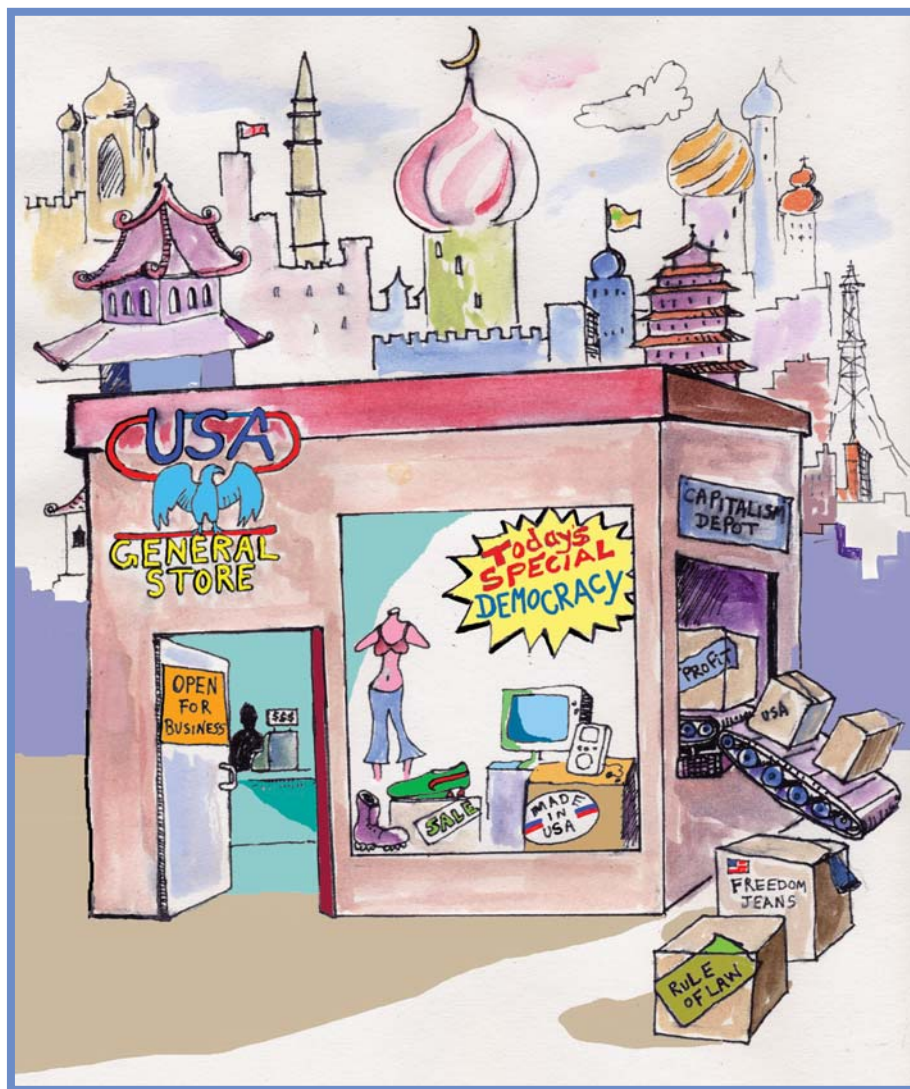


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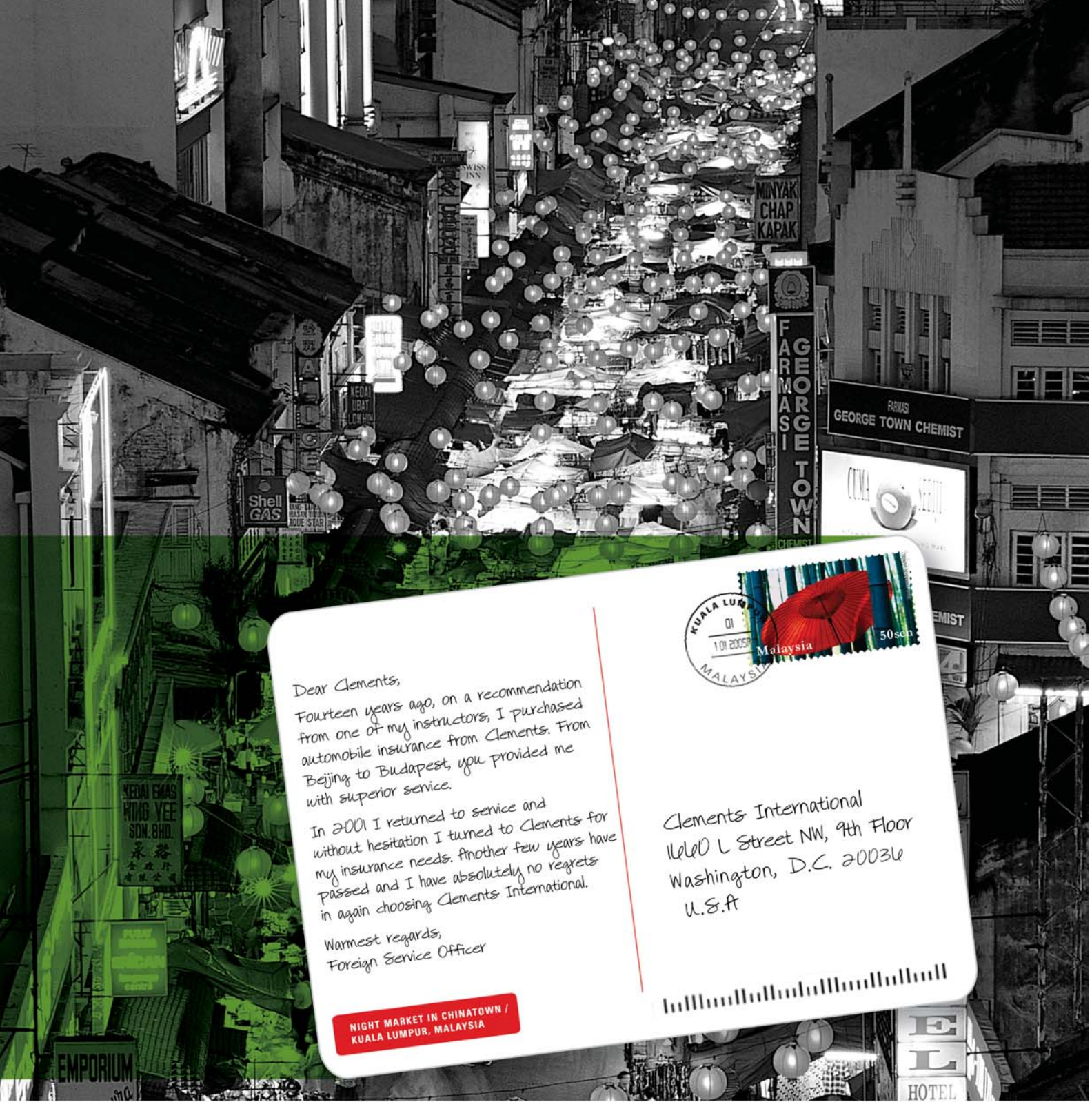
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CONTENTS

April 2005 ■ Volume 82, No. 4

COVER STORY

19 / COMMERCIAL DIPLOMACY: THE NEXT WAVE

The U.S. & Foreign Commercial Service celebrates its 25th anniversary on April 1. What should its direction be in the coming quarter-century?

By Charles Ford

FEATURES

31 / THE MILLENNIUM CHALLENGE ACCOUNT: SPUR TO DEMOCRACY?

The MCA opens the door to a debate on democracy and governance conditionality for assistance. NGOs in developing countries need to walk through that door.

By Elizabeth Spiro Clark

37 / THE MILLENNIUM CHALLENGE CORPORATION: MAKING IT WORK

Potentially, the MCC could help sharpen the focus of U.S. development policy. But to succeed in breaking new ground major challenges will have to be overcome.

By Aaron M. Chassy

46 / AFTER THE TSUNAMI: ASSISTING AMERICANS IN DISTRESS

Consular officers and other Foreign Service personnel throughout the Indian Ocean region played a crucial role in assisting many stricken American tourists and residents.

By Steven Alan Honley



COLUMNS

PRESIDENT'S VIEWS / 5

Selling Locality Pay
By John Limbert

SPEAKING OUT / 13

Public Diplomacy:
What Have We Learned?
By Joe Johnson

REFLECTIONS / 72

By Adrienne Mullinaux

DEPARTMENTS

LETTERS / 6

CYBERNOTES / 10

MARKETPLACE / 12

FS KNOW-HOW / 15

FSJ GUIDE TO EXTENDED STAY HOUSING / 51

BOOKS / 52

IN MEMORY / 55

FSJ GUIDE TO PROPERTY MANAGEMENT / 64

INDEX TO ADVERTISERS / 70

AFSA NEWS / CENTER INSERT

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PRESIDENT'S VIEWS

Selling Locality Pay

BY JOHN LIMBERT

They don't call them intelligence agencies for nothing. Those CIA, DIA and NSA officials who realized they were asking employees assigned overseas from Washington to eat a base-pay cut of around 15 percent did the smart thing. They said, "It makes no sense to penalize an employee for overseas service." Therefore, they ensured that their employees going from Washington to Maputo, for example, continued receiving the same base salary.



Why did they do it? I don't think their management officials are any more benevolent or generous than ours. They simply applied logic and good management, which demand that when asking colleagues to take their families to Kinshasa or Tirana, for example, you should not ask them to take a pay cut to do so. Kudos to those officials!

Sounds simple enough, right? We in AFSA thought so, too, until we made our case, both to Congress and the agencies, for the same overseas pay equality for the Foreign Service. While many we spoke to were cooperative and supportive, we also encountered reactions that we might call, with some tact, unhelpful.

Locality what? Some of our interlocutors didn't know what locality

John Limbert is the president of the American Foreign Service Association.

pay was, or imagined it was a cost-of-living allowance. We explained that its purpose is to compensate for private-public sector pay disparities in different regions of the U.S. It does not compensate for a high cost of living or hardship conditions. Since over 90 percent of Foreign Service personnel stationed in the United States are in the Washington area, today each receives 16 percent extra pay based on that location.

What's the problem? Another reaction we encountered was: "Show me how the disparity hurts Foreign Service morale and effectiveness. Show us you cannot staff your hardest posts because of this situation." In all honesty we cannot show (today at least) a direct correlation between pay differences and staffing. And even if we could, the same skeptical officials might say, "So Foreign Service people are unwilling to serve in the toughest places." What we do know, however, is that for the summer 2005 assignment cycle, the State Department lists 83 posts (about 30 percent of the total) as "Historically Difficult to Staff."

Equity: Who cares? We think equity is our strongest argument, but it is a hard sell with Congress and OMB. We now have senior Foreign Service employees and intelligence agency personnel receiving 16 percent more pay than junior colleagues from other foreign affairs agencies at the same post. We now calculate that a Foreign Service employee starting work in 1995 will, over a 27-year career, lose

about \$450,000 in pay, differentials, and retirement (Thrift Savings Plan) savings. (These calculations are on our Web site, www.afsa.org.)

Oliver asked for more! When all other arguments fail, we hear, "But, you already live well overseas, with your hardship differentials, housing, cost-of-living allowances, education benefits, etc. What more do you want?" In reality, employees overseas, in both the public and private sector, have received their housing and furniture for a long time. Given cost distortions in many countries, a year's rent and utilities for (modest) apartments overseas often cost more than a year's salary for many of our members. When pressed, congressional staffers admit that the Foreign Service men and women they visited in many overseas posts are not living right, but doing heroic work under very difficult and dangerous conditions.

Carthage eventually was destroyed. AFSA will keep up the fight, but we need your help. We continue to raise the issue at every opportunity with agency management, Congress and the media. Overseas colleagues should make our case to visiting codels and staffdels. One Senate staffer, who was not even aware of the locality pay issue, had high praise for the Foreign Service men and women he met at a historically difficult-to-staff former Soviet post. We reminded him that those professionals he met were serving our country, and definitely not doing it for the money. ■



Jay Mallin Photos

Foreign Affairs Day 2003: Secretary Powell and Military Color Guard participate in AFSA Memorial Plaque Ceremony.

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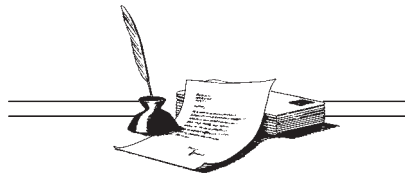
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JOSH



LETTERS

Freedom to Dissent

It's bad enough when pundits and politicians take cheap shots at FSOs, alleging widespread "disloyalty" and calling for wholesale purges of State Department officers. What's worse is when former colleagues pile on with their own baseless charges, such as FS retiree Peter Rice's assertion that the primary problem with State is the "indiscipline of well over 85 percent of FSOs" and the "majority of the rest of the American employees of the department." ("All Carrot, No Stick," in "Thoughts from the Field," *FSJ*, February 2005.)

Sorry, Peter, but I take it personally when someone shotguns nearly all FSOs with charges of "rogue conduct" and claims that we're a bunch of "elite intellectual diplomats" whose "disdain" for the U.S. somehow doesn't measure up to the military's "culture of duty, honor, country." Such smears are wrong, unfair and disgraceful. We enthusiastically embrace our duty to "create a more secure, democratic and prosperous world for the benefit of the American people and the international community." We — and our families — often endure hardship assignments to do so. Many put their lives on the line by volunteering for hazardous assignments. Some don't return. We honor our solemn oath to "support and defend the Constitution of the United States against all enemies, foreign and domestic." Therein lies our primary loyalty as public servants; it is not with political parties, personali-

ties, ideologies or creeds. We carry out legitimate orders and we have the discipline to publicly advocate and defend U.S. policy, even if we do not always agree with it. Just as disagreements need not prompt spouses to divorce, neither should disagreement with official policy be cause for purges or reprisals like those we abhor in totalitarian regimes.

Is not the right to dissent at the very core of the freedom we espouse for all? As Natan Sharansky argues, "Free societies are societies in which the right of dissent is protected. In contrast, fear societies are societies in which dissent is banned." How are we to advance freedom abroad if we foster a "fear society" at home? Should not our policies and actions match the founding ideals of this great nation? It is the height of honor to either resign over matters of conscience or to dissent and work fearlessly to promote constructive change from within the system.

We are second to none in our love of country, which is why we choose to serve and are humbled by the privilege of doing so. As students of history, we have seen how drinking the Kool-Aid of groupthink advances the "march of folly." So we choose not to confuse mindless obedience with loyalty or constructive dissent with disloyalty. Nor do we express our deeply felt patriotism through jingoistic slogans like, "my country, right or wrong." Instead, we take our inspiration from the sentiment expressed by former Senator Carl Schurz of

Missouri: "My country, right or wrong; if right, to be kept right; and if wrong, to be set right."

Tim Lattimer

FSO

Washington, D.C.

An Abhorrent Attack on Powell

Was it necessary for Dennis Jett to malign a great American like Colin Powell in order to get across his political bias? Jett's article ("The Failure of Colin Powell," *FSJ*, February 2005) takes on the Bush administration in toto. His abhorrent attack on Colin Powell also took swipes at Vice President Dick Cheney, CIA Director Porter Goss and Secretaries of State Condoleezza Rice and Alexander Haig.

Not satisfied with bashing Powell and others on matters of foreign policy, Jett links diplomacy abroad to domestic policies. I've known Colin Powell for 25 years and have served in two administrations as ambassador (Jamaica and Greece) when Powell was at the NSC and chairman of the Joint Chiefs of Staff. For Mr. Jett's information, Powell earned those positions and his four stars because of his abilities, intellect and hard work. All of us who know, respect and admire Colin Powell were revolted by Jett's biases.

I wonder if Mr. Jett has considered becoming an adviser to new DNC Chairman Howard Dean?

Michael Sotirhos

Ambassador, retired

Pompano Beach, Fla.



Seeing Red

I was surprised by the obvious bias against their East Coast colleagues shown by former USIA FSOs Burson and Farmer in their joint letter in the January issue of the *Journal*. They cited that voters in the 30 so-called “red” states were influenced by the proposed federal Defense of Marriage Act and the 11 states that passed referendums defining marriage as a union between men and women. This was contrasted with the voters in the east and west coasts who voted for Kerry. Evidently they have a narrow view of “moral values” that doesn’t include much compassion for the working poor who live in poverty.

Farmer and Burson credit Ronald Reagan with winning the “Cold War” but overlook the Iran-Contra scandal and the failure of the “freedom fighters” in Central America. They also evidently support the current Bush administration’s disastrous pre-emptive war in Iraq with its tragic loss of life and huge economic cost, which may result in civil war and endless conflict. I feel strongly about this as I am a combat infantry veteran of World War II and know the human costs of war from personal experience.

These two also speak derogatively of Senator Kerry’s Vietnam combat experience, for which he received a Silver Star for bravery, but failed to mention George Bush’s evasion of combat duty and questionable record in the National Guard.

I think these former USIA FSOs are influenced by the “Bubba” mentality that exists in a lot of the western “red” states. I know it exists here, because I have lived in and loved Arizona for 30 years. I also like and respect those who live in the “north-east corridor” they mention.

*Joseph W. “Bill” Thoman
FSO-USIA, retired
Tucson, Ariz.*

Blood in Pakistan

Thanks to Douglas Kerr for his “Appreciation” of Arch Blood in the December 2004 issue, and thanks to the *Journal* for publishing it. In those dark days of early 1971, I was one of a few foreign journalists allowed in to East Pakistan for a tour organized by the Pakistan military — a tour intended to prove that what had really occurred was a massacre of Muslims by the Hindu majority. We were flown in old Soviet-made crop-duster biplanes to two or three cities where such killings had indeed occurred. But as we flew at low altitude over the countryside we could see, everywhere, evidence of the brutal repression by the Pakistani military, such as homes burned on both sides of every major road.

Upon our return to Dacca (now Dhaka), we were ordered to take the next plane out. I balked, pretending to be too ill to fly, and remained as the others departed. The following day, I ventured out of the hotel, followed by a large and very obvious corps of military security and intelligence types. I went straight to the U.S. consulate and left my minders at the gate. Arch Blood welcomed me warmly, then informed me he had been officially “silenced” by Washington and could say nothing. He added, however, that he had dozens of Bengalis on staff at the consulate who had family and friends all across the country. He would let them know I was there and, if they so chose, they could visit with me individually.

Mr. Blood gave me an office and the staff came, one at a time, to tell me what had happened to their families. An accurate picture of the brutal repression by the military quickly took shape.

On my flight out of East Pakistan the next day I wrote this lead: “Fear,

fire and the sword are the only things holding East and West Pakistan together today.” In 16 years as a foreign and war correspondent (1964-1980) from Tokyo to Saigon to Jakarta to New Delhi to Singapore to Moscow, I never met a more courageous U.S. Foreign Service officer. We could use a lot more Arch Bloods today.

Joseph L. Galloway

Senior Military

Correspondent

Knight Ridder Newspapers

Washington, D.C.

Defining Human Rights Work

I object to calling Lori Berenson “a jailed human rights worker” (in “A Blemished Latin American Record,” *FSJ*, February 2005). She is serving a 20-year sentence in Peru, despite strong U.S. support, because of her alleged involvement in terrorist activities with the Movimiento Revolucionario Tupac Amaro.

Many Web sites dedicated to Berenson’s defense play up her concern with human rights. But to earn the job title of human rights worker requires heavy work, not just concern. That title has been hard-won by hundreds of people worldwide — some in international groups, others in home-grown organizations, and a few loners — who carry on long, grinding, disciplined advocacy for internationally-guaranteed human rights. They are vulnerable and often in danger; witness the recent assassination in Brazil of a U.S. nun, Sister Dorothy Stang.

Giving the job title to Berenson, well-meant though the gift may be, can raise the danger to real workers because their vicious opponents want to portray them all as guilty of the same activities for which she, rightly or wrongly, was convicted. (Think Mississippi in the civil rights struggles there.)

LETTERS



Having met a few enemies of human rights in the Third World, I see a risk that they can cite the *Journal* to bolster their twisted claims (“See? It says right here in the diplomats’ own rag, this leftist terrorist was one of them. They’re all the same.”)

Why should the Foreign Service care? Fundamentally, because we have a human rights mission too. Pragmatically, for those who may not rate that mission very high, because an attack on a U.S. citizen human rights worker abroad leads to a multi-layered storm of problems for the nearest post and for State.

George McFarland
FSO, retired
Austin, Texas

The Accidental Reader

I found you by accident, but you are a marvelous advertisement for your service and your country.

I was listening to the Australian Broadcasting Commission’s “News-Radio” on Feb. 13. Along came an interview with Mr. Stephen T. Smith, the new U.S. consul general here in Sydney.

It started pleasantly enough, with interviewer Marius Benson asking Mr. Smith to identify the fielding position known as “silly mid-on” in cricket. Mr. Smith laughed and said he had a book called *Cricket for Americans* but had not yet gotten around to reading it. (FYI, the “on” side is the right-hand side for a right-handed batsman, and the “off” side is the other side. “Mid” refers to a position aligned with the middle of the cricket pitch; i.e., midway between the wickets. “Silly” refers to being very close to the bat.)

Thereafter, the questions became faster and harder, and it was soon clear that Mr. Smith was fielding in the silly mid-on position. I feel one should not ask a consul general to defend every aspect of the Iraq-spe-

cific foreign policy of the current U.S. administration. After all, the consulate in Sydney is not at the sharp end of things. There’s the occasional lost passport, the speech at the American Club, stuff like that.

I decided to write to Mr. Smith to apologize for his rude reception, going first to the Internet to find the correct spelling of his first name. One place I found it was in his article (written with David Jones) in the May 2004 *FSJ*, on “Preparing for Promotional Panel Season.”

Intrigued, I looked at the preceding article by Louis Janowski: “Neo-Imperialism and U.S. Foreign Policy.” I also read various reviews of Colin Powell’s tenure. Then I read about the awards that “publicly recognize individuals who have demonstrated the intellectual courage to challenge

the system from within, to question the status quo and take a stand, no matter the sensitivity of the issue or the consequences of their actions.”

And I thought: Marvelous. So I wanted to tell you that you are appreciated.

Gavin Stewart
Project Director, Centre
for Mental Health
New South Wales
Health Department
North Sydney, Australia ■

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CYBERNOTES

Foreign Aid Gets a Boost in FY 2006 Budget

In the Bush administration's FY 2006 budget proposal released Feb. 6, humanitarian and development assistance is one of the few nondefense areas to see growth. The total "150 Account" request of \$33.63 billion is a 13-percent increase over FY 2005 for international affairs.

The funding request for the Department of State is \$9.82 billion, with \$4.47 billion for diplomatic and consular programs. Embassy security, construction and maintenance will maintain its funding at \$1.5 billion, reflecting the prioritization of the global war on terror. Overall, the budget request provides \$690 million in worldwide security upgrades to increase security for diplomatic personnel and facilities in the face of ter-

I have such great admiration for Foreign Service officers, and he, Negroponte, has been one of the top Foreign Service officers we've had in a long time. ... These career diplomats are good.

— Sen. Harry Reid, D-Nev., on the nomination of Ambassador John D. Negroponte as director of national intelligence, in an interview with Jim Lehrer, www.pbs.org/newshour/, Feb. 17, 2005.

rorism, according to State's "The Budget in Brief" (<http://www.state.gov/m/rm/c6112.htm>).

Included in the funding for security upgrades is provision for adding 55 security professionals, and the budget for the Border Security Program provides for 55 new consular positions. Elsewhere, the request includes \$57 million for 221 new positions to meet core staffing and training requirements, among them staffing for the new office of the Coordinator for Reconstruction and Stabilization and a rapid response corps.

New staffing is also aimed at improved training in hard languages, such as Arabic, and expanded capabilities in counterterrorism financing, weapons control and information systems security. Some new positions will strengthen U.S. diplomatic presence on the ground in Afghanistan, Sudan and Libya, and at four regional centers in Iraq.

Funding for contributions to international peacekeeping activities will be stepped up from \$483 million to \$1 billion to provide for projected U.S. assessments for U.N. peacekeeping missions, including new U.N. missions in Burundi, Cote d'Ivoire and Haiti, as well as a possible new mission in Sudan/Darfur.

The State budget request also includes \$328 million for public diplomacy programs, and another \$439 million for educational and cultural exchanges, including \$100 million earmarked for the Partnerships for Learning initiative to reach younger and more diverse audiences, including those in the Muslim world.

The foreign operations budget

request for \$22.82 billion includes a doubling of funding for the Millennium Challenge Corporation, from \$1.5 billion to \$3 billion. In addition, the Economic Support Fund and the Global HIV/AIDS Initiative were each boosted by about \$600 million, to \$3 billion and \$1.97 billion respectively.

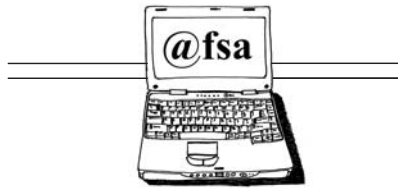
For updates on the budget process as it proceeds during the coming months, see the Web site of the Coalition for American Leadership Abroad (www.colead.org).

CFR Launches New Bipartisan Foreign Policy Initiative

The Council on Foreign Relations announced a new initiative Feb. 18 to promote foreign policy consensus across the aisle in Congress and between Congress and the administration in the wake of last November's divisive presidential campaign (www.cfr.org).

"We consider it part of our mission to help bridge differences and facilitate conversations that will lead to a better foreign policy than either side could produce working on its own," says Nancy E. Roman, CFR vice president and director of the Washington Program, who is overseeing the initiative.

Plans to establish bipartisan conversation in and around the Capitol include a monthly meeting for members of Congress and chiefs of staff to review the critical foreign policy issues of the day; salon-style dinners in both New York and Washington aimed at bringing together top officials, past and present, from both parties to discuss policy issues ranging from WMD proliferation to global disease; pro-



CYBERNOTES

duction of a CFR special report to make procedural recommendations that will promote bipartisan policies for the Congress and for the administration; and expansion of Friday bipartisan briefings to include more senior foreign policy staff of Capitol Hill.

“The Council is a truly nonpartisan institution,” said CFR President Richard N. Haass. “This set of initiatives is designed to help foster a return of bipartisanship at a critical moment in our country’s foreign policy.”

State’s Foreign Arms Sales Reports Open to Question

The reliability of the State Department’s annual reports to Congress on the quantity and dollar value of U.S. weapons licensed for sale internationally was thrown into question in a Jan. 28 Government Accountability Office report, “State Department Needs to Resolve Data Reliability Problems that Led to Inaccurate Reporting to Congress on Foreign Arms Sales” (www.gao.gov/new.items/d05156r.pdf).

Under Section 655 of the Foreign Assistance Act, the State Department reports annually to Congress on the details of foreign arms sales by U.S. industry. This report is the basis for congressional oversight of weapons sales. In the course of a review of the problem of proliferation of man-portable air defense systems, the GAO found that State reported to Congress that it had approved licenses for the commercial sale of Stinger missiles to foreign countries in five instances in 2000 and 2002 — when U.S. government policy precludes the commercial sale of Stinger missiles.

In the event, the State Department stated the information was incorrect, and submitted corrected reports to Congress. GAO proceeded to investigate the reasons for State’s misreporting, reviewing Stinger-related documentation for FY 1999 to 2003.

