric of what is at least nominally a predominantly Catholic society.

Anti-immigrant political parties

In fact, the political rise of the openly anti-immigrant and xenophobic League can be largely ascribed to the emotional

reactions of millions of Italians who have seen their country transformed beyond recognition by the impact of millions of African newcomers who cannot possibly blend into the Italian social fabric.

That said, aside from this illegal immigration crisis, it is sadly obvious that most of Italy's problems are self-inflicted wounds. The real issue is not about having a dispassionate cost-benefit analysis over staying or not staying within the Eurozone.

The real issues

The real issue is a major, supposedly capitalistic, western economy that lost its competitive edge long ago. As *The Wall Street Journal*, put it (May 28, 2018):

“Lost in the debate is the reality that Italy’s economic problems are mostly homegrown, with a 20-year erosion in productivity, a cumbersome bureaucracy and a dominant small-business sector that has stifled productive investment, making Italy one of Europe’s sickest economies. According to Eurobarometer, 80% of Italians judged the state of their economy as “bad,” with only Croats and Greeks reporting worse opinions.”

So, here is the situation. Confronted with slow but steady economic decline, due to lack of competitiveness, the Italians are incapable or unwilling to do what it takes to take responsibility and change course.

Reforms in order to regain competitiveness

What's to be done? First of all, Italy should reform and seriously upgrade the entire edifice of public education in order to produce better educated new generations that could successfully compete with their counterparts in Northern Europe and across the world. Then labor markets and civil law procedures should be dramatically reformed in order to give

employers and foreign investors the confidence they need in order to bet on the Italian economy. Firing workers is too difficult. Settling business disputes in court may take years.

Last but not least, there is the enormous challenge created by the twin and often intermingled cancers of endemic corruption and organized crime. It is hard to do business in a country in which kickbacks are the norm, while vast sectors of the economy and local politics are controlled by the Mafia, and its siblings: Camorra and 'Ndrangheta.

Fighting about the Euro and excessive German influence may be politically expedient, but it is just like charging the windmills. It will get Italy nowhere.

That said, I doubt that there is any appetite to see this serious political impasse as an opportunity to change course and start behaving in an adult way, that is: take responsibility and undertake serious reforms. The tendency to look for and find scapegoats abroad, while hoping on simple political fixes for gigantic economic problems, is deeply ingrained.

Stop right at the edge of the abyss

Still, if the past can offer any guidance, the Italians while messy and litigious, usually stop when they get right at the edge of the abyss. Confronted with the real possibility of a complete collapse, generally they retreat and agree to pay a huge economic price in order to steady the economy. However, once the emergency is gone and sheer survival is no longer in question, then the usual game of blame takes over again, with a vengeance.

Italy could choose to undertake serious reforms, this way regaining economic competitiveness and credibility, becoming once again the destination of precious foreign investments.

But I would not count on wisdom and sobriety suddenly

springing in this country of myopic leaders perennially fractured by parochial interests.

Oprah For President?

WASHINGTON – Oprah for President? Yes, after her recent Hollywood speech this is now a distinctly possible scenario for the 2020 presidential contest. Well, are we to conclude that America has gone mad? Are we going to see a presidential contest between highly polarizing former developer and reality TV star Donald Trump and Oprah, the much loved queen of inspiring TV talk shows? Is this what Americans want? To be led by entertainers with only vague knowledge about public policy issues and the complicated art of government?

Systemic failure

The answer is: may be so. Well, how did we get to this point? Very simple. *"The Establishment"*, both Democrats and Republicans, pounded and demonized during the 2016 presidential campaign, was and still is completely discredited. And rightfully so, since it has failed. Miserably.

Far from being the expression of a self-confident, forward

looking Republic, America's political leadership –the elected Senators and Congressmen– is composed mostly of small minded, often ignorant and risk averse, pros who long ago lost sight of the purpose of government: preserve liberty, protect the Nation, ensure the administration of justice, and deliver critical services in a fair manner, and at a reasonable cost to the American taxpayers.

Government is not working

Just a few examples. Washington can no longer perform even basic, fundamental operations. The Congress cannot create and pass sensible federal budgets within the established time lines. We limp along from stop-gap to stop-gap through “continuing resolutions”, gimmicks that secure funding for government agencies, without however any serious debates about strategies, priorities and goals.

The elected leaders in Congress reflexively focus on their own narrow parochial issues –in order to please their constituents, this way paving the way to their own reelection– while disregarding the progressive deterioration of America's public finances.

