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PRESIDENT'S VIEWS

The Pay-for-Performance/OCP Trade-Off: Poisoned Chalice or Win-Win?

BY J. ANTHONY HOLMES

The first member reaction AFSA received to news that the administration had finally approved the phase-in of overseas comparability pay — but only at the price of linking it to the conversion of the entire Foreign Service personnel system to a “pay for performance” (PFP) model — was to liken this trade-off to “a poisoned chalice.” While I am personally not so negative, this trade-off is extremely serious and entails real risks. It is impossible to measure precisely its costs and benefits, not now and probably not ever. There are simply too many unknowns. Nor is it something on which AFSA has bargaining rights, so we cannot simply accept or reject it. It is a top management initiative and AFSA can either try to make the best of it or try to get it defeated legislatively. We have chosen the former option.



Getting OCP for the entire Foreign Service has long been AFSA's highest priority. We came very close last year. The entire House of Representatives passed it, without the PFP quid pro quo, despite White House opposition. But the Senate proved more difficult, and there is no reason to expect a different outcome this year, particularly given the dire overall USG fiscal situation. So AFSA is grateful that after five years of rejection, State Department management has won White House approval for OCP, albeit at a disappoint-

ingly low initial level and with a long phase-in.

Pay for performance is an unknown for most of us. From media reports of DOD/DHS efforts to convert their civil servants to a PFP system and the administration's Working for America Act targeting the rest of the Civil Service, one can easily view it as menacing, ideological, and anti-employee. But it is clear from State's own experience with the Senior FS conversion to PFP two years ago that it should be possible

We will negotiate to protect all our members and construct a pay system that is fundamentally fair and efficient.

to make this work and have a win-win situation all around. The reality is that the present FS personnel system, with its rank-in-person, not in-job, annual evaluations, and competitive up-or-out system is inherently PFP already. So the changes in the system should be much less dramatic than many of our members fear.

The primary trade-off for FS members will be the loss of the 3-percent automatic, annual, within-grade increase, which over a career accounts for close to half of one's salary growth. In principle, this loss will be offset by an equally large pool of performance pay money to distribute based on relative performance. Details of the new system will be negotiated with AFSA after Congress has passed the enabling legis-

lation and the OCP provisions. Our main concern is that the performance-pay funding is not guaranteed and could be reduced or eliminated for budgetary or other reasons. This concern is confirmed by the provision in the draft WFAA that guarantees equivalent funding for only five years after passage.

AFSA's support for the trade-off is based primarily on one basic calculation. Almost two-thirds of the FS that is overseas will receive close to a 20-percent salary increase when full OCP comes into effect. We reckon that this will offset much of the initial PFP risk, particularly if the Foreign Service precedes the Civil Service in adopting it and its proponents want to demonstrate that it works.

AFSA is very mindful that the FS has many disparate components and that members could easily find themselves in situations that prejudice their competitiveness for PFP increases. What about those in long-term language training, specialists in small skill groups, or specialists who compete with generalists? We will negotiate to protect all our members and construct a system that is fundamentally fair and efficient. We anticipate that the ultimate system will be much less winner-take-all than the PFP system implemented for the SFS two years ago. This process is likely to play out for much of the next two years, and we will provide regular updates and ask for feedback as it evolves. But although much work remains, AFSA believes that, on balance, the administration's FY-07 budget request offers an important plus for our members. ■

J. Anthony Holmes is the president of the American Foreign Service Association.



LETTERS

Lesser Posts?

One inescapable and perverse consequence of Henry Ensher's clanging defense of promotion priority for those serving in posts linked to "the time and attention an issue gets from our political masters" (January Letters, "Iraq Is More Important") is that the next master class will, in turn, inherit the right to call the tune on career promotions, and so on into the future. I served in Accra, Athens, Brussels and Khartoum, but never thought of any of them as one of Ensher's "lesser posts."

*Alan D. Berlind
Senior FSO, retired
Bordeaux, France*

Concerned FSOs

The September *FSJ* highlighted the Bureau of Diplomatic Security's impressive performance protecting American lives and diplomatic property and investigating criminal cases overseas, as well as serious problems in investigation and adjudication of security clearance suspension or revocation cases. My 18 years of experience as a DS special agent indicates both points are true. I have worked with some very fine DS officers, who do outstanding work.

As a member of the group Concerned Foreign Service Officers, I have also had the opportunity to see first-hand numerous examples of malfeasance or incompetence in security clearance cases. DS's laudable successes do not negate the need to correct these failures. The protection of national security does not justify the use of coercive interview techniques,

false statements, suppression of evidence, improper seizure of personal property, misrepresentation of regulations or other improprieties by those entrusted to protect us. If DS has to resort to such means to justify the suspension or revocation of security clearances, then something is badly in need of repair.

It is not just our careers that hang in the balance. When trained and experienced FSOs are suddenly curtailed, sidelined for years or forced out of the agency, operations are interrupted, efficiency is reduced and the ability of the department to perform its core mission is seriously eroded. Concerned Foreign Service Officers is a coalition of current and former Foreign Service officers concerned about these issues. Additional information can be found on our Web site, www.worldcrafters.com.

*William Savich
DS Special Agent
Concerned Foreign Service
Officers member
Herndon, Va.*

Dialogue with Iran

Bravo for printing the article by Bruce Laingen, "25 Years Later, Time for Dialogue with Iran," in your January issue. I thought readers may be interested in the following note I sent Ambassador Laingen on the topic:

"It was with great interest and admiration for your professional uprightness and integrity that I read your article. You will recall that I made the same suggestion in messages to the Academy of Diplomacy some months

ago. Coming from you, the plea is more meaningful and perhaps also more acceptable to policy-makers.

