In *Treasury’s War*, Juan Zarate, a former Assistant Secretary of the Treasury for Terrorist Financing and Financial Crime and federal prosecutor, earnestly presents an insider’s view of the US Treasury’s response to the terrorist attacks of 9/11. In all, this book is an important, enjoyable and often contradictory history vital to understanding the contemporary US practice of financial-based power projection, and the Treasury’s new role in national security.

The author begins with a brief introduction to the Office of Foreign Assets Control (OFAC), which is “the US government’s primary tool for going after the assets of enemy regimes” domiciled within Washington’s jurisdiction, as well as prohibiting American citizens, banks, or businesses from transacting with Specially Designated Nationals, (individuals, businesses, groups or entities) sanctioned by law. North Korea, Cuba and Iran were all subject to lawful economic sanctions, administered by Treasury prior to 9/11.

Mr. Zarate’s “Treasury tale” begins after 9/11 with three lawyers, Treasury General Counsel David Aufhauser, his Deputy George Wolfe and Chief Adviser Bill Fox, crafting the contours of what would become Executive Order 13224, authorizing Treasury to designate administratively the financial enablers of terrorism and, more importantly, those associated with them. Zarate, a Senior Advisor to the Undersecretary of the Treasury for Enforcement, ran the Executive Office for Terrorist Financing and Financial Crimes, which was combined with the Treasury Office of Intelligence and Analysis, making him the first Assistant Secretary for Terrorist Financing and Financial Crimes.

With the stage set, the book’s second half details Treasury’s warfare. Directed by Executive Order 13224 and armed with section 311 of the Patriot Act (2001), Treasury began administratively designating enablers and associates of sanctioned entities in 2005. Weighing the risk of becoming an “associate” and losing access to US markets, many banks and insurance companies cut off relationships with sanctioned entities isolating them from the global financial system. Outside US legal authority or enforcement, designated entities were frozen out of global markets by international actions in what Zarate termed a “virtuous cycle of self-isolation.” By all accounts, it was highly successful. From there, Treasury was off to the races designating Iranian persons, banks and shipping companies, Lebanese banks, Al Qaeda, Al Shaabab and Taliban financiers, and Russian criminal networks, among others. Along the way, the Treasury became the center of gravity for US financial-based power projection and the de-facto, but explicit, system administrator for global finance.
Zarate’s history clearly conveys the intent of Treasury’s approach. As such, *Treasury’s War* should be required reading for policy makers. However, with a decade of on-the-ground policy implementation, *Treasury’s War* should be more than a triumphal recitation. Mr. Zarate’s assessments of the efficiency, efficacy, coherence and limitations of Treasury’s policy would have strengthened the book. The most serious, yet unspoken, limitation of Treasury’s approach is that it does not project power. It works by reduction, isolating US finance from designated entities and their associates. The logical endpoint of any such system is US self-isolation, not power projection. Secondly, created and administered by lawyers and prosecutors, Treasury’s approach maintains the petite fiction of domestic legality when, in fact, the policy was designed to operate beyond US legal jurisdiction where informal American diplomatic influence has failed. Additionally, much of *Treasury’s War* operates on an administrative basis, not a legal basis. The US government can designate entities administratively and is not required to demonstrate whether target has either specific knowledge or intent beforehand. Regardless of the legal terminology, framework, or perspective of the participants and their talk of pursuing international scofflaws, it is an exercise in US power projection not criminal enforcement. Lastly, the book leaves one Rubicon uncrossed. *Treasury’s War* describes systemic manipulation of the global financial system for US objectives. Systems are dynamic, adaptive, and adopt new equilibria as a result of interventions or shocks; otherwise they do not survive. The balance between specific intervention versus system regulation remains an open question.

The book’s last chapter, “The Coming Financial Wars,” looks at some emerging challenges to Treasury’s war and serves as the basis for Zarate’s *Parameters* article (Winter 2013-14). The author approaches the finite future of both the dollar as world reserve currency and American as financial hegemon with a touch of melancholy. This approach leaves unanswered the question of how the United States will continue to harness international financial self-interest to its national policy aims. He approaches networked asset creation—companies such as Facebook, Google, and Bitcoin, which create value by their network and network position and not of themselves—as problems to solve not horses to harness. It is a decidedly twentieth century perspective. To give Zarate his due, the epilogue of *Treasury’s War* contains nuanced musings on the role and limits of national power projection through financial means. Those questions and his answers deserve expansion into another book.

**Planning Armageddon: British Economic Warfare and the First World War**

By Nicholas A. Lambert

Reviewed by Sarandis Papadopoulos, Ph.D., principal co-author Pentagon 9/11 and Secretariat Historian, Department of the Navy

Naval power in the First World War seemingly served only defensive purposes. Fleets protected Entente trade, while German U-boats tried to stifle delivery of supplies. The Dardanelles campaign, the failed naval attempt to bypass deadlock in France and Flanders, sought to buttress Russia with equipment and keep it in the war. During the conflict,