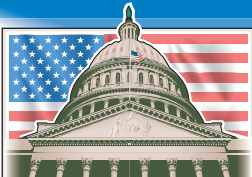


# George Bush's second term

President George W. Bush will be confronted by strong domestic and foreign challenges in his second term. Iraq, Iran and North Korea are at the top of his foreign policy list, along with a revitalized Mid-East peace process and frayed European alliances over U.S. unilateralism



## UNITED STATES

**Social Security:** Radical overhaul of America's public pension system

**Tax:** Make first-term tax cuts permanent

**Supreme Court:** Nomination of at least one new conservative justice to nine-member court

**Tort reform:** New laws to curb large medical-malpractice lawsuits

**Immigration reform:**

Creation of guest-worker programme

## EUROPEAN UNION



Most Europeans, especially France and Germany, strongly oppose

Bush's conservative views. EU wants U.S. to curb its trade and budget deficits to strengthen dollar and take pressure off euro

## RUSSIA



Irked by what it sees as American meddling in

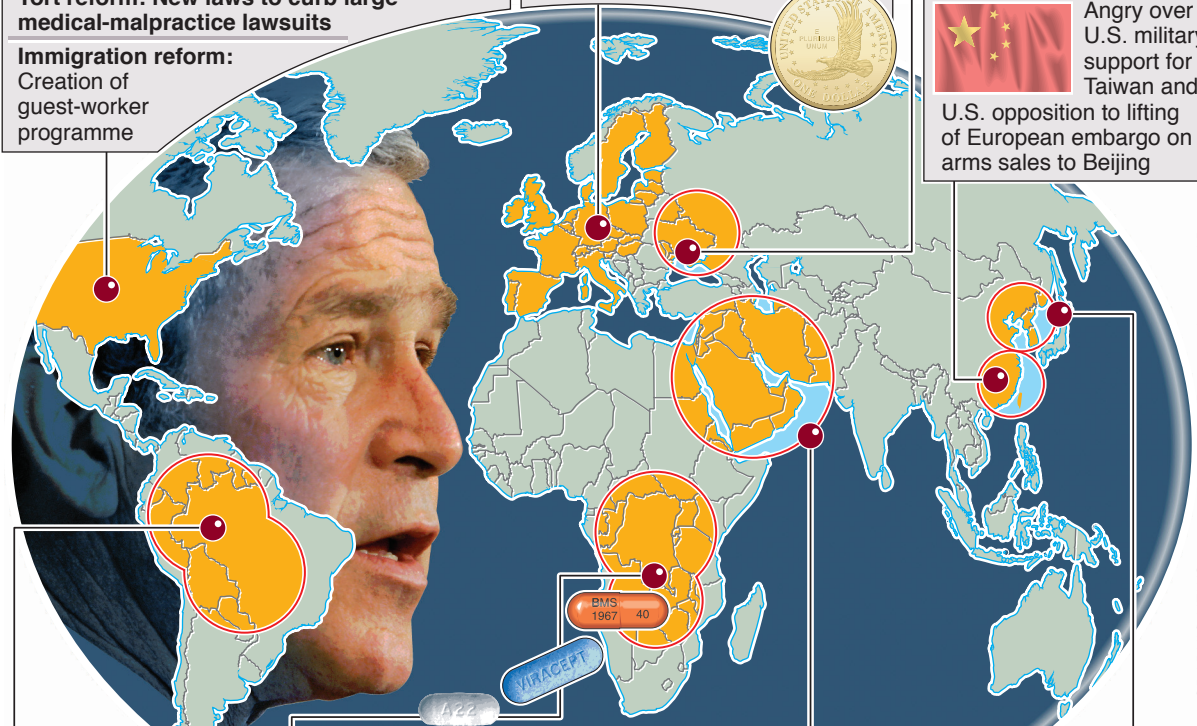
its own backyard, not least Ukraine

## CHINA



Angry over U.S. military support for Taiwan and

U.S. opposition to lifting of European embargo on arms sales to Beijing



## AFRICA

Wants America to stop pushing expensive patented medicines to fight AIDS and make it easier for poor countries to buy generic versions. **Wants greater attention to debt relief and more open trade with U.S.**

## LATIN AMERICA

Feels neglected by U.S. – is now turning to China and EU as economic partners

## MIDDLE EAST



**Key second-term goal to revitalize Israeli-Palestinian peace process.** America's partners in so-called **quartet**, Russia, EU and the United Nations, want implementation of **road map** – peace plan designed to lead to an independent Palestine at peace with Jewish state

## IRAQ

Has replaced Afghanistan as training ground for terrorists. **Intelligence estimates hard-core insurgents may now number 40,000**

## IRAN

U.S. has refused to join European negotiations with Tehran to give up its nuclear weapons plans in exchange for economic aid and trade benefits

## NORTH KOREA

Crisis looms if administration fails to stop **Kim Jong-il's** nuclear weapons ambitions. **China and South Korea want Bush administration to offer credible face-saving exit strategy to Kim.** Hard-liners in Washington favour threat of economic sanctions to be carried out by Japan, South Korea and China – a move likely to trigger discord