"Among the bilateral issues that need to be addressed by the American and Iranian authorities, you list 'claims by Iran that the U.S. is illegally holding assets frozen by President Carter at the start of the hostage period' I would like to suggest that those interested in that issue consult the documents I donated to the U.S. National Archives (partially available to the public through the Jimmy Carter Presidential Library) that include specific reference to the blocked funds. In a message from Secretary of State Cyrus Vance dated Jan. 19, 1980, I had the honor to transmit to Chairman Arafat in Beirut a communication regarding the return to Iran of the assets removed by the shah from Tehran. Arafat offered to have the issue referred to the International Court of Justice of The Hague for an advisory opinion. The implication is clearly that in the American view, the blocking of funds in the U.S. is a political act and must be solved by the two countries directly involved and not by an international organization.

"The Iranian Foreign Minister at the time, Sadeg Ghotbzadeh, considered the assets to belong to the Iranian people. The U.S. government believed at the time that 'it will not be possible for the U.N. Security Council to recognize the legitimacy of Iran's claim ... as to the return of assets removed by him from Iran. Questions such as recovery of assets are subject to the sovereignty and law of individual nations involved and must be pur-

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sued between the two nations concerned.”

By the way, with interest, the \$8.5 billion in assets the U.S. froze in 1979 are now worth close to \$20 billion. The issue remains a major subject of discord between Iran and the U.S. Bruce Laingen is correct to urge both sides to start talking about their problems.

*John Gunther Dean
Ambassador, retired
Paris, France*

Clarification on Promotions

I must apologize for an error in my February Speaking Out column (“It’s Not Who You Know, It’s Where You Serve”), in which I stated that none of the section heads at post during my tenure in Vienna were promoted. In fact, the consul general there was promoted into the Senior Foreign Service. His promotion was, however, chiefly related to an extended temporary duty tour in Moscow, not directly to his service in Vienna. I believe this squares with everyone’s understanding.

*John Allen Quintus
FSO, retired
Newark, Del.*

Horns for Understanding

The review of Richard Arndt’s book *The First Resort of Kings: American Cultural Diplomacy in the Twentieth Century* (November *Journal*) mentions Louis Armstrong as one of the main artists sent abroad through programs created by the then-Bureau of Educational and Cultural Affairs. As deputy director of the office of cultural affairs in the early 1960s, I sometimes briefed performers prior to departure overseas.

One such briefing was for Mr. Armstrong, his wife and several others in his group. The Congo, one of the stops on the tour, was faced with civil disturbance. This bothered Mr. Armstrong. However, after listening

to the security measures volunteered by Congolese authorities, he said, “Mr. Hussey, if you tell me to go and blow, I’ll go blow!” And did he ever, not only to the delight of crowds in the Congo, but in every African country where performances were given. Louis Armstrong and his group, like those invited to participate in the cultural program, both before and after, indeed provide a valuable understanding and appreciation of American culture.

*Bill Hussey
FSO, retired
Laguna Woods, Calif.*

Condor Classification

I’d like to back up Jim Blystone’s remarks about his diplomatic work in Chile (“The Domino Effect of Improper Declassification,” January *FSJ*). From early 1975 to late 1976, I was assigned by Embassy Santiago as the only American official in the south. This placid territory, from Chiloe to Chillan, encompassed the beautiful lakes region dotted with quiescent volcanoes. However, the Chilean government deemed the country to be in a state of siege and strictly enforced a *toque de queda* (curfew) after midnight.

In mid-1976, when Chile hosted the conference of the Organization of American States, I traveled to Santiago to help man the embassy press center around the clock. This was the base for American reporters accompanying the U.S. delegation headed by Secretary of State Henry Kissinger. But before I could start work, the regional security officer sent me to the headquarters of DINA (the Chilean secret police) to apply for a curfew pass. While there, I had coffee and polite conversation with the staff of this elite military unit whose personnel appeared in mufti. Presumably, the name of every American diplomat who visited this office was fair game. Any defector from this unit

could later publicly accuse him or her of association with Operation Condor. (This was purportedly the network of various Latin American military commands to combat local subversives). I believe Blystone — who met with DINA twice — when he says that he was unjustly linked to Operation Condor, whose existence he knew nothing about.

During my tour, I never heard about this operation from regime supporters nor from critics of the military government. In fact, when I first arrived, I had significant culture shock about why a vulture named “Condorito” was a beloved mascot and cartoon character a la Donald Duck. Chileans told me that the condor is a majestic bird in flight, much admired by them as we do our American bald eagle. But as an Asian-American, I knew that the Parsees in India and the Tibetans traditionally use hungry vultures to complete the open-air funeral of their dead.

Was this esoteric funeral rite in Asia the metaphor for Operation Condor in Latin America — if it existed at all? The prudent, bureaucratic response is “We don’t know. And we don’t want to know.” State’s stonewalling of the Argentines, especially passing the buck to Blystone, seems to fit this pattern.

*Jose Armilla
FSO, retired
Former USIS director in
Concepcion, Chile
Vienna, Va.*

Drafters’ Identities

I was saddened but not surprised to read the article by James Blystone. Inclusion of drafting and clearing information in cables released under the Freedom of Information Act has been a problem since at least the late 1970s.

When I served as desk officer for Congo (then Zaire) from 1979-1981, I consistently refused to clear FOIA

LETTERS



responses that did not delete the drafting and clearing information from all documents, whether cables, airgrams, letters or memos. But mine was not a common position. I'd become sensitized to the problem when a young officer who had previously served in Embassy Kinshasa was pilloried — by name — on the Hill and in the animal-rights community over a gift primate that had become the ambassador's household pet. The officer had no direct involvement with either the treatment or disposition of the animal; all he had done was draft a polite response, for the ambassador's signature, to an overwrought animal activist. But he was listed as drafter on the bottom of the released copy of the letter.

Twenty years later the problem persisted, as FOIA requests reached my desk at the Haiti Working Group with drafting information intact. It was not at all clear from my discussions with the individuals handling those FOIA requests that they had been given any guidelines regarding redaction of drafting and clearing information, or that they shared my concern over its exclusion. It seems that the further passage of five years has not brought either clarity or consistency.

