

# 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 a lack of energy storage – 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 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 shall be unable to

seriously curtail greenhouse gases emissions.

And this is bad news for Planet Earth.

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# North Korea Will Never Give Up Its Nuclear Weapons

**WASHINGTON** – The sudden White House announcement about a May Summit meeting between US President Donald Trump and North Korean leader Kim Jong-un has taken Washington and the world by surprise. It is not clear what the American game plan is. Until not too long ago the U.S. policy regarding North Korea seemed to be sanctions, and more sanctions. No talks. In fact, Trump himself, a while ago publicly declared that negotiations would lead nowhere.

## Trump “forced” Kim to negotiate?

Now, the improvised White House narrative is that Mr. Trump’s tough actions –the new round of sanctions, plus threats to destroy North Korea– have “forced” Kim to ask for direct talks which could entail “denuclearization”. If you believe all this, then it follows that Trump managed to bend North Korea.

## Do not count on denuclearization

Still, beyond the surprise announcement of this May Summit, my assessment is that this opening, however startling and significant it may be, (it would be the very first such encounter between the leaders of these two nations, technically still at war with each other), it cannot possibly mean that the North Koreans are truly willing to negotiate the

end of their nuclear program.

And for a very simple reason. North Korea is a semi-failed state in which most people are close to starvation. It has no real economy, and no prospect of creating a viable one under this medieval, cruel and bizarre dictatorship.

### **Korea has nuclear weapons –and nothing else**

The only real asset that North Korea has is its nuclear weapons, now combined with an increasingly more modern panoply of ballistic missiles which may be capable within a short period of time to enable the rogue state to deliver nuclear weapons as far as the East Coast of the United States. America must take notice of North Korea for this very reason. Because it represents a potentially serious national security threat.

Well, precisely for this very reason, nuclear weapons being all that North Korea has to be taken seriously by the rest of the world, I cannot see any scenario under which Kim will give this huge –in fact only– real asset away. He will not, even if promised in return American technologies, food aid, substantial financial aid and all sorts of political reassurances that the US will sign a peace treaty, that America will never attack them, and what not.

Simply stated, North Korea's standing in the world, such as it is, is due only to its ability to threaten other countries with incredible destruction, including the United States. Without nuclear weapons, North Korea is like Sudan, or the Central African Republic: an inconsequential, impoverished state with no real future and no prospects.

### **What is the point of this May Summit?**

I have no idea as to what Kim may have in mind by offering these talks with President Trump. Of course, if we just focus on the optics, to be face to face with the leader of the U.S. will be a huge public relations coup for Kim. He will be able

to say that finally he is a recognized as the supreme leader of a world power. However, when it comes to what a bilateral negotiation may bring, I am not too optimistic.

### **Kim will not give up his nuclear arsenal**

America (and the world) wants North Korea to ultimately give up its nuclear weapons, its missiles and all its nuclear facilities. But this is all they got. Even if promised a lot, the North Koreans will not give up their membership in the nuclear club.

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## **After Another Tragedy, A Chance For Gun Control In The U.S.? Don't Count On It**

**WASHINGTON** – After the most recent mass shooting in Florida, many believe that *“this time”* it is different. This time something will change. I disagree. Meaningful gun control in America is a fantasy, a mirage. After many decades observing the political process in Washington DC, I have concluded that unless both political parties will agree on a far more restrictive interpretation of the Second Amendment to the US Constitution, (“the right to bear arms”), and unless the Courts will support this new course, **NOTHING** –repeat **NOTHING**–will happen, when it comes to serious (as opposed to merely cosmetic) proposed gun control legislation. And, given the sharp political divide separating the two parties, the chances of such a new bipartisan agreement being forged are practically zero.

**Tired script**

After every new tragic mass shooting there a predictable, totally scripted, ritualised kabuki dance featuring prominent Democrats posturing and grandstanding against the gun lobby and their agents in Congress. With the appropriate gravitas, they accuse the Republicans of being in the pockets of the National Rifle Association, NRA, the powerful association of gun owners and pro-gun people in general. And then, what? Well, then nothing. After a few days, the whole thing goes away. EVERY SINGLE TIME.