The GAO established that no Stinger missiles were sold commercially during that time, but they identified some serious weaknesses in the design of the Directorate of Defense Trade Control’s licensing database (for instance, only one commodity and one country code can be entered per license application, regardless of how many commodities and countries actually appear on the application), and in the DDTC’s coding and reporting practices.

DDTC officials argue the new

licensing database, D-Trade, will solve the problem. But these same officials acknowledge that it will be years before D-Trade is fully developed and utilized. The weaknesses in the database and in coding, reporting and reliability-check practices, however, raise questions about the accuracy and reliability of the Section 655 report to Congress that need to be answered. GAO recommends that State make improvements to reduce the potential for further reporting errors.

State has not commented on the GAO report and recommendations, which have been circulated to relevant congressional committees.

Foreign Assistance Strategy for the 21st Century

Relief efforts in the wake of the

Site of the Month: <http://digitalgallery.nypl.org>

The New York Public Library’s collection of prints, maps, posters, photographs, illuminated manuscripts, sheet-music covers, dust jackets, menus and cigarette cards is now online. This is a fascinating and useful destination for any cyberspace browser or researcher.

At this writing 275,000 images are available for free from the library’s vast holdings. The content of the images is far-ranging: from artwork such as Goya’s *Disasters of War* and rare illustrated books such as William Blake’s hand-printed masterpiece of 1793, *America a Prophecy*, to 16th-century maps and drawings depicting the landing of European explorers in the Western Hemisphere and contemporaneous engravings of battle scenes of the American Revolution. The geographic scope is international, with strong representation of New York, the U.S., Europe and the Far East. Though there are some post-1950 holdings, images from the Middle Ages to the mid-20th century predominate.

For a quick overview of the gallery, the FAQ is helpful. Casual browsers need do no more than follow the leads under the heading EXPLORE. Serious researchers will appreciate the clear and abundant help offered under Browsing, Searching and the User’s Guide.

Begun in 1999, the gallery is a work-in-progress that will continue to evolve as more visual collections are added, and navigation is enhanced.

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50 Years Ago...

In his excellent letter ... Ambassador Mills shows very clearly that the Foreign Service officer is overwhelmingly outnumbered by representatives of other agencies in the field. ... All the current discussion of what is happening to the Foreign Service reminds me of what the regular Army used to say during the expansion which took place in the war years: "First we had the old Army, then we had the new Army, and now we've got this damned thing."



— From Letters to the Editors, *FSJ*, April 1955.

tsunami, the rapid if uneven pace of globalization and a growing awareness that the different types of economic, strategic and humanitarian aid are increasingly vital to U.S. foreign policy have converged to place a new, critical focus on American foreign aid and its delivery systems.

Over the past six months, a series of workshops, roundtables and special reports have examined the current foreign aid programs, and asked if they are adequate to the task. The latest, a workshop at the Brookings Institution on Dec. 8, brought together participants from USAID, OMB, the UNDP, the World Bank, the Japan Bank for International Cooperation, the Aspen Institute and other NGOs to discuss how the U.S. manages its expanding aid programs, how that compares with other governments, and how the process of getting assistance out to the field can be streamlined (http://www.brookings.edu/pge/pge_hp.htm).

This group identified the fragmentation of American aid programs as a great handicap in the changing foreign aid landscape. Instead of the once-simple world of governments interacting with other governments, today many different agents — from corporate and public foundations to venture philanthropists and NGOs — are giving to

many different kinds of recipients. Coordination, focus and leadership are at a premium under these conditions. This group advises the U.S. to unify all aid programs into a single aid agency, preferably one with Cabinet rank.

Coordination and accountability was the problem focus for a recent GAO report on U.S. assistance devoted to trade capacity development (www.gao.gov/cgi-bin/getrpt?GAO-05-150). The GAO found that although trade capacity building was extensive — 18 U.S. agencies report they obligated some \$2.9 billion in over 100 countries from 2001 through 2004 — most of the agencies were not systematically measuring the results of their assistance or evaluating its effectiveness.

A somewhat more wide-ranging discussion took place last July at the Aspen Institute, where more than 40 pre-eminent international leaders gathered to consider "America's Role in the Fight Against Global Poverty." This diverse group's aim was to lay out a forward-looking strategy for the U.S. based on key challenges in poverty reduction, an understanding of what works and a clear-headed view of American interests and responsibilities. Their lively and thoughtful discussion can be read in full online (<http://www.brookings.edu/pge/20040731aspen.htm>). ■



SPEAKING OUT

Public Diplomacy: What Have We Learned?

By JOE B. JOHNSON

As the incoming under secretary for public diplomacy takes up the helm of our fragmented public diplomacy apparatus to face the most hostile world opinion climate in memory, he or she will no doubt hear about the “failed” Shared Values advertising campaign by Charlotte Beers.

After reviewing the 2002 Beers initiative, I am convinced that Shared Values’ most important lessons have been hidden.

The fact is that the messages, which were researched and pre-tested with target audience members, actually worked when State was able to place them in foreign media. The enterprise avoided the chief ailments of today’s public diplomacy: poor use of research, insufficient planning and spotty evaluation.

A Bit of History

After the attacks upon America on Sept. 11, 2001, President Bush himself asked: “Why do they hate us?” Under Secretary for Public Diplomacy Charlotte Beers, a veteran Madison Avenue executive, turned to her disciplines in persuasive communication to respond.

Beers tasked the Intelligence and Research Bureau to find out why publics aged 18 to 35 in Muslim nations regarded the U.S. with hostility. INR went beyond the opinion polls to find out how foreigners felt about American society, conducting some original research but also reviewing a broad swath of existing behavioral and commercial research.

Incoming public diplomacy executives can draw rich lessons from Shared Values.



The studies offered new insights. For example, a Roper poll of 35 nations showed that Muslims felt their dearest values — modesty, obedience, duty — were neglected in the U.S. Nearly all the research revealed that foreign Muslims sensed American hostility to them and their religion. However, the Roper study and others also showed that Muslims had little knowledge that values like faith, family and learning were also cherished by Western societies.

On that basis, Beers articulated two objectives for a communication campaign: target a few key countries to establish a mindset that Americans and Muslims share many values and beliefs; and demonstrate that America is not at war with Islam. Secretary Powell endorsed those objectives.

Beers’ strategy relied on American Muslims telling about their lives in the U.S., free from oppression and surrounded by strong families. The campaign was built around five minidocumentaries featuring a student, a teacher, a New York firefighter and Dr. Elias Zerhouni, director of the National Institutes of Health. Each first-person account demonstrated one or more of those underappreciat-

ed values: family life, zeal for education and American respect for freedom of religion. Produced in video, radio and print, the ads were to run in eight Muslim nations during November 2002 — the holy month of Ramadan — under formal sponsorship by the nonprofit Council of American Muslims for Understanding.

In addition to the \$8.6 million in projected ad placements, embassies were to plan related activities in those countries and coordinate the launch of the “good will” campaign. The Muslims featured in the ads or other prominent Muslim-Americans would be available to travel to the target countries for speaking tours. Background materials on Muslims in the U.S. were produced in print and Web formats. Washington promised multimedia assistance to embassies based on their judgment on how to magnify the ad campaign locally. Each embassy identified target audiences, such as mothers, religious leaders, media reporters and students, that would maximize a change in perception.

Launching the Campaign

Neither State nor the predecessor U.S. Information Agency had extensive experience with ad campaigns, although USIA had conducted campaigns of persuasion. State’s previous ad campaigns had aimed at specific results: soliciting information on suspected terrorists or recruiting Foreign Service officers. Shared Values’ objective was much more ambitious:



to change deep-seated feelings at a politically charged moment.

So State turned to the private sector. McCann-Erickson Worldwide produced the ads, testing both messages and featured spokespersons through its public relations affiliate, Weber-Shandwick Worldwide. Weber's branch offices organized focus groups in Jakarta and Cairo and vetted them with embassy staff in the target countries.

Beers failed, however, to anticipate the risk that her communication campaign might itself contribute to Muslim-American tension. When she revealed her plans for Shared Values to the press, that is exactly what happened. The campaign itself became an issue.

In the context of gathering war clouds over Iraq, a stalled Middle East peace process and arrests of Muslims in the U.S. and abroad, Arab governments and media organizations pushed back. In Lebanon, Morocco, Egypt and Jordan, state-controlled national media refused to accept the ads. Moreover, several embassies curtailed their on-the-ground activities in the face of pressure from local governments or hostile local press reaction to "American propaganda." Beers pressed on, spending \$4.8 million on media — half the projected amount — in Pakistan, Malaysia, Indonesia and Kuwait and on two pan-Arab satellite TV channels (not including Al-Jazeera). By January 2003, the ads stopped. Two months later, Beers resigned her post for health reasons.

State conducted no formal evaluation of the campaign. But the official embassy reporting available to this writer shows generally scant results. The "Issue Focus" report from INR's Media Reaction staff summarized world press reaction this way: "Many criticized the United States' perceived belief that it has the 'right to interfere to reform misconceptions in

Arab societies' or to 'light a fire under the Islamic world [so it will] behave.'"

But in the one country where the campaign was carried out as planned, it succeeded. In Indonesia, the campaign did not become an issue and the embassy implemented it as intended. The full ad schedule ran with simultaneous local activities, including a Muslim-American speaker and a televised town hall meeting for young Indonesians and Americans. A professional post-campaign survey demonstrated that Indonesians recalled the Shared Values stories and understood their main message. In fact, the local survey company reported that our ads fared better than others advertising commercial products in Indonesia. More importantly, the embassy evaluated the initiative as a public diplomacy success and asset.

Beers clearly made a fatal mistake in the timing of the Shared Values campaign, and in how she presented it to the world press. In the Middle East her core message contrasted with real-world outcomes of U.S. policy. But in the Indonesian arena she proved that a persuasion campaign could work.

Rich Lessons to Be Learned

When the U.S. Information Agency was abolished in 1999, its divisions were transferred into different bureaus throughout the State Department, sacrificing centralized command and control. USIA's strategic communication office, which had coordinated campaigns of persuasion, was disbanded. Public diplomacy became essentially a bilateral enterprise, with weak levers of coordination from Washington. Finally, by bringing its public relations in-house, State lost the independent counsel that USIA had offered.

State's bilateral approach to foreign policy works against strategic communication, which often conflicts with embassy programs. Ambassador

Edward P. Djerejian's report, "Public Diplomacy for the Arab and Muslim World," issued to the House of Representatives on Oct. 1, 2003, judged the Shared Values campaign to have been "well-conceived and based on solid research." The report laid part of the blame for its rejection in the Middle East at the feet of the embassies, which allegedly disapproved of the advertising techniques being used and failed to promote them vigorously.

Incoming public diplomacy executives can draw rich lessons from Shared Values:

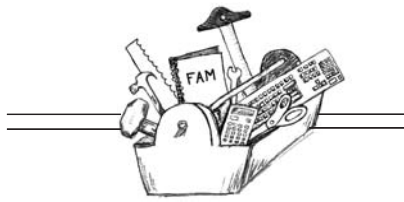
- First, research-driven persuasive communication is a valuable component of public diplomacy. Television and paid advertising are powerful channels of communication that should be available when they are needed.

- Second, coordinated action by different embassies is indispensable when publics reach across national boundaries, as they usually do.

- Third, our PD officers need both the tools and the culture of measuring audiences and results. Formal evaluation is the final necessary step to any professional campaign.

To take public diplomacy to the next level, State must find a way to acquire professional expertise and advice from the private sector. A new under secretary can mitigate the problems and strengthen State's public diplomacy, but only by learning both from failures and successes of the past. ■

FSO Joe Johnson was principal deputy coordinator of the International Information Programs Bureau from 2000 to 2003. The bureau provides multichannel communications services to embassies and publics around the world. He presently serves as senior adviser in the eDiplomacy Office at the State Department.



FS KNOW-HOW

Cause and (Household) Effects

By THOMAS F. DAUGHTON

What would you do if your entire household effects shipment (“HHE” in State Department parlance) was dropped in the sea? Like most people, I never really worried about that possibility — until it happened to me in the summer of 2003. Eighteen months later, the aftermath of that experience is finally over, and I want to share some of the lessons I learned from it.

First, the gruesome details. I transferred in July 2003 from Libreville, Gabon, to Kuala Lumpur, Malaysia. As with everyone else leaving post, my HHE was packed in Libreville by the embassy’s contract mover. It was scheduled to be shipped “post-to-post” — without going through the department’s logistics center in Europe — a couple of days after I departed. The General Services Officer in Libreville and the director of the moving company both assured me that the shipment would be in Malaysia by the time I got there six weeks later. They were wrong.

What I know about what happened I’ve pieced together from information gathered for me by the FSN shipping clerk in Libreville. My shipment was loaded in a container in mid-July and put on a freighter bound for the port of Douala, Cameroon, a few hundred miles up the African coast. At Douala, the container was transhipped to another freighter, which set sail for Pointe Noire, in the

You can’t prevent your household effects from being lost or damaged, but you can take steps in advance to minimize your losses.



Republic of the Congo, a few hundred miles south of Libreville. There, for reasons no one has ever been able to explain, the container with my HHE was transhipped again. As it was being transferred at Pointe Noire, the cable suspending the container from the crane broke. The container fell to the edge of the ship’s deck and broke open, and about three-quarters of my HHE fell into the harbor. The rest scattered out onto the deck of the freighter. I learned of the “mishap,” as the mover called it, by e-mail on the August afternoon that I departed the U.S. for Malaysia.

I received two partial shipments during my first couple of months in Kuala Lumpur. The first one — what I think of as the “dry” shipment — included all the boxes from the original container that fell onto the deck of the ship. Many had been

damaged or destroyed by the force of the impact. The second — the “wet” shipment — arrived in October after weeks of pressure from me and Embassy Libreville. It was a mass of sodden, rotting goo — items that had been fished from the harbor and loaded into a container without being dried. Not surprisingly, nearly all of the things in the second shipment were ruined, though a few items were salvageable. Roughly a third of the boxes in my original HHE shipment never arrived at all, and are probably still sitting on the bottom of the harbor in Pointe Noire.

A representative from the department’s Claims Office told the GSO in Kuala Lumpur that mine was the largest loss sustained by a department employee in 2003. Whether true or not, it took me four months of steady effort to assemble a claim that came to 200 pages and more than \$36,000 in damage and loss.

That’s when the really unpleasant stuff began. My insurer, USAA, completed its processing of my claim in three months, and sent me a check for about \$20,000. I then argued with USAA for another four months, and managed to get another \$8,000 out of them. The Claims Office kept promising me speedy processing, but ultimately took nearly 11 months to do its work — and then sent me a check for the princely sum of \$550.

Ironically, I was “lucky.” I was paid nearly 80 percent of my original



claim because most of my loss was caused by the sea, and damage from falling into water happened to be something covered by my USAA renter's insurance.

The lessons I learned from this experience were hard ones. Some of them are quite familiar — the sort of thing you're told in annual messages from the logistics office — while others were much less obvious, and much more costly. Here are some points, both obvious and obscure, that other people who suffer large losses might find useful:

Inventory, Inventory, Inventory. I had the good fortune to have a very thorough inventory, which I learned to do after suffering a small loss of air freight early in my Foreign Service career. What I had not inventoried was my books. That little omission alone probably cost me a couple of thousand dollars. Not having a good inventory at all would have cost me tens of thousands.

Know Your Insurance. The department is absolutely right when it tells us to have our own insurance to cover our shipments, but people should look very, very closely at what their insurance actually covers. I relied blindly on my USAA renter's insurance, which by chance covered a good portion of my loss. What I wasn't aware of were the many provisions for depreciation and other reductions built into the insurance for claims over \$2,500. Even though I thought I had "replacement insurance," it turned out to be worth a good deal less than that. All told, the limitations built into the policy ended up costing me over \$8,000. So don't expect your insurance to cover a large loss without conditions; read the policy closely before purchasing it.

Give the Claims Office a Pass. With the benefit of hindsight, I would have been better off not to

Don't assume that the department knows or cares where your shipment is.

have filed with the department's Claims Office at all. If I hadn't, I could have used the guidelines favored by USAA, which ask for the current replacement value of the lost items rather than the obscure "value at acquisition" required on the department's DS-1620 claim form.

Beware the DS-1620. At current replacement value, my original claim amount would have been significantly higher, as would USAA's corresponding payment for my loss. A replacement-value claim might also have put me in the position of being able to write part of the uninsured amount off my federal income tax as a catastrophic loss — an option foreclosed by the smaller size of the claim I filed with the department. What did I get from pursuing the Claims Office route? Ridiculously slow processing, an insultingly small payout, and a much larger financial loss than I would otherwise have suffered. The bottom line is that the Claims Act, under which the department pays employees for such losses, is designed to minimize the government's liability. So if you look for reimbursement under the Claims Act, you may just minimize your recovery further.

Kiss Your Shipment Goodbye. Don't assume that the department

knows or cares where your HHE is. The logistics experts in Washington and Europe were completely ignorant of the existence of my shipment, and were of no assistance at all when I wanted to get more information about its condition. Unfortunately, I believed the self-congratulatory propaganda the logistics office has put out in recent years about the service it provides in tracking shipments abroad. It turns out that A/LM and the regional logistics offices make no effort at all to track "post-to-post" shipments like mine.

Who does track HHE? According to the Bureau of Administration, it's up to the GSO at your post. But, in the department's view, woe betide those who choose to send their belongings to difficult places. As a senior officer in A/LM told me: "It is an unfortunate fact that the department must rely on the mechanisms of international ocean freight that have developed for the movement of commercial goods in large quantities and often prove ill-suited to the shipment of personal effects. Such shipments are even more problematic in less developed parts of the world such as West Africa, where the relative paucity of carriers can often result in unusual routings and transshipment points such as you have noted." And even more problematic, he might have added, when an embassy uses the services of the lowest bidder on the moving contract.

If It Matters, Leave It at Home. Which brings me to my final lesson, perhaps the hardest of all. They told us in A-100 that we should leave items of great personal or sentimental value at home when we transfer abroad. I think, though, that most of us tend to rationalize the risk over time, deciding that, on balance, it is preferable to keep those items with us overseas rather than to leave them locked in storage



The loss would have been easier for me to accept if it had been caused by something like a war or natural disaster, rather than bad routing and a broken cable.

for years on end. That's certainly what I thought.

Many of us also probably assume we are emotionally prepared to lose what we have. I wasn't. Oddly, I think the loss would have been easier for me to accept if it had been caused by something like a war or natural disaster. That it was the result of something as trivial as bad routing and a broken cable somehow compounded it.

From now on, I really will understand what the risk of losing my belongings means. I'll probably still opt to take them with me overseas, but the things themselves are going to mean a lot less to me. ■

Thomas F. Daughton joined the Foreign Service in 1989. His assignments have included Kingston, Rabat, Washington, D.C., Thessaloniki (where he was deputy principal officer), and Libreville (where he was DCM from 2000 to 2003 and chargé d'affaires from 2001 to 2002). He is currently political counselor in Kuala Lumpur.

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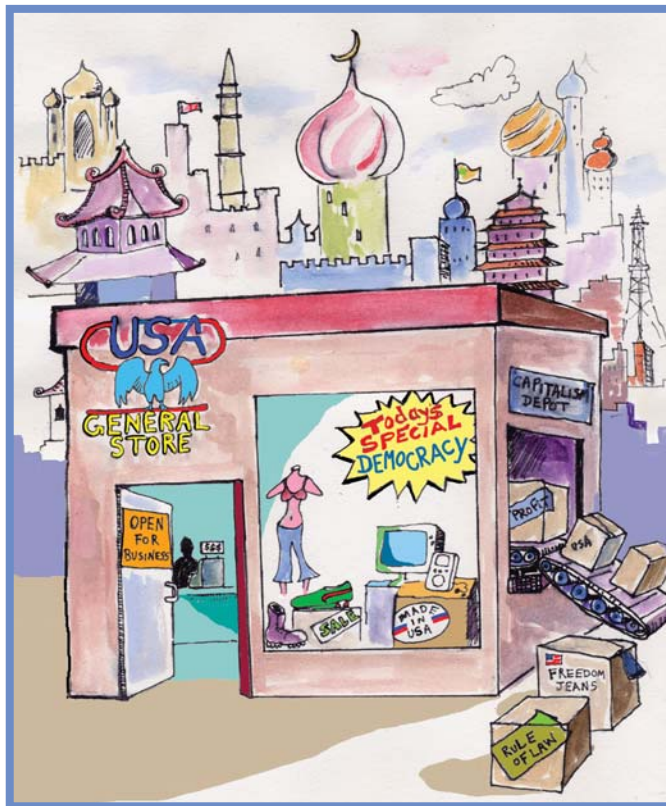
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COMMERCIAL DIPLOMACY: THE NEXT WAVE



A

THE U.S. & FOREIGN COMMERCIAL SERVICE CELEBRATES ITS 25TH ANNIVERSARY ON APRIL 1. WHAT SHOULD ITS DIRECTION BE IN THE COMING QUARTER-CENTURY?

BY CHARLES FORD

April 1, 2005, marks the 25th anniversary of the creation of the U.S. & Foreign Commercial Service. In honor of that milestone, a variety of initiatives are being planned, pursuant to the call of Commerce Assistant Secretary and USFCS Director General Rhonda Keenum for a yearlong celebration of past achievements and serious reflection on how to best meet the challenges that confront the organization going forward.

This past December, Ms. Keenum and Tony Wayne, State Department Assistant Secretary for Economic and Business Affairs, formalized new coordination arrangements between the USFCS and the State Department to sup-

The U.S. Commercial Service: A Quick History

Today's U.S. Commercial Service was foreshadowed in 1897 when the Department of State created the Bureau of Foreign Commerce and approved for the first time public distribution of diplomatic, consular and commercial reports. Also in 1897, U.S. Senator Albert J. Beveridge sounded a theme for the next century: "American factories are making more than the American people can use ... fate has written our policy for us — the trade of the world must and shall be ours."

Although many today may reject this jingoistic rhetoric and espouse instead the mutual benefits of trade, the central role of trade in our politics and in our economic prosperity seems beyond question. This timeline reflects on the role played by the 1,800 men and women of the U. S. Commercial Service in carrying out their mission to promote U.S. goods and services and to protect U.S. business interests around the world.

1897 The U.S. Department of State establishes the Bureau of Foreign Commerce and orders distribution to the public of diplomatic, consular and other commercial reports.

1903 The U.S. Department of Commerce and Labor is established, subsuming the State Department's Bureau of Foreign Commerce and the Treasury Department's Bureau of Statistics.

1912 The Bureau of Foreign and Domestic Commerce, the predecessor of the International Trade Administration, is created in the Department of Commerce and Labor.

1913 The Departments of Commerce and Labor become separate departments.

1927 The Foreign Commercial Service is established "for promotion of foreign and domestic commerce."

1928 Ms. Addie Viola Smith is appointed Trade Commissioner of the Bureau of Foreign and Domestic Commerce, assigned to Shanghai. Smith was the first female Trade Commissioner in the bureau, was paid comparably to her male peers, and received constant commendations on her work and diplomacy. Despite all this, she was still regarded as handicapped because of her gender.

1939 President Roosevelt abolishes the Bureau of Foreign and Domestic Commerce and all other non-State Department foreign services. The commercial officers are reabsorbed into State.

1979 In June, President Carter signs the "Trade Agreements Act of 1979," which transfers overseas commercial programs from the Department of State to Commerce.

1980 The Foreign Commercial Service is established under the U.S. Department of Commerce. The name is changed to the U.S. & Foreign Commercial Service in 1981 in order to emphasize the linkage of domestic and overseas operations under a single organizational purpose.

1983 As international trade fairs are privatized, the Commercial Service begins the Certified Trade Fair Program to provide trade fair participants with a support network, a set of standards and official U.S. endorsement.

1985 The Matchmaker, one of the most popular Commercial Service programs, is launched. The program brings small- and medium-sized U.S. exporters into direct contact with foreign importers, resulting in hundreds of sales and contracts.

1990 The Gold Key Service, conceived in the late 1980s by the Commercial Service in Paris, becomes widely available to U.S. exporters in 1990. The GKS offers U.S. exporters custom-tailored overseas services. Today, the Gold Key Service is available in 104 countries and averages over 1,000 meetings per year.

1992 Funding from the 1992 Freedom Support Act and USAID helps create American Business Centers. The ABCs are designed to operate in the developing markets of Russia and the Newly Independent States to stimulate economic growth and create jobs in the U.S.

1993 The U.S.-Asia Environmental Partnership is formed. Working with USAID, the Commercial Service launches the USAEP program to focus U.S. government resources on the quickly growing environmental products and services sector, in which U.S. companies excel.

1994 Four pilot U.S. Export Assistance Centers open in Baltimore, Chicago, Long Beach and Miami. Today there are 106 USEACs throughout the nation that offer export counseling, market research, trade events and international finance solutions to U.S. exporters.

1994 The first Commercial Centers open in Sao Paulo in July, and Jakarta in November. Later, more centers open in Shanghai and Johannesburg. These facilities offer U.S. firms a place to take advantage of all Commercial Service programs and services, as well as rental office space, computers, fax and phone, and display space.

1995 The new Commercial Service's official logo is unveiled. The logo is suggestive of the flag of the United States in motion. Three oversized stars represent the major components of the Commercial Service: the Office of International Operations; the Office of Domestic Operations; and Global Trade Programs.

1995 Commercial Service Teams are created to better leverage internal resources. Today, there are 17 teams, each with three main focus areas: Industry, Geographic, and Outreach. Teams network within the Commercial Service to integrate domestic, international and global trade programs to best serve clients.

1995 A Department of Commerce grant issued to the state of Georgia helps develop Commercial Service videoconferenc-

COVER STORY

ing tools for client use. This service allows U.S. firms, especially those in rural areas, to meet with potential trading partners without the expense of international travel.

1996 The Commercial Service opens its first post in Hanoi. As the globalization phenomenon creates a new trading ethos, the Commercial Service helps U.S. businesses enter this and other developing markets.

1998 For the first time, an ambassadorship is offered to a member of the Commercial Service. George Mu, a senior commercial officer, accepts the position of ambassador to Cote d'Ivoire in 1998.

1998 The Commercial Service moves aggressively into the Internet world when it broadcasts its first webcast, "Mexico and Canada: Doing Business with our Friendly Neighbors." Webcasting becomes a popular method for delivering timely information to Commercial Service clients.

1998 The Embassy Nairobi bombing in August kills many people, and blinds Commercial Service Officer Ellen Bomer.

1999 The first Export Assistance Center located on Native American Tribal lands opens in Ontario, Calif. The San Manuel tribe sees the EAC as a "future for our children." The partnership with the tribe is one of many efforts to assist underserved groups.

2000 The Commercial Service celebrates 20 years of successful U.S. export promotion.

2000-2004

Increasing U.S. Exports Through Trade Promotion: From 2000 to 2004 the USFCS helps companies create a yearly average of 11,613 export transactions. Of these successes, 90 percent are generated by small and medium-sized businesses. The USFCS Advocacy Center helps U.S. businesses generate an annual average of \$134 million in export sales during this period.