When I joined the State Department in 1973, I was told that cables and airgrams left post over the ambassador's name because once a message was duly cleared it ceased to be the point of view of the drafter and became the point of view of the mission. Similarly, instructions from Washington were not those of a particular bureau or assistant secretary; they were instructions from the Department of State. The Carter administration's initiative to have drafters identify themselves in the body of incoming and outgoing messages — nominally so that overseas drafting officers could get credit in Washington for their good work — was based on a profound lack

of understanding that the department and overseas posts must speak with one voice. It seems to have irreparably weakened that concept.

It's past time for the department's FOIA managers to give their troops clear instructions that drafting and clearing information should always be redacted from documents released to the public. The public's right to understand how policy is formed is met by the substance of the paper trail, not the minutia of the drafting process.

Mary Lee K. Garrison
FSO, retired
Alexandria, Va.

Keeping in Touch

Mikkela Thompson's article in the December issue was most interesting and enjoyable ("Lost and Found: International School Reunions"). I copied it and sent it to my son, Stephen Prosser, now serving as an FSO in England.

Steve attended several international schools in his elementary and high school years. Three years ago he and several classmates of his at the International School of Kenya arranged a 20th-anniversary reunion of their high-school graduating class in Vienna, Va. It was attended by about 25 students, out of a class of 42! They came from the four corners of the globe.

Many of the observations made in your article applied equally to those students of the 1970s and 1980s. From 1985 to 1986, I served on AFSA's Committee on Education, a position I thoroughly enjoyed. The AFSA scholarship program celebrated its 10th anniversary in 1986. I volunteered to do a research project asking the 220 merit awardees questions about how Foreign Service life affected them at the time compared to 10 years later. I was impressed by the informative responses and large percentage of awardees replying. The

June 1986 issue of the *FSJ* featured a cover story entitled "Teens Overseas." As part of that, I wrote an article about the results of my research project of the 220 merit awardees.

James F. Prosser
FSO, retired
Green Bay, Wis.

FS Blogs

I read with interest the January report on various blogs by FSOs (Cybernotes). As an AFSA member, I would like to let you know about this one: <http://FSOglobetrotter.blogspot.com>.

Its unique subject is food, faces and airplanes as seen through the eyes of a diplomat. It includes many pictures of food.

Nathan Tidwell
FSO
Embassy Lahore

An FSO Resigns

With deep sadness I depart the State Department, prematurely ending a 24-year Foreign Service career. I voluntarily leave what had been a largely rewarding career in which I raised two daughters to know and appreciate the world I spent almost four decades traveling. I take this action because I believe that State is no longer effectively representing the values and priorities that have been the foundation of our security and the source of American strength. The dissonance between many of the actions and policies implemented — cherry-picked prewar intelligence, pre-emptive war, secret foreign CIA detention centers and torture, warrantless domestic spying — and my own values, common sense and experience has simply become too great.

I recognize that successful Foreign Service officers must have an exceptional tolerance for ambiguity. And I understand that higher strategic aims often necessitate compromises in pursuit of the ultimate objective. During

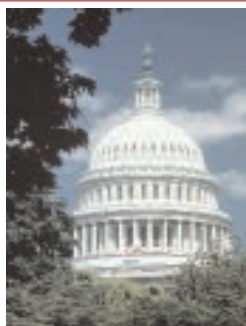
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my postings in South America, the Caribbean, Russia, the Middle East, Africa and Washington, I have also had serious doubts about some of the policies of previous administrations. Until recently, however, I took some solace in the belief that State itself, while ultimately the policy-implementation arm of the administration, was playing an important role within policy-making councils as a voice of reason, experience and realism. I can no longer take such comfort. Like our intelligence agencies, State is increasingly becoming a mere political arm of the administration which, for political reasons, continues to exploit post-9/11 emotions.

One need not be an expert to see the damage that the conduct of the faultily-conceived, poorly-understood and ineptly executed Iraq War, as well as the politicization of the "War on Terrorism," have done to our standing in the world and to the ideals that historically have been our most powerful attributes. We are failing to accurately analyze why the world is responding as it is and instead focus our efforts on how to force the rest of the world to accept our values and perception of the way life should be. American leadership must, by example, be worthy of emulation, in order to build a worldwide support base. Force will not replace this long-term need, and the backlash will eventually obliterate the good for which the United States historically has been a beacon of light.

Additionally, State is now unable to truly effectively serve as an adviser on, or implementer of, its public diplomacy mission. State's public diplomacy role is suffering from poor but superior-pleasing management, decreased funding and an inability to recognize and respond to current realities. Our best minds are often managing illusions or treating symptoms, not addressing underlying causes. Meanwhile, the military, however, which has almost unlimited resources to pro-



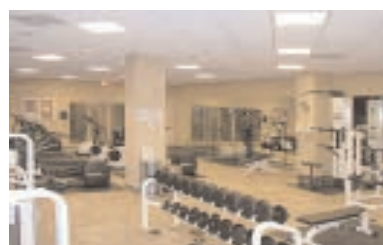
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ject the administration's "message," is incrementally taking over State's public diplomacy operation.

Our current policies directed at developing countries also fall far short of their purported goals, inviting disaster. Despite our rhetoric to the contrary, we have gradually become part of the problem. In Africa, for example, the few continue to grow richer while more than half of the 900 million Africans live in destitution, earning no more than a dollar a day — literally not a cent better off than when I first set foot in Africa in 1968.

Within State's Africa Bureau, where I most recently handled public diplomacy for 16 countries of West Africa and served as the public affairs liaison on HIV/AIDS, I see distressingly few significant results of our policies, despite the valiant efforts of officers everywhere. This is particularly

true of policies related to the \$15 billion HIV/AIDS program executed by the Office of the Global AIDS Coordinator with a constant eye to maximizing positive domestic political publicity. The recent appointment of OGAC's political appointee head (and former CEO of pharmaceutical giant Eli Lilly) Randall Tobias to head USAID, as well as function as overall foreign assistance director, will result in even further politicization of our foreign assistance program.