### **The sacred Second Amendment**

Sadly, over many decades, tens of millions of Americans have acquired a distorted (in my view) notion of what “*the right to bear arms*” granted by the U.S. Constitution means. If we go back in history, it seems that what the Founders meant was the right of local communities to raise armed militias, so that they could defend themselves against a government that had turned tyrannical.

However, overtime, the current interpretation of the Second Amendment to the Constitution –unrestricted gun ownership, including large collections of military hardware– developed and then acquired the status of a theological mandate. It is bizarre; but it is so.

### **Nothing moves the needle**

Extremely powerful opponents of this state of affairs, including former NYC Mayor and multi billionaire Michael Bloomberg, have poured rivers of money into the noble effort of trying to change the national conversation on gun ownership rights in the USA. Results? ZERO.

### **Daunting task**

May be someone else will come up with a better idea. However, looking at the entrenched positions, and in particular at the semi religious attitude about gun ownership shared by millions



of Americans, combined with the tens of millions of guns legally purchased and legally owned in this country, I am not optimistic about any chances for REAL change.

Sadly, the horror caused by yet another avoidable tragedy quickly subsides; and it is back to business as usual.

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## 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.

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# Syria Is Not A Strategic Priority For Washington

**WASHINGTON** – It is clear that Russia, as the key ally of president Assad of Syria, has taken a lead role in trying to set the stage for a final peace settlement regarding this tragically battered country. The recent Sochi meeting in which president Putin hosted president Rouhani of Iran and president Erdogan of Turkey seems to illustrate a resurgent Russia once again playing a key role in the Middle East.

## **America in retreat?**

In Washington, the defenders of the (frankly defunct) myth of Pax Americana sounded alarm bells. *“America is in full retreat –they admonish us– and the bad guys are filling the void. We are losing ground, while they are gaining”.*

Indeed. But here is the question. Is the American national interest really profoundly impacted by who is in control in Syria? What’s so important about Syria from Washington’s standpoint? Well, very little. Sure enough, is we look at a map of the Middle East, we can see that a firm Russian foothold into Syria, plus continuing Iranian influence there, changes the geopolitical picture.

## **Russia and Iran in the lead**

True. Still, this being the case, in what way does this geopolitical realignment affect America’s vital interests? Syria is now a semi-destroyed and completely impoverished country. Whoever will exercise influence on Damascus does not gain that much. In fact, to the extent that the Russians need to prove that they are real friends of Assad, they would have

to support Damascus financially, for many years. And this may prove to be quite a burden for a Russian state not exactly swimming in wealth.

Iran's influence in Syria is a concern. However, there are several counterweights within the region to Tehran's hegemonic ambitions. From this perspective, it would be prudent for Washington to continue supporting its traditional Sunni Arab allies who are actively opposing Tehran's expansionism.

### **Middle East no longer of critical importance**

That said, even taking all this into account, the idea that Washington "*must*" regain its historic role as a key powerful player in the Middle East has no longer any strong rational justification.

Of course, until a few years ago, one could have argued that the Middle East indeed had extraordinary strategic value for Washington, because it sits on most of the oil the rest of the world desperately needs.

Well, this argument is far less compelling today, in this new era of abundant oil supplies in large measure caused by America's newly discovered technologies (fracking and horizontal drilling) that allowed US energy companies to exploit massive domestic shale oil reserves. Indeed, thanks to fracking, in just a few years America doubled its oil production. This is a real game changer.

Besides, if you add to this dramatic domestic oil production boom increased oil supplies from Canada, plus imports from Mexico, Colombia, and Venezuela, the U.S. has, or will soon have, "*hemispheric energy independence*". This means that most of the oil America will need will come from domestic sources or from imports from reliable neighboring countries, and not from the Persian Gulf.

### **Middle Eastern oil not so important**

Now, this is a major and completely benign geopolitical change! In simple language, as the U.S. no longer relies on Middle Eastern oil for its very economic viability, controlling events in the region is no longer such a key priority.