New Markets, New Challenges: USFCS responds to the changing global economy by focusing its resources on where U.S. companies want to be now, and where they need to be in the future. New offices are opened in Iraq, China, Central America and sub-Saharan Africa.

New One-Stop Shop for Trade Promotion at Commerce: In 2004, the USFCS assumes responsibility for all Commerce Department trade promotion activities. As a result of this reorganization, the USFCS now directs the Advocacy Center; the Trade Information Center; and Business Information Centers for China, the Middle East, the Newly Independent States and the countries of Central and Eastern Europe. Thanks to this consolidation, the USFCS network is now able to offer U.S. businesses a broader array of information and support services in the emerging markets of today.

Source: U.S. & Foreign Commercial Service, U.S. Department of Commerce

port and advance our current commercial diplomacy program. Both leaders realized that after 25 years, the absence of a formal mechanism to consult and plan was a major obstacle to a more effective worldwide program to advance U.S. commercial interests. The FCS operates in our 81 most important markets while the State Department maintains sole responsibility for the commercial function in another 90 countries, making close coordination an ever-more-essential component of the commercial diplomacy program.

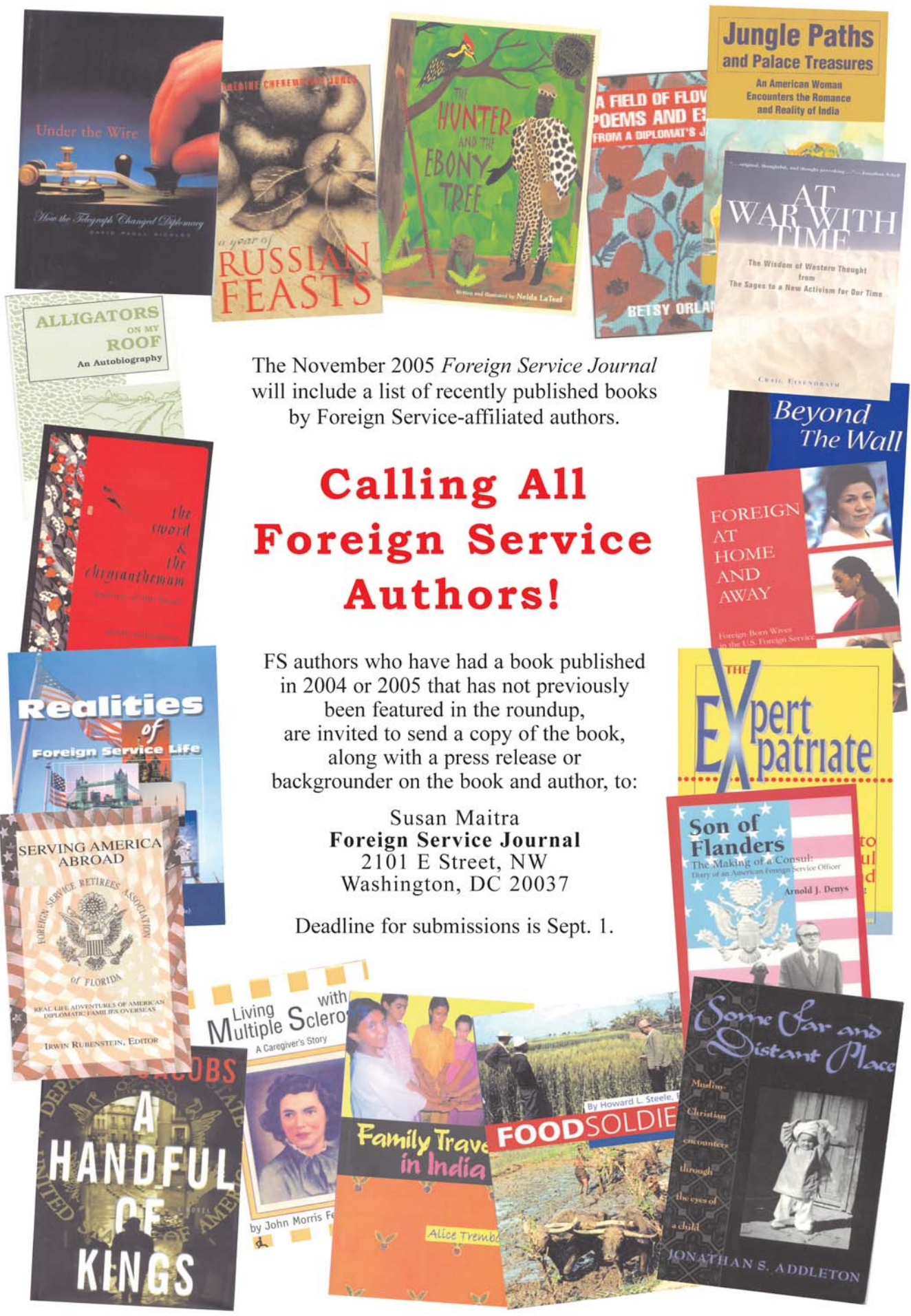
The new FCS-State program has three essential components. First is the creation of a joint planning committee to strengthen current strategic and operational planning processes. Second is a proposal to leverage regional FCS resources through improved technology and a partnership post program so that posts can offer a more robust commercial program. Finally, the two departments will work more closely in the human resource area, in particular on improving joint planning in training and with regard to officer consultations.

In the pre-1980 period, the State Department coordinated closely with Commerce on the implementation of commercial programs overseas. When FCS was transferred to Commerce in 1980, no new planning and coordination platform was created. Over time this has meant that U.S. business has received less efficient and more uneven global support. As a result of these new arrangements, however, FCS will be able to expand its network through a more intensive partnership with State. Additionally, this new partnership will allow both agencies to discuss issues related to the division of labor between embassy economic and commercial functions.

A Revival of Interest

Commercial diplomacy was a key component of our foreign policy and the work of American embassies around the world from the founding of the country until World War II. But because we emerged from that con-

Charles Ford, a Foreign Service officer since 1982, has served in Buenos Aires, Barcelona, Guatemala, London, Caracas and Brussels (at the U.S. Mission to the E.U.). From 1993 to 1994 he was the Acting Assistant Secretary and Director General of the U.S. & Foreign Commercial Service. Currently he is AFSA Vice President for the Foreign Commercial Service.



The November 2005 *Foreign Service Journal* will include a list of recently published books by Foreign Service-affiliated authors.

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FS authors who have had a book published in 2004 or 2005 that has not previously been featured in the roundup, are invited to send a copy of the book, along with a press release or backgrounder on the book and author, to:

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COVER STORY

flict with the world's dominant economy, during the Cold War the U.S. pursued a foreign policy that lacked an aggressive commercial component.

By the mid-1970s this favorable economic environment was under considerable strain from chronic, structural trade and fiscal deficits and the shock of OPEC-led oil price increases, among other factors. By the end of the decade the Carter administration faced a difficult political environment in which to sell Congress on the package of trade agreements negotiated under the Tokyo GATT round of trade liberalization. This was the case even though the negotiations had simply built on the policy prescriptions of prior trade agreements in terms of furthering liberalization by expanding market-opening rules to new areas such as customs and government procurement.

To allay fears that the United States was losing its economic edge, in 1979 the Carter administration presented Congress with a plan to reorganize federal international economic programs. As a result of this reorganization, which was reflected in the language of the Foreign Service Act of 1980, all responsibilities and programs related to commercial diplomacy were transferred out of the State and Treasury Departments. The plan designated the Commerce Department as the agency responsible for providing trade representation at embassies in our most important overseas markets, and for administering the anti-dumping and countervailing-duty statutes. (The Foreign Agricultural Service already was responsible for the promotion of agricultural exports.) The State Department also lost all trade negotiation responsibilities to the Special Trade Representative in the President's Executive Office, which eventually was transformed into the present-day Office of the United States Trade Representative. After a transition period to permit economic/commercial officers to decide whether to transfer to Commerce or stay at State, the U.S. & Foreign Commercial Service came into existence as a separate institution in 1982.

Note that the reorganization of the commercial diplomacy function basically focused on nuts-and-bolts — trade negotiations and export promotion programs — rather than a conceptual overhaul. The assumption was not that there was anything fundamentally wrong with the premises underlying our policy approach, but simply that the federal government was not doing all it could to assist American companies, workers and communities in taking advantage of the trade liberalization policies of the

previous 30 years. In other words, the focus was on boxes and the lines connecting them on the organizational chart, not on policy prescriptions.

Ironically, while these changes were made with the intent of strengthening the narrowly defined commercial program, the long-term impact was, in my view, to push commercial diplomacy to the margins of our mainstream foreign policy. To the extent the Reagan administration thought about commercial diplomacy during the ensuing decade, it defined it narrowly as an export promotion effort. As a consequence, throughout the 1980s those programs struggled for funding from their respective agencies and for relevance in the foreign policy arena.

The Golden Years: 1989–1997

All that began to change in 1989. With the end of the Cold War in sight, the administration of George H.W. Bush initiated a strategic review of USFCS and the overlapping programs of the 19 federal agencies involved in the commercial diplomacy effort. Susan Schwab, the assistant secretary and director general of USFCS during this period, declared in a retrospective interview in the January 1993 *Foreign Service Journal* that, unlike the zero-sum game of the Cold War era, now, “You can pursue an aggressive and successful international economic agenda and it is still a positive-sum game, where everyone sees benefit.”

This strategic review led to a broad bipartisan agreement on a rationale and role for American commercial diplomacy appropriate for the times. There was general recognition that this initiative did not require significant new funding commitments but, rather, an approach more targeted on policies and programs of strategic benefit to U.S. economic interests, as well as to our overarching development objective of expanding the private sector and free markets around the world. The components of the core initiative were simple in their objective, yet complex in their implementation.

Federal programs began to focus on a comprehensive strategy to gain access to foreign markets. In 1989 Deputy Secretary of State Eagleburger promulgated a “Bill of Rights for American Business” and, together with Secretary of Commerce Barbara Franklin, issued detailed advocacy guidelines to all American ambassadors to assist them in providing appropriate high-level support for U.S. business:

- **Trade liberalization**, via new efforts to overcome

COVER STORY

barriers such as customs practices, technical regulations and government procurement policies;

- **Financing issues**, including new, more aggressive policies for our export credit and project finance agencies; and

- **Small businesses**, by identifying companies with some previous international experience as a key customer of federal programs. This new initiative increased emphasis on areas where failure was believed to have affected the ability to compete overseas — e.g., market intelligence and business contacts.

During my own service as the commercial attaché in Guatemala from 1988 to 1990, I not only was charged with working to advance U.S. commercial interests, but spent an equal amount of time working with the U.S. Agency for International Development and nongovernmental organizations to assist in the delivery of assistance designed to create a more diversified and competitive local economy. This did not simply mean promoting U.S. exports, important as that function was; in fact, my role in facilitating U.S. imports from Guatemala was seen as a crucial component of our top foreign policy objective at the time: facilitating the transition to democratic government. Similar programs emerged throughout the 1990s in Central and Eastern Europe and the former USSR.

By the time it left office in January 1993, the Bush administration had developed for the first time a public policy rationale for commercial diplomacy that provided an answer to the question of why it was in the national interest for taxpayer money to be spent in support of private interests. That rationale rested on the need for federal advocacy to counter aggressive efforts by other governments to advance their own economic interests, as well as an increased understanding of the needs of the small business sector in terms of information and contacts. A corollary of the main commercial diplomacy initiative also had begun to emerge during this period, related increasingly to our international economic development objectives.

Reflecting its bipartisan underpinnings, the Clinton administration built on these inherited rationales and programs, aggressively establishing its own commitment to commercial diplomacy. The crown jewel of the initiative was the Commerce Department's new Advocacy Center, which opened in 1994. Equally important, President Clinton and virtually his entire Cabinet publicly and consistently pushed for inclusion of U.S. com-

panies in mega-projects in Asia and Latin America. As Jeffrey Garten, Commerce Secretary Ron Brown's under secretary for international trade, noted in a speech in London in mid-1995: "This is not the first time that American foreign policy focused so heavily on its commercial goals. However, in the past ... we subordinated economic to traditional foreign policy and national security concerns. In fact, whereas in the past we have often tried to use economic instruments to achieve traditional foreign policy goals, today, and in the future, we increasingly will be using traditional foreign policy instruments to achieve our economic objectives."

Discussion of the role of commercial diplomacy within the framework of overall foreign policy enjoyed a similar prominence at this time, both within the diplomatic profession and outside it. During the 1993-1994 period alone, the *Foreign Service Journal* ran four articles on the subject, including two cover stories. In a January 1995 *Washington Post* op-ed, columnist Jim Hoagland praised the administration's "zealous approach to making trade the center of its foreign policy." And in March of that year, *Newsweek International* ran a cover article declaring that "to a greater extent than at any time since the 19th century ... U.S. foreign policy has become one with American commercial interests." Similar analyses appeared in *The Economist*, *Foreign Affairs* and many other prestigious periodicals during the 1990s.

Interest Fades Again

Yet by the Clinton administration's second term, commercial diplomacy had become an item for the inside pages once again. As with other foreign affairs programs, a sense of drift and retrenchment set in, leading to fewer resources and less vigorous promotion of strategic objectives. By mid-1998, Nancy Dunne was writing in *The Financial Times* that "the concept of placing U.S. business interests at the center of foreign policy has suffered severe blows. ... With the Asian financial crisis, problems of nuclear diplomacy and geopolitical shifts in China and Russia, a more traditional foreign policy has reasserted itself." Despite its complexity and its trade and economic development dimensions, commercial diplomacy as a topic of policy discussion became identified only as advocacy on behalf of individual U.S. companies.

In retrospect, it seems clear that one of the main reasons for the lack of a comprehensive definition of commercial diplomacy that fully explains its foreign policy

COVER STORY

role was the failure of the 1979-1980 organizational reforms to create strategic executive branch leadership in this area. In fact, those reforms actually created a dynamic that produced an increasingly balkanized program mix spread out among the 19 federal agencies charged with trade promotion activities. Thus, despite the establishment of an interagency mechanism, the Secretary of Commerce's Trade Promotion Coordinating Committee, to coordinate their activities, there is no strategic vision or overarching oversight. Also important to note is that by the late 1990s public and congressional support for trade liberalization had eroded to a very considerable extent, so that calls for action from Congress were more to ensure that other countries comply with existing trade agreements than to set up more trade promotion programs.

The premier government program to promote U.S. commercial interests overseas remains the Foreign Commercial Service, of course. USFCS has been given three statutory missions: to increase exports, to increase the number of exporters and to defend U.S. commercial

interests. Yet while its overseas offices remain fully committed to carrying out that comprehensive mission, the organization over the last decade has focused more and more of its energy on the challenge of increasing the number of exporters. This change in direction reflects, among other things, the need to create a sustainable role for its domestic offices.

Unfortunately, the best way to achieve this part of the mission is to serve as a public-sector consulting firm. Understandable as the focus on domestic client development is in terms of a rationale for domestic offices, it is a function with very little connection to the administration's overall economic and trade liberalization agenda or national security strategy. It also subjects the entire organization to pressure from the Office of Management and Budget, among others, to recover more of its budget from user fees charged to U.S. companies.

Despite these developments, FCS programs have remained more or less intact thus far. But without an overarching vision of their importance to U.S. policy, they are

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COVER STORY

in danger of severe budget cuts within the next few years.

Advancing Freedom Through Commercial Diplomacy

Since the 9/11 attacks, there has been virtually no discussion in the foreign affairs community of commercial diplomacy, let alone its central role in a foreign policy that seeks to advance and defend freedom and actively oppose tyranny. Yet earlier this year, President George W. Bush and Secretary of State Condoleezza Rice each gave addresses that provide an argument for putting renewed emphasis on the relevance of free markets and the substantial contribution that a vigorous and forward-leaning commercial diplomacy program could make to the achievement of this worthy goal. Indeed, it is not going too far to argue that commercial diplomacy should once again be treated as one of the two or three most important components of overall American diplomacy.

In his second inaugural address, President Bush was clear in spelling out how our basic national interest is

forever entwined in global developments. He declared that: "The survival of liberty in our land increasingly depends on the success of liberty in other lands. The best hope for peace in our world is the expansion of freedom in all the world." He went on to conclude: "This is not primarily the task of arms." In her confirmation hearings, Dr. Rice left no doubt in identifying these next years as "the time for diplomacy. ... Our task and our duty is to unite around a vision and policies that will spread freedom and prosperity around the globe." Fine as those sentiments are, what is most striking to me about them is the lack of any specific recognition of the role played by our global economic and commercial interests.

Harry Kopp, a retired Foreign Service officer and author of a must-read new book on the topic, *Commercial Diplomacy and the National Interest* (American Academy of Diplomacy/Business Council for International Understanding, 2004), defines the issue as follows: "Commercial diplomacy involves business and government overseas in cooperative efforts to achieve

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COVER STORY

commercial objectives that advance national interests. ... Our economic and commercial strength and global presence are the source of our leadership in world affairs because they are the source of the willingness of others to follow." In a classic win-win situation, Kopp says, pursuing that objective means that global markets will become more open and global competition even keener, to the ultimate benefit of all nations. (See the December 2004 *FSJ* for a review of the book.)

This rationale for commercial diplomacy places it squarely within the mainstream of American foreign policy. Its absence was one of the great defects of the approach taken during the 1990s and a reason for the lack of a vigorous and aggressive program today. Conversely, it is vital to recognize the inter-relationship of three principal national interests:

- Advancing our own commercial objectives and economic stake in the global economy;
- Leading the global effort to liberalize trade and investment and to promote the rule of law and market-

oriented economic policy; and

- Fostering the cause of economic development and promoting the role of the private sector and open markets in that effort.

Defined in this way, and with the understanding that the health of our economy is inextricably linked to the continued expansion and growth of the world economy, this approach offers a framework for a new partnership with the private sector that would protect and expand the United States' role as the world's supplier and customer of choice.

This partnership needs to be implemented both at the macro and micro levels, however. The macro level involves the negotiation of principles and rules that guide global trade, investment and regulation without reference to specific companies, deals or projects. Lead agencies that work on the macro component historically have been State (economic officers), USTR, Agriculture, Treasury and USAID. These rules, while advancing our direct national interests, would also be creating the economic and business conditions neces-

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sary for global development and commerce.

The micro, or transactional, component of the program provides appropriate governmental support for American interests in the contest for sales and contracts and for enforcement and compliance in particular cases involving rights won through prior trade agreements. It also provides program support that, if used strategically, can underpin and advance the broader macro agenda. Here the lead agencies have been Commerce (Foreign Commercial Service officers); State (economic officers); USTR, Agriculture and USAID; and our finance agencies (Export-Import Bank, Overseas Private Investment Corporation, Trade Development Agency, Small Business Administration and the multilateral development banks). At present there is little effective coordination between these two levels, reducing the support available for our global agenda. For example, policies to liberalize trade in key regions of the world often are frustrated by the absence of micro-level programs to build support for the resulting agreements or adequately reach out and inform affected U.S. commercial interests.

Two Choices

Looking ahead, I see two possible scenarios unfolding. One is a continuation of the status quo and the belief that commercial diplomacy will always be a secondary program in our overall foreign policy mix, best left to operate in its current fragmented state. Proponents of this view define commercial diplomacy solely in terms of the narrow export promotion mission. While advancing our own direct commercial interests is vital, the other two national interest components — trade liberalization and market-driven development strategies — are equally important to policy-makers. Of course, maintaining the status quo translates into a severely diminished program. Given the grim reality of increasingly adverse foreign exchange rates and the growing costs of doing business safely overseas, commercial diplomacy under this scenario will continue to suffer ever more severe budget cuts, and will cease to exist as a program, I believe, within a few years.

Meanwhile, foreign governments are becoming ever more strategic and aggressive in their commercial diplomacy efforts. The 2002 President's National Export Strategy (prepared by the Trade Promotion Coordination Committee) found that "one of the greatest concerns of experienced [U.S.] exporters, large or small, is the suc-

cess [our] major trading partners have — with their government's support — winning projects and procurements in key growth markets." As of 2003, in terms of staffing and spending, we ranked dead last among the top 10 countries in budget expenditures on commercial diplomacy (and by a considerable margin).

There is, however, another way forward. This approach would step back and seriously consider the merits of a commercial diplomacy program comprehensively defined in terms of our commercial self-interest, our stake in an ever-liberalizing global economy and a market-based strategy for global development. This would place commercial diplomacy again at the center of our policy. To achieve this objective will require strong leadership from the White House and Congress. The White House must carry out its responsibility for formulation of a strategic plan and a corresponding proposal for reprioritization and reallocation of resources, while Congress must seriously look at its structure for oversight and funding this function through 19 separate congressional subcommittees. This need not be overly complicated and could, in my view, be done with fewer resources than currently allocated.

In terms of execution, I believe that the Commerce and State Departments should create a new joint executive office to develop the commercial diplomacy initiative and to direct its implementation. Staffed by both departments, this initiative would build on the existing State/USAID policy/management coordinating mechanism by adding in the commercial diplomacy responsibility. The executive branch then would have the capability of designing global and regional strategies that would integrate our support for U.S. business with our policy efforts to further liberalize the global economy and to support a global development initiative built around free markets and democracy. The intent here would be to provide for strong strategic thinking that recognizes the interconnections of our commercial, trade and development interests without undermining the lean, independent operating structures necessary for comprehensive strategy implementation with effective global programs.

With the objective of eliminating bureaucratic stovepipes and promoting the sharing of information across agencies, a significant portion of the federal government has been reorganized in recent years — e.g., Defense, Homeland Security and the intelligence community. The same set of needs and challenges confronts

COVER STORY

those agencies charged with international economic responsibilities. There is no longer a line between the domestic and global economies, yet organizational structures are still stovepiped as if there were. Reorganization proposals need to produce both a strong central mission statement and a mechanism to insure effective implementation in a decentralized operating environment.

The key, though, is to begin this process by focusing on the vision and not the boxes. As Kopp observes, "Because we are the hinge of world trade and finance, we are listened to when we talk about rule of law, corruption, the free flow of information, the importance of markets, and the relationship of individual freedom to responsibility, risk and growth. We can preach what we practice because our practice works for us, and others want to know if it will work for them. We can only lead because others want to follow in our footsteps."

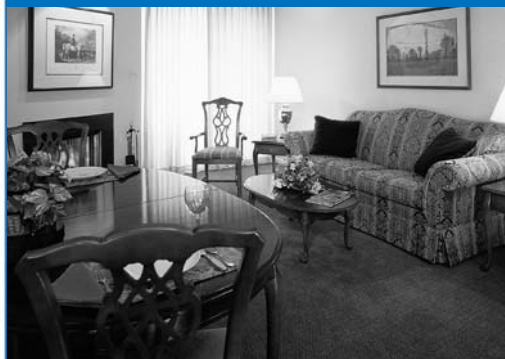
Now *that* is a vision, one that connects a range of interests — comprehensive trade and investment promotion, sustained competitiveness and economic develop-

ment — within one framework. As a practitioner of commercial diplomacy for over 20 years, I have seen this comprehensive definition at work only at the level of the country team and only in a very few posts, and even that was due solely to ambassadorial leadership and vision. It is even more difficult to design and sustain such a commitment back in Washington, where vision is often clouded by turf and ego. It also paints a creative new approach for advancing an agenda for deeper globalization in a domestic environment understandably concerned about consequences for U.S. competitiveness and jobs.

As for the content of this new approach, a review of the policies and programs of competitor nations, particularly the United Kingdom, Australia and Canada, will not only reveal where defensive measures are needed but will also highlight best practices and the priorities of competitor countries who also share our view of the primacy of the private sector and market economy. In the ever-expanding and deepening globalization process, we will need to develop a more sophisticated sense of our nation-

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al interest and construct new programs, particularly in the areas of trade agreements compliance, technical regulations and standards. These are all important areas with many cross-cutting, competing domestic constituencies. Our direct commercial interests, regulatory ambitions and goals for trade liberalization and development often will not coincide in the short term or on a tactical level. Accordingly, we must create a policy mechanism to resolve such conflicts and identify workable solutions. The current lack of transparency in the process not only hinders commercial policy formulation but gives a competitive advantage to our European and Asian rivals. This must be a top priority for the new Commerce/State/USAID joint secretariat I envision.

While I am sympathetic to the creation of a Department of Trade containing the micro and macro responsibilities for commercial diplomacy, I am aware that both in the case of homeland security and public diplomacy, increased bureaucratic centralization has produced very disappointing results. What does seem clear

25 years after the creation of FCS is that the current structure has made important progress in advancing our commercial interests overseas, but it is not yet sufficient to take us forward into this new century.

Ultimately, however, this is not a time to focus (as we did in the late 1970s) only on organizational boxes and the structure of government programs and turf. Rather, all of us in the Foreign Service, as well as our friends and allies elsewhere in the government, and in the private sector and NGO community, must take on the challenge of building a consensus for a new vision. Allowing the status quo to continue is simply not an option.

The U.S. & Foreign Commercial Service's 25th anniversary celebration, scheduled to start in April and to continue throughout the year, offers a unique opportunity for the development of a new initiative to underpin our support for trade liberalization as a key element of our goal to expand global freedom and liberty. Toward that end, we at AFSA are currently planning a symposium on commercial diplomacy which we hope to hold this fall. ■



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THE MILLENNIUM CHALLENGE ACCOUNT: SPUR TO DEMOCRACY?

THE MCA OPENS THE DOOR TO A DEBATE ON DEMOCRACY AND GOVERNANCE
CONDITIONALITY FOR ASSISTANCE. NGOs IN DEVELOPING COUNTRIES NEED TO
WALK THROUGH THAT DOOR.

BY ELIZABETH SPIRO CLARK

The Millennium Challenge Act of 2003 set up a new entity, the Millennium Challenge Corporation, to implement a major new development assistance program. The Millennium Challenge Account is accurately described as a bold, fresh approach to development assistance, in its method of selecting countries, developing and implementing grant programs and in the significant size of the expected grants, although the president's request for \$3 billion in the 2006 budget is far short of the original \$5 billion pledge.

To date, 17 MCA-eligible countries have been selected. Of these, 15 have presented country proposals or concept papers that are under review by the MCC as the basis for grants. On Feb. 14, the MCC board approved the first country "compact," awarding Madagascar \$110 million over 4 years for projects focused in the areas of property rights, agricultural business and financial investment.

In addition, 13 countries have been named eligible for the FY 2004 and FY 2005 "Threshold Program," under which countries that do not yet qualify for MCA assistance are assisted by the MCC and USAID to improve their performance on the selection criteria.

To qualify for the MCA in the first place, countries

must have a per capita GDP level of \$1,415 or lower, and must meet standards in three categories: "ruling justly," "encouraging economic freedom" and "investing in people." In all, there are 16 indicators under these three headings against which a country is scored, in competition with other countries. To be eligible for MCA, countries must score above the median in half of the indicators in each category, and must not fall significantly below the median on any single indicator. They must also score above the median on the anti-corruption indicator. Eligibility is not automatic, however. The MCC board can take other factors into account in evaluating the pool of candidates, through, *inter alia*, consulting with experts and drawing on supplemental information from the State Department Human Rights Reports and Transparency International's Corruption Perception Index.