The administration's indifference to suffering everywhere — now evident both at home, post-Katrina, and in our activities internationally — makes it increasingly difficult to be optimistic. Despite the administration's truly massive PR, its HIV/AIDS policy will eventually become a permanent blot on our record as millions perish unnecessarily. This policy is making an entire generation of Africans unwilling pawns in its quest to impress American voters with its own perceived morality.

The disease is the biggest threat faced by Africa, where two-thirds of the world's 40 million HIV/AIDS patients live. It contributes to a marked drop in productivity and to increased despair and is feeding a growth in political instability. Of the 40 million stricken, only 471,000 now receive anti-viral treatment from our \$15 billion program. African leaderships have been pushed by the U.S. to emphasize abstinence and de-emphasize condom use — or lose funding. These policies will lead to a reversal of progress in the treatment of AIDS. Simply stated, Africans in the millions are expendable if it serves the re-election needs of politicians. This, coupled with African leaderships sometimes mired in increasingly skillfully-executed corruption (which we verbally criticize but often effectively ignore when in our perceived "interest" to do so) simply adds to growing frustration.

Careerism at State cripples critical thinking. And within the department's internal bureaucracy, professional punishment and sophisticated, targeted retribution for any deviation from "the message" are increasingly effective and expertly hidden behind a shield of multiple maneuvers using personnel system "mechanisms" designed and scripted for deniability. Officers are discredited, promotions, tenure and assignments jeopardized, careers destroyed.

Edward R. Murrow said that we cannot defend freedom abroad by deserting it at home. It is truer than ever today, when loyalty and being "on message" trump critical analysis and forthright honesty. I fully realize that for others in the department who may privately share my views, my decision to depart may be unacceptably costly in personal terms. I personally regret, however, that I did not take this action earlier. I clung to the hope that we would right ourselves. Unfortunately that has not happened in the years since 9/11 and I do not see it on the horizon.

I hardly believe that my premature departure from State will have any effect on the course of U.S. foreign policy, but I am compelled to add another voice to what I hope becomes a groundswell against the directions we have taken. Were I to remain silent any longer, I would be contributing to this deception by lending credence to the illusion that things are as they ought to be. They are not.

Peggy S. Zabriskie

FSO, newly retired

Holetown, Barbados ■



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CYBERNOTES

Central America Trade Pact Off to a Halting Start

As the Central America-Dominican Republic-United States Free Trade Agreement, the much-heralded southern extension of NAFTA, ekes its way toward implementation amid continuing controversy, the World Bank delivered a new report showing that pro-growth policies like trade liberalization are fruitless without complementary, targeted poverty-reduction actions.

Instead of the Jan. 1 target date for implementation of the agreement that would eliminate trade barriers between the U.S. and the six signatory countries over the next decade, CAFTA-DR will be implemented “on a rolling basis,” U.S. Trade Representative spokesperson Christin Baker disclosed on Dec. 19. On Feb. 24, the USTR announced that El Salvador would be the first country to implement CAFTA-DR, doing so on March 1 (http://www.ustr.gov/Trade_Agreements/Bilateral/CAFTA/Briefing_Book/Section_Index.html).

The U.S., Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua signed CAFTA-DR in August 2004, and all but Costa Rica have ratified it. But implementation is a major hurdle as each country is required to make, in some cases far-reaching, changes to domestic trade and commerce laws to comply.

Central America is the second-largest U.S. export market in Latin America, behind Mexico, absorbing more than \$16 billion in American

There is no evidence that we or anyone can guide from afar revolutions we have set in motion. [Pushing democracy in places that have no history of it] may, in fact, constitute an uncontrollable experiment with an outcome akin to that faced by the Sorcerer’s Apprentice.

— Rep. Henry J. Hyde, R-Ill., chairman of the House International Relations Committee, Feb. 16, http://wwwc.house.gov/international_relations/109/hyde021606.pdf.

exports. But controversy attends the agreement both in the U.S. and in the signatory countries, where sensitivity over the U.S. role is acute. For the opponents’ view see *Public Citizen* (www.publiccitizen.org/trade/cafta). The “progressive case for CAFTA” is detailed by the Democratic Leadership Council’s Progressive Policy Institute (http://www.ppionline.org/ppi_ci.cfm?knlgAreaID=108&subsecID=900010&contentID=253428).

Meanwhile, the World Bank report, “Poverty Reduction and Growth: Virtuous and Vicious Circles,” mobilizes data and expertise to argue that free trade is not enough (www.worldbank.org). According to the study, a

10-percent increase in poverty levels lowers the growth rate by 1 percent and reduces investment by up to 8 percent of GDP, especially in countries with underdeveloped financial systems.

“The benefits of trade can be greatly enhanced if countries complement their agreements with investments in areas such as education, infrastructure and conditional transfers for poor regions and farm workers who may suffer in the transition,” says Guillermo Perry, World Bank chief economist for Latin America and the Caribbean and one of the report’s authors. “Fighting poverty is not only good for the poor; it’s also good business for the whole of society.”

— Susan Maitra

Sticks and Stones: Caricatures Ignite a Firestorm

The uproar over the publication of several caricatures of the Prophet Mohammed deemed offensive by Muslims continues to have a significant political and economic impact. The images, originally published in September 2005 by the Danish paper *Jyllands-Posten* and subsequently reprinted in Europe and elsewhere, stirred outrage among the Muslim community, leading to a wave of protests, both peaceful and violent (http://en.wikipedia.org/wiki/Jyllands-Posten_Muhammad_caricatures_controversy).