Besides, going forward, the slow but steady emergence of electric vehicles as commercially plausible alternatives to gasoline powered cars makes the strategic importance of oil, and therefore of Middle Eastern oil and whoever owns it or controls it, progressively far less significant.

Down the line, if you take oil out of the equation, or at least if you downgrade its strategic value as the (no longer so) essential fuel for all modern industrial countries, the Middle East becomes far less important. Absent oil and the power and wealth that it brings, Taiwan is a far more significant player in the global economy than Saudi Arabia.

### **Let Syria go**

Bottom line, let's not fret about who will be in charge in Damascus. After years of civil war that caused destruction and millions of refugees, Syria is a disaster, a true basket case. Even assuming wildly optimistic scenarios, it will take years and astronomic investments to bring it back to semi normality. Let Russia worry about all this.

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# **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.

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# Manafort Indictment Is Just The Beginning

WASHINGTON – Russia probe Special Counsel Robert Mueller indicted former Trump insider Paul Manafort and his associate Richard Gates in connection with his broad mandate to investigate alleged efforts on the part of Russian operatives to manipulate the 2016 elections. Mueller's investigation is also supposed to provide conclusive evidence as to whether or not there was any "collusion" between Russian operatives and individuals working for the Trump campaign.

## **No Russia connection**

Well, if you were expecting explosive developments coming out of these indictments, you will be disappointed. Manafort and Gates are accused of several serious financial and other crimes. But there is nothing in the indictment that alleges actions or conspiracies related to possible connections between Russia and the Trump campaign. Zero. Absolutely nothing.

Assuming that the charges can be proven in court, Manafort and Gates are two sleazy and clearly a bit too self-confident "Beltway Bandits" who sold their services to people close to then Ukrainian President Victor Yanucovych. Bear in mind that such an activity is not illegal.

## **Tax fraud and money laundering**

What is illegal is to conceal the profits of such consulting activities, while also concealing the nature and full scope of the work done on behalf of a major foreign client.

In other words, even assuming that Manafort and Gates are guilty, (for the record, both of them pleaded "not guilty" when they appeared in front of a judge on Monday), they would

be guilty mostly of tax evasion and money laundering –serious offenses, no doubt; but completely disconnected from the main thrust of Mueller’s investigation about alleged collusion between the Trump Campaign and Russian operatives.

### **What is Mueller up to?**

So, what do we make of this? First of all we should understand that this is by no means the end of Mueller’s investigation. At most, this is the end of the first act. We are still at the beginning of a long process.

If this is indeed so, then the money laundering and tax evasion charges against Manafort and Gates, apparently disconnected from the main thrust of the Russia inquiry, acquire a new flavor. If Special Counsel Mueller has reason to believe that Manafort knows something important about an alleged Trump-Russia collusion, then the indictment against him is in fact a form of heavy psychological pressure.

### **Pit pressure on the small fish**

It is quite common for American prosecutors to go with full force against second or third tier players in a criminal investigation in order to force them to collaborate with them in exchange for leniency. Keep in mind that, if proven guilty, Manafort could go the jail for many years. If he fully cooperates with the authorities, his personal future becomes a lot brighter.

Is this Mueller’s game plan? Yes, it probably is.

### **A major investigative effort cannot end with Manafort**

Indeed, it is most unlikely that Robert Mueller, a tough, seasoned law enforcement official, an experienced lawyer and a former FBI Director, assembled a large team of important lawyers and prosecutors just to investigate Paul Manafort –a questionable character whose crime seems to be that he tried

to hide a few millions of dollars (of legitimate earnings) from the IRS. Therefore, it cannot be that this is the end of the probe. It would be wise to stipulate that with this indictment Mueller is just getting started.

### **Will they find anything?**

That said, this does not guarantee that Mueller, despite a serious effort to determine whether crimes were committed, will find anything. Investigating potential wrongdoing and actually finding any are two different things.

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# **The Real Benefits of Healthy Motherhood**

**WASHINGTON** – Mothers should spend a great of time with their new-born babies in the first 3 years of the baby's life, and especially during the first year. This is not about reasserting traditional societal norms and old-fashioned cultural values regarding the role of women as mothers. This is medical advice to new mothers and fathers regarding the best way to raise healthy children, based on empirical scientific findings.