Colossal fiscal mismanagement

Indeed, lacking any serious policy debate about a proper and fair rebalancing of revenue and public expenditures, especially on vast and growing entitlement programs, (Social Security, Medicare, Medicaid), the federal government spends all it gets from taxes and mindlessly borrows the rest. The net outcome of this systemic and now colossal fiscal mismanagement is a gigantic and growing U.S. federal debt: \$ 20 trillion and counting. At some point this monster will eat us up. And yet, this impending public debt calamity is hardly mentioned at all in current Washington policy debates.

No serious discussion about critical issues

Indeed serious issues with a huge impact on federal spending, such as the need for a serious reformulation of major entitlement programs, so that the elderly and the truly needy are covered, while the federal government secures the necessary revenue to finance these current and projected outlays, are left untouched.

Grotesque realities such as our astronomic health care costs –the highest among all rich countries– and our bad and declining health statistics, are not part of the national conversation.

Last but not least, our chronically under performing public education system is only occasionally mentioned. Apparently the fact that almost half of all young Americans –especially the poor and minorities– grow up and get into the world without a modicum of knowledge and skills that would give them a fair chance to get good jobs and move up in our society is of no importance for our elected leaders sent to Washington to serve the Republic.

Inept leaders

Simply stated, the professional politicians who are supposedly in charge, are mostly mediocre people, if not completely inept. They lack vision, intelligence, and the courage to deal with complicated problems. They simply do not know how to mind the store.

When the pros fail, Americans looks at outsiders

Well, no wonder then that millions of unhappy Americans turned somewhere else for help. In 2016 they tried Donald Trump. In 2020 they may want to try Oprah. Will she run? Can she be elected? Who knows.

But if these –Donald or Oprah– are the possible leaders that America wants to choose from, as opposed to the pros that supposedly know how to run a modern Republic, it is because

the pros have proven that they cannot do it. As simple as that.

Palace Coup In Zimbabwe Will Not Bring Along Genuine Democracy

WASHINGTON – Despite some last minute confusion regarding the timing of his exit, Robert “Mad Bob” Mugabe is finally gone. He is a despot, a cruel dictator, and the undisputed author of Zimbabwe’s economic ruin. After 37 years of autocracy, is this finally good riddance? Well, I would not bet on a good outcome. A happy ending is highly unlikely. Indeed, this sudden change at the top of the government in Zimbabwe is certainly not about an injured nation that finally rebels against its tormentor, forcing him out of power while creating genuine foundations for democratic rule and true accountability.

Just a palace coup

Sadly, this is just a garden variety palace coup. One faction against another, with the military finally deciding that it was time for the old man (now 93) to go. In particular, the army chiefs did not like the prospect of Grace Mugabe, the President’s much younger and equally rapacious wife, replacing him this way creating a dynastic rule.

For this reason the generals took over and rearranged the palace furniture, so that their favorite “leader”, Emmerson Mnangagwa, Mugabe’s Vice President, (who had just been sacked by Mugabe), will become the next president. Now 75, Mnangagwa,

is not exactly part of the next generation. At home, he is affectionately known as the “Crocodile”. This nickname alone may give you an idea of what kind of man will become the future president of a post-Mugabe Zimbabwe.

New handpicked leader not a champion of democracy

The poor citizens of this unlucky country are rejoicing –for the moment. They chant in the streets of Harare, proclaiming that now they are finally “free”. Well, I would not be so sure.

Their new leader is also a cruel despot, while perhaps endowed with a bit more pragmatic attitude, at least if compared to Mugabe. It is a well known fact that as a senior cabinet official, for years Mnangagwa (cheerfully?) implemented the most awful violations of human rights directed by his boss, “Mad Bob” Mugabe.

Economic disaster

So, here is the grim picture. After 37 long years of Mugabe’s systematic looting and monstrous mismanagement, the economy of Zimbabwe is virtually destroyed. It will take a miracle to create a genuine pro-growth, business friendly environment that will entice desperately needed foreign investors.

The “regime change” that just took place, while welcome, won’t mean much when it comes to hopes of economic development; unless it is accompanied by genuine democratic reforms. And this is highly unlikely. Indeed, we can rest assured that the authors of this palace coup acted in their own self-interest; most certainly not in the interest of the people.

Silence across Africa

But this is not the entire story about poor Zimbabwe. The real story is that for decades all the African leaders stood silent, as Mugabe imposed his cruel dictatorship on the

citizens of Zimbabwe who back in 1980 applauded him as their liberator.

Indeed, it is absolutely true that Robert Mugabe led the fight against white minority rule. And he deserves credit for that. Because of his role in the struggle against oppression, after this troubled former British colony finally obtained independence from the UK, (this way formally ending the white minority regime), Mugabe became the legitimate leader of Zimbabwe back in 1980.