MCA grants will be awarded on a foundation model, as opposed to the "country programming" approach used by USAID. Instead of the U.S. designing projects and programs, recipient governments will have responsibility for developing proposals in line with their own development priorities. Such country "ownership" is justified by the primary purposes of the MCA, to stimulate competition among countries to adopt a "good policy environment" (as measured by the MCA indicators), and to minimize corruption and waste in development assistance. Each government's proposal can be developed and implemented with the participation of nongovernmental organizations and the private sector and, indeed, all proposals must specify a plan for consultation with civil society and the private sector. Once a government has formulated its proposal, it then enters into negotiations with the MCC with the aim of signing a "com-

Elizabeth Spiro Clark, a longtime member of the Journal's Editorial Board, was a Foreign Service officer from 1980 to 2000. She is now an associate at the Institute for the Study of Diplomacy at Georgetown University and is a former fellow at the National Endowment for Democracy's International Forum for Democratic Studies.

fact” that spells out a results structure against which the program’s progress will be evaluated.

Political Conditionality

All of the MCA innovations are designed to answer longstanding criticisms within the development community of assistance effectiveness. Study after study done in the World Bank during the 1990s connected poverty reduction and sustainable development with a “good policy environment” — meaning a well-governed country. One of the most startling conclusions of a 1998 study was that the only robust correlation with successful structural adjustment programs was “democratically elected governments.” Because the World Bank charter prohibits political conditionality this was not a usable correlation, at least not directly. World Bank officials from President James Wolfensohn on down say that the Bank is, in effect, “doing democracy” — without talking about it.

Transparency, accountability and participation are all key to successful programs of sustainable development, but the best mechanism for all is functioning democratic institutions. The question is, does doing democracy while using “governance” circumlocutions undercut the pressure for democracy-building needed to make programs of poverty reduction and sustainable development work?

Given that the MCA was developed in the Treasury Department, it is no surprise that it reflects the World Bank’s reluctance to use the “D” word, even while incorporating indicators that move further into political conditionality for development assistance. Though he didn’t use the “D” word, on May 10, 2004, President Bush told representatives of the first 16 MCA-eligible countries that the intent of the program is to “link new aid to clear standards of economic, political and social reform.” In his May 19, 2004,

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statement to the House International Relations Committee, MCC CEO Paul Applegarth didn’t mention democracy either, but did lay out a goal for MCA countries of “developing capacity to govern wisely.”

The use of political indicators for selection criteria is frequently touted as a major innovation of the MCA. The “Ruling Justly” category has six indicators: Voice and Accountability, Rule of Law, Control of Corruption, Government Effectiveness, Political Rights and Civil Rights. The first four use World Bank assessments. The final two, however, use Freedom House ratings. Freedom House’s scoring for “political rights” includes free and fair elections (the core democratic institution), as well as other fundamental political rights. A country, however, need not score above the median on political rights to be eligible for the MCA. In fact, two MCA-eligible countries — Armenia and Morocco — rank low on the 2004 Freedom House political rights ratings; neither has held elections that meet international standards.

In theory, even if democracy is not an explicit condition, the MCA will contribute to democratization in four ways:

Act as an incentive regime.

Given the significant amounts of assistance, the “Ruling Justly” indicators will act as an incentive for governments to meet international democracy standards to qualify. One element in the evaluation of MCA grant programs will be “progress on meeting MCA indicators.”

Legitimize democratic reform. The significant size of the MCA grants should legitimize democratic reform by providing concrete benefits to ordinary citizens, especially if democracy is perceived to be an eligibility criterion and the benefits are distributed in wide-impact areas such as agriculture, education and health.

Strengthen transparency and accountability. The MCA process should strengthen transparency and accountability in government institutions through MCA program development consultation and evaluation mechanisms.

Give general and sustained attention to MCA countries. Given the high profile of the MCA, grant-recipient countries will be a focus of U.S. attention. Even without direct American pressure on democracy-building, spotlighting the country in such a broad manner should inhibit anti-democratic developments.

Countries Named, Questions Raised

In May 2004 the MCC board, chaired by the Secretary of State, announced the first group of MCA-eligible countries. The 16 countries are Mongolia, Armenia, Georgia, Honduras, Nicaragua, Sri Lanka, Vanuatu, Ghana, Benin, Senegal, Mozambique, Lesotho, Madagascar, Mali, Bolivia and Cape Verde. Morocco was added in 2005. In six cases the MCC board gave justifications for inclusion of countries that did not meet the eligibility rules, ranging from mitigating circumstances on Lesotho’s falling below the median on the “days to start a business” indicator

to data lags affecting Mozambique's scores on primary education. However, the board did not offer excuses for the poor showing of Armenia and Morocco on the political rights indicator.

Ghana and Mongolia. Democratic activists in MCA countries interviewed for this article were very positive about the concept of an assistance program perceived as rewarding countries for democratic reform. Emmanuel Gyimah-Boadi, director of the Ghana Center for Democracy and Development, welcomed the U.S. "move away from basket cases" and toward recognition of countries that are "doing relatively well." He believes the MCA will be "a real incentive for democratic progress" in Africa.

Enkhtoya Oidov, former member of Mongolia's parliament and a recent fellow at the National Endowment for Democracy, expressed pleasure that

Given that the MCA was developed in the Treasury Department, it is no surprise that it reflects the World Bank's reluctance to use the "D" word.

the MCA would have democratic practices as conditions for eligibility. "Our hope is the U.S.," she says. Only its interest can protect "proper democratic institutions." But so far, Mongolia, she says, has failed to

attract American interest on strategic grounds. She sees a major aid program as a vehicle for that interest. Mongolia needs aid, so "will accept anything the U.S. says," she adds. Conversely, absent American pressure, she believes the consequences for democratization in Mongolia will be dire; she predicts the opposition party will disappear.

Both Gyimah-Boadi and Oidov make clear that how the MCA is implemented will be crucial if it is to have a positive effect on building and consolidating democracy. Gyimah-Boadi expressed some concern for the impact of such significant amounts of aid. "Significant amounts of aid can have the same effect on governments as having natural resources. Governments can get lazy," he says. "Aid could weaken efforts of governments to exercise fiscal discipline, especially in the area of tax policy, where it needs to go after domes-

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tic revenues. Governments don't want to go after the rich." Significant assistance could weaken accountability as governments feel less need to respond to their citizens.

In Oidov's view, the MCA evaluation process would be an important avenue for pressure on governments, in addition to the eligibility criteria. "We must have an avenue of accountability. To date, accountability on projects has been hard to get," she states. Oidov cited a World Bank project where a women's group and other NGOs were frozen out of the consultative process by a government worried they might discover corruption. Civil society groups in Mongolia, she believes, have learned how to work with people. It is important to strengthen this capacity, to build in a channel of influence in the MCA for civil society groups that is real and not just window dressing.

Bolivia. The fact that "country ownership" is built into the MCA process is not only meant to increase the effectiveness of the program but to underscore that this assistance is insulated from U.S. geostrategic considerations, the business of rewarding friends and punishing foes. In the case of Bolivia, an MCA-eligible country, this would represent a welcome change from traditional American assistance policy, in the view of many. Ronald MacLean-Abaroa, a former Bolivian presidential candidate, recently told an audience of development experts that eradicating drugs had been the sole target of U.S. assistance. When Bolivia eradicated drugs, GDP promptly fell 10 percent, and the resulting riots drove the president from office. The net effect was a backslide in democracy and economic growth, as well as the ouster of local U.S. allies. For all these reasons, Bolivia, he says, "should be the perfect MCA country."

Vietnam. Experts had predicted that Vietnam would be in the first

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group of eligible countries based on its scores against the indicators. Vo Van Ai and Penelope Faulkner, president and vice president, respectively, of Que Me (Action for Democracy in Vietnam), were strongly supportive of putting democracy conditions on assistance. They were astonished that Vietnam could be eligible, especially given the MCA's special emphasis on anti-corruption. "People who expose corruption are in jail. Vietnam is a closed society," they say. "A 'cyber-dissident' was sentenced to 13 years for downloading and translating an article on 'what is democracy?' from the U.S. embassy Web site. Even after protests were made, he still got five years."

According to Van Ai and Faulkner, Vietnam is skilled in attracting international assistance, making human rights gestures only when necessary: "Religious leaders are in jail. Prior to the arrival of a World Bank delegation last November to discuss assistance, one prominent leader was released and met with the World Bank. Immediately after a large loan was agreed on the religious leader was put back in jail. Unfortunately, the international financial community appears to be only interested in stability." Steve Radelet, author of many books and articles on the MCA, observes

that it is interesting that Vietnam, Bhutan and Mauritania were knocked out, even though they qualified on the numbers. It may indicate, according to Radelet, that in practice, the MCC board will use a democracy threshold for eligibility, without being open and transparent about it. However, the inclusion of Armenia and Morocco in the MCA list raises questions about that assumption.

Problems and Recommendations

The MCA has just been launched, but it is a promising new approach to assistance. Whether that promise will be realized will depend in large part on how effective the MCA is in vitalizing democratic processes and engaging publics. Because the MCA has political indicators that include core democratic institutions and because it is such a significant expansion of U.S. assistance, it is fair to ask how it will offer incentives and exert pressure for democratization. The short answer is that it is much too soon to tell. Clearly, the MCA opens the door to a debate on democracy and governance conditionality for aid. Nongovernmental organizations in developing countries need to walk through that door.

At the same time, it is reasonable to predict that given the ambiguities in the eligibility standards, the MCA is likely to fall short of its potential unless the MCC fine-tunes the implementation and adjusts the emphasis. Accepting sustainable development as a top priority means also accepting that the elements of democracy (transparency, accountability, participation and legitimacy and fundamental freedoms) are at the heart of what will make the program work.

Whatever the constraints on other sources of assistance, such as the World Bank, there is no good reason for the United States to be

equivocal about democracy conditionality and support for democratization. Among the ways to tighten up the incentives and pressure for democratic development are the following:

Strengthen “ruling justly” democracy indicators. The fact that in addition to Vietnam, Bhutan and Mauritania, other non-democracies meet the statistical requirements for MCA eligibility should be a signal that democracy conditionality needs to be toughened up, or it might disappear — and with it any MCA claim to be a “new approach.” A coalition of groups from the democracy, human rights and development communities, headed by Freedom House, signed a letter to Pres. Bush in 2002 urging him to include specific human rights and democracy criteria in the “ruling justly” category. (While the administration did not respond to the letter, Freedom House indicators, as noted, are used for two indicators in the “Ruling Justly” category.) The letter stated that when fundamental freedoms such as the freedom of expression and association and the rights to free and fair elections and equal treatment under the law are in place, “adherence to the rule of law and anti-corruption efforts are more likely to follow.” In other words, the coalition urged, put democracy first.

This can be accomplished in several ways. Democratic elections could be made a separate indicator, and eligible countries required to score above the median of competing countries, as is the case with the corruption indicator. Another approach would be to require that eligible countries be rated as “electoral democracies” by Freedom House. “Electoral democracies” have met minimum democracy standards, including on the conduct of elections. Of the 17 current MCA-eligible countries, two, Armenia and

The fact that “country ownership” is built into the MCA process is meant to increase its effectiveness.

Morocco, fail to score as electoral democracies. An absolute score on political rights of a “3” or better in Freedom House ratings rather than a median score could be required: a “3” score from Freedom House almost always means elections have met international standards.

At the very least, the MCC board should be required to state the special factors that justified including a country that did not score at or above the median in political rights. Further, the MCC should rename the political category “ruling justly,” using instead the term from the legislation, “just and democratic governance.” With its top-down connotations, the former is ill-suited to suggest democratization criteria.

Emphasize transparency and public participation. The MCA requires countries to describe the consultative processes undertaken with civil society and the private sector in developing development priorities and implementing grants. However, it is not clear the extent to which openness, transparency and public input will be required in the evaluation stage. Ensuring the effective dissemination in MCA countries of information about the project development, implementation and evaluation stages is crucial in legitimizing programs. In the view of Ghana’s Gyimah-Boadi, any

effective process must be as inclusive as possible, bringing in all sectors. Inclusiveness works, even for anti-corruption laws. Governments must reach out and negotiate with the private sector. Negotiation, not top-down “consultation,” is the key to success.

Increase democracy and governance funding in USAID. Democracy and human rights experts are concerned that the MCA is drying up sources of funding for direct democracy programs, without being itself, in either theory or practice, a democracy program. Special funds will be available in high-profile targets — above all, Iraq — to fund political party development and election monitor training, as well as a panoply of other democracy and governance areas. But other countries, at all stages of democratic development, will be left out. Some — El Salvador is often mentioned — need only a limited amount of sustained attention, but need it nevertheless.

Avoid using MCA for other objectives; keep it insulated from special U.S. interests. The MCA program will lose value — and effectiveness — to the extent that publics in recipient countries identify it not with development goals but with U.S. foreign policy. Under the authorizing legislation, an MCA program can be terminated or suspended if “the country or entity is engaged in activities which are contrary to the national security interests of the United States.” It is well to remember the pressure that the U.S. is putting on countries to sign bilateral agreements not to surrender American citizens to the International Criminal Court. If the MCA is used for that type of leveraging, it will not be seen as a new approach to assistance but as a very old one, and likely to suffer from old failures. ■



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THE MILLENNIUM CHALLENGE CORPORATION: MAKING IT WORK

POTENTIALLY, THE MCC COULD HELP SHARPEN THE FOCUS OF U.S. DEVELOPMENT POLICY. BUT TO SUCCEED IN BREAKING NEW GROUND MAJOR CHALLENGES WILL HAVE TO BE OVERCOME.

BY AARON M. CHASSY

Last September the *Washington Post* added its voice to the chorus of foreign policy insiders, embracing the Bush administration's Millennium Challenge Corporation. One of the more disturbing reasons for its support of the Millennium Challenge Corporation was that it "operates outside the government's traditional aid program ... and promises to distribute money in the efficient manner pioneered by the World Bank."

Leaving aside the naiveté of associating "efficiency" with anything having to do with the World Bank, an institution that has operated for years with a policy of benign neglect toward the corruption and waste committed by its loan recipients, the governments of developing countries, it is important to ask the following question: Will the Millennium Challenge Corporation, as currently designed and operated, produce significantly better development outcomes than the government's traditional aid program, which is to say, the programs carried out by the U.S. Agency for International Development?

For many longtime development policy experts in and outside of the government, the answer is no. Rep. Tom Lantos, D-Calif., one of the few members of the U.S. Congress to assume an active, constructive role in overseeing foreign assistance, made the following assessment: "I have severe reservations about the administration's proposal to create a new independent agency to administer the Millennium Challenge Account and to further fragment U.S. foreign assistance." Steve Radelet, of the Center for Global

Development, has expressed similar reservations, stating: "Dividing the U.S. foreign assistance program into two major agencies [USAID and the MCC], in addition to several smaller agencies ... could impede coordination and increase redundancy." The issue of fragmentation in program implementation speaks to the larger issue of incoherence in policy design.

Potentially, however, the MCC could help sharpen the focus of U.S. development policy and program approaches, or at least serve as an assistance delivery mechanism that places a premium on achieving results while insisting on accountability. It is intended to represent the antithesis of the "traditional aid program," long criticized for redundancy, ineffectiveness and worse. As currently designed, the MCC's resources will be substantial, rivaling and in some cases exceeding those of USAID development assistance monies. (The Bush administration has initially designated USAID's role as preparing countries for potential eligibility to the MCC program of assistance.)

But to succeed in breaking new ground, the MCC will have to overcome major challenges centered on the issues of financial and program accountability. The MCC's institutional design, as codified in the enabling legislation, does not address accountability adequately. But to deal with this problem effectively, the MCC will have to confront head-on the habits of institutional practice in the U.S. foreign policy apparatus, which weigh heavily against real reform.

Accountability v. Flexibility

The MCC operates without the multilevel accountability systems associated with USAID programs. It is still unclear in the enabling legislation, The Millennium Challenge Act of 2003, 22 U.S.C.A. 7701, 7707(b), whether the countries

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receiving MCA funds will implement their “compacts” subject to new or existing foreign assistance rules and regulations codified in the U.S. Federal Acquisition Regulations. Sub-section 609 (b) of the act, which describes the elements contained within the compacts between the MCC and recipient countries, states merely that there will be: “a requirement that open, fair and competitive procedures are used in a transparent manner in the administration of grants or cooperative agreements or the procurement of goods and services for the accomplishment of objectives under the Compact.”

The Federal Acquisition Regulations, like most U.S. government codes, are much more prescriptive in setting forth the procurement procedures to be used in securing technical assistance, training, commodities and other costs associated with program operations. The regulations help ensure that recipients of U.S. government funds use them wisely, efficiently and in a manner consistent with the values of competition, transparency and accountability.

Anyone who has worked directly for USAID or as a project implementer has horror stories about operating under the FAR. The rules are complex and, given USAID’s decentralized nature, often interpreted and applied inconsistently across similar situations. Still, it is important to remember that these rules and regulations were not created in a vacuum but in response to congressional calls for greater accountability for the executive branch’s programmatic foreign policy interventions abroad.

Congress has historically carried out these oversight responsibilities with great zeal, serving as a watchdog to ensure that U.S. taxpayer money is allocated and spent wisely. To be sure, it often oversteps its bounds, leaving foreign aid and USAID missions ham-

strung with its annual list of assistance earmarks. These earmarks, 274 at last count, are driven more by pork-barrel politics than developmental vision or knowledge of best practices, and drastically reduce the levels of flexibility, responsiveness and effectiveness for foreign aid. Implementers are then at a loss to respond to Congress’ incessant calls for improving foreign aid’s performance.

It is easy to sympathize with the Bush administration’s desire to circumvent Congress’ far-from-perfect oversight of foreign assistance and the FAR’s sometimes onerous procedural constraints. This desire is consistent with the competitive, sometimes testy relationship that has existed between Congress and the executive branch, to varying degrees, since the United States first had a foreign policy. The executive branch has often felt hampered by an overreaching Congress in its ability to carry out its constitutional mandate of formulating and carrying out U.S. foreign policy. Capitol Hill, for its part, has felt snubbed by an executive branch bent on bypassing its constitutional role of providing oversight to executive branch activities, whether at home or abroad.

At the same time, for many years both branches found great utility in non-projectized assistance, also known as direct budgetary support. Non-projectized assistance went directly into the recipient country’s national treasury, instead of through U.S.-based contractors and grantees, as is done currently under most USAID-funded programs. During the Cold War, this type of assistance was often used as a quid pro quo to secure recipient country governments’ support of higher-order U.S. foreign policy objectives. Even when the recipient governments committed human rights atrocities, siphoned off the funding through corrupt practices or generally failed to use the

funds for their intended purpose, the U.S. government considered these deviations a small price to be paid in its war on communism.

The Vicissitudes of Non-Projectized Assistance

Following the end of the Cold War, however, a combination of factors led to a newfound concern for how U.S. taxpayers’ money was spent abroad. First, both the legislative and executive branches agreed to reduce overall government spending after the federal budget deficits ballooned under the excesses of the Reagan-Bush administrations of the 1980s. Second, without a compelling overall policy rationale — e.g., fighting communism — it was much more difficult to justify large outlays for programs without clear, direct benefits to constituents back home, especially during the economic recession of the early 1990s. Third, the first Clinton administration’s early blunders in implementing an ill-defined interventionist policy (e.g., Somalia, Haiti) greatly reduced public support for open-ended engagement abroad, effectively squandering whatever political capital it may have had to revamp U.S. foreign policy.

As a result, USAID chose to abandon non-projectized assistance, making a few, highly strategic exceptions, such as Egypt and Israel. Simultaneously, consistent with Vice President Al Gore’s efforts to reinvent government through the Government Performance & Results Act, USAID underwent a series of internal reforms, collectively referred to as “re-engineering.” It is debatable whether these reforms ultimately improved or debilitated USAID as an organization, but what is certain is that they did little to reduce Congress’ mistrust of the agency’s ability to manage taxpayer money effectively and efficiently.

Similarly, the multilateral develop-

ment banks, with the World Bank taking the lead, undertook certain modest changes to shore themselves up against international calls for their reform and even elimination. These changes included a shift toward increasing the accountability of recipient governments. From the 1970s into the 1990s, leaders of these governments, many of which were authoritarian and corrupt, treated the banks' loans as their own personal slush funds, transferring the lion's share to a labyrinth of personal offshore accounts while doling out the rest to cronies through networks of administrative and political corruption. A World Bank report, for example, documented how Indonesia's former President Suharto managed to abscond with over \$300 million in World Bank loan funding during the 1990s alone.

As a result, even the banks began projectizing their loans, at least in the project appraisal and design stage, to

prevent wholesale theft of funds intended for loan-funded projects. In addition, they broadened participation in the loan approval process to include both national and international nongovernmental advocacy groups and revamped internal procurement processes to be more competitive at the country level.

Therefore, it is surprising, even disconcerting, that slightly more than a decade after these reforms were initiated, the World Bank and other multilateral development institutions are now joining the Bush administration in calls for a return to non-projectized assistance, a discarded, discredited form of aid. They justify their decision by pointing to poor performance levels associated with projectized assistance. But rather than looking inward to examine the causes, the Bush administration is merely chucking the proverbial baby out with the bathwater.

Performance Measures vs. Procedural Constraints

Proponents of the MCC approach point to purportedly objective performance measures, arguing that they are a less politicized, more analytically sound means of selecting countries, measuring their performance and ensuring that funds are allocated, disbursed and spent responsibly. But just how valid is the claim that performance measures are more effective than procedural constraints imposed by rules and regulations?

The Bush administration assumes that the compact negotiated by the MCC will ensure that the recipient country government uses MCC monies appropriately. Moreover, countries will have been selected based on a determination that they have been and are likely to continue to be "good performers" across the MCC's 16 performance indicators. But this assumption is problematic on several counts.

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First, the underlying assumption that a recipient country government's good performance leads to accountability is flawed. MCC CEO Paul Applegarth himself pointed to the challenges the agreement presents in a research paper he wrote in 2003 while he was an analyst at the Center for International and Strategic Studies. Foremost among them, he noted, the arrangement resembles very much the accountability system used by the World Bank with its structural adjustment loans during the 1970s and 1980s, which has since been deemed a failure by many development policy experts. As was demonstrated then, such an arrangement left open several opportunities for grand-scale administrative corruption, examples of which have been well documented by the world's environmental advocacy organizations.

Most governments in developing countries lack the kinds of internal and external audit functions and other

checks and balances necessary to assure a modicum of accountability, even under a contractual arrangement like the MCC's compact. They also lack staff with the necessary skills and they lack the budgets to finance monitoring and audit operations. To be sure, corruption has many roots: the absence of a tradition of the rule of law, poorly developed safeguards for the freedom of speech, lack of transparency and accountability, a public inexperienced in assuming and practicing their democratic responsibilities, and poorly-paid and poorly-trained civil servants. But the bottom line is that the combination of low levels of organizational capacity, institutional strength and political will makes assuring MCC financial and programmatic accountability problematic at best.

True, these gaps could be addressed by targeted USAID development assistance programs, but then the problem arises of "project-centric

development," where the project "cart" is put before the development "horse." In other words, the kinds of programs designed to enable the recipient country to meet the MCC's operational requirements may not necessarily correspond to the country's highest-priority development challenges.

MCC program officers, for their part, will most likely lack sufficient time and in-the-field organizational and administrative support to be able to follow and track the money trail effectively themselves. Even with a long-term presence in the field, USAID mission technical staff spend an enormous proportion of their time simply documenting how U.S. taxpayer money has been spent, mainly by U.S. organizations, as intended. (This is true even though these groups, both for-profit and nonprofit, already have elaborate administrative management and financial reporting systems specifically developed to comply with U.S.

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government regulations.) Yet MCC prides itself on having a small staff.

Presumably to address this issue, the MCC legislation proposes to engage institutional contractors to provide monitoring and evaluation services. Outsourcing such an important function presents another challenge in the context of program accountability. The for-profit contractors or nonprofit, nongovernmental organizations likely to receive such contracts are the same organizations that might very well be bidding on, designing or implementing the MCC compact's various activities. For that reason, these organizations have little incentive to be the bearers of bad news. If they report too critically on an activity's progress, they might preclude themselves from being competitive in the bid for a follow-on activity. Here again, the activity design and implementation selection process will be managed by the same "client," the MCC program officer and/or her colleagues. As any USAID contractor or grantee will tell you, it does not pay to bite the hand that feeds you.

USAID, which has had considerable experience in dealing with such conflicts of interest, has many rules and regulations to reduce the frequency of this phenomenon. However, it is these very rules and regulations that motivated the Bush administration to exclude USAID from serving as the MCA's executing agency, and instead create yet another government entity, the MCC, one that could effectively work without these kinds of bureaucratic hindrances and constraints. In short, the Bush administration has ignored and avoided reconciling the major trade-off between accountability and flexibility.

Indicators and Other Pitfalls

In addition, there are several methodological problems with the performance indicators used to judge each country's eligibility and progress.

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All six metrics used in the area of “ruling justly,” for instance, are either untested (the four from the World Bank Institute) or subjective (the two from Freedom House). The Freedom House measures are based on Lichert scales, which are highly subjective. They fail to measure exactly what they are supposed to, to describe it, and to qualify it with any degree of objectivity or accuracy: they lack internal validity. Moreover, they are non-parametric. As such, they lack external validity and cannot be employed for either cross-country or cross-temporal comparison purposes, using summary statistical analysis and inference.

For example, if Country A had scores of 3, 4 and 5 for the previous three years, using the Freedom House “civil liberties” measure, and Country B had scores of 1, 2 and 3 for the same three years consecutively, could one reasonably and objectively say that Country A was “ruled more justly” by dint of its higher scores? What, exact-

ly, does it mean if a country is graded “3” rather than “4”? These numbers are symbolic at best, summarizing highly subjective interpretations of phenomena in a country and assigning them with an otherwise unrelated numeric value. For purposes of comparison, however, they are completely useless, because there is no objectively measurable difference directly related to a difference in scores.

As far as the World Bank Institute indicators are concerned, Kaufman and Kray, the creators of the “linchpin” indicator, “control of corruption,” have stated in recent publications that this indicator still requires further refinement and testing. It lacks sufficient empirical application and would be inappropriate for determining such a major policy decision as whether or not a country has met the basic requirement for eligibility in the MCA, they say. Yet this one indicator will determine a country’s initial and continued eligibility, overriding what

might be good performance in any number of other indicators.

Another problem lies in our own backyard. The U.S. Congress has historically prided itself on its vigilant oversight of USAID and other organizations spending taxpayer monies overseas. It is highly unlikely that the relevant committees will be willing to allow such major amounts of money (up to \$3 billion per year by FY 2006) to be disbursed without regular, detailed progress reports being funneled back to them.

Even if they were statistically valid and reliable, the 16 indicators and whatever additional measures may be stipulated in each country’s compact are not likely to be sufficient to satisfy the majority of lawmakers sitting on the various oversight committees. Members of Congress are naturally concerned that MCC monies might simply become a slush fund for the president to reward strategic allies who demonstrate their value through

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some well-timed support for an administration initiative, just as during the Cold War era.

One internal challenge that the Bush administration expects to sidestep is the question of congressional earmarks. The MCC will be completely devoid of them. It is fair to ask how long Congress will tolerate such an arrangement.

How Independent?