### **Why babies need their mothers**

The evidence shows, and much research conducted over many years clearly illustrates this, that babies come into the world without a developed central nervous system. A great deal of data demonstrates that close contact with the mother supports a healthy development of the baby's neurological system.

How so? Because women transmit through their milk the hormone *oxytocin*, a critically important neurotransmitter produced by women and not by men. In addition, the oxytocin produced by the mother, (oxytocin is also known as the “love hormone”), contributes to the creation of a special bond between baby and mother. This bond helps the healthy neurological development of the baby.

And no, the day care center, assuming that working mothers have access to one, is not a good substitute for baby-mother bonding during the child’s critically important early years.

### **This is not about “traditional values”**

So, here is the thing. The old-fashioned notion, in fact antiquated according to most, that women should be primarily good mothers and should spend a great of time with their babies, while embraced by those who support the “restoration” of traditional values and traditional families, has in fact true scientific backing.

Of course, depending on the slant you put on this new medical research, this scientific finding could lead to very counterproductive advice to women:

*“Based on science, it is clear that, if you want to have healthy children, you should devote yourself entirely to them. This means that you should give up any plans to have a full-time job and a real career. You cannot have both”.*

### **How do we reconcile work and motherhood?**

Well, it does not have to be this way.

Still, it will be difficult to reconcile the need to have mothers spend a great of time with their new-born babies, (a lot of time in the first 9 months to a year, and then still quite a bit of time, until they reach age three), and the legitimate desire (in many cases it is a basic financial need)

shared by millions of women all over the world to work and have fulfilling careers.

it is very clear, especially here in America, that working women who have children are already penalized by a system that in most cases does not even recognize the need for a few weeks of maternal leave for new mothers. If employers are not even willing to give a few weeks of leave, how can you possibly expect that they will give an entire year, possibly three?

The employers will argue that they could not possibly sustain the cost of keeping on payroll women who stay at home taking care of their babies, not just for a few months, but up to three years.

### **It is a societal issue**

Well, this is where a public education campaign has to come into play. It is complicated to convey the right message; but it is possible. Here is the thing. As a society, do we care about the proper neurological and psychological development of the new generations? Yes or no?

The sensible answer should be a resounding "Yes". Well, if so, as responsible members of our society, we must be willing to help cover the costs of extended maternal leave while babies are still in their infancy, and later on flex time for young mothers until the little children reach age three. (This is the age in which according to the findings mentioned above their central nervous system has been formed through the close bonding with their mothers. After age three the need to spend so much time with their mothers is no longer essential for their healthy neurological development).

### **The price of inaction**

Will we ever get there? I hope so. New York psychoanalyst Erica Komisar in a long interview with *The Wall Street Journal*, (October 28-29, 2017), explains the consequences of

inaction. She recounts stories described in the medical literature which list the damages that often occur when babies grow up without the precious bond with their mothers in the critical beginnings of their lives.

According to many studies, there is a plethora of psychological pathologies affecting small children who could not benefit from close bonding with their mothers in the early years of their lives, ranging from autism to attention deficit disorder to “social disorders”, and difficulties relating to other children and adults.

According to the science Komisar cites in the interview, all these dysfunctions, sometimes severe, can and should be avoided. We only have to make sure that mothers and new-born babies can develop the special bond described above, thanks to the “love hormone”.

### **The burden cannot be placed on mothers**

Again, given all this, it would be horribly unfair to place the entire burden of this new and apparently much healthier approach to motherhood on women and their spouses. In most instances, working women simply cannot afford to quit work, not to mention the huge penalty of getting out of the work force, this way missing opportunities for career advancement, salary increases and what not. We should not place women in front of the horrible dilemma of having jobs or children, but not both.

### **A child centric society**

Therefore, it is up to all of us to embrace the concept of a “*child centric society*”, as Ms. Komisar puts it. This is our society. It should be our shared goal to have mostly psychologically healthy babies who will hopefully develop into healthy children, and later on healthy adults.

