

# CURRENT HISTORY

March 2010

Vol. 109, No. 725

## CONTENTS

- 91 Europe, the Second Superpower** . . . . . *Andrew Moravcsik*  
Washington generally regards Europe as a region in decline. But how many international actors can globally project a full spectrum of “smart power?” Only two.
- 99 Turning Point for the European Social Model?** . . . . . *Stein Kuhnle*  
Analysts warn that dim growth prospects portend the end of Europe’s welfare state. They have made such predictions before—wrongly, it turns out. *Seventh in a series on changing relations between governments and markets.*
- 105 East Europe Rides Out the Economic Storm.** . . . . . *Janusz Bugajski*  
The region’s youngest democracies, while suffering economic upheaval, have so far avoided radical or revisionist political temptations.
- 112 Eastern Germany in Search of Itself** . . . . . *E. Wayne Merry*  
Germany has been unified for two decades now, yet the Ossis remain a society apart. Their sense of alienation fractures and complicates the nation’s politics.
- 119 Waiting for Miracles on Cyprus** . . . . . *Hugh Pope*  
If a settlement is not reached soon, Greek and Turkish Cypriots may lose their last chance to reunify the island as a federation.

### PERSPECTIVE

- 124 What Happened to Britain’s Labor Party?** . . . . . *Martin Smith*  
So what if Britain’s Labor Party oversaw 13 years of unprecedented economic growth as well as improvements to schools and health care? It’s the last year that matters.

### BOOKS

- 126 The Making of a (Partly) New Order** . . . . . *William W. Finan Jr.*  
A new book recounts how the West won the cold war but lost an opportunity to develop a new strategic architecture for Europe.

### THE MONTH IN REVIEW

- 127 January 2010**  
An international chronology of events in January, country by country, day by day.