The administration claims that the MCC will avoid these and other potential pitfalls, because it will be an independent government corporation, using "objective and transparent qualifying criteria," as claimed in administration officials' speeches and testimony before the U.S. Congress and the United Nations.

In this connection, it may be useful to recall the recent headlines generated by another independent government corporation, the Overseas Private Investment Corporation. Though the project was eventually scrapped, OPIC nonetheless persisted in its commitment to finance the construction of a gas pipeline running from Bolivia to Brazil through primary Amazon rainforest in violation of its own environmental regulations. According to a 2002 *Corporate Watch* report, the Cuiaba Energy Integrated Project cost an estimated \$600 million to build, \$200 million of which was originally to be financed by OPIC. Interestingly, Enron was involved as a major beneficiary of this U.S. government subsidy.

One of the major unspoken lessons USAID project officers have learned over the years is that politically wired projects tend to be the least technically sound and the most administratively suspect, because their genesis usually lies in a high-level political appointee's having waived competitive rules for procurement. One wonders whether the MCC will have to relearn that painful lesson in the process of proving



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Where do you belong?

MCC: Performance Measures and Accountability

The Millennium Challenge Act of 2003, 22 U.S.C.A. 7701, 7707(b), the MCC's enabling legislation, outlines a particular methodology for country identification and selection. Sixteen measures of performance across three areas of focus are used: ruling justly, investing in people, and encouraging economic freedom. Among the 16 measures, one serves as the linchpin: the World Bank Institute's Control of Corruption indicator (an index of surveys that rates countries on such things as frequency of "additional payments to get things done," and so forth).

Just as President Bush's recent speeches stated his administration's intent to elevate democracy promotion to the top of the U.S. foreign policy agenda, fighting corruption will also receive higher priority in the MCC. Inadequate performance against this measure can preclude a country's selection or continued participation in the MCC, even if that country performs consistently well across all other measures.

The 16 performance indicators, from the MCC report on the criteria for FY 2005, are listed below, with their sources in parentheses:

Ruling Justly

Voice and Accountability (World Bank Institute)
Rule of Law (World Bank Institute)
Control of Corruption (World Bank Institute)
Civil Liberties (Freedom House)
Political Rights (Freedom House)
Government Effectiveness (World Bank Institute)

Investing in People

Public Expenditures on Health as Percent of GDP
(National Governments)
Public Primary Education Spending as Percent of GDP
(National Governments)
Girls' Primary Education Completion Rate
(World Bank & UNESCO)
Immunization Rates: DPT and Measles
(The World Health Organization)

Encouraging Economic Freedom

Days to Start a Business (World Bank)
Regulatory Quality Rating (World Bank Institute)
Inflation (Multiple)

Country Credit Rating (*Institutional Investor* magazine)
Fiscal Policy (National Governments and IMF WEO.)
Trade Policy (Heritage Foundation)

The MCC will hold recipient country governments accountable against these measures through a compact. This agreement will include a business plan for how the money will be used: identifying the sources of funding, designing the proposed activities and tracking the activities' intended results. The MCC's enabling legislation states that the compact shall "take into account the national development strategy of the eligible country," and is to contain the following:

- (1) the specific objectives that the country and the United States expect to achieve;
- (2) the responsibilities of the country and the United States in the achievement of such objectives;
- (3) regular benchmarks to measure, where appropriate, progress toward achieving such objectives;
- (4) an identification of the intended beneficiaries, disaggregated by income level, gender and age, to the maximum extent practicable;
- (5) a multiyear financial plan, including the estimated amount of contributions by the MCC and the country, and proposed mechanisms to implement the plan and provide oversight that describe how the requirements of the first four paragraphs will be met, including identifying the role of civil society in the achievement of such requirements;
- (6) where appropriate, a description of the responsibility of other donors in the achievement of such objectives; and,
- (7) a plan to ensure appropriate fiscal accountability for the use of assistance provided under section 202.

For oversight, the Secretary of State will serve as the chairman for the Board of Directors of the MCC, which will serve as the implementing agency of the MCA. Neither the State Department nor USAID will participate directly in managing the MCC's operations. Instead, a chief executive officer, appointed by the president, will run the new organization, with its staff drawn from a variety of government and nongovernmental agencies and serving limited-term appointments. This staff will be responsible for disbursing MCC monies directly to recipient country governments in the form of non-projectized assistance.

its "independence."

Finally, if institutional history is any guide, once the U.S. government has sunk major resources into a country, it will be reluctant to admit that that country's government has not performed well, much less used the resources inappropriately or illegally. The United States has a long, unbroken history of practicing a policy of the three monkeys — "hear no evil, see no evil, speak no evil" — when its strategic allies have failed to use development and humanitarian assistance monies in a conscientious fashion. As

long as they continued to serve the ultimate U.S. strategic interest, whatever that happened to be at the time, these allies were never called to account.

This tolerance for corruption and undemocratic practices led to billions of dollars going down "foreign rat holes," to use the inimitable Jesse Helms' terminology, and deprived local people of whatever benefits the development and humanitarian programs might have produced. The more egregious examples, past and present, include Mobutu Sese Seko

Zaire, General Suharto's Indonesia, Boris Yeltsin's Russia and Hosni Mubarak's Egypt. As with other aspects of U.S. foreign policy, old habits die hard. This historical pattern and institutional practice will remain in place until new incentive structures replace the old.

What To Do?

Undoubtedly U.S. foreign assistance is in real need of reform, especially as greater demands are placed on USAID's development assistance programs to achieve rapid, visible

results in increasingly more challenging implementing environments — e.g., post-conflict stabilization and political transition. Thus, there is a strong case to be made for increased specialization to tailor programs and their funding sources to particular policy parameters and statutory requirements. A January 2004 USAID white paper (*U.S. Foreign Aid: Meeting the Challenges of the 21st Century*) began this process, articulating how the government could improve the way it allocates various sources of foreign assistance to match program objectives more accurately and consistently.

However, a clearly articulated overall foreign policy vision and analytical sound rationale should drive this process, not just the general desire to rationalize resource allocation (however useful that may be as a tactic in support of revamping foreign policy at the operational level).

What the U.S. cannot afford to do is to undertake another piecemeal reform process that avoids the difficult work of addressing institutional failures such as ineffective (and sometimes counterproductive) congressional oversight, a dysfunctional procurement process, and bureaucratic turf wars that undermine the effectiveness of programs and the credibility of policy.

In creating the MCC, however, the Bush administration opted for avoidance. It should not be too surprising that the desire for flexibility in interpreting country performance against the 16 indicators undercuts claims that the process is strictly apolitical and evidence-based. The notion of any organization, governmental or quasi-independent, using U.S. government funds apolitically is preposterous. The MCC, like all of the foreign affairs organizations, is certainly political. The bottom line is that its backers no longer want to work with or through USAID, but they are unwilling to undertake the difficult work of

revamping that agency as part of a larger, more formidable effort to reformulate U.S. foreign policy.

Unfortunately, in choosing not to address institutional failure within the U.S. foreign policy apparatus, the Bush administration makes the MCA's own failure more likely. Sooner or later the MCC will find itself confronted with the same obstacles that have hobbled foreign assistance historically. Congress will eventually rouse itself and demand greater oversight and micro-management. Other government agencies will find ways to muscle in and expropriate funds and functions from the MCC. If it responds like most bureaucracies, circling its wagons to protect and defend itself rather than reaching for substantive reform, U.S. foreign assistance will be right back in the same old rut. The MCC will neither have helped the U.S. government achieve its foreign policy objectives nor reduced the global community's growing distrust of America's "real" intentions.

It is not too late to head off this cycle of cynicism. As the MCC ramps up with staffing, operations and disbursements to recipient countries, Congress might do well to stop its Johnny-one-note approach to foreign assistance oversight — namely, controlling appropriation levels. Instead, it should work actively with the executive branch to overhaul U.S. foreign assistance, keeping what has worked and discarding the rest.

In so doing, Congress should attempt to strike a balance between accountability and flexibility. As a show of good-faith commitment on its part, the MCC should begin to reach out immediately to the appropriate committees and subcommittees in Congress to come to mutual agreement on the design of a rigorous accountability system, one that is based on best practices from 50-plus years of foreign assistance.

In addition, Congress and the

administration should make a greater effort to make more explicit the linkages between ongoing USAID development assistance programs and those to be developed through the MCA, especially given the volume of resources to be disbursed through the latter. As currently planned, the MCA will disburse \$3 billion in FY 2006, an amount equal to what is currently spent for all USAID-managed programs worldwide. The MCC should follow the State Department and USAID's examples by committing itself to policy and program coordination with these two organizations and others in the government that finance and administer overseas development programs.

Finally, as has been suggested by development policy experts, the administration should tie all of its foreign policy "carrots" to political transition "sticks." Measurable progress in a country's political transition should be required not only for foreign assistance and MCA eligibility, but also to maintain and strengthen strategic and commercial ties and assistance. Admittedly, such a shift may draw a strong negative reaction from countries sensitive to the United States imposing its values.

Still, recent experience has shown that coupling multiple policy objectives, if done in a balanced and analytical fashion — the North American Free Trade Agreement, which included environmental provisions and a labor sidebar agreement, is a good example — has the potential to reinforce virtuous circles of improved development outcomes, progress in political reform and improved quality of life for recipient-country citizens.

The establishment of the MCA represents a good first step in this direction. If the challenges it presents are acknowledged, and dealt with honestly and boldly, it may be a decisive step. ■

AFTER THE TSUNAMI: ASSISTING AMERICANS IN DISTRESS

CONSULAR OFFICERS AND OTHER FOREIGN SERVICE PERSONNEL THROUGHOUT THE INDIAN OCEAN REGION PLAYED A CRUCIAL ROLE IN ASSISTING MANY STRICKEN AMERICAN TOURISTS AND RESIDENTS.

BY STEVEN ALAN HONLEY

Last December's Indian Ocean tsunami killed over 200,000 people and displaced nearly two million more, generating the largest relief effort in history. The sheer magnitude of the disaster has, understandably, overshadowed the crucial role Foreign Service personnel throughout the region played in assisting the many American tourists and residents in the affected areas. Here are examples, drawn mainly from their reporting, of the specific consular assistance Embassies Colombo, Bangkok and Vientiane rendered to U.S. citizens in the hectic days following the tsunami.



Sri Lanka: A View From the Consular Section

Even though the tsunami hit on a Sunday morning (and the day after Christmas), the consular section swung into action by noon to respond to inquiries from American citizens and from local government officials. The Colombo area was not severely affected by the tsunami, though many areas just south were hit. We were lucky in that respect, as the embassy is located about 100 yards from the Indian Ocean.

After informing the Operations Center back in Washington of the disaster, we began sending warden's messages, bringing in emergency drivers, fielding inquiries, posting warnings on our Web site, and making arrangements for the next day's forays into the Maldives (part of our consular district) and the resort districts around Galle (located on the southern coast of the island)

to survey the damage and assist Americans. Other sections of the embassy were equally busy, gathering information and coordinating with local officials and Washington.

Next to Indonesia, Sri Lanka suffered the heaviest casualties inflicted by the tsunami. Phone service was severely curtailed and the police stations and hospitals located near the coast were damaged. The main police station in Galle, for example, had a minivan embedded in its front doors, undermining police operations throughout the area. Additionally, almost all of the coastal roads were covered in debris, while internal roads were crowded with emergency, police and private vehicles heading in all directions. The congestion was exacerbated by the narrowness of the roads, so a trip of 60 kilometers (about 36 miles) could take six hours. Most evacuations of foreigners took place by helicopter. During the early days, after the disaster, cell phones in many of the affected areas were not functional, and even the landlines in many areas were not working. Despite all this, the Sri Lankan emergency services did an impressive job in responding to the disaster.

The next day, an American consular team flew to the Maldives. They managed to land safely even though the airport had been under water the previous day. After local officials briefed them on the extent of the damage throughout the country, the team was able to determine that most of the American tourists were unaffected by the disaster, so it returned to Colombo.

On the same day, another consular team visited Kiripitiya Hospital, a large medical facility in Galle that was still operational. There they found an American family (including a pregnant woman) at the overcrowded facility and transported them back to safety to Colombo in the van. The consular team also witnessed mass casualties in the Galle area,

Steven Alan Honley, a Foreign Service officer from 1985 to 1997, is the editor of the Journal.

observing heaps of corpses covering about half of the main hospital floor. Many trucks filled with the dead arrived at the hospital every few minutes for unloading.

After surveying the damage to the coastal area around Koggala Beach, the team attempted to proceed to the Matara area to make contact with other Americans. Unfortunately, the coastal roads were covered with debris and nearly impassable, and by this point, the government had declared a curfew. The group thus returned to Colombo at around 11 p.m. on Dec. 27.

Over the next several weeks, until the middle of January, consular teams repeatedly visited Galle, Matara, Yala, Arugam Bay and Trincomalee to track down missing Americans.

The consular section issued 26 no-fee passports during this time. We also cancelled all visa processing for three weeks to tackle the task of trying to take care of the needs of our fellow citizens, updating the embassy's Web site to advise the American and Sri Lankan communities about the change to our services. Consular officers repeatedly visited morgues and hospitals to assist American citizens and to coordinate the provision of services. Complicating the task further, some of the bodies were unrecognizable because of severe decomposition.

The consular section in Colombo has only three Americans and six FSNs, who generally worked 12-14 hours per day, trying to keep up with the deluge of inquiries, both from American citizens outside the country and from the task force back in Washington. Other embassies and the department generously offered TDY support, which we gratefully accepted. Fortunately, our embassy really came together during this time. Our administrative section gave us able support in many areas, particularly with travel arrangements. The Community Liaison Office and the Medical Unit did a superb job in helping our compatriots cope with their physical and mental trauma. Members of the embassy community opened up their homes to the victims during this disaster, provided free meals, and donated clothes and money to the victims of the tsunami. Several volunteers helped the consular section to field calls, while others consoled the victims of the disaster. The volunteers from the local American community were also wonderful.

Some of our FSNs had experienced personal tragedy on a staggering scale, yet worked ceaselessly through the crisis. One employee was stranded near Batticaloa for a few weeks because a bridge had washed out.

Challenging as the aftermath of the tsunami was for the embassy, it could have been much worse. Just seven Americans died in the disaster, while Sri Lanka lost 30,000 people — about a third of whom were children. And it will be a long time before life returns to anything

approaching normal here, or in many other parts of the region.

*Consular Section
Embassy Colombo*



A Team Effort in Thailand

Embassy Bangkok staff began working around the clock as soon as we learned of the disaster. The American Citizen Services Unit remained open 24/7 for almost three weeks and fielded thousands of calls from concerned friends and family members back in the U.S. who were looking for loved ones in Thailand. Assisted by a small but dedicated army of volunteers and TDY staff, we repeatedly called and e-mailed back to confirm whether their loved ones had been in touch. The great majority of them had, but sadly, this was not true in every case: 10 American citizens have been confirmed dead in the disaster, and another 14 are presumed dead, but their remains have not yet been located or identified.

While the United States was spared the horrifically high number of casualties suffered by countries such as Sweden, the stories of our dead are no less random or tragic. One of our first deaths was a mother of two who was struck in the head by the boat her family was climbing out of as the wave hit. A father wept as he recounted how his young daughter was ripped from his arms by the wave. The Italian friend of a young American woman told me she had already found and identified two other friends before finally locating the body of her American friend. The sister of another victim sobbed as she told me her brother's story. She had come to Thailand after the tsunami in the hope of finding her brother, who was staying on Phi Phi Island. His remains have still not been found. Making the initial calls to the families of the American victims was even more difficult. How does one tell a family that we can confirm that their husband or father is dead because the body was found and identified by friends or officials, yet the remains have somehow gotten lost in the mayhem wrought by the tsunami? We have two such cases.

A family of five was vacationing in the disaster area and had split up before the wave. The father, mother and one daughter were in one area and the son and a second daughter in another. The son was seriously injured in the wave and the sister he was with was missing. I spoke to the son in the hospital shortly after the tsunami, and when the father later called the embassy, I was able to tell him that his son was OK, but that, unfortunately, there was no word about his young daughter. When the mother arrived in Bangkok (the father and older daughter were still searching for the missing child), she was met by Erin Sawyer, a consular officer assigned to Vientiane who was assisting Americans arriving at Bangkok's airport. (See "Proud to Be an FSO," p. 50.) The mother told

Erin she needed to get to the hospital to see her son. Upon seeing how upset she was, Erin offered to accompany the woman by taxi to the hospital, and together they found the son in his room. Back in Phuket, David Schwartz, Bangkok's fraud prevention officer, accompanied the father to the bungalow where his family was staying, and helped him to retrace the path of the wave, enabling him to find a shoe and some articles of clothing belonging to his daughter. His daughter's remains were finally identified by the international Thailand Tsunami Victim Identification teams at the end of February, and the father has returned to Thailand to bring his daughter's cremated remains home.

In the first week after the tsunami we issued more than 120 free emergency passports and 27 on-the-spot loans, many in the middle of the night, so American citizens could return home. Most of them had lost everything except the clothes on their backs, so the embassy began collecting clothes, toilet articles and food for them. Colin Crosby, a political officer assigned to Bangkok, heard that a couple was in the consular section with their baby and had no formula. He ran home and brought back a case to give to the family.

Our officers traveled to local hospitals to assist with completing passport applications for nearly a dozen Americans seriously injured in the tsunami. We also went to a private home to issue a passport for an injured 6-year-old girl whose parents and two brothers are all presumed dead. She is now under the guardianship of her aunt in Singapore. Embassy volunteer spouses, organized by the CLO, traveled daily to visit all Americans hospitalized in Bangkok, providing books, clothes and cell phones for the Americans to call their families. One volunteer took an injured woman to find her son, who is studying Thai boxing in a local gym without a phone.

They hadn't been in contact since before the tsunami. Another spent the night at the bedside of an injured teen. The countless hours these volunteers devoted to the injured Americans put a human face on the caring attitude displayed by the embassy as a whole.

Our enormous efforts would not have been possible without the outstanding support we received from throughout the embassy and from the Bureau of Consular Affairs in Washington. While most of us here in Bangkok have returned to routine work, some staff continue to work on tsunami-related issues, and to assist the families who lost loved ones in the disaster. With fewer than 10 percent of the more than 5,000 victims identified, this work will continue for a long time to come.

Embassy Bangkok



Detective Work Pays Off

When the tsunami hit Thailand, over 7,000 Americans were placed on our list of "not accounted for." The vast majority of these people were actually okay, but any time any American called the department and said, "my cousin is in Thailand and I'm worried about his safety following the tsunami," or "I haven't heard from my brother in Thailand in two years; do you think he was in the affected area?" we made a case file. Both Embassy Bangkok and the task force in Washington not only created files for each and every call, but also began the long arduous task of trying to account for everyone on the list. Callbacks were made day and night to determine whether the person had checked in with his/her family.

As time went on we began researching local American Citizen Services files and archived passport records to look for possible phone numbers of other family members and friends, or emergency contact

information. As the list of not-accounted-for shrunk to below 100 names, the work became more difficult and we began using bank, phone and immigration records in Thailand (information we would normally have absolutely no access to, were it not for the tsunami).

We sent Scott Hansen, helping out from American Consulate General Chiang Mai, out in an embassy car to a half dozen addresses in the Bangkok area when we had no phone information. This task can be compared to finding an address in the Washington metropolitan area, but with no accurate street maps or phone books. He found three of the six people he was searching for. Our Phuket consular team (which at one time numbered more than 20 officers and FSNs) spent days searching for Americans based on clues like "he lives on a duck farm" and "his apartment is by the sea with a small Thai restaurant and a cigarette stand out front."

We "googled" dozens of names, and in one case we came up with a golf handicap for a gentleman we were looking for on a golfing Web site. That site led us to a golf discount membership for a number of golf courses in the Pattaya area of Thailand (far from the affected area). ACS FSN Nita Lertkaruna began calling golf courses on the membership list until she found one that had an e-mail address for the man we were looking for. We sent him an e-mail and received a response the next day — the gentleman was fine, not affected by the tsunami at all, and he compared our detective skills to Dick Tracy's. We have received e-mails from dozens of Americans, not only thanking us for finding their relatives, but in a few cases for reuniting them with relatives and friends they had not heard from in years. Of the over 7,000 people we began looking for, we've accounted for all but two, and

it is unlikely either of them was in harm's way.

*Ted Coley
Chief, American Citizen
Services Section
Embassy Bangkok*



The Scene of the Disaster

American Citizen Services Section FSN Kuvaldi "Air" Akarapanyathorn and I were the first non-Thai officials to reach Phi Phi after the tsunami. We smelled the island before we closed within a mile. The island was almost deserted and deadly silent, with only a few remaining European tourists waiting on the pier, along with a handful of Thai police/military rescue workers. The two main hotels were severely damaged and numerous small shops were destroyed. Many human remains were piled on the pier and arranged in ragged rows on the narrow strip of

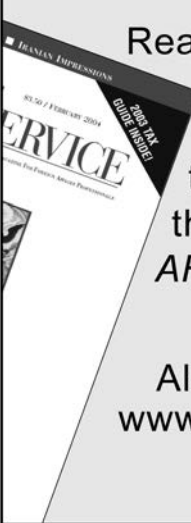
sand in front of the hotels. Investigating one hotel, we recovered guest registration lists with information on Americans present on the day of disaster. In front of the Phi Phi Cabana Hotel we met the dazed owner who had remained at the site of his damaged property searching for the bodies of several staff members. "I know she is there — I can see part of her uniform," he told us, referring to the remains of a cleaning woman on his staff, partially buried under the debris. The hotel's three flagpoles, including one flying the U.S. flag, had been toppled by the tsunami; the flags almost touched the sand. In the midst of the numbing scenes around us, it seemed important to try and restore some semblance of dignity and normalcy. Despite his grief, the hotel owner readily agreed when we requested that the U.S. embassy recover the flag. "Others have asked for it, but I refused. I think it is right

that the embassy have it." After I took the flag down, three accompanying Thai police officers saluted in an informal ceremony.

The flag is now cleaned, folded in a triangle and mounted in a frame, with the commemorative plaque dedicated to the Thai and American victims of the tsunami. A newspaper photo showing the sagging flags on the day of the tsunami, with survivors clustered around, is also in the frame. During a brief stop in Bangkok to thank the embassy for its efforts during the tsunami, Assistant Secretary of State for Consular Affairs Maura Harty presented the flag to the consular section, where it will be displayed as a small memorial to the tragic events of Dec. 26, 2004.

*Tim Scherer
Consular Officer
(currently assigned as
Labor Officer)
Embassy Bangkok*

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Can you be on a plane in two hours? Of course! I raced home and threw a variety of items into my waterproof yellow duffel bag. First-aid kit, hiking boots, travel clothes, business clothes, Cipro, bug spray, etc. The motor pool driver was a regular Formula One driver on the way to the airport. I could feel my heart racing on the flight. What was in store? How would I handle being in the middle of the crisis?

When I arrived at the Bangkok airport, I could see the sign for the American embassy right away, held by FSNs who were directing people to the area for assistance. I ended up staying until well past midnight that day, meeting flights and trying to be a friendly American face in the crowd. The embassy set-up was in an upper-level room with other diplomatic personnel and airline representatives, so my first plan was to make a series of signs that people could follow from the arrivals area up to the embassy area in case someone failed to notice the embassy representatives.

Over the next eight hours, I met countless people staggering off planes from Phuket and Krabi, dazed and injured, looking for family and friends. Some posted signs with pictures, descriptions and contact information. Others just wandered, looking toward the automatic doors each time they opened. Many were bruised and cut, mostly below the waist, suffering from a deep cough caused (I learned later) from sand in the lungs or salt abrasions in the windpipe.

I helped one woman who had been on a dive boat with her husband and child at the time of the wave. Their other two children were asleep in a beach bungalow. At one point, all were separated, but when I met her from the flight, she

was trying to reunite with one child who had been taken to surgery at a Bangkok hospital. The more I spoke with her, I realized she needed more than an emergency loan and directions. I rode with her through 45 minutes of crawling Bangkok traffic to the hospital. At first I wondered: should I talk or be quiet? Ask questions or not? But then it just came naturally as she began to recount the horror of feeling the wave, knowing something was dreadfully wrong and wondering about her family back on shore. We wandered through reception, took various hallways and elevators and finally managed to find the nurses who were responsible for her child's case. The nurses offered to bring her food and coffee while she waited for her child to come out of surgery. I left her my card, and as I was leaving, she gave me a big hug and thanked me.

Riding back to the airport, I knew that these situations were the reason I joined the Foreign Service. To help people in crisis, to give comfort, to be in the middle of the action. Not just to watch on television and feel helpless and distant. Don't get me wrong: I still watched on television morning and night, felt helpless and sad beyond words. But then I went to work and helped as many people as I could — big ways and small. Adjusting cell phones, guiding people to hospitals and hotels, calling family and friends back in the U.S. to convey news of safety or to express condolences at the lack of news. No words can express the horror and devastation of so many lives extinguished in one terrible instant, but when I saw my colleagues doing everything possible to help Americans in need, it made me truly proud to be a Foreign Service officer.