This happened after Ian Smith, the self-appointed leader of a new Rhodesia led by a white minority government, was forced to give up power, and abandon his crazy dream of a sustainable white minority government. Because of his critical role in the long struggle against the white minority government, Mugabe the Freedom Fighter entered the Olympus of Africa's Great Men.

That said, it became obvious almost from day one that the poor people of Zimbabwe had traded one white dictator (Ian Smith) for another (Robert Mugabe). The difference being that Mugabe was a resistance hero and therefore politically untouchable, within Zimbabwe and across Africa.

South Africa did nothing

And yet much could have been done to stop him. Especially after the end of white minority rule in South Africa in 1994, it would have been quite possible for the new African National Congress (ANC) leadership now in power in Pretoria to force Mugabe to stop or at least tone down his crazy autocratic rule. By African standards, South Africa's economy is a giant compared to that of neighboring Zimbabwe. Had it wanted to, South Africa could have easily imposed its will on Harare.

But no, absolutely nothing was done. South Africa did nothing. Zimbabwe's other neighbors also did nothing. The African Union did nothing. Ostensibly this silence about Mugabe's gross violations of human rights was out of deferential respect for

a "Freedom Fighter" who got rid of white oppression, this way gaining a special place in the hearts of all Africans.

Yes, Mugabe did good things in his years as a Freedom Fighter. But he will be remembered as one of the worst (and most incompetent when it comes to economic management) dictators of this century. And every African head of state knew all this. And they did absolutely nothing to stop him.

Disingenuous western media

Let me add a sad foot note to this tragic story. A recent BBC retrospective analysis of Mugabe's 37 rule is titled: "*Robert Mugabe -revolutionary hero or the man who wrecked Zimbabwe?*". This headline is at best disingenuous, at worst horrible journalism.

After 37 years of dictatorship which led to economic ruin, fantastic inflation, political persecutions against ethnic opponents and millions of Zimbabweans in exile, is the BBC still in doubt about who Mugabe really is? Does this matter really require further scrutiny and analysis before reaching a conclusion?

Come on, BBC!

Tax Cuts Will Increase The U.S. National Debt To Unsustainable Levels

WASHINGTON – It is really hard to properly assess the Republican tax reform proposal now discussed in Congress. Many details have yet to be ironed out. Sure, in principle we can agree that a basic reform leading to a simplification of the almost incomprehensible U.S. Tax Code would be much better than the confusing morass we have now.

Lower corporate tax rates

We can also agree that a lower corporate tax rate would be good for American firms, in as much as lower rates would simply realign the U.S. with corporate tax rates prevailing now in most advanced countries. And, finally, limiting the interest deduction on home mortgages in excess of a certain amount is good. This deduction in practice is only a subsidy to wealthy home owners who get a nice “rebate” –a huge deduction based on the amount of interest they paid on their mortgages– when they borrow large sums of money to finance their mansions.

That said, in all the back and forth about potential winners and losers and possible –just possible– incentives that may be created by this new legislation that may end up boosting investments, economic activities and therefore overall growth, one major consequence of this new tax law is barely mentioned.

This is mostly a tax cut

Whichever way you look at it, this “tax reform” plan is mostly a tax cut that will end up cutting national revenue –by trillions of dollar, over several years. In turn, lower revenue caused by lower tax rates will force America, an

already highly indebted country, to go much deeper into debt in order to meet current and projected spending obligations. This is a horrible, totally undesirable outcome.

America is in deep fiscal trouble

In case you did not know, America is already in deep fiscal trouble. Lower revenues would simply make a bad situation much worse. Indeed, absent sorely needed federal spending reforms aimed at slimming down (read: reduce size, scope and cost) our gigantic, and financially unsustainable entitlement programs –Social Security, Medicare and Medicaid– this Republican tax reform plan will further deteriorate our horrible fiscal outlook, simply because an even greater revenue shortfall –without significant spending cuts to go along with it– will amount to larger deficits, year after year.

Absent spending reductions, it is obvious that future larger annual deficits can be financed only through additional public borrowing.

So, here is the net impact of these ill-advised tax cuts. When all is said and done, some Americans will see their federal tax bill cut, in small or large measure. And this will be good for them.

A much larger national debt

But, as a result of this “reform”, America will have a much bigger national debt. And this is a disaster, not in the shape of a sudden catastrophe; but in the shape of a sliding slope that will amount to diminished federal resources down the line, and consequently much more limited options for the Federal Government in domestic as well as international affairs.