The diplomatic fallout was immediate. Denmark closed its embassies in Beirut and Damascus after they were significantly damaged in pro-



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tests, and withdrew its ambassadors and staff from Lebanon and Syria. Embassies around the world were the focus of demonstrations and protests. Danish citizens have been advised to avoid countries in the Middle East, North Africa, and South Asia in light of threats issued by Islamic fundamentalist groups.

Across the Middle East, supermarkets stopped carrying Danish products. Arla Foods, a Danish company whose sales in the Middle East average \$430 million a year, has been forced to cancel all production in Saudi Arabia. A spokeswoman stated that the company lost \$20 million in several days of the boycott. Denmark threatened to demand compensation from Saudi Arabia under the World Trade Organization, but the Saudi government claims the boycott is not an official movement, an assertion the WTO has accepted. The Iranian government has suspended all trade with Denmark.

Denmark's exports to the Middle East region average \$1 billion annually, and the boycotts are expected to affect this sum dramatically. Some analysts view the boycotts as an attempt by Middle Eastern and North African companies to expand their own market shares.

Danish authorities hastened to try to control the damage. Copenhagen announced several measures (<http://www.um.dk/NR/rdonlyres/FF0D01B8-67F3-4A5C-8E25-07E69ABBAD48/0/StatementByTheDanishMinisterOfForeignAffairs.pdf>). The government has invited prominent Muslim scholars and clerics to attend a conference on Islam, and is planning a festival to celebrate and bring exposure to Islamic culture and religion. It has also pledged to make donations to the Alliance of Civiliza-

tions, a United Nations body dedicated to fighting prejudice.

The Organization of the Islamic Conference (<http://www.oic-oci.org/>), in conjunction with the European Union and the U.N., issued condemnations of both the cartoons and the violent backlash they created. The OIC is seeking assurance from the E.U. that Muslim beliefs will be respected in the future. Pope Benedict XVI expressed the same sentiments while speaking to the Moroccan ambassador.

After initially issuing a sharp criticism of the drawings for inciting religious or ethnic hatred through the State Department on Feb. 3, the Bush administration turned to condemnation of the violence that had been unleashed.

Though the controversy generated by the cartoons appears to have ebbed, at least temporarily, it marks a 21st-century watershed in the debate over free speech and religion.

— *Shawn Guan, Editorial Intern*

Ideals vs. Profit: Internet Freedom in the Balance

The recent, highly-publicized interaction between Google and the government of the People's Republic of China has drawn renewed attention to the issue of Internet censorship and prompted the Bush administration to set up a "Global Internet Freedom Task Force" at the State Department.

Dubbed "The Great Firewall of China," the policy of the Chinese government is to bar access to pornographic and politically sensitive Web sites. Certain search terms are restricted, and personal communication tools such as web logs and e-mail are monitored. Blogs are heavily regulated, with content deemed inappro-



50 Years Ago...

There is a widespread and unjustified belief that many Foreign Service officers, cowed by certain security practices, conceal their opinion or pull their punches or write in veiled language.

— Martin F. Herz, in “Some Problems of Political Reporting,” *FSJ*, April 1956.



appropriate by the government removed. Foreign companies who want to operate in China are required to comply with this policy. (See the *Open Net Initiative's* detailed case study on China at <http://www.opennetinitiative.net/studies/china/>.)

The news that Google had agreed to such terms set off a volley of criticism in the U.S. The company defended the decision in an official statement: “Our continued engagement with China is the best (and perhaps only) way for Google to help bring the tremendous benefits of universal access to all our users there.” To the PRC's irritation, google.cn informs users when results have been blocked. In addition, Chinese surfers can still access the uncensored Chinese-language version of the U.S.-based google.com.

Google is not the only American company to stay engaged in China — a country that is second only to the U.S. in Internet use, with 130 million users. Yahoo!, for example, reportedly identified users who sent anti-government e-mails, resulting in several arrests. Microsoft recently removed a blog from its MSN Spaces at the request of the Chinese government.

The issue has struck a chord in the Bush administration. On Feb. 14, Secretary of State Rice established the Global Internet Freedom Task Force

“to ensure a robust policy response to the challenges” (www.state.gov/r/pa/prs/ps/2006/61156.htm). In a back-and-forth with reporters on the occasion, Under Secretary for Economic, Business and Agricultural Affairs Josette Shiner and Under Secretary for Democracy and Global Affairs Paula Dobriansky explained that GIFT would work with companies, NGOs and governments to address concerns on all aspects of Internet freedom (www.state.gov/e/eb/rls/rm/2006/61182.htm).

— Susan Maitra and
Shawn Guan, *Editorial Intern*

Tehran's Nuclear Aspirations: Not a Zero-Sum Game

The Iranian nuclear issue returned to the forefront of global concern with the decision of the International Atomic Energy Agency on Feb. 4 to report its findings regarding Iran to the United Nations Security Council, for use in determining possible sanctions (<http://www.iaea.org>).

Iran's nuclear program has a long history, from the 1960s, when the United States provided a small research reactor to the shah's government. The program was delayed by the onset of the Iranian Revolution, which cut off the flow of information and technology from Europe and the U.S. Development was then further

hindered by the outbreak of the Iran-Iraq War. The project moved forward in 1995 when the Russians agreed to provide assistance in completing the construction of the Bushehr power reactor. But it was only in 2002, with the discovery of two previously undisclosed nuclear-related facilities at Natanz and Arak, that global attention was again drawn to Iran.

Before this exposure, Iran's activities appeared to have been in compliance with the Non-Proliferation Treaty, to which it is a party. However, the revelation of secret nuclear facilities led many countries to question the motivations behind Iran's nuclear research, and to question whether Iran might be in breach of the Non-Proliferation Treaty (<http://www.fas.org/nuke/control/npt/>). Iranian obstacles to the work of IAEA inspectors only worsened the situation.

Tehran argues that it requires nuclear power to accommodate its growing population and to free up oil for export, but the U.S. argues that Iran has enough oil reserves to provide adequate energy (testimony at <http://www.state.gov/t/us/rm/21247.htm>, accompanying media at <http://www.state.gov/t/us/21782.htm>).