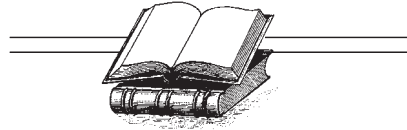
Erin Sawyer
 General Services Officer
 Embassy Vientiane ■

FSJ's Guide to Extended Stay Housing

Go to www.fsjournal.org: CLICK on Marketplace, CLICK on Extended Stay Housing (with Foreign Service Clause Information)

Property	Telephone	Web Address	E-mail Address	Location	Amenities'	House-keeping	Accepts Pets	Minimum Stay	# of Bedrooms	Style'	Dist. To State	Foreign Service Clause	Ad Page
Accommodations 4 U,	(843) 397-5714	accommodations4u.net	vicki@accommodations4u.net	DC, MD, VA	SP, FC, TC, CC, GS, HR, LR	Dly/wkly	Varies w/ deposit & fee	1 day	Studio, 1, 2 Bedrooms	Varies	Varies	Yes	53
Columbia Plaza Apartments	(202) 293-2000	columbia plaza.net	leasingoffice@columbiaplaza.net	DC	FC, CC	No	Cats only	3 Months	Efficiency, 1, 2 Bedrooms	HR	1 Block		43
Corporate Apartment Specialists, Inc.	(703) 979-2830	corporate apartment.com	sales@corporateapartment.com	DC, MD, VA	SP, FC, PG, RD, WD, CC	Optional	Yes	30 days	Studio, 1, 2, 3 Bedrooms	GS, TH, HR	Varies	Yes	59
Crystal Quarters	(703) 671-7505	crystalquarters.com	home@crystalquarters.com	VA	SP, FC, CB	Weekly	No	7 days	1 Bedroom	HR	2 miles		61
DC Suites Pennsylvania House	(202) 448-0791	dsuites.com	sales@dcsuites.com	DC	FC	Weekly	No	30 days	Studio, 1 Bedroom	HR	6 blocks	Yes	40
Executive Lodging Alternatives	(703) 354-4070	None	finder5@ix.netcom.com	VA	Varies	Optional	Yes	30 days	1, 2, 3, 4 Bedrooms	HR, TH, GS	3-5 miles		61
Georgetown Suites	(202) 298-7800	georgetown suites.com	reservations@georgetownsuites.com	DC	FC, CC	Daily	No	1 day	1, 2 Bedrooms	LR	1.5 miles		54
Hawthorn Suites	(703) 370-1000 (800) 527-1133	hawthorn.com	alexandriasales@capitalhospitality.com	VA	CB, SP, FC	Daily	Yes w/ deposit	1 day	Studio, 1, 2 Bedrooms	HR	Varies		33
Korman Communities	(866) 567-6264	korman communities.com	dk@kormancommunities.com	VA	SP, FC, CC, CB, BC	Weekly	No	30 days	1 Bedroom & Den, 2 Bedrooms	HR	7 miles		41
Oakwood	(703) 488-6837 (800) 888-0808	oakwood.com	lstevens@oakwood.com	DC, MD, VA	SP, FC, TC, CC, PG	Weekly	Varies	30 days	1, 2, 3 GS, Bedrooms	HR, TH	Varies	Inside front cover	
Quality Hotel	(703) 247-1007	hotelchoice.com/hotel/va058	scottfoster@sbnhotels.com	VA		weekly	Yes	no min.		HR	2 miles		18
Remington	(202) 223-4512 (800) 225-3847	remington-dc.com	reminc333@aol.com	DC	TC, PG	Weekly	Yes w/ deposit	1 day	Efficiency, 1 Bedroom	HR	2 blocks		29
State Plaza Hotel	(202) 861-8200	stateplaza.com	reservations@stateplaza.com	DC	BC	Daily	No	1 day	1 Bedroom	HR	1 block	Yes	68
Staybridge Suites	(703) 448-5400 (800) 238-8000	staybridgelmclean.com	cathy.peck@staybridgelmclean.com	VA	BC, CB, HH, SP	Daily	Yes	1 day	Studio, 1, 2 Bedroom/2 Bath	LR	14 miles		53
SuiteAmerica	(703) 461-1932 (877) 827-8483	suiteamerica.com	Ben@suiteamerica.com	VA, MD	Varies	Weekly	Limited	3 days	1, 2, 3, Bedrooms	LR, HR	1.5 miles+	Yes	39
Virginian Suites	(703) 522-9600	virginiansuites.com	dos@virginiansuites.com	VA	SP, FC, CC, PG	Daily	Yes w/ deposit	1 day	Efficiency, 1 Bedroom	HR	1.5 miles		17

(1) P--pool, FC--fitness center, TC--tennis courts, CC--conference center, DC--day care, PG--playground, RD--roof deck, CB--continental breakfast, BC--business center (2) GS--garden style, HR--high rise, LR--low rise, TH--town homes



BOOKS

Sowing the Wind

Ghost Wars: The Secret History of the CIA, Afghanistan, and Bin Laden, from the Soviet Invasion to September 10, 2001

Steve Coll, Penguin Books, 2004
(second edition), \$16.00, paperback,
712 pages.

REVIEWED BY RICHARD MCKEE

Pakistani, Saudi and American encouragement of Afghan and foreign mujahedeen (holy warriors) to make the Soviet occupation of Afghanistan too costly to sustain ultimately provided crucial momentum for the later terrorist attacks by Osama bin Laden and his acolytes on all three governments. Pulitzer Prize-winning journalist Steve Coll's chronicle of this fateful and ironic geostrategic transformation, *Ghost Wars: The Secret History of the CIA, Afghanistan, and Bin Laden, from the Soviet Invasion to Sept. 10, 2001*, is exhaustively researched, grippingly recounted and deeply insightful. Per its title, the account ends on a date almost as significant for Afghanistan as the next day was for the United States: the date that Ahmed Shah Massoud, the Tajik Afghan chieftain who resisted the Soviet Army and factional rivals for a generation, was assassinated by bin Laden's agents.

Coll unravels the tangled skein of relationships among the CIA, Saudi Arabia's General Intelligence Directorate and Pakistan's Directorate of

Inter-Services Intelligence. As Coll shows us, each agency pursued complementary and competing goals, advanced by calibrated cooperation and covert, discrete links to Afghan fighters. The CIA provided arms to the ISI, which distributed them primarily to the Pashtun Afghan factions that posed no challenge to Islamabad. The GID doubled every CIA payment to the mujahedeen, but could not track the flow of funds from official Saudi proselytizing and charitable groups or individual Saudi believers. And, as we would find out too late, the GID was not the only Saudi paymaster in the fray: bin Laden gained prestige among Afghans by financing roads and clinics and, once, skirmishing with the Soviet forces who finally gave up and left Afghanistan in 1989.

Outraged by the corruption of the Saudi regime and the presence of American forces in Saudi Arabia during the Gulf war, bin Laden shifted his establishment to Sudan, where his minions cut a wide swath and tried to kill CIA station chief Cofer Black. In 1996, after being expelled following U.S. pressure on the Sudanese regime, he returned to Afghanistan (where it appears he still is). Hosted by the Taliban regime and protected by the ISI, bin Laden financed fundamentalist madrassas (schools) and set up training camps for alienated Muslim youths. Trained as terrorists, they spread around the world.

Coll's solid research, based on hundreds of interviews and scores of secondary sources, including KGB archives, undergirds his credibility.

He elucidates the political, bureaucratic and legal factors that influenced such key Washington decisions as whether to give Stinger missiles to the mujahedeen and how to respond to bin Laden-planned attacks on our embassies in East Africa (1998) and the *USS Cole* (2000). His depictions of figures like Directors of Central Intelligence William Casey and George Tenet; energetic (unidentified) CIA station chiefs in Islamabad; NSC counterterrorism honcho Richard Clarke; colorful Congressman Charlie Wilson; FSOs Edmund McWilliams and Peter Thomsen, successive envoys to the mujahedeen; the generals who led the ISI; and GID Director Prince Turki al-Faisal, all enliven his narrative.

I do wish Coll had addressed the weightiest question his work implicitly raises: considering the toll inflicted by the 9/11 attacks and the many other bin Laden-inspired terrorist operations in Saudi Arabia, Pakistan and elsewhere, was U.S. aid to the mujahedeen during the 1980s prudent? I happen to believe it was worthwhile, for the Afghanistan debacle discredited the Soviet leadership and accelerated the fall of the USSR. Nonetheless, the eventual outcome of the insurgency of the Afghan guerrillas and foreign mujahedeen brings a powerful biblical warning to mind: "For they have sown the wind, and they shall reap the whirlwind" (Hosea 8:7).

Richard McKee, a retired FSO, served in Pakistan and Saudi Arabia. He is



now the executive director of *Diplomatic and Consular Officers, Retired and of the DACOR Bacon House Foundation*.

Diplomatic Games

Bobby Fischer Goes to War

David Edmonds and John Eidinow, HarperCollins, 2004, \$24.95, hardcover, 342 pages.

REVIEWED BY ROBERT HILTON

Despite its title, *Bobby Fischer Goes to War* is not intended for the serious chess player who would like to improve his or her game by studying the famous 1972 championship match between Fischer and Boris Spassky.

The 21 games played are discussed only in general terms, and the authors don't even list all the moves.

But the rest of us have here a most readable work that encompasses psychology, international relations and diplomatic history, Icelandic studies, and even film studies and furniture design. In fact, no knowledge of chess is needed to fully enjoy this book.

While the momentous events chronicled by journalists David Edmonds and John Eidinow are now three decades in the past, many Americans can likely identify Bobby Fischer as the young genius who captured the nation's attention while winning the world chess championship in a theatrical match played in Reykjavik. His exploits were front-page news at the time, and his name has remained common currency because

of works such as the book and movie titled "Searching for Bobby Fischer" and the London and Broadway musical "Chess." And he's still in the news today, as he attempts to avoid arrest for violating a U.S. executive order prohibiting transactions with the Federal Republic of Yugoslavia. (Fischer and Spassky played a rematch of sorts in Yugoslavia in 1992, despite a warning from the Treasury Department.)

Edmonds and Eidinow place the match in its Cold War context, focusing especially on the development of detente. However, they rebut the perception that the players were champions of their respective systems. Spassky was no model Soviet man, laboring for the glory of the state, and Fischer's consistently bad behavior while overseas probably

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MAKE IT YOUR PLACE.™

BOOKS



made as many enemies for our nation as his skill did admirers.

Tiny Iceland was a fine stage for the championship, and the Icelanders who were closest to the drama are vividly rendered by the authors. Two Foreign Service officers at Embassy Reykjavik — Theodore Tremblay and Victor Jakovich — play important parts in the story. The Foreign Service reader will alternately cringe and chuckle while reading how these two (as well as others at the embassy and the U.S. Naval Air Station at Keflavik) coped with the consequences of Fischer's incessant demands and mercurial temperament.

Attempting to explain Fischer's complexity, the book draws on sources as varied as "Rebel Without a Cause" and game theory. The

authors probe deeply into his family history, having used the Freedom of Information Act to obtain the FBI's files on Fischer's mother. Further enhancing the depth and credibility of the work are interviews with many of the principals, including Spassky (but not Fischer). Quotes from American and European newspapers are sprinkled throughout the book, giving a sense of the intense international interest in the match and the players. Soviet archives and Russian-language periodicals provide useful perspectives from the other side of the Iron Curtain.

Reykjavik was the high point of Bobby Fischer's career and, apparently, of his whole life. He refused to defend his title, and it passed back into Soviet hands in 1975. He became increasingly reclusive, his

behavior more and more erratic; despite being Jewish, he has espoused anti-Semitism as well as anti-Americanism. The government of Iceland has now offered him a residency permit, if he can avoid arrest by U.S. authorities and get there from his current home in Japan. Perhaps the final chapter of his tortured life will be written where the greatest chapter was 30 years ago. Whatever becomes of him, his time of triumph is superbly depicted in this book. ■

Robert Hilton, an amateur chess player and Foreign Service officer since 1988, has served in Tunis, Sanaa, Riyadh, Dhaka, Moscow and Washington, D.C. He is currently the public diplomacy officer for the Bureau of Population, Refugees and Migration.

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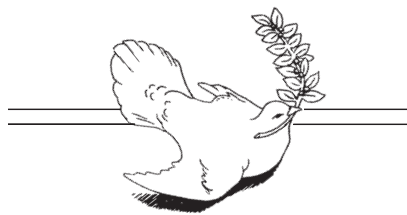


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IN MEMORY

Robert S. Barrett IV, 77, a retired Foreign Service officer who served as ambassador to Djibouti from 1989 to 1991, died of cancer Dec. 24 at Georgetown University Hospital. He lived in Washington, D.C., and Charleston, S.C.

Ambassador Barrett was born in Berlin, where his father, an American, was European manager of a trust company. He grew up in Paris, Washington, D.C., and Alexandria, Va., where he graduated from Episcopal High School in 1944.

After serving in the Navy at the end of World War II, he graduated from Princeton University and later received a master's degree in economics from the University of Wisconsin. While serving in the Army in Japan, he was recalled to active duty during the Korean War.

Amb. Barrett began his Foreign Service career in 1953. He served as a consular and diplomatic officer in Iran, Cambodia, France, Martinique, Vietnam, Lebanon and Bermuda. He was chief of mission in Madagascar in the mid-1970s, and also served as a Middle East specialist at the United Nations in New York. He retired in 1992.

Fluent in several languages, he worked at learning the culture of the countries where he served. In Cambodia, he chose to live in a thatch-

ed hut rather than in the diplomatic section of the capital.

Amb. Barrett was a sailor and tennis player. He maintained a converted oyster boat called a skipjack at the Washington Sailing Center. He was also a member of the Metropolitan Club.

Survivors include his wife of 42 years, Mavis Perry Barrett of Washington, D.C., and Charleston; two daughters, Jane Perry Burden of Mount Pleasant, S.C., and Elizabeth Perry Gourlay, a Foreign Service officer posted in Bangladesh; a brother; and six grandchildren.



Donald E. Hickson, 72, a retired FSO, died peacefully at his home in Homosassa, Fla., on Oct. 12.

Mr. Hickson was born in St Petersburg, Fla. He served in the U.S. Navy Submarine Service during the Korean War, and graduated from Florida State University in 1957. After receiving his CPA, he joined USAID in 1962.

Mr. Hickson's first post was Phnom Penh, but the family was evacuated to Vietnam in December 1963. He was posted to Bangkok, evacuated from La Paz in 1968, evacuated from Jordan in 1970 and transferred to Lima in 1970, as a controller for

USAID. Mr. Hickson was assigned to Swaziland, Washington, D.C., Yemen and India before retiring in 1987.

Following retirement he traveled extensively on contract work to Haiti, Jamaica, Pakistan, India, Senegal, Ethiopia, Zambia, Senegal, Niger and Mali. In 2000, Mr. and Mrs. Hickson spent six months in Mali, and visited Timbuktu.

In addition to his wife of 47 years, Joann LaMorder Hickson, survivors include his four children, Brian, Bradley, Barry and Bridgette; seven grandchildren; and his sister Amy Ostrander of Fort Myers, Fla.



Martin Joseph Hillenbrand, 89, a retired FSO and ambassador to Hungary and Germany, died Feb. 3 at his home in Athens, Ga.

Dr. Hillenbrand was born in Youngstown, Ohio, and spent his boyhood in Chicago, Ill. He graduated from the University of Dayton in 1937, from which he also received a doctorate of letters (honoris causa) in 1963. He received his M.A. (1938) and Ph.D. (1948) degrees from Columbia University, and pursued postgraduate studies at Harvard University (1949-50). He also received the degree of LL.D. (h.c.) from the University of Maryland (1973).

IN MEMORY



In 1939, Ambassador Hillenbrand entered the Foreign Service, and was assigned as a vice consul to Zurich. In 1940, he was sent to Rangoon, where he met and married Faith Stewart. When the Japanese invaded Burma in 1942, the Hillenbrands were transferred to Calcutta, and in 1944, to Lourenco Marques.

After the war ended, Dr. Hillenbrand served in Bremen (1946-1950), Washington, D.C. (1950-1952), Paris (1952-1956), Berlin (1956-1958) and again in Washington, where he was first director of the Office of German Affairs from 1958 to 1962, and then director of the Berlin Task Force from 1962 to 1963.

In 1962, Amb. Hillenbrand was awarded the Department of State's Distinguished Service Medal, and promoted to the rank of career minister (the youngest Foreign Service officer ever to attain that rank). He was assigned to Embassy Bonn as deputy chief of mission (1963-1967), and appointed ambassador to the Hungarian People's Republic (1967-1969). Amb. Hillenbrand became assistant secretary of State for European Affairs in 1969. He was appointed ambassador to the Federal Republic of Germany in 1972, serving with distinction until 1976. Upon retiring from government service, Amb. Hillenbrand was awarded the Grand Cross of Merit, the highest civilian honor, by the West German government.

In 1977, he began a second career as director general of the Atlantic Institute for International Affairs based in Paris, where he worked and resided until 1982. He then accepted the position of Dean Rusk Professor of International Relations at the University of Georgia, which he held until 1997; when he retired for the second time, he became the Dean Rusk Professor Emeritus. While at the University of

Georgia, Dr. Hillenbrand was director of the Center for Global Policy Studies (1983-1991) and co-director of the Center for East-West Trade Policy (1987-1997). He also served as chairman of the Fellowship Selection Committee of the Robert Bosch Foundation in New York, N.Y., from 1983 to 1992 and as honorary chairman from 1992 to 1996. He served as a trustee of the Southern Center for International Studies in Atlanta from 1983 to 1987, and as chairman from 1987 to 1990. He also sat on the board of directors of Mercedes-Benz, North America (1990-1994).

Amb. Hillenbrand was a member of the Council on Foreign Relations, the American Foreign Service Association, the Diplomatic Advisory Committee of the American Council on Germany and the American Academy of Diplomacy. He was the author of numerous books and articles, including: *Power and Morals* (1949), *Germany in an Era of Transition* (1983), and *Fragments of Our Time: Memoirs of a Diplomat* (1998). He was also co-author/editor of *The Future of Berlin* (1980) and co-editor of *Global Insecurity* (1982).

Amb. Hillenbrand's wife of 62 years, Faith, died in May 2004. He is survived by his three children, Ruth Quinet of Seattle, Wash., David Hillenbrand of Toronto, Canada and Savannah, Ga., and John Hillenbrand of Athens, Ga., who remember him for his kind and generous nature, his extraordinary ability to extemporize on virtually any subject, his intellectual curiosity, his love of travel and fine dining and his enchanting smile. He was the loving grandfather of Derrick Quinet, Stuart Hillenbrand and Joseph Hillenbrand.

Memorial contributions may be made to the St. Mary's Hospice, P.O. Box 6588, Athens GA 30604.

Calista Cooper Hughes, 90, a former political leader and state official and the widow of FSO Morris Nelson Hughes, died July 10 in Humboldt, Neb., where she was born.

Mrs. Hughes graduated from the University of Nebraska as a political science major in 1935, and then lived for a year in Tokyo, where her brother, FSO Charles Cooper, was posted. There she met Morris Hughes: they were married in Humboldt in 1936. Mrs. Hughes accompanied her husband to Addis Ababa in 1936, which they fled in 1937 as Italian forces surrounded the city. They were transferred to Tirana, from which they were evacuated in 1939, just ahead of invading Italian troops. They were posted to Mexico City (1939-1942), Havana (1945-1948), Bern (1949-1951), Reykjavik (1951-1953), Tunis (1953-1956) and Paris (1956-1961).

Following her husband's retirement in 1961, Mr. and Mrs. Hughes returned to Humboldt. There Mrs. Hughes taught high school French and served on various local and state commissions. She was elected to the unicameral Nebraska state legislature in 1964, serving until 1969. She was appointed state health planning director in 1969, and held that office until 1974. From 1975 to 1977, she was an adviser to the Institute of Medicine of the National Academy of Sciences. In the summers of 1978 and 1979, she raised funds to bring more than 150 young musicians to study and perform at a local college. She was the first program director for an ongoing concert series, and was appointed to many state and local charitable, advisory and educational commissions and boards.

Mrs. Hughes leaves two daughters, Mary Solari and Judy Leech; a son, Morris Nelson Hughes Jr., now consul general in St. Petersburg; 10 grandchildren; and 11 great-grandchildren.

IN MEMORY



Harold M. Jones, 86, a retired FSO, died Dec. 29 at George Washington University Hospital in Washington, D.C. as the result of a burst aortic aneurysm. Mr. Jones had suffered a stroke in 1999.

Born in Charles City, Va., Mr. Jones earned a bachelor's degree in agriculture from Virginia State University, and a master's degree in agricultural engineering from Cornell University on the GI Bill. While teaching in Manassas, Va., he met and married Loretta Williams, a teacher of mathematics.

Mr. Jones served with the U.S. Army in the Pacific in World War II and in occupied Germany during the Korean War, attaining the rank of captain. He earned a reputation for defending the troops under his command against injustices. Following military service, he began his career teaching agricultural engineering at Manassas Teachers' College, then moving to Tennessee State University, while his wife taught mathematics at Fisk University. From there Mr. Jones embarked on a 25-year career with the U.S. Agency for International Development.

Mr. Jones' first and longest posting was in central India, where he helped establish the Central Farm Machinery Training and Testing Institute at Budni. He took a lively interest in Hindu and Muslim philosophy and religion, inviting colleagues to evening debates and encouraging his daughters to take advantage of a unique learning experience. He appeared in 1960, while in India, on the front cover of *SIGN* magazine, which carried an article by Marilyn Silverstone on his work and his family's experience abroad. Over 30 years later he revisited India. The Institute, now the largest of its kind in Asia, honored him for his great contribution. Among the highlights of the

trip were meeting the Nawab of Pataudi and Bhopal, the hereditary ruler of Bhopal who is a famous cricket player, and staying with his former driver, who had pulled him through many a wet, muddy monsoon and who educated his own three children because of the example set by the Joneses.

Mr. Jones was then assigned to northern Nigeria, where he stayed on during the Biafran Civil War while his family was sent to Spain for safety. His next post was Kenya, as agricultural officer. There he designed a water pump and special plow for small poor farmers, and donated the prototypes to a museum of technology. In November 1979, he received a Superior Honor Award for his service in rural sector development in East and Southern Africa. In all his postings, Mr. and Mrs. Jones were renowned for their warm hospitality and barbecues.

Mr. Jones retired in 1980, but returned to development work with the Rockefeller Foundation in Swaziland, and the Pan American Development Foundation in the West Indies. Upon return to Washington, D.C., he became known in his neighborhood for his flourishing vegetable roof garden.

Never one to settle into routine, Mr. Jones taught himself how to use a computer and turned to writing. He wrote, illustrated and self-published *Dogs Help People's World Turn* (Dorrance Publishing Company, 1997), depicting dogs as meaningful reminders of the human condition. He also completed his autobiography, now in the U.S. State Department Oral History Archives. He actively supported the St. John Baptist Church of Charles City, which his grandfather, Sitting Bull John Jones, had founded. He was also an avid sponsor of Africare activities.

Mr. Jones is remembered for his great sense of humor, and his love of people of all cultures. He enjoyed telling anecdotes, puns and jokes that endeared him to everyone, and he used this gift to defuse many a tense moment. His favorite pastimes were hunting and golf. He started hunting as a boy in the woods of Charles City, and returned every year with friends to Virginia for the deer season. Abroad, Indian villagers sought him out to stalk down cattle- and man-eating tigers, which at the time roamed freely in many areas of India. He was a competitive amateur golfer and won several trophies. Mr. Jones shared his hobbies as well as his love for books with his daughters.

He is survived by his wife of 62 years, Loretta Jones; his sister Vera Allen of Farmville, Va.; seven daughters: Burnetta of Cleveland, Ohio, Christina of Bonn, Germany, and Cambridge, Mass., Carol of Boulder, Colo., Anita, Estrellita and Carlotta of Washington, D.C., and Loretta of San Francisco, Calif.; four granddaughters: Bianca, Monica, and Ariana of Cleveland, Ohio, Hildegaard of Goettingen and Hameln, Germany; and four great-grandchildren: Jerel, Danielle, Wesley, and Trevor, all of Cleveland, Ohio.



J. Jefferson Jones III, 89, a retired FSO, died Jan. 6.

Born in 1916, the son of J. Jefferson Jones Jr. and Tommie Cole Jones, Mr. Jones grew up in Newbern, Tenn. Following graduation from Georgetown University in 1939, Mr. Jones joined the Foreign Service.

Mr. Jones' first posting, in 1941, was to Mexico City. During World War II, he served in Venezuela and New Zealand. His major field of interest was India, where he served as

IN MEMORY



political officer in Mumbai and Delhi from 1946 to 1950. He witnessed the transfer of power from Lord Mountbatten to Jawaharlal Nehru in India and, after the partition of the subcontinent, to Mohammad Ali Jinnah in Pakistan.

In 1952, Mr. Jones was assigned to Moscow, serving during Joseph Stalin's last days. From there, in 1953, he was transferred to Embassy Jeddah. He returned to Washington in 1954 as director of the Office of South Asian Affairs in the department.

After an early retirement for medical reasons, Mr. Jones returned to Newbern and began to develop his interest in painting. He also became an active member of St. Mary's Episcopal Church. Mr. Jones valued highly his friends, both those at home and those he made when in the Foreign Service.

Mr. Jones is survived by his wife, Lou Pate Jones; a sister, Frances Graves; a niece; and a great-nephew and great-niece. Memorial contributions may be sent to the Trezevant Manor Foundation in Memphis, Tenn., St. Mary's Episcopal Church in Dyersburg, Tenn., the Episcopal Relief and Development South Asia Relief Fund in Newark, N.J., or any other charity.



Roger Alan McGuire, 61, a retired FSO and ambassador to Guinea-Bissau, died Jan. 24 at his home in Alexandria, Va., where he and his wife had resided since 1974. The cause of death was pancreatic cancer, which he had battled for seven years.

Ambassador McGuire joined the Foreign Service in 1967. Highlights of his career were directing the U.S. Liaison Office during Namibia's transition to independence and opening

the new embassy in Windhoek as charge d'affaires in 1990, and serving as ambassador to the Republic of Guinea-Bissau from 1992 to 1995. In 1991 he received a third Superior Honor Award that noted his "lasting contribution to democracy and self-determination in Africa."

Amb. McGuire's 30-year career began in Vietnam, where he received an award for heroism. Subsequent postings, in addition to Namibia and Guinea-Bissau, included Portugal, Botswana, Mozambique, Paraguay, Zambia, Brazil and Australia. His Washington assignments included two tours of duty in the Office of West African Affairs, a year on Capitol Hill with the Congressional Fellowship program, and two stints traveling in the U.S. with the Board of Examiners.

Amb. McGuire was a great mentor to junior officers and to students studying abroad. After retiring in 1997, he accompanied his wife, a Foreign Service officer with the U.S. Information Agency, on another assignment to Mozambique. Upon returning to Washington in 2000, he volunteered to help select students from the former Soviet Union to participate in the American Councils for International Education's Future Leaders Exchange Program.

In all corners of the world, Amb. McGuire was famous for planning fabulous trips, pursuant to his passion for sports — especially baseball, rugby and ice hockey — and flavored by his interest in local cheeses, wines and trains. He caught the travel bug young. During summer vacations as a child, his parents traveled around the U.S. Eventually he had visited all 50 states, and went on to visit 80 countries on six continents.

A native of Troy, Ohio, Roger McGuire graduated from Beloit College in 1965, after study abroad in Switzerland and England and partici-

pation in the Washington Semester program. He earned a master's degree in international relations from the University of Wisconsin in 1967. He married Harriet Cooke of Cincinnati, Ohio, in 1969.

Amb. McGuire is survived by his wife; two daughters, Sara McGuire-Jay of Cincinnati, Ohio, and Casey McGuire Davidson of Seattle, Wash. He also leaves two sons-in-law, two grandchildren and additional beloved relatives in Ohio, Vermont and across the country.

Donations in lieu of flowers can be sent to support the Africa Access program (P.O. Box 8028, Silver Spring MD 20910) or to the Troy Foundation, Class of 1961 Fund (Attn: Bob Schlemmer, P.O. Box 8, Troy OH 45373).

A memorial Web site has been created at [www.edieandbrian.com/Roger McGuire](http://www.edieandbrian.com/RogerMcGuire).



Lyle R. Piepenburg, 86, a retired FSO, died of cardiac arrest Oct. 25 in Evanston, Ill.

Born and raised in Reedsville, Wisc., Mr. Piepenburg attended Westmoreland College in San Antonio, Texas, the University of Wisconsin Center in Manitowoc, Wisc., and the School of the Art Institute of Chicago. Before completing his studies in languages and fine art, Mr. Piepenburg joined the Foreign Service in 1941.

Mr. Piepenburg's first posting was to Rome, where he was interned on Dec. 7, 1941, and held until June 1942, when he was repatriated to Lisbon. He served there briefly before his next posting to Foynes (Limerick), Ireland. Following the Anglo-American liberation of the Algerian coast, he was transferred to Algiers and remained there until after

IN MEMORY



the fall of Paris to the Allies.

He served in Paris from November 1944 to December 1951, when he was posted to Athens. For the next 10 years he served in Athens and, by secondment, in Thessalonika, and finally in Nicosia, during the civil-war period. Mr. Piepenburg's final overseas posting was to Niamey, from 1961 to 1964. He returned to a Washington assignment, and retired in 1967.

