

The Economist

America goes off the death penalty

PAGES 12 AND 48

After France's riots

PAGE 29

Battle for the London Stock Exchange

PAGES 13 AND 74

The rush to invest in India

PAGE 61

DECEMBER 17TH-23RD 2005

www.economist.com

How to deal with Iraq's insurgents



Albania	€1.00	Czech Rep.	KC130	France	€4.90	Ireland	€4.90	Latvia	LVL2.60	Nigeria	Naira 400	Saudi Arabia	Rials 32	Sweden	SEK42
Austria	€6.90	Cyprus	€2.85	Germany	€4.90	Israel	NIS25.00	Lebanon	LEB.000	Norway	NKr43	Slovakia	SKK160	Switzerland	Sfr8.00
Bahrain	Dinar3.00	Denmark	DKK43	Greece	€4.70	Italy	€4.90	Luxembourg	€4.90	Poland	PLN17.50	Slovenia	SITB20	Turkey	TL4,300.000
Belgium	€4.90	Estonia	EEK60	Hungary	Ft900	Kenya	KShs400	Malta	€2.00	Portugal cont.	€4.70	South Africa	R29.00	Turkey	YTL4.30
Bulgaria	BGN7.00	Finland	€4.90	Iceland	IKr400	Kuwait	Dinar2.50	Netherlands	€4.90	Qatar	Rials 31	Spain	€4.90	UAE	Dirhams 30



On the cover

The Iraqi insurgency is not much about al-Qaeda, and a lot about the Sunni Arab minority's resentment at being marginalised. That's why the Shias need to make more effort to accommodate the Sunnis: leader, page 11. America's army has not been good at dealing with the insurgency, but it is learning, pages 25-27. The Kurds and the oil, page 44

Economist.com

Global agenda: business and political analysis updated throughout the week

Cities guide: our travel section www.economist.com/cities

Country briefings: intelligence on 60 countries www.economist.com/countries

E-mail: newsletters and Mobile Edition www.economist.com/email

Research: search articles since 1997, background briefings and more www.economist.com/research

Print edition: available online by 7pm London time each Thursday www.economist.com/print

The Economist

Volume 377 Number 8457

First published in September 1843 to take part in "a severe contest between intelligence, which presses forward, and an unworthy, timid ignorance obstructing our progress."

Editorial offices in London and also: Bangkok, Beijing, Berlin, Brussels, Cairo, Delhi, Frankfurt, Hong Kong, Jerusalem, Johannesburg, Los Angeles, Mexico, Moscow, New York, Paris, San Francisco, São Paulo, Tokyo, Washington

6 The world this week

Leaders

- 11 **Iraq**
How to deal with the insurgents
- 12 **Intellectual property**
The real lesson of BlackBerry
- 12 **The death penalty**
After Tookie
- 13 **London Stock Exchange**
Clara's difficult Christmases
- 14 **The pecking order**
The beauty of being second best

Letters

- 18 **On Xinjiang, the Balkans, Italy, pensions, snow, football, fat animals**

Special report

- 25 **American military tactics**
How to do better

Europe

- 29 **France and immigration**
After the riots
- 30 **Balkan history books**
A better view of the bad guys
- 30 **The Balkans and Europe**
Testing times
- 31 **Germany and Russia**
Jobs in the pipeline
- 34 **Italy's high-speed train link**
Boring through the Alps
- 34 **Belarus**
Turning the screw
- 36 **Charlemagne**
Time to rethink the EU budget

Britain

- 37 **The police**
Boys in blue
- 38 **Politics**
Lib Dem rumblings
- 38 **Evidence under torture**
The fruit of the poisoned tree

- 40 **School reform**
Sorting out schools
- 42 **Bagehot**
Tony Blair, the good European

Middle East and Africa

- 43 **Syria and Lebanon**
The Syrians in the dock
- 44 **Iraqi Kurdistan**
An oil conundrum
- 44 **Iran**
Talk about sex
- 45 **Israel's Supreme Court**
Who should make the law?
- 45 **Ethiopia and Eritrea**
Big brother has other worries
- 46 **Somalia**
Still an utterly failed state

United States

- 47 **A new front in the culture wars**
The Lord's word
- 48 **The death penalty**
Tookie v Arnold
- 49 **Richard Pryor**
Rebel with a cause
- 49 **The Patriot Act**
Security and liberty
- 50 **Litigation and health care**
Scalpel, scissors, lawyer
- 52 **Lexington**
Joe Lieberman, a wise man in Washington

The Americas

- 53 **Bolivia's election**
Eva Morales, champion of indigenous rights
- 54 **Peru**
Rise of another outsider
- 55 **Cuba**
An unsilenced voice for change
- 55 **Canada**
A surge in gun crime



Death penalty Despite Tookie Williams's execution, America may be turning against the death penalty: leader, page 12. Schwarzenegger's difficult decision, page 48



EU budget Tony Blair's EU policy is widely (but wrongly) regarded as a failure, page 42. A modest proposal for the EU budget, page 36



Police Why, when crime in Britain has fallen for a decade, the public's rating of the police has also declined, page 37

► *Le Monde*. A report by the Renseignements Généraux, the police intelligence service, leaked to *Le Parisien*, concluded that the violence was neither orchestrated nor religious, but was rather a "popular revolt" linked to a "crying lack of integration". It gave warning of possible fresh explosions on New Year's Eve, when hundreds of cars are torched even in normal years.