The U.S. and some European nations are wary of potential Iranian nuclear-weapons capacity, especially in the light of President Mahmoud Ahmadinejad's aggressive October 2005 statements regarding Israel, which were immediately condemned. Another reason for concern is that such weapons could potentially fall into the hands of terrorist groups.

Various approaches to the resolution of this issue are advocated by think-tanks, most emphasizing the use of military force only in the case of an



absolute exhaustion of diplomatic and economic options. Since the 1981 Israeli bombing of the Iraqi nuclear facility in Osirak, the military option has held an attraction for some, such as the Hudson Institute's Herbert I. London, who claims military force is "the most likely strategem for success" (http://www.hudson.org/index.cfm?fuseaction=publication_details&id=3888).

Yet the Oxford Research Group recently estimated that U.S. military action against Iran could kill thousands of civilians, trigger more terrorist attacks in the region (potentially targeting oil-processing facilities), and drive Iran to carry out its nuclear

development program with greater urgency, secrecy and determination (<http://www.oxfordresearchgroup.org.uk/publications/briefings/IranConsequences.pdf>).

Most groups advocate economic deterrence. An example of a sanctions-based solution is the approach recommended by Michael O'Hanlon and David Sandalow of the Brookings Institution (<http://www.Brook.edu/views/op-ed/fellows/20060131.htm>). It would be prudent for the world community to develop an alternative energy source so sanctions targeting Iran's most lucrative export (oil) become economically and physically viable, they say. In addition,

independence from oil imports would mitigate the effect of instability in the Middle East. Furthermore, a military strike, they argue, "could help entrench a radical regime in power and might only delay an Iranian bomb," a sentiment echoed by Judith Yaphe and Charles Lutes of the National Defense University in a recent study (<http://www.ndu.edu/inss/mcnair/mcnair69/McNairPDF.pdf>).

In testimony on Feb. 1 before the House Armed Services Committee, George Perkovich, vice president of the Carnegie Endowment for International Peace, highlighted potential problems with sanctions targeting oil exports (<http://www.carnegieendowment.org/publications/index.cfm?fa=view&id=17967&prog=zgp&proj=znpp,zusr>). He instead advocated cutting off foreign investment and food imports into Iran. While neither of these is as large a part of the Iranian economy as oil exports, Iran still needs both of them to survive. Also, cutting off those channels would have minimal impact on the global economy. He also disagrees with pre-emptive military intervention, citing a lack of adequate intelligence and the unpredictable outcome.

For more information on the topic, the IAEA's focus section on Iran (<http://www.iaea.org/NewsCenter/Focus/laeaIran/index.shtml>) contains interviews, statements and background information from the agency, in addition to outside news links. The U.S. Army War College's Strategic Studies Institute has published a comprehensive analysis dealing with the consequences of a nuclear-ready Iran (<http://www.strategicstudiesinstitute.army.mil/pdf/PUB629.pdf>). ■

— Shawn Guan, Editorial Intern

Site of the Month: www.opennetinitiative.net

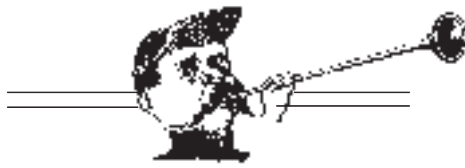
Ever wonder what a censored Internet looks like? Check out the *OpenNet Initiative* Web site: among other things, it features a tool that lets you compare searches for sensitive keywords on Google's censored Chinese search engine, google.cn, with results from google.com.

The OpenNet Initiative is a joint project of the Citizen Lab at the University of Toronto's Munk Centre for International Studies, Harvard Law School's Berkman Center for Internet & Society and the Advanced Network Research Group at the University of Cambridge Cambridge Security Program. These three leading academic institutions have partnered to train their concerted attention on the problems of maintaining the Internet as a medium of free and open communication.

The group's stated aim is to excavate, expose and analyze filtering and surveillance practices in a credible and nonpartisan fashion: "We intend to uncover the potential pitfalls and unintended consequences of these practices, and thus help to inform better public policy and advocacy work in this area." Though filtering and surveillance occur mostly in non-democratic regimes, many democratic countries, led by the U.S., also seek to police the Internet and curb its perceived lawlessness, ONI says.

ONI relies on a combination of sophisticated network interrogation tools and metrics and a global network of regionally-based researchers and experts to conduct research, which is then posted at the Web site in the form of national and regional case studies, occasional papers and bulletins. The group also operates a clearinghouse for circumvention technologies, both assessing what is on the market and developing technologies in-house, and explores the legal and political implications of future surveillance and filtering trends.

— Susan Maitra



SPEAKING OUT

Opening Embassies: A New Approach Needed

BY JOSEPH SCHREIBER

As presently organized, the State Department's administrative support system generally works well. But there is one major exception: it is ill-suited to the opening of new embassies.

In some ways, that weakness is an understandable aspect of the department's emphasis on managing established overseas missions. To make the wheels turn efficiently (most of the time, anyway) management officers and their staffs deal routinely with myriad program and administrative demands from Washington: requests for detailed information from the regional bureaus, budgeting and financial reports for the Bureau of Resource Management, overseas school grants and reports, facility and housing requests/waivers for the Overseas Building Operations Bureau, and classification and compensation requirements for locally engaged staff. An extensive network of management and program offices in Washington ably backs up post management sections in carrying out those duties.

When it comes to opening new diplomatic missions, however, the time has come for the department to revamp its approach. Consider the following examples of how the current system operates, drawn from my own experience as a management officer.

Setting up New Embassy Teams to open and develop new diplomatic missions would cut across bureaucratic lines and get the job done efficiently.