Following retirement, Mr. Piepenburg moved to a country house in the glacial moraine country of McHenry County, Ill., northwest of Chicago. In 2000, increasing physical frailty compelled him to move into an apartment in the Presbyterian Homes of Evanston, Ill., where he lived until he entered a nursing home three months before his death.

Mr. Piepenburg spoke fluent French and modern Greek. He was a longtime member of the American Foreign Service Association.

He is survived by two brothers in Canada, Willard of Toronto and Roy of Edmonton; a niece and two nephews; a few old and dear friends; and many new friends at Presbyterian Homes in Evanston.



Alfred Puhan, 91, retired FSO and ambassador to Hungary, died Jan. 20 in Sarasota, Fla.

Born in Germany, Alfred Puhan was 12 when he came to the U.S. He graduated from Oberlin College in 1935, and received a master's degree from the University of Cincinnati in

1937. He became involved professionally in world affairs during the 1940s when he worked as a German-language reader for the Voice of America. Soon he was writing scripts for the broadcasts. Edward R. Murrow invited Mr. Puhan to join his "This Is London" program on CBS, but instead, in 1952, he entered the Foreign Service.

Ambassador Puhan's 31-year diplomatic career began in 1953 in Vienna, where as secretary of the Allied Communication Secretariat and director of the Quadripartite Secretariat he worked on the Austrian State Treaty of 1955 that ended the country's occupation and recognized Austria as an independent and sovereign state. Subsequent postings include Bangkok, Budapest — where

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he served as ambassador from 1969 to 1973 — and Washington, D.C. He was program director of the Voice of America for 11 years. He also served as director of the Office of German Affairs in the State Department, and as deputy assistant secretary of State for Western European Affairs. Amb. Puhan received the Superior Service Award from the State Department upon retirement in 1981.

Amb. and Mrs. Puhan then relocated to Sarasota, Fla., where he gave foreign policy lectures at the Sarasota Institute of Lifetime Learning. "In retirement, he really enjoyed life out of the fast lane," Jeanne Puhan told the *Sarasota Herald Tribune*. "He had a good, long life, and he enjoyed every minute of it." Despite surgery and repeated hospitalizations after a fall five years ago, Amb. Puhan continued to play golf until a year before his death.

Amb. Puhan was a member of Phi Beta Kappa, the Cosmos Club in Washington, D.C., and the Sarasota Institute of Lifetime Learning. He was a parishioner of the Old Miakka United Methodist Church.

Survivors include his wife, Jeanne; daughters Ursula Burke of Scituate, Mass., and Fairfax Farrell of San Diego, Calif.; a son, Fred of Potomac Falls, Va.; a sister, Suzanne Powis of Venice, Fla.; 10 grandchildren; and one great-grandson. Memorial donations may be made to Selby Botanical Gardens, 811 S. Palm Ave., Sarasota FL 34243.



G. Lewis Schmidt, 89, a retired FSO with the U.S. Information Agency, died at the Tall Oaks assisted living facility in Reston, Va., on Dec. 31. Mr. Schmidt's government service extended from the Eisenhower through the Nixon administrations.

His lifelong interest in travel (public and private), music, arts, customs, history and archeology carried him to more than 70 countries, some of them repeatedly.

Born and raised in Seattle, Wash., Mr. Schmidt entered the University of Washington, graduating with Phi Beta Kappa and magna cum laude honors. He also won the Philo Sherman Bennet Prize in Political Science. In 1938, as chairman of the American delegation to the Japan-America Student Conference, he traveled to Japan to conduct academic/study discussions through an uninhibited exchange of opinions. The students also visited Manchuria, then a socially, politically and militarily contested arena under Japanese rule.

Mr. Schmidt's interest in international affairs and concern for a friendly relationship between the U.S. and Japan were the leitmotifs of his career. Later, following retirement, he founded the nonprofit Japan-America Student Conference, Inc. in 1979, serving as president/treasurer and, subsequently, as a board member, to ensure continuation of the Japan-America Student Conference program.

Mr. Schmidt was awarded a Littauer Fellowship at Harvard University, where he received his Ph.D. in 1940. He was commissioned into active duty by the U.S. Army, and later appointed officer-in-charge of the Northern Region of the State of California. In 1944 he was assigned to the Army School of Military Government, which led to further training in civil affairs at the University of Virginia and in government administration and area studies at Stanford University.

At the end of World War II, Mr. Schmidt served in the Supreme Command of Allied Powers Far East Command, Sixth Army. His work

with the occupation forces in Japan led to many lasting friendships. He was demobilized in 1946, having received five military medals. His military career continued as a reserve officer until 1966, when he retired as a lieutenant colonel.

Mr. Schmidt's interest in government brought him back to Washington D.C., where he first entered the Department of Agriculture as a budget analyst. In 1951, Mr. Schmidt passed the Foreign Service examination, and was assigned to establish the civil information and education activities within Embassy Tokyo. By the end of his four-year assignment, he had become the deputy and, later, acting head of the USIA program in Tokyo. He remained a resolute believer in the importance of public diplomacy throughout his life.

Mr. Schmidt was then assigned to Rio de Janeiro, where he contracted polio that took away the mobility of his right foot. After a period of recuperation in Seattle, he spent two years in Washington in charge of USIA-Latin America Operations. Later postings took him to Turkey (1964) and Thailand (1967). As director of USIS Thailand, he supervised one of the agency's largest reduction-in-force operations in compliance with the policy of curtailing U.S. activities abroad.

During the transition period from the Eisenhower to the Kennedy administration, Mr. Schmidt was acting deputy director of USIA. The highlight of his career was when he was appointed assistant director of USIA for administration and management by Mr. Edward R. Murrow, the newly appointed director.

In 1964, Mr. Schmidt received the National Civil Service League Award as one of the 10 "Outstanding U.S. Government Career Service" men of the year. Many years later, in 2004, he

IN MEMORY



was surprised to receive yet another award, this one from the Japanese government, which recognized "with deep respect" his lifelong distinguished contributions to the promotion of mutual understanding and friendship between the two countries. The two awards brought him immense happiness and contentment at the end of his life.

Shortly after he retired, the State Department in 1973 appointed Mr. Schmidt head of the U.S. delegation for the UNESCO Evaluation Study commissioned by the director of UNESCO in Paris. In the 1970s and 1980s, UNESCO was mired in controversy over its attitude toward a free press and free-market issues, as well as its budgetary wastefulness. The evaluation study was the first of its kind.

In addition to his work as founder and president of JASC, Inc., Mr. Schmidt was also active in the USIA Alumni Association and the Public Diplomacy Foundation. He initiated and organized the USIA portion of the Oral History Project under the auspices of USIAAAA and the PDF (while supplementing most of the travel fees on his own) to reach more than 100 retiree colleagues and friends. He was a member of Diplomatic and Consular Officers, Retired, the National War College Alumni, Phi Beta Kappa, Harvard University Alumni and the University of Washington Alumni.

Mr. Schmidt is survived by his wife of almost 30 years, Kyoko Edayoshi, who resides in their home in McLean, Va. In addition to his loving brother,

he is also survived by two sons and one daughter (with his first wife, Margaret B. Schmidt, who died in 1974); three grandchildren; and a host of other close relatives.

Memorial contributions may be made in his name to a charity of the donor's choice or to Japan-America Student Conference, Inc., which is setting up a Lewis Schmidt Memorial Fund.



Herbert D. Spivack, 87, a retired FSO, died Nov. 12 at his home in San Francisco, Calif.

Mr. Spivack was born in New York City but lived for much of his childhood in Alabama. He attended the University of Alabama and then New

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York University, from which he received a B.A. in 1937 and an M.A. in 1938. He worked for the New York City government before joining the Department of the Army during World War II, working for Army intelligence.

In 1944, he joined the Department of State as an "auxiliary vice consul," a special wartime category, and passed the FSO examination early in 1945. He was initially assigned to Tehran, but before that he was sent temporarily to San Francisco to assist the U.S. delegation at the conference founding the United Nations.

Mr. Spivack served in Tehran from 1945 to 1948, during the tense and active postwar period there that included, among other events, the confrontation with the USSR over Azerbaijan. His next post was Burma, during another eventful period. He saw that country achieve its independence, and witnessed its subsequent turmoil. While in Burma he met and married his first wife, Florence, who passed away in 1981.

In 1951, Mr. Spivack was assigned as second secretary and economic officer to Paris, where his experience included work on implementation of the Marshall Plan. He returned to the department in 1954 to the Bureau of International Organization Affairs.

In 1956 he was posted to Burma a second time, as chief of the embassy's political section. This was followed by a return to the department from 1959 to 1962, during which he attended the Senior Seminar and then worked as a Foreign Service inspector.

Mr. Spivack was then posted to Phnom Penh as counselor and DCM, and later became chargé d'affaires. He served there from 1962 to 1964, a period that saw considerable turmoil in U.S. relations with Cambodia and its mercurial leader, Prince Norodom Sihanouk.

His next assignment was to New Delhi, where he served from 1967 to 1969 as minister for political and economic affairs. This was followed by a year as diplomat-in-residence at Michigan State University.

Mr. Spivack was consul general in Dhaka when Bangladesh became independent in 1972. He was named chargé d'affaires as the first head of the new U.S. embassy there. His last Foreign Service assignment before retirement in 1975 was as consul general in Munich.

Mr. Spivack returned to New York City following retirement, spending four years as director of programs at the Asia Society. In 1985 he moved to San Francisco, where he was active in the Foreign Service Association of Northern California, the World Affairs Council, the Japan Society and other community organizations.

He is survived by his wife Annie, of Tokyo and San Francisco, whom he married in 1986.



Thomas Jeremiah Warren, 74, a retired Foreign Service specialist, died of cardiac arrest at his home in Drumfries, Va., on Dec. 31.

Mr. Warren was born in Corinth, Miss. Prior to joining the Foreign Service in 1969, he served for 12 years in the U.S. Army.

In the Foreign Service, Mr. Warren served as a communications specialist and supervisory communications officer in Rome, Moscow, Geneva, Quito, Tehran and Madrid. Upon returning to Washington in 1978, Mr. Warren was the officer in charge of telecommunications operations management for Europe and North Africa. He then served for four years as primary representative for the Office of Communications to three major interagency crisis man-

agement programs. He retired in 1985.

Upon retiring, Mr. Warren began another career, as a contractor/consultant to the Department of State and Department of Defense. In 2000, at the age of 70, he retired from a Computer Sciences Corporation assignment in the Office of the Special Assistant to the Deputy Secretary of Defense for Gulf War Illnesses.

In his retirement, Mr. Warren enjoyed the beach — fishing, boating or just being there — and traveling internationally. Survivors include his wife, Sandra, with whom he celebrated a 36th wedding anniversary the evening before he passed away; and their children Michael and Jennifer. Mr. Warren was buried with military honors in Quantico National Cemetery, Quantico, Va.



Peter Whaley, 54, a retired FSO and winner of the William R. Rivkin Award, died Jan. 29 of pancreatic cancer at his sister's home in Pittsfield, Mass.

Born in Brooklyn, N.Y., Mr. Whaley graduated in 1972 from Tufts University and attended Stanford University after winning the Wallace Stegner Fellowship for creative writing. Mr. Whaley spent several years as a writer before joining the Foreign Service in 1982 as a political officer. Over a 17-year career, Mr. Whaley was posted to Haiti, Rwanda, Zaire, Bosnia and Washington, D.C.

In the mid-1990s, at the height of the turmoil between the Hutus and Tutsis, Mr. Whaley served as deputy chief of mission in Kigali, Rwanda, and as a liaison with Rwandan rebels based in eastern Zaire. He was known for his plain-spoken assessment that the Rwandan genocide would never have happened had the

IN MEMORY



U.N. not opened refugee camps for the Hutus in eastern Zaire. After the genocide, as charge d'affaires at Embassy Kigali, Mr. Whaley helped supervise reconstruction. He later became the chief U.S. contact in eastern Zaire with guerrilla leader Laurent Kabila (who ousted longtime dictator Mobutu Sese Seko in 1997).

But that was not his only brush with controversy. In 1990, Mr. Whaley was evacuated from a posting in Haiti when officials of the Port-au-Prince regime declared him persona non grata because of his wide contacts with opposition figures and his relationship with radical priest Jean-Bertrand Aristide, who later became president.

In 1997, Mr. Whaley received AFSA's William R. Rivkin Award for

intellectual courage and constructive dissent. During the previous year, he had defied prevailing opinion in the diplomatic community to accurately predict the peaceful return of 500,000 Hutu refugees from camps in eastern Zaire to their homes in Rwanda.

Mr. Whaley returned to Washington in the late 1990s to work on non-proliferation issues at the department. Following his retirement in 1999, he worked part-time in the Secretary of State's office to improve recognition for retired Foreign Service officers. In particular, he served as the coordinator for Foreign Affairs Day events for retirees.

Mr. Whaley's marriage to Katherine Crawford ended in divorce. He is survived by his daughter, Susan Katherine Whaley of Chevy Chase;

his mother, Eileen Callahan of Whiting, N.J.; and two sisters. A memorial service for Mr. Whaley was held on March 10 in the State Department's Delegates' Lounge. ■

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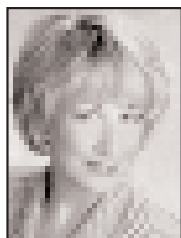
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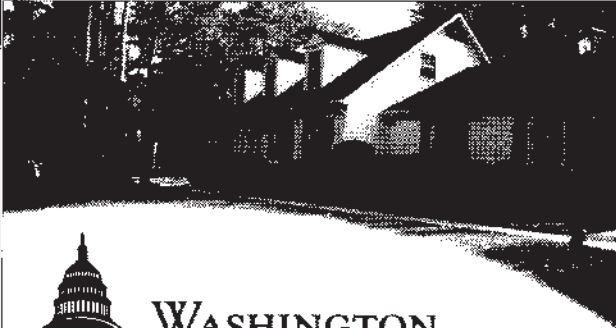

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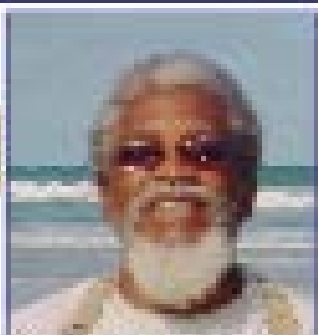
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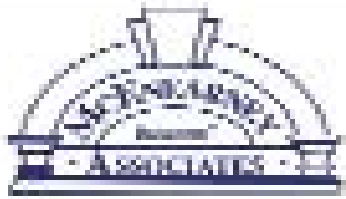


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D&M Auto / 39
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Martens Volvo / 17
State-Side Auto Supply / 40

FINANCIAL AND TAX SERVICES

Citibank / 2
MCG Financial
Planning / 59
State Department Federal
Credit Union / 25

HOUSING

Accommodations 4U / 53
Columbia Plaza / 43
Corporate Apartment
Specialists, Inc. / 59
Crystal Quarters / 61
D.C. Suites / 40
Executive Lodging
Alternatives / 61

Extended Stay chart / 51
Georgetown Suites / 54
Hawthorn Suites / 33
Korman Communities / 41
Oakwood / Inside front
cover
Quality Hotel / 18
Remington / 29
State Plaza / 68
Staybridge / 53
Suite America / 39
Virginian Suites / 17

INSURANCE

AFSPA / 41
Clements International / 1
Harry Jannette
International / 27
The Hirshorn Company /
Outside back cover
UNIRISC / 63

MISCELLANEOUS

AFSA Day on Hill/
Foreign Affairs Day / 6
COLEAD / 9
Cort Furniture / 4
Editorial Board / 42
Foreign Service
Authors Roundup / 22
Iraq Reconstruction
Management Office / 18
Legacy / 36
Marketplace / 12
Morgan Pharmacy / 49
WorldSpace /
Inside back cover
YMCA / 43

REAL ESTATE & PROPERTY MANAGEMENT

Executive Housing
Consultants / 69

Hagner Ridgway and
Jackson / 70
Laughlin Management / 65
Long & Foster —
Simunek / 67
McEneaney Associates / 70
McGrath Real Estate
Services / 66
Meyerson Group / 66
Peake Management, Inc. /
66
Promax / 71
Property Specialists / 67
Property Management
chart / 64
Prudential Carruthers /
JoAnn Piekney / 69
Prudential Carruthers / 71
Stuart & Maury / 65
Weichert — Parson / 67
WJD Management / 68
Washington Management
Services / 66

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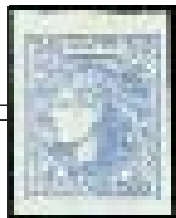
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REFLECTIONS

Not Your Average Slide Show

BY ADRIENNE MULLINAUX

Kiev in the late 1990s resembled a snapshot of post-Depression America. Amusements were simple — walks through city parks, row boating on the Dnieper River, Sunday strolls in one's finest along Kreschatik Avenue, when traffic was blocked off and western music blared (Queen's "We Are the Champions" comes to mind). Massive public works projects were under way, employing a lucky few to do fine mosaic-like bricklaying of streets and new plazas. Restaurants were few and expensive. The new McDonalds, however, had cheap coffee, spotless bathrooms and bountiful heat, ideal for lingering (formerly a punishable offense). Democracy and its trappings had arrived: ubiquitous cell phones, high prices and a lurking Mafia.

It was in this landscape that I met Nadia, our building's security guard. As I daily ushered my sons to and from school, Nadia eyed me with guarded curiosity from her dimly-lit stall in the chilly foyer. Wrapped in a holey winter coat, industrial rubber boots and an icy-blue beret, her

Adrienne Mullinaux joined her two young sons and husband Robert Liechty, a volunteer attorney for the Central Eastern European Initiative, in Kiev, between 1997 and 1998. She and her family now live in San Jose, where her husband is an FSO for the State Department. The stamp is courtesy of the AAFSW Bookfair "Stamp Corner."

luminous eyes perfunctorily inspected our garb for winter readiness. Anyone lacking boots, gloves or hats was duly admonished in rapid Russian.

Over time we exchanged smiles, hers timid and gilt-edged at first. We shared family photographs and our keen interest in art and beauty. Eventually, we made dates together, strolling arm in arm to visit her beloved national hero and poet Taras Shevchenko's museum, or the splendorous St. Michael's Cathedral, miraculously intact despite 70 years of neglect, where I'd give her hryvna (Ukrainian currency) to light candles. "Do you come here often?" she asked. "Yes, but every time I cry," I admitted. "Me, too," she nodded knowingly.

Our dates became more frequent and important for Nadia, surprising given my toddler-level Russian. After one afternoon outing, she took my hand excitedly. "Slidee! Tonight. 7 p.m." I smiled kindly, feigned comprehension, repaired the 188 steps to my apartment and forgot the matter. But at 7:10 p.m., I was bluntly reminded. "Slidee! Now!" she announced breathlessly from outside my front door. She'd climbed too far to be refused; I donned my winter garb and followed.

In the dank foyer, Nadia had created a makeshift cinema. A sheet was duct-taped to the peeling wall, illuminated by an antique projector. She'd corralled eight seats, now occupied by several aged women, blankets in lap, all from my building,

Introductions were made, gloved hands exchanged, followed by a tin of bland crackers and delicious tea served in china cups. Presently, Nadia made a short (mostly incomprehensible) introduction, her breath a halo over her silver locks and blue beret.

For 90 minutes I watched slides of Nadia's Soviet world, the only "abroad" she or her friends were permitted to know. We sighed at the mystery of the Ural Mountains, the beautiful mosques and exquisite tile work of Tashkent, the majesty of Moscow's Red Square, the aesthetics of Stalingrad, and her favorite sanitarium in Crimea. When the show concluded, her friends sighed nostalgically, but said little. Chilled to the bone, we rearranged the foyer. I thanked Nadia and inquired about her next adventure. "There is no money to go," she lamented. "Before we didn't need money."

As I reflect on Nadia's slide show, I am reminded that crusaders for the spread of democracy are confident its freedoms will ultimately benefit all. But there are the Nadias to keep in mind. Soon after we left, Nadia's family, disillusioned, emigrated to Canada and she lost her job to someone better "connected." Now Nadia's travels are restricted to Ukraine and her encounters with those from the West, its borders ever encroaching. It is now I — we — who fill her slide shows. I remain honored to be one of the first included. ■

AFSANEWS

American Foreign Service Association • April 2005

BUILDING A CONSTITUENCY

AFSA-PAC: 2004 ANNUAL REPORT

BY TOM BOYATT, AFSA-PAC TREASURER

A FSA-PAC operates on two distinct levels: statistical and situational. With respect to the former, matters are pretty straightforward. Funds raised, funds donated and to whom, number of discussions with congressional staff/principals and the like are recorded and analyzed. The metrics of success are visible and easily understood.

Developments on the situational front are more subjective and nuanced and,

accordingly, more difficult to measure. For example, one of our major objectives is for AFSA-PAC to become an integral part of the congressional scene. This entails establishing personal relationships with senators, members of Congress and their staffs wherever possible, attending fund-raisers and social events on the Hill and in their districts, and responding to requests for information and assistance. Measuring success in this dimension of

Continued on page 3



Inside This Issue:

BRIEFS: USAID, FSNS, USAA	2
STATE: WHAT MAKES LOUISE MAD 4	
NEW RETIREE OPPORTUNITIES.....	4
FAS: THE WAY FORWARD.....	5
USAID: GOOD INTENTIONS	6
CHECK FRAUD	7
YOU'RE TAKING THE KIDS?.....	9

FOREIGN AFFAIRS DAY

Join AFSA for Foreign Affairs Day May 6

Foreign Affairs Day, the annual homecoming for retired State Department employees, will be held this year on Friday, May 6. As is customary during this event, there will be a brief ceremony at the site of the AFSA Memorial Plaques, to honor those members of the Foreign Service community who have lost their lives overseas in the line of duty or under heroic or inspirational circumstances.

The event offers a great opportunity to see old friends and catch up on happenings at Foggy Bottom. AFSA plans to hold a reception following the Foreign Affairs Day program, so do stop by AFSA headquarters. Mark your calendars now so you can join AFSA for this important event.

Invitations were mailed in early March. The guest list includes everyone invited last year and everyone newly retired since Jan. 1, 2003. To make sure you're on the list, e-mail foreignaffairsday@state.gov.

Continued on page 3

AFSA ELECTIONS

AFSA Elects New Governing Board

A FSA is pleased to announce the winners of the AFSA Governing Board election for the July 15, 2005, to July 15, 2007, term. The election results were certified by the AFSA Election Committee on March 2. The total number of ballots received was 2,561. Questions regarding the election should be directed to AFSA Executive Director Susan Reardon at (202) 944-5505/reardon@afsa.org, or Election Committee Chair Robert Wozniak at (202) 686-0996.

The 2005-2007 AFSA Governing Board

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	Roger Dankert
	Larry Lesser
	Gil Sheinbaum □

AFSA NEWS BRIEFS



Assist Family of Fallen FSN

Riyadh Wahiab Hamad Al-Jabouri, a Foreign Service National interpreter for Embassy Baghdad, was ambushed and killed on his way to work on Jan. 10. He leaves behind a widow and six children, ages 6 to 22. AFSA encourages members to consider making a contribution to a scholarship and emergency fund to benefit the children of Riyadh Hamad.

"Riyadh was a generous man, a true gentleman who always thought first of those around him," according to Embassy Baghdad. "He was a courageous man who, though expressing fear for his and other FSNs' safety, was willing day after day to risk his life to come to work, to make a difference." He will be remembered as a loving father, a wonderful English professor and mentor to Embassy Baghdad's political section FSNs.

Those donating to the fund to benefit Hamad's family should send their contributions to the Federal Employee Education and Assistance Fund, a private, nonprofit organization exclusively ded-

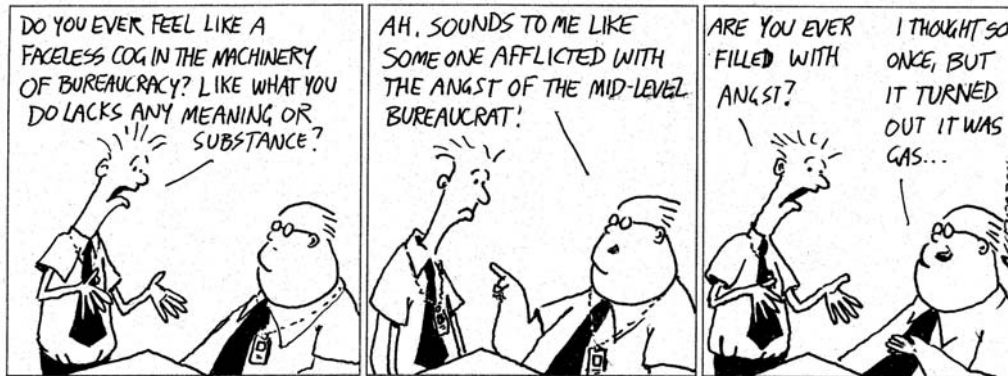
icated to providing assistance to federal civilian and postal employees and their dependents. All contributions to the FEEA Fund qualify as charitable contributions for tax purposes. Contributions should be sent to the Federal Employee Education and Assistance Fund, 8441 West Bowles Avenue, Suite 200, Littleton CO 80123. Please make your contribution payable to "FEEA" with an indication on the checks memo line that the donation is intended for the "Federal Diplomatic Family Assistance Fund — Hamad" or simply: "FDFAF-Hamad."

In her February column, AFSA State VP Louise Crane made an appeal for members to contribute to the FSN Compensation Fund, dedicated to helping our FSN colleagues and their families who are victims of earthquakes, floods, hurricanes and terrorism. Contributions to this fund can be mailed to: Donna Bordley, Gift Funds Coordinator, FMP, Rm. 7427, U.S. Department of State, Washington DC 20520. Make checks payable to the Department of State. Please contact Ms. Bordley at bordleyds@state.gov for more information.

Briefs • Continued on page 5

Life in the Foreign Service

■ BY BRIAN AGGELER, FOREIGN SERVICE OFFICER



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our activities is challenging.

With respect to the statistical metrics, 2004 was a very good year indeed. Most importantly, the number of colleagues supporting AFSA-PAC increased robustly from 577 to 802. Participation is critical, and we hope to pass the 1,000-donor mark in 2005. Even that magic number would be somewhat under 10 percent of our membership. Message: We have a lot of room to grow.

Total contributions increased in proportion with the increase in donors. During 2004 we gave almost \$50,000 to senators and representatives on the Authorization and Appropriations Committees and/or members who are established friends of the Foreign Service. As required by our bylaws, distributions were divided equally between representatives of the two parties.

On the situational front, the “evidence” is necessarily anecdotal. Two examples are illustrative of the progress being made. Recently AFSA Executive Director Susan Reardon and I (as assistant treasurer and treasurer of the PAC, respectively) attended a major dinner for the supporters of a very important committee chairman on the House side. As he was making his rounds the chairman approached us, smiled broadly and said, “I am glad to see the Foreign Service is here.” That is exactly the recognition we seek. In the same vein, Senator Richard Lugar invited me as a PAC officer to be on the host committee of his initial fundraiser for the 2006 campaign. These are not earthshaking events in and of themselves, but as they accumulate, they become a large force multiplier.