Simply stated, a country with an enormous, and growing, debt burden will no longer be able to afford a large defense budget. Therefore, with a shrinking military at its command,

the U.S. President will have to “redefine down” the national interest.

Indeed, trying to cope with mountains of red ink, America will be no longer able to afford meaningful amounts of federal spending on international affairs, foreign aid, health research, sorely needed new infrastructure, space exploration, energy, and what not.

You get the picture. No money means scaled down domestic and global ambitions.

If we look at history, all Great Powers that went deeply into debt simply ceased to be Great Powers. (Check Spain, Portugal, France, Great Britain, the Russian Empire, and more).

No longer a Great Power

This should be obvious to all. But let me restate it anyway. America cannot be a debt ridden country concerned about the mounting financial cost of extravagant debt service obligations and still remain a Great Power. This is just impossible.

Great Powers are rich.

The foundation of any Great Power is the flexibility provided by huge economic resources that the Government can use to pursue its objectives. Sure enough, resources are often squandered in the pursuit of ill-advised enterprises.

However, in the case of highly indebted countries, with no real money to spend, the national leadership has few or no options. No option among other things means fewer and fewer power projection means, (read: reduced military spending), and reduced leverage in international negotiations. Simply stated, the World does not give much thought about a country that used to be rich and powerful but is no longer.

When will the world stop taking America seriously?

Since Uncle Sam's debt already topped the astronomic figure of \$ 20 trillion, how much farther can we go before the World stops taking America seriously? Nobody really knows. It is a matter of changing perceptions about the speed and the likely impact of America's fiscal deterioration.

Why do we hear almost nothing about this fiscal crisis?

Well, if the fiscal consequences of this impending tax cut are so dire, why do we hear only vague and somewhat muted comments about the fiscal impact of this tax "reform"? Very simple. Elected leaders do not like to be the bearers of bad news.

And the added complication is that it is really hard to explain in layman's terms the damaging effects of an impossibly large national debt. Voters cannot "touch" the national debt and realize that it is really bad for them. These enormous figures –\$ 20 trillion dollars of red ink, and climbing– seem to be abstractions.

The sky is not falling

Besides, if the sky has not fallen until now, why should it fall tomorrow if just added a little bit more to the debt? Can't we just muddle through, just as before? Whereas a tax cut is a tangible benefit. This is something that can be sold to the voters.

The bigger the cut, the better. If cutting taxes means reducing already insufficient revenue, therefore worsening an already dire fiscal outlook, so be it. Tax cuts that directly benefit your constituents may get you reelected. Whereas increasing taxes and/or reducing spending on unsustainable entitlement programs in the name of fiscal sanity, will not get you any votes.

Only Skilled Workers Will Make It In The Global Economy

WASHINGTON – We can argue that in America may be about half the work force is doing alright because it is positively connected to the fast-moving global economy. For them globalization is good. Most of them are “knowledge workers”. They design the sophisticated technologies which power global or globally connected businesses, or at least are familiar with them and know how to work productively with them.

Some do well, many do not

If they are in high-tech, renewable energy, complex global logistics, medical science and diagnostics, digital design, supply chains creation, management and sustainability these American workers are probably doing alright.

However, most of the others –those who perform low value, repetitive tasks or who are engaged in manual labor – are or will soon be at the bottom of the skills pyramid. Unfortunately this means that their jobs are not and cannot become stepping stones to future employment in more challenging and more rewarding sectors. In many cases, the jobs that involve repetitive tasks will probably be outsourced, or will disappear altogether, as victims of the relentless automation wave.

Lack of skills, lack of opportunity

If you belong to the bottom half of the “old economy”, your current position is bad and likely to get worse. If you do not have and cannot acquire the skills that give you dexterity with machines that work with numbers, (most likely because you

had a poor education and therefore you do not know how to work with these systems), you have no career future. You are or will soon be pushed down into dead end manual labor jobs like janitor, landscape worker, bus boy, or nursing home attendant.

The unlucky former manufacturing workers who lost their jobs due to globalization and automation are equally in bad shape. If they cannot be retrained so that they could aspire to the more sophisticated positions in new high-tech manufacturing or services, in most cases they will end up in one of those dead end, low paying occupations.

Getting the jobs back

Of course, when then candidate Donald Trump came along in 2016 arguing that the only reasons these fine factory workers lost their jobs is the greed of their corporate employers seeking easy profits by exporting jobs overseas, along with unfair trade competition from China, Germany, South Korea, Japan, Mexico and everybody else, these displaced workers were eager to listen. And they were willing to believe that, indeed, all it takes to restore their old manufacturing jobs, (with all the perks and benefits), is a new President who really wants to help the little guy by turning things around in Washington.