In response, a raft of policies is being drawn up. These include tougher controls on unemployment benefits, a crack-down on drug mafias, tighter checks on forced marriages, tax breaks for businesses relocating to the *banlieues*, apprenticeship schemes for teenagers and extra money for

local associations.

Among the most interesting ideas is a new effort to promote ethnic minorities. After the riots, Mr Chirac spelled out for the first time that he wanted France's institutions to reflect its population—but to do it while remaining officially colour-blind. As Mr de Villepin put it on CNN, "we don't want to take into account the colour of the skin, or the religion." This directly counters Mr Sarkozy's preferred idea of affirmative action for minorities. The French have been tying themselves in knots to work out how to promote diversity (good) without legitimising racial categories (bad), which to republican French ears smack of

apartheid and infringe civil liberties.

There are some signs that France is reaching for a compromise. Azouz Begag, the minister for equality (who is of Algerian origin), is one of the few who argues that "we must measure the presence of the children of immigration in the police, magistrature, administration and the private sector." He suggests using the birthplace of parents and grandparents as a proxy. Social scientists sense a first chance to study a subject that has hitherto been taboo. Nobody is fooled that such ethnic monitoring would solve the difficulties of integration. But it would at least unveil their extent, and offer a way to measure progress. ■

Balkan history

A better view of the bad guys

The perils of teaching more than one view of history



WERE the Ottoman rulers of the Balkans tyrants, or relatively benign protectors? The first, of course, in the history that most Serbian, Greek or Bulgarian children have long been taught. For them, the centuries of Ottoman rule constituted a dark night of oppression of Christians who retained their faith and culture only by tenacity and cunning—until the time came to throw off the oppressors and live happily ever after.

In Turkey, and among the Muslims of Bosnia, Balkan history is viewed from the opposite side of the looking-glass. Compared with most regimes in western Europe, the Ottomans were generous and tolerant towards minority religions and languages—until their ungrateful Balkan subjects rose up and slaughtered every Muslim in sight.

More recently, there is the sensitive issue of how the people of Yugoslavia responded to Nazism. Was Cardinal

Aloysius Stepinac, spiritual leader of Croatia's Catholics, an unabashed supporter of a murderous fascist regime, as communist Yugoslavia said? Or was he a saintly fighter for religious freedom, as the Vatican now insists?

Many grown-up historians would say that, on questions like these, there is room for reasonable people to disagree—and that the truth might lie somewhere in the middle. Now, for the first time, the children of south-eastern Europe may be getting a chance to see history from more than one point of view.

After seven years' work by scholars from around the region, a set of "objective" history manuals—on the Ottoman era, the Balkan wars of 1912-13 and the second world war—have been produced (and are now being translated into ten languages) by the Centre for Democracy and Reconciliation in Southeast Europe, a Salonika-based think-tank. Education authorities in Kosovo and Croatia are keenly interested, but the first country to incorporate the books into its school system is Serbia. Its education minister, Slobodan Vuksanovic, says that they are the first teaching materials he is not ashamed to show to his teenaged daughter.

The authors say they have had a warm response from teachers all over the region. But presenting history from more than one viewpoint is still a hard sell. For communist teachers, the villains are always fascists and feudal overlords. According to nationalist history, a whole nation—rich and poor, landlord and peasant—rises against a bad regime (and its local lackeys) and heroically prevails. Even if neither story turns out to be true, or even half-true, children still want to know: who were the bad guys?

The Balkans and Europe

Testing times

Why nerves are jangling from Croatia to Macedonia

FOR the countries of former Yugoslavia, 2006 will be busy—and perhaps dangerous. This time next year, the map may look quite different. In Kosovo, there is a risk of violence linked to talks over the province's future status. Montenegro will bid for independence. As all countries in the western Balkans prepare for talks to join the European Union, one source in Brussels talks of "a giant 'to-do' list".

Last week's arrest of Ante Gotovina, a former Croatian general, has at least crossed one item off the list. Mr Gotovina was the only Croat fugitive still wanted by the UN's war-crimes tribunal in The Hague. He faces charges of murder and ethnic cleansing during the operation to end Serb rule in Krajina in 1995 that saw the flight of up to 200,000 Serbs. That he was picked up in Spain, after a tip-off from the Croatian government, suggests that it has at last regained control over its security services, which have helped Mr Gotovina in the past. The threat of suspending Croatia's talks on EU accession, which began in October, for failure to co-operate with The