Think about it. It is not just about the babies and their



parents. In fact, it is about all of us. Let's think about a proper way in which we can allow babies to bond with their mothers, without in any way penalizing women who want and need to work. In the end it is about sharing the cost of extended maternal leave for new mothers. Through a shared social policy effort –let's not hide from the fact paying women who will stay at home with their babies will cost money– we may be able to find a good solution that will allow working mothers to be away from work, without imposing an unsustainable burden on their employers.

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## **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.

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## **Will Washington Give Arms To Ukraine?**

**WASHINGTON** – Back in February 2014, right after a popular rebellion ousted pro-Russian President Viktor Yanucovich, this

way taking over political control in Kiev, the then Obama administration was long on promises of aid and support; but very short on delivering almost anything of real value to the new supposedly pro-American and pro-European Ukrainian government.

### **Economic basket case**

On the economic front, Ukraine was then (and still is today, by the way) a virtual basket case: an impoverished, non competitive, underperforming economy, poisoned by systemic corruption. On the military side, whatever your political preference on who is to blame for the ongoing fighting between government forces and pro-Moscow ethnic Russians in Eastern Ukraine, back in 2015 it became obvious that Washington was not going to support the new anti-Russian Kiev government in any meaningful way.

### **Non lethal military aid**

President Obama offered some non lethal equipment, (such as radar, night vision goggles), MREs, (military food rations), blankets, uniforms, and socks, (yes, socks), to the Ukrainian army –but no real weapons.

### **New Trump approach?**

Now, with Trump in the White House, most recently the noises have been changing. It is no accident that U.S. Secretary of Defense Mattis recently made a high-profile visit to Kiev on that country's Independence Day. During public celebrations which included a military parade, Mattis stood at the side of Ukrainian President Petro Poroshenko. Mattis trip to Kiev followed another important visit to Ukraine by Secretary of State Rex Tillerson in July.

In public remarks in Kiev Mattis stated that the Pentagon is reviewing options that could include supplying real weapons to Ukraine; including anti-tank Javelin missiles, and possibly

antiaircraft missiles.

Of course, Mattis insisted that this American hardware –assuming a US Government decision to send it to Kiev– falls under the category of defensive weapons. America’s stated goal –again, assuming a green light on this– would be to give Ukraine the tools to defend itself from Russian attempts to unilaterally change borders in the East.

Mattis justified any possible U.S. policy shift regarding weapons sales to Ukraine by pointing out that Russia is not living up to its commitments under the Minsk agreements aimed at solving through peaceful means all issues related to the future of ethnic Russians in Eastern Ukraine.

### **Policy shift**

Well, should these supplies of U.S. weapons to Ukraine actually take place, this would indicate a major policy shift from the “do nothing” Obama years. For several years, Obama’s deeds (forget his speeches in support of Ukraine) indicated that America would not get involved, even indirectly, in any conflict involving Russia in Eastern Ukraine, a region with deep historic, ethnic and religious ties to the Russian state. With Obama in the White House, Ukrainian President Petro Poroshenko realized that he was on his own.

Now Donald Trump is President. So, a new more muscular approach to Ukraine in Washington vis-a-vis Russia? We shall see. Despite what Secretary Mattis just said in Kiev, I am inclined to believe that the Trump administration does not want America enmeshed, even if indirectly, in yet another, almost impossible and probably endless conflict, far from home.

### **A crowded national security agenda**

Let’s look at the long “to do” list for the U.S. military, when it comes to hot spots. Washington is and will be engaged



in the Middle East, (Iraq and to a lesser extent Syria) for quite some time. The President just announced a more muscular and open-ended policy towards Afghanistan, with the stated goals of defeating the Taliban insurrection. And then you have creeping and potentially explosive crises with North Korea, Iran, and may be with China on the South China Sea. Based on recent Washington moves and public pronouncements, we may also have to add Venezuela to this already long and challenging national security agenda.

Does Washington want to add an insoluble conflict in Eastern Ukraine to the headaches list, while cash strapped America has a hard time keeping up with existing and potential commitments? I do not think so.