Yes, they believed that a President can reverse the negative impact of globalization. Yes, he can force U.S. companies to stay at home and hire more American workers. Yes, he can re-negotiate unfair trade deals, so that the avalanche of cheap imports will stop, while American companies will find new markets abroad.

A nice dream

This is unfortunately only a nice dream. No, no President, however well-intentioned, can stop, let alone reverse, globalization. Yes, he can strong arm corporations in order to slow down or stop the outsourcing process. But this is no long term solution.

In the end, American companies will succeed only if they can be and stay competitive. Forcing them to keep expensive or money-losing operations in America, so that workers can collect a pay check, while their nimble foreign competitors conquer markets leads only to eventual economic decline.

The way out

So, what is the proper way of addressing this crisis brought about by the competition of cheap labor (mostly from Asia) and the relentless march of automation?

The only way is for the unskilled to become skilled.

Those who are not employable today because they lack the knowledge and the basic understanding of how the high-tech knowledge economy works need to get those skills. And fast. Those who do not, are left behind. For them there is no upward mobility, no career ladder.

The old adage that "hard work" is the key ingredient to success in America is no longer valid. Yes, diligence and discipline still matter. But only when accompanied by the sophisticated knowledge that allows mastery of complex systems.

How is France doing?

Well, if this is the rather gloomy picture for millions of Americans who may have missed the bus leading to the global economy, what about elsewhere? What about France, for instance?

France recently embarked in a an incredibly ambitious political experiment. The French voters ditched the established political parties, of the left and the right, and elected President the young and completely untested Emmanuel Macron. And the reason is that this investment banker turned politician, promised nothing less than economic renaissance.

While he phrased his campaign slogans differently, he promised the same end results promised by candidate and now President Donald Trump: a complete bottom-up economic transformation.

Newly elected French President Emmanuel Macron claims that his policies will kick-start France into high gear. This rather old and unimaginative country will become a "Start-Up Nation". As a result of fresh pro-growth policies, there will be a fresh crop of entrepreneurs and innovators.

Reform labor laws

Well, in principle this is possible. However, how do you make this happen? One good place to start is by reforming the antiquated French labor market. France is still prisoner of the old, pro-union leftist agenda which is all about the protection of workers rights. Nothing wrong with that, in principle.

The problem is however that by focusing on the protection of those who are employed, French labor laws make it much harder for employers to hire new workers. Indeed, when a new worker is hired, given all the protections he/she is entitled to, it becomes almost impossible or at least extremely costly to dismiss him/her when business is down.

In other words, by offering maximum protection to employed workers, French labor laws made sure that fewer workers would be hired, even in good times. In addition, the perks and benefits going by law to employees made French labor costs too high, this way making French companies less competitive in the global market place.

Bite the bullet

It seems that President Macron is willing to bite this bullet. His government wants to tackle labor laws reform.

But here is the political and psychological problem. Even if

well designed and skillfully implemented, labor law reforms will threaten the job security of existing workers before they will be able to broaden the labor market, therefore offering new opportunities to those who cannot get into it today. Which is to say that there will be pain first (guaranteed), and (possible, hoped for) gains later.

Can Macron convince France?

Can President Macron convince the French people that he can manage this complicated process well? Can he convince workers who may lose their jobs now, on account of more flexible labor laws, that in the future, given greater overall flexibility, more appealing jobs will sprout across the nation, this way creating brighter prospects for millions of old and new workers? This is going to be a tough sale.

In the end, it is obvious that a brittle French jobs market will not help advance Macron's vision of France as a "Start-Up Nation". Economic renaissance is very appealing until voters realize that change may entail threats to their current security. I am a bit pessimistic about the depth of France's newly discovered enthusiasm for enterprise and innovation, once the French realize that this hoped for transformation is not pain free.

I doubt that Macron will have the ability to convince most of the country that a more fluid society with fewer protections is also a more flexible society that creates more opportunities. No doubt most French would like to see more competitive companies and more jobs created. But those who are employed now do not want to lose whatever job security they have.

The challenge

As noted above, even here in America, until not too long ago the quintessential "Start-Up Nation", in many sectors of our society and economy we are failing to live up to the old and

time-tested "can do" spirit of flexibility and quick adaptation to new circumstances.

We failed to build the education, vocational training and retraining structures that would have allowed millions of workers to have a relatively smooth transition from old-fashioned, large scale manufacturing to a new, complex and more demanding knowledge economy.

Can an even more ossified France do a better job? Can a young, optimistic President Macron inject a new vigor into a declining economy?

Time will tell.