Luanda: A Decade Wasted

The United States maintained a consulate general in Luanda during the Portuguese colonial era in Angola, closing it in 1975 with the coming to power of the communist regime of Agostinho Neto. The fall of the Soviet Union and other communist governments in Eastern Europe between 1989 and 1991 soon brought the winds of change to Africa, as well. In 1990 the United Nations sent a representative to Luanda to prepare the way for the country's first free elections, and Washington opened a liaison office there the next year.

In many ways, USLO Luanda was a success story, paving the way for the establishment of a full-fledged embassy in 1993. But as the post's administrative officer from September 1992 to August 1994, I can attest to the fact that State was ill-prepared for the task

of setting up the mission. We did not have the tools to do our jobs efficiently. The result was poor morale and designation of Luanda as a "hard-to-fill" post.

I remember Deputy Assistant Secretary of State for African Affairs Jeff Davidow, in one of my pre-assignment briefings, stating that the plan was to open a "medium-size" embassy in Luanda with a staff of 40-50 Americans from State and other agencies. The rejection of national election results by our client at the time, Jonas Savimbi's UNITA rebel group, resulted in civil war, putting those plans on hold. Halloween 1992 is a memorable date for those of us serving in Luanda then, marking the start of armed hostilities lasting nearly three years.

The government of Angola cleared Luanda of rebels by early 1993, and Washington established full diplomatic relations in April of that year. However, we were nowhere near ready to support "normal" embassy operations. In fact, regular State cable communications were not established until 1995, and e-mail was not available until the late 1990s.

A major disconnect came in the area of real property. At Washington's direction, our mission attempted to acquire a site for a chancery, but land tenure in Angola was so uncertain that efforts to accomplish a secure pur-



chase were frustrated. By mid-1993 we recommended to the Foreign Buildings Office (now known as the Bureau of Overseas Buildings Operations) that it develop the one piece of property we had in hand: the Miramar site — approximately one acre of land overlooking Luanda Bay and the city — where the temporary chancery and a number of mobile homes were located.

OBO rejected this advice, insisting that the Miramar site was destined to be used exclusively for a chief-of-mission residence. Through most of the 1990s various futile attempts were made to identify alternate sites for the new embassy compound. Finally, in 1998 the head of OBO, realizing the folly of this approach, accepted the mission's recommendation to develop Miramar as our chancery site. I understand the new embassy compound was finally completed in 2004. But until then, mission personnel continued to suffer with a temporary Butler Building chancery that was ill-suited for current embassy operations, lacking even minimal security features. And State had paid over \$500,000 per year for leased management offices and consular space in another location in Luanda.

Tripoli: More of the Same

A stint in Tripoli from March to April 2005 as a When Actually Employed annuitant, convinced me that State is headed down the same path yet again in Libya. We had opened a liaison office in Tripoli in June 2004, following Moammar Qadhafi's renunciation of weapons of mass destruction and agreement to turn over to a Scottish court two agents allegedly behind the 1988 bombing of Pan Am Flight 102. Nearly two years later, USLO/Tripoli is still operating in the Corinthia Bab Africa Hotel — and paying several million dollars a year for the privilege.

The Corinthia is a comfortable five-star hotel, but it is ill-suited to U.S. mission operations from several viewpoints: communications (no regular State cable traffic nor even access to the Sensitive-But-Unclassified Open-Net system is possible); security (trying to run a secure embassy-type operation in a hotel is an RSO's nightmare); and, cramped, makeshift office arrangements. A prospective new embassy compound site identified nearly one year ago has run into local zoning issues, exacerbated by chilly relations between Tripoli and Washington.

Accordingly, as anyone who has dealt with these projects recognizes, the construction of a permanent compound in Tripoli is at least three to five years away. Yet there has been little effort by Washington to establish interim offices outside the hotel, although the mission has suggested several alternatives.

Nevertheless, the USLO/Tripoli team is doing its best to carry out its demanding mission under these difficult conditions. To me, the present situation there — where the USLO team is striving to advance our important bilateral and regional interests — is a bit like trying to build the roof first, and then the rest of the building.

Kabul: Poor Planning

Embassy Kabul, where I worked as a WAE in late 2005, had operated since 2002 out of the old chancery building, which dates from 1967 but was closed in 1979. As one can imagine, after 23 years of non-use and neglect, it was woefully inadequate as a 21st-century U.S. embassy. Recognizing this, OBO undertook the construction of a new chancery in 2002, at a cost of several hundred million dollars.

The new embassy is a beautiful facility, and many staff began moving into it in October 2005. But there's a big hitch: Due to unanticipated

growth, as well as for security reasons, it cannot house all embassy operations, including much of the management section. Those folks now have to work in trailers for the next couple of years while the former chancery building is renovated. How much say did the mission, or even the Bureau of South Asian Affairs (now the Bureau of South and Central Asian Affairs) have in planning the office space and other architectural decisions? I suspect very little. But this is an aspect that can be taken into account in the proposed solution below.

A Possible Solution

Given the increasing number of players, each with its own fiefdom (e.g., the regional bureaus, OBO, DS, RM, IRM, A, HR/OE, etc.), a new approach is needed to opening and developing new diplomatic missions — one that cuts across bureaucratic lines and gets the job done efficiently. In my opinion, this suggests the creation of special New Embassy Teams, headed by OBO representatives but including relatively senior representatives (FS-2 or higher) from the above bureaus. The NET leader would report directly to the under secretary for management, and M would rate the team members on their contribution to efficient establishment of new embassies — not on how well they serve their home bureau's interests.

The NET would be able to harmonize the design, sizing and construction planning of a new embassy, so as to accommodate all relevant bureaucratic interests from the start. This would permit the incorporation of the latest information technology innovations, current physical security standards, etc., in the design and construction phases, and largely eliminate costly change orders.

There are some who would argue that directly involving M in the new embassy process will only complicate



matters. But given the powerful, often competing bureaucratic interests within State, I don't see any reasonable alternative. In addition, while OBO does reasonably well in terms of site acquisition and construction, it is not now in a position to harmonize those interests.