The officers and advisory committee members of AFSA-PAC continue to work hard to make the best use of your generous support, for which we are most grateful. I close with AFSA-PAC’s mantra: Constituency-building is cumulative over time in its impact. We hope many more colleagues will join us in these efforts, adding momentum to the significant progress made in our first three years. □

AFSA’S DAY ON THE HILL

On-site or Virtual, AFSA Needs Your Voice

At last, you don’t have to be in Washington, D.C., to participate in AFSA’s Day on the Hill. This year AFSA is expanding its efforts to discuss critical Foreign Service and retiree issues with key senators and representatives during our Day on the Hill program on Thursday, May 5. We plan to present AFSA’s views on State Department appropriations and pay disparity for service abroad, as well as Federal Employee Health Benefit Plan health coverage parity for retirees and active-duty employees.

As in past years, active-duty and retiree members and their spouses will go to Capitol Hill for face-to-face visits with their home state senators, representatives and staffs. In addition, AFSA asks members who are unable to come to D.C. to coordinate efforts and make their views known on May 5 through letters, e-mails, faxes or telephone calls to their senators and representatives in Washington or their home district offices. We also encourage AFSA members to visit the district offices of their senators and representatives.

AFSA will provide background infor-

mation and position statements on the Foreign Service and retiree issues on our Web site (www.afsa.org) and in the April Retiree Newsletter and other mailings. Sample letters and information about how to make contact with Congress will also be posted on our Web site and on a special “Day on the Hill” Web site (www.afsa.org/dayonthehill/index.cfm).

Whether or not you can be present in Washington for Day on the Hill, you can be an effective voice for educating and energizing Congress on Foreign Service issues. So please join your colleagues on May 5 in D.C. or at home.

Whether or not you can be present in Washington for Day on the Hill, you can be an effective voice for educating and energizing Congress on Foreign Service issues. So please join your colleagues on May 5 in D.C. or at home. In doing so you will help maximize AFSA’s impact on Congress and make this Day on the Hill the most successful yet. For more information, contact Austin Tracy by e-mail: tracy@afsa.org, or by phone: (202) 338-4045, ext. 506. ■



MIKKELA THOMPSON

What Makes Louise Really Mad?

Readers may not know that while I have been in the Foreign Service 40 years, I am new to the Department of State. I worked for the U.S. Information Agency until Oct. 1, 1999, when it merged with State.



So what do I see as the biggest difference between USIA and State? The assignment system. At USIA, we knew that management would make the assignment, and there was a 50-50 chance we'd be assigned to a place not on our bid list. I recall being assigned only once to a post that was actually on my bid list.

State is a much bigger enterprise than USIA. With more than 7,000 Foreign Service members overseas and about 3,000 transferring every year, the assignment rules have to be detailed, and commendable efforts are made to craft the rules to make the process as transparent as possible. However, here at State, I have come up against a nasty, nefarious assignment practice that still persists, despite all my attempts to snuff it out.

It starts with a bureau that wants a particular candidate for a job. The candidate may be a "fair share" bidder and thus ineligible for a non-hardship post. Or he may not have the necessary rank. No problem. Management simply waits for "stretch" season when it can assign fair-share candidates to non-hardship posts and stretch people into high-level jobs. But what about the qualified bidders? What fate awaits their bids on the same jobs?

Management uses the trick of "chair holds" to keep certain assignments open for these fair-share bidders. The head of CDA is allowed to postpone the assignment process indefinitely by placing "holds" on particular assignments. If the chair holds an assignment long enough, it slides over to "stretch" season, when those who were not eligible for the assignment earlier suddenly become eligible for a non-hardship post or for a double stretch. Bingo!

When a political appointee actively bids for his protégé, management caves. Several years ago, a 7th-floor resident lobbied successfully for a stretch assignment to a European post for one of his staffers, a fair-share bidder. Last year, AFSA tried to limit "chair holds." We were rebuffed. Once again, this year, the "chair hold" has been used to hold up an assignment long enough to take it to stretch season. Perchance this happened because three presidential appointees lobbied HR strenuously to keep the job open for the fair-share candidate?

The result of those "chair holds"? The fair-share bidder was assigned to a West-European-style senior position over an equally qualified bidder (same cone, same rank) who was not a fair-share bidder.

So what makes me really mad? Hypocrisy. Management preaches fair share, tightens fair-share rules, urges people to volunteer for Baghdad, Kabul, Riyadh, Islamabad, Tripoli, etc. Then it caves to political appointees. The appointees do not have a stake in the integrity of the assignment process. They're outta here once the administration changes. But the Office of the Director General should have a stake in maintaining the assignment process as free from political influence as it can. You cannot ask employees to separate from their families and volunteer for dangerous assignments, and then sit back and award a fair-share bidder a plum post because a political appointee asks you to.

Shame on you! □

New Retiree Opportunities

Foreign Service and Civil Service retirees of the State Department should keep their eyes out for announcements about innovative ways to stay engaged with the department. A full package of information will be made available on May 6 at Foreign Affairs Day.

All active-duty and retired employees are valuable resources that constitute the department's Diplomatic Readiness Reserve. Secretary Condoleezza Rice has stressed the importance of this reserve to the department's current transformational diplomacy mission.

Secretary Rice has stressed the importance of this reserve to the department's current transformational diplomacy mission.

All retirees who are interested in participating in department activities after retirement will soon have simple and innovative ways to convey that interest. The director general will seek your expression of interest in three areas:

- receiving department news and information updates via personal e-mail addresses;
- engaging in part-time, temporary work in the department and overseas via the existing "While Actually Employed," or WAE, hiring system; or
- participating in the department's "Standby Response Corps."

The third opportunity is centered around the department's new Office of Reconstruction and Stabilization. S/CRS is developing a "Response Corps" of active-duty State Department employees and retirees to be available to deploy as first responders to undertake reconstruction and stabilization efforts crucial to starting a transition to peace, democracy and a market economy in fragile, failing and failed

states. Active-duty employees will constitute the “Active Response Corps;” retirees will be part of a “Standby Response Corps” of second responders. The Active and Standby Corps will train and exercise together, augment task force staff or regional and functional bureaus, and reinforce ongoing “R&S” missions.

The department is preparing to launch a new, interactive Web site for both department annuitants and employees preparing to retire. WAE and Response Corps information will be posted on the new site. Annuitants will be able to receive annuity pay statements online, as well as forms and reports. The department will communicate directly with annuitants about accessing the new Web site and the other new programs. □

AFSANEWSBRIEFS

Continued from page 2

Rice Swears in Class of Specialists

AfSA acknowledges and appreciates the fact that Secretary of State Condoleezza Rice took the time on Feb. 11, between her trips abroad, to swear in a new class of specialists at the department. We welcome this kind of recognition for Foreign Service specialists.

Security Points: You Don't Want Them

Having too many DS “security points” can keep you out of the running for promotion or for DCM or principal officer positions. To find out how many DS “security points” you have, send an e-mail message to DS Security History, or go to the following link on the Intranet: <http://isp.ds.state.gov/requestform.html>. This is an Intranet site, available only to those with access to State’s (misnamed) “Open Net.”

Briefs • Continued on page 6

V.P. VOICE: FAS ■ BY LAURA SCANDURRA

The Way Forward

FAS is in the midst of a strategic organizational review. This is a beneficial and well-timed exercise. And it offers the Foreign Agricultural Service an opportunity, if we are willing to take it.

Maybe I’m biased, but I think most would agree that the network of agricultural counselors, attachés and trade officers we maintain around the world is a valuable resource. We provide an array of services that support U.S. agricultural exports, including analyzing markets, identifying impediments to trade, supporting efforts to lower trade barriers through negotiations, and promoting exports through market development, food aid and export credit programs. However, there are several factors that call into question our traditional focus on expanding exports and our reliance on increased exports as an indicator of success. The United States is on the verge of becoming a net food importer for the first time in 40 years. Low-cost competitors are continuing to gain market share at the expense of U.S. exports. Changes in U.S. farm policy, dating back to the 1996 farm bill, are eroding the political foundation for export promotion programs. There is pressure from the WTO to revise or eliminate some of our programs. U.S. exporters are facing an expanding array of scientific and technical barriers. Likewise, agencies are under increasing pressure to show measurable results or risk budget cuts.

What does all this mean for FAS? It’s an opportunity to reinvent ourselves. FAS leadership is developing a strategic direction for our future and welcomes employee input. AFSA would like to encourage FAS FSOs to continue to share their ideas and concerns as we move ahead. Many of the changes currently being discussed reflect recommendations AFSA solicited from you last year: the need to reinvigorate ourselves as a source of market intelligence on, insight into and influence over the agricultural and food policies of developing countries; to effectively address growing scientific and technical barriers to trade; for our trade capacity-building activities to better support our trade policy agenda; and to be more strategic and focused when it comes to both market intelligence and market development.

Defining the strategic direction of the agency is a good first step. Yet for FAS to succeed as a high-performing organization, we must work with management on efforts to go further. We need a solid understanding of our value proposition — the distinctive capabilities that make us unique. We need a clear understanding of expected outcomes and specific strategies for achieving our objectives. These strategies must be a living component of the agency. They should be well understood and acted upon at every level. Posts need to contribute to the development of these strategies as well as proactively identify specific action steps to implement them in the field.

Likewise, the agency needs to define a balanced set of useful metrics to help decision-makers evaluate whether or not our strategies are working. We need a framework for reporting results that reflects such diverse areas as core business areas, customer service, cost efficiency, employee development and technology enablement. Moreover, the agency should develop an integrated performance management and measurement system that captures the contributions of FSOs and holds employees accountable for achieving results. Finally, we need to clearly communicate our results both internally and externally. This approach will help build a more rewarding and enduring foundation for the agency.

We are being presented with an opportunity to reinvent ourselves. Your contributions and input are important. □



Where Does the Road Paved with Good Intentions Lead?

A FSA wonders whether a parallel Foreign Service is being created at USAID. It is in our job description to worry about such matters, but read on to see if you agree. Legislation passed over the last two years allows USAID management to hire Foreign Service Non-Career Limited officers (called FSLs) on five-year limited appointments, using program funds. This authority means USAID can hire people without dipping into the precious operating expense budget. Already, 85 FSLs have been identified and are being brought on board — all at overseas missions. The Fiscal Year 2005 Consolidated Appropriations Act calls for up to 175 FSLs to be hired for each of the next three years. Therefore, the total for all four years could reach 610, which is over 50 percent of the current total number of USAID FSOs.



How do the original plan and intentions of the FSL program track with and/or deviate from the reality, and what are the potential pitfalls for the career Foreign Service? History has shown that good intentions often pave the way to unexpected places. The primary rationale was that the initial 85 FSLs hired in 2004 would fill new, critical priority positions in Iraq and Afghanistan. In actuality, management converted personal services contractors in place at the overseas missions where they were already working; hardly any were assigned to critical priority postings.

As the underpinning for one rationale slipped, secondary goals came into focus. One goal is purportedly to “homogenize” the Foreign Service workforce under one umbrella. Indeed, USAID has a cornucopia of hiring authorities — contractors, fellows and details of many stripes. To standardize them would be a worthy cause, but in any case, AFSA does not see them going away anytime soon. More to the point, AFSA sees the FSL as yet another category of personnel that will need to be managed. While most FSLs cannot bid on assignments and do not compete for promotions, transparent procedures will nevertheless need to be developed for reassignments, bonuses and selection out and a slew of other issues. Will a parallel personnel system need to be created?

Another stated goal is to save operating expenses. AFSA concedes that some OE money might be saved in the near term, but would argue that total long-term expenses will go up, especially when one considers recurring expenses and benefits streams, which continue, in some cases, far into the future.

A third goal being touted is to reduce overhead costs. Remember that famous Jack Nicholson line from the movie “As Good As It Gets,” when he tells the lady knocking at his door: “Go sell crazy somewhere else, ‘cause we’re all stocked up here.” Ditto! Administrative burdens that were housed outside of USAID in other agencies and with contractors must now be handled internally, with all the expensive burdens that entails.

Finally, as many as 225 FSLs could be allowed to serve in Washington. Given that these are five-year limited appointments, it is clear that some will spend their entire stints on U.S. soil. Where is the truth in advertising? And, why the “Foreign Service” label?

Those familiar with this column know that we often use the road analogy. We overuse it again here, because despite all the good intentions, this road may be paved to you-know-where. □

AFSA NEWS BRIEFS

Continued from page 5

USAA Update

AFSA is pleased to report progress on the USAA front. As you know, AFSA has long been urging USAA to reopen its insurance rolls to all Foreign Service members, not just those from State. The company has previously held firm on refusing to reevaluate the policy excluding new insurance policy applications from non-State Foreign Service employees. Following AFSA Governing Board member Ted Wilkinson’s attendance at the November 2004 USAA Annual Meeting of Members and his conversation with the company’s general counsel, AFSA has been informed that USAA is currently re-evaluating the policy. This is, of course, no guarantee that they will end the restrictions, but AFSA is pleased to report that they are at least thinking about it. As always, we will keep you posted.

AFSA Answers Another Cheap Shot

Many members were outraged by Lawrence Kaplan’s attack on the Foreign Service (“State’s Rights”) in *The New Republic* of Dec. 2. AFSA President John Limbert responded with a letter, which was published in the magazine’s Feb. 7 edition. The letter reads (in part):

“Does Kaplan prefer a Foreign Service of cheerleaders who never offer advice, never ask questions, and never suggest alternative courses of action? ... Kaplan urges Condoleezza Rice to ‘tame’ the Foreign Service and to ‘crack the whip.’ She knows better. She knows that, in the Foreign Service, she has the complete support of a unique group of highly qualified, dedicated professionals who have repeatedly shown themselves willing to serve their country in the most difficult and dangerous places, often at great personal cost and sacrifice.”

The full text is available on the AFSA Web site www.afsa.org.

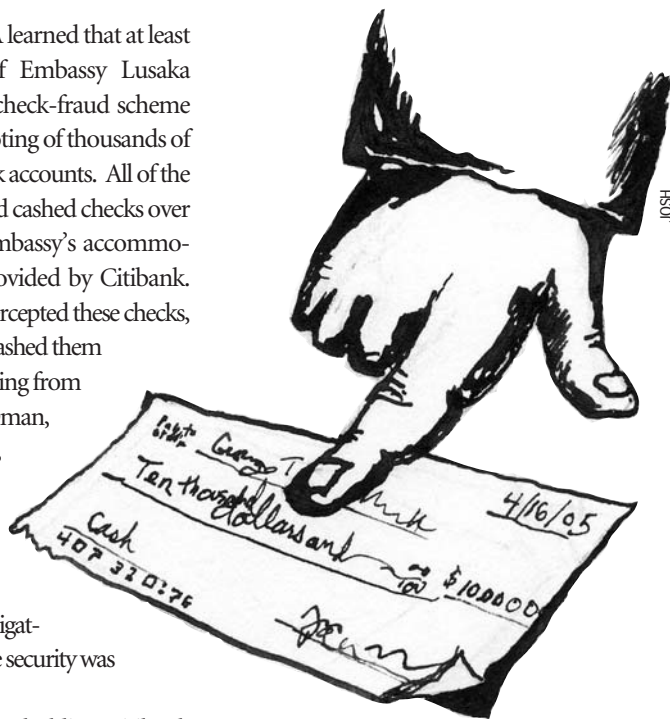
Briefs • Continued on page 8

AFSA Gets Results: Money Returned to FS Victims of Check Fraud

BY SHAWN DORMAN

In December, AFSA learned that at least five employees of Embassy Lusaka were victims of a check-fraud scheme that resulted in the looting of thousands of dollars from their bank accounts. All of the employees affected had cashed checks over the summer at the embassy's accommodation exchange, provided by Citibank. Criminal elements intercepted these checks, duplicated them and cashed them again at amounts ranging from \$4,500 to \$16,900 in Oman, Lebanon, Taiwan, Uganda and the U.S. The embassy, local authorities in Zambia, the State Department and Citibank are investigating to determine where security was breached.

Initially, the victims holding Citibank accounts were told that the bank was not going to reimburse the money stolen. AFSA intervened on behalf of these employees and raised the issue with Citigroup officials in the U.S. AFSA State Vice President Louise Crane sent a letter to the CEO of Citigroup, which included the following admonition: "The American Foreign Service Association represents all Foreign Service employees ... I am writing to you because I want Citigroup's top management to focus on this issue. Our members are serving in hardship posts overseas where there are serious disease and security issues. If their checking accounts are now subject to looting, then AFSA will recommend the department take over this function from private banks such as Citigroup to prevent such fraud. This is an important quality-of-life issue for the Foreign Service. ... Citigroup should reimburse them for the theft." AFSA shared its concerns with State Department officials who, to their credit, promptly intervened with their contacts at Citibank.



Consider all available banking options and take advantage of the online services available from your bank.

Following extensive discussions with AFSA, Citigroup agreed to reimburse all the funds that had been looted from the employee accounts.

In July 2004, the department announced the "Paper Check Conversion Program," to be known by the acronym "PCC," which may help prevent the kind of check fraud that occurred in Lusaka. As described in 04 State 163694, "Over the next year the department will implement cash management procedures that will transfer money collected by cashiers more safely and deposit it into the Federal Reserve Bank more quickly for credit to official U.S. government accounts." Under the new program, paper checks will be immediately scanned into an

embassy computer and the actual check returned to the customer as a receipt, and no paper check will be sent out of the embassy. The new system will be available at embassies at which the banking function is done by mission employees and is not contracted out to a private bank.

AFSA supports — and is urging expedited implementation of — the new program. Under the PCC, money withdrawn on a cashed check will be almost immediately deducted from the account rather than taking days or weeks to reach the bank as a hard copy, thus effectively eliminating the "float." While some FS members may have come to rely on this float, AFSA believes the security gained with the new system is worth the trade-off. However, where the accommodation exchange at post is handled by private banks PCC cannot be used because of changes in overseas banking practices enacted after 9/11 (designed principally to prevent money laundering).

Connected to the new paperless direction in banking, a new federal law "Check Clearing for the 21st Century Act," or Check 21, was signed by President Bush in October 2003 and went into effect on Oct. 28, 2004. This new program legalizes the use of digital images of checks as legal replacement documents for the paper checks. (More information is available at: www.federalreserve.gov/payment systems/truncation/default.htm and www.consumersunion.org/finance/ckclear1002.htm)

Foreign Service personnel and family members are well advised to keep abreast of any changes made by their home banks. In looking to protect your account, consider all available banking options and take advantage of the online services available from your bank. Many banks offer free online bill payment services, and any bill paid online is one fewer check going through the mail. Many bills can also be paid through monthly automatic credit card charges, thus minimizing the number of bills to pay. In addition, Citibank has designed a program, Personal Banking for Overseas Employees, which offers many paperless banking services. □

AFSA NEWS BRIEFS



Continued from page 6

USAID & Grievances

After a long and sometimes contentious struggle, AFSA was instrumental in getting USAID to overturn the Travel Office's denial of Claims Act reimbursement for losses of household effects resulting from an employee's ordered evacuation from post. The employee will now receive reimbursement of nearly \$44,000 that the travel office had improperly denied twice. This has happened before, and AFSA intervention made the difference then, too. The moral is that employees getting questionable responses to Claims Act submissions should not hesitate to seek AFSA's assistance. Note that by law Claims Act matters may not be grieved; they must be adjudicated within an agency.

Elsewhere, the saga continues: USAID still refuses to reinstate two employees improperly selected out despite the explicit, lawful directives by the Foreign Service Grievance Board that it do so. The obduracy is rooted in the office of the general counsel, not the personnel office. USAID General Counsel lawyers have invested a great deal in litigating these cases at the Grievance Board level; we suspect that they must be sore losers. (Recall that USAID refused to reinstate the grievants or to appeal.) In both cases, the winning grievants have now appealed in federal court for mandamus; that is, to have the court compel USAID to do what the Grievance Board ordered it to do: reinstate the employees. Glory does not shine on USAID in this matter.

Family Member Matters on the Web

We are always looking for writers for the popular *AFSA News* feature, Family Member Matters. You can now find previous editions of this feature on the AFSA Web site at www.afsa.org/FSVoice.cfm.

Submissions for other *AFSA News* features are always welcome, so consider a contribution to one of these periodic features: Of Special(ist) Concern (we know there are specialists out there with concerns to raise, so please write!); The Lighter Side (FS Humor); Memo of the Month; and Inside the FS Community (noteworthy news from and about our members). Send submissions to afsanews@afsa.org anytime.

Contribute to New Realities for AAFSW

Articles and essays by Foreign Service officers and family members are needed for a sequel to AAFSW's book *Realities of Foreign Service Life*. Share your perspective on Foreign Service life, help newcomers and see your work published in a book. Topics will be assigned, or the editors welcome your suggestions. Proceeds benefit AAFSW; writers receive a free copy of the book. Contact Marlene Nice at marnice5@yahoo.com or Patricia Linderman at patricia@aafsw.org.

Suzanne D. Manfull AFSA Scholarship Established

Between November 2004 and February 2005, AFSA accepted memorial donations for a new scholarship, adding up to over \$2,600. This money will be awarded as a need-based Financial Aid Scholarship in Suzanne Manfull's name to a Foreign Service undergraduate college student in September, for the 2005/2006 academic year. Mrs. Manfull passed away on Oct. 29, 2004, in Washington, D.C. She was the wife of Melvin L. Manfull, who died Sept. 11, 2000. Mr. Manfull was a retired Foreign Service officer and former ambassador to the Central African Republic and the Republic of Liberia, credited with helping the State Department initiate key changes in management practices.

Upon his death, memorial donations were collected for an AFSA scholarship in Amb. Manfull's name. Mrs. Manfull wanted the same thing done upon her death. She was inspired by the appreciative thank-you letter from the recipient of the first Manfull Scholarship. Her daughter, Lisa Manfull Harper, was instrumental in working with AFSA to set up this additional scholarship. AFSA made collection for the fund simple by having individuals donate through AFSA's scholarship Web page. You can still donate to the Suzanne D. Manfull Scholarship. Contact AFSA Scholarship Director Lori Dec at (202) 944-5504 or dec@afsa.org for more information.

You Brought Them With You?

The most common question we're asked when we tell people we're going on vacation is whether our children are coming with us. The most common reaction when we return is shock, with a touch of disbelief, that we did indeed travel as a family.

Living in Manila as a Foreign Service family comes with its own challenges, but people never questioned whether our kids would accompany us to post. Traveling for pleasure is another ballgame. It probably has something to do with the ages of our children. With a pair of sons ages 2 and 4 and a pair of daughters ages 6 and 8, I'm pretty sure if it was anyone else I would be cringing at the thought as well.

But traveling as a family is what we do. Having been an overseas Army brat myself, I know firsthand the value of encountering various cultures from a young age. Why live this lifestyle and be halfway around the world from home, if not to expose our kids to everything wonderful and different about our planet?

So we've taken them around the Philippine islands to Cebu, where we didn't hit the usual beach resort. Instead, we saw Magellan's Cross, planted by the explorer while attempting to circumnavigate the globe and convert the locals he encountered. We explored the Lapu-Lapu Shrine, dedicated to the guy who killed Magellan right on those shores because (more or less) he wasn't all that keen on being converted.

We've flown to Hong Kong to see the famous bird and goldfish markets, and ascended Victoria Peak via a tram ride so steep the aisle has slanted steps. Most recently we spent three weeks in the South Pacific on our official R&R travel. My mother joined us for two weeks in New Zealand, with an addi-

tional week of stops in Sydney and Singapore on the way home.

Of course, we brought the kids.

From Auckland to Wellington, we worked our way south in a campervan. We visited the usual museums and aquariums, and tossed in panning at a goldmine. We couldn't pass up Zorbing, where our 8-year-old slogged down a hill in a bouncy plastic bubble, and my husband and I did it together — a tandem spin cycle. As a family, we fed sheep at the Agrodome, poked our heads out of Hobbit holes (from the "Lord of the Rings" movies), and visited a Maori village, complete with show and hangi, a traditional dinner. We ferried across Cook Strait and took the TranzCoastal rail to Christchurch, where we played in a hands-on science museum and saw kiwi birds. There was a day in Hanmer Springs to ride horses and soak in hot mineral springs.

We moved on to Sydney to "Find Nemo" at the aquarium, and were awed by Singapore's Night Safari. We slept at holiday parks and hotels and ingested everything from convenience store steak pies to swanky multicourse meals with escargot. (The kids even liked it.) They went everywhere we went and did it all. As they reveled in the action, so did we.

Traveling with the clan is more than just doable, it's fun. Here are four suggestions for a successful family adventure:

- **Find a destination that has plenty of cross-generational fun.** We searched out activities that were not only new and interesting to adults but fascinating and fun for the kids.

- **Plan everything and leave no day unscheduled, but stay flexible.** After we inhaled sulfur gas from geothermal mud pits we were supposed to head straight to the Rotorua Museum.

Instead, we worked the rotten-egg smell out of our clothes with a mad two-team race through a nearby 3-D maze we passed on the drive, and only touched on the museum.

- **Listen to your kids.** Take their suggestions seriously if something catches their collective eye. They won't recall the history museum, but I can guarantee they'll remember that maze for a long time. And who won the race.

- **Leave time for play.** While waiting for our dinner reservation at the revolving Orbit restaurant in Auckland, we wandered to Albert Park to feed birds, climb trees and play freeze tag. On the road to Wellington, we stopped at a family adventure park in Levin. For an hour we tore across the field on "flying fox" zip lines, bounced on a trampoline, crawled along obstacle courses and swung in circles until we were dizzy. The kids didn't want to leave, and neither did we.

Amazingly, we came home relaxed if not entirely rested.

How could we top New Zealand? I think it might be impossible, but we still squeezed in a week in Thailand, split between Bangkok and Chiang Mai, and beach resorts in Palawan and Bohol in the Philippines before departing post. Coming up is our home leave car trip around the eastern half of the U.S. this summer (before our new post in August: Togo, here we come!).

And yes, we're bringing the kids. □

Michele Hopper is an FSO spouse and mother of four. She spent eight years in Africa as an Army brat and is looking forward to heading back to West Africa to continue feeding her travel bug. She's glad the kids are coming along.

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VACATION IDAHO

RENT OR EXCHANGE (N. Va, D.C., Int'l) Executive 3-BR home. Boise. Walk/bike Boise River. 15 min. downtown; 1-2 hrs: wilderness, desert, wildlife, Sun Valley resort. Bikes/camping equipment available. Flexible May-Oct. Tel: (208) 378-1714. E-mail: sphilly@cableone.net. (Retired Foreign Service Officer)

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FOR THOSE WHO have lived in Chile or have any family ties, please join us at the Chilean-American Foundation in supporting charity work in Chile. For more information log on to www.chileusfoundation.org or contact us by e-mail at caf@chileusfoundation.org

GRADUATE RESEARCH

A DOCTORAL CANDIDATE at the University of Cambridge, U.K. (now resident at George Washington University), is conducting research on the involvement of Thailand in the Vietnam War, the Secret War in Laos, and conflicts in Cambodia. The student is interested in contacting federal gov. employees who worked in SE Asia, or whose job responsibilities included that region; i.e. Thailand, Cambodia, Laos and Vietnam during the years 1962-1975. Please contact: Sutayut Osornprasop. E-mail: so220@cam.ac.uk.

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