The NETs could also be of much-needed assistance to management sections at posts seeking to set up new embassy compounds. After all, lost in the big picture and glamour of opening a new chancery are the numerous tasks typically laid at the feet of our management officers: caring for the never-ending stream of Washington visitors and staff on temporary duty; handling special procurement needs; coordinating the office moves; arranging for swing space; and coordinating

*The NETs would
be able to
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relevant bureaucratic
interests from the start.*

with Washington on the inevitable budget shortfalls associated with new embassy compound moves.

No solution is perfect. But leaving coordination of the process to overseas management officers who already

have full plates of ongoing support operations — and overstretched post management officers in Washington who, in any event, lack the authority to coordinate functional bureau input — will only perpetuate the halting, money-wasting process we have today. ■

Joseph Schreiber retired in 2004 after a career of 31 years in the Foreign Service, mainly in the management field. His most recent posts were as management counselor in San Salvador, Madrid and San Jose, where he now resides with his family and is a partner in a rain-forest vanilla operation. He is also active in local school and community affairs, and works occasionally as a WAE management officer.

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FS KNOW-HOW

Make the Most of Your Thrift Savings Plan

BY STEVEN ALAN HONLEY

“April is the cruelest month,” T.S. Eliot famously observed. He probably didn’t have the deadline for filing income taxes in mind when he penned those words, but many of us still identify particularly strongly with the sentiment at this time of year.

Fortunately, there are some ways to use your Thrift Savings Plan contributions to ease the pain of tax season and maximize your gains.

1. Sign up for the TSP!

According to the Profit Sharing/401k Council of America (www.psc.org), about 17 percent of all Americans eligible for enrollment in 401(k) plans such as the TSP don’t participate. If you are among that short-sighted minority, it is never too late to sign up; unlike health plans, there is no “open season” for enrolling to take advantage of the three key requirements of wealth accumulation: sufficient time for money to compound, enough money doing the compounding, and a sufficient level of earnings on those dollars over time. Of those three factors, time is the most important by a wide margin.

2. Maximize your contributions. Wisely, most federal employees do put in at least enough to get the government’s 5-percent match. However, many do not contribute the maximum allowable \$15,000 a year, even when they can afford to do so. This is true even though TSP contributions are “out of sight, out of mind” and the money is seldom missed. Not only do such employees pass up the chance to lower their yearly income

There is no substitute for making the maximum allowable contribution to your TSP each year.

tax burden, but they also forfeit the gains they could have realized by investing those funds.

Some TSP participants rationalize the choice to invest less than the maximum by opening Roth Individual Retirement Accounts and other IRAs. However, those programs frequently lack the TSP’s automatic contribution mechanism, so they require much more discipline to make installment payments. In addition, because Roth IRAs permit withdrawals with no further taxes or penalties (unlike TSP contributions), it can be very tempting to use those invested dollars to pay for vacations, a new car, etc. instead of letting them accrue savings for retirement.

To put it bluntly, maximum contributions are imperative for workers in the Federal Employees Retirement System unless they are independently wealthy or have a significant second source of income. When the federal government instituted FERS more than 20 years ago, it signaled that it was following corporate America in changing retirement systems from *defined benefit* systems (such as the old Civil Service

Retirement System) to *defined contribution* systems (such as FERS). The distinction meant that FERS employees have to depend far more heavily upon their TSP investments than their CSRS colleagues.

By the way, even though CSRS employees do not receive any government matching funds for their TSP contributions, they, too, are advised to contribute the maximum to their Thrift Savings Plan.

3. Make use of the catch-up provision. Under the Catch-Up Contributions for All Act, the ceiling on TSP contributions by federal employees aged 50 or older has been steadily rising since 2002, when it was just \$1,000 higher than the maximum younger workers could contribute. Effective this year, the supplemental limit has reached \$5,000, meaning that TSP participants who are at least 50 years old are eligible to contribute a total of \$20,000 annually to their TSP. (You just need to submit Form TSP-1-C.)

4. Understand your TSP withdrawal options. It’s always important to know your options, but it obviously becomes even more critical when you retire and have to make a choice of how to collect your accumulated funds. For instance, few employees pick the Designated Payment or Lifetime Annuity options, either because of preconceived ideas about the value of doing so or simply because they don’t understand the ramifications. Yet both options are worthy of consideration in many (though not all) circumstances where



one needs an “income bridge” for a certain period, or where living to a ripe old age runs in the family. In such cases, money needs to be guaranteed to last a long time.

When Social Security was established 71 years ago, mortality in the U.S. was an average of 63 years. Today, that figure is 78, and rising — so running out of money in retirement is a real possibility. Because the only withdrawal option in the TSP that guarantees lifetime income is the annuity option, do consider it carefully.

You may also want to investigate the possibility of a joint annuity with your spouse. This option pays while both are alive; when either dies, the survivor will be paid for the rest of his or her life.

5. Be cautious about using your TSP to pay off mortgages. The desire to retire debt-free, with no mortgage payment, is certainly understandable — even commendable. But taking a lump-sum withdrawal at retirement to pay off your house could cost you tens of thousands of dollars. Assuming a \$50,000 mortgage at retirement and a federal pension of \$35,000, the adjusted gross income of the taxpayer is \$85,000 if you use your TSP to pay off the mortgage (the Internal Revenue Service considers withdrawals from the TSP to be taxable income). The difference of taxable income rates in this example is 10 percentage points (15 percent at \$35,000 of income vs. 25 percent of \$85,000), costing the taxpayer an additional \$12,500 in taxes that must come from somewhere. And the impact is compounded as the amount needed to pay off the mortgage grows. So while the allure of no mortgage payment is strong, beware.

6. Keep beneficiary designations current. This may seem like a small detail, but it can have enormous

*In the late 1990s,
the sudden collapse of
the high-tech boom
forced many retirees
back to work.*

negative consequences if you get careless. Here’s why. A completed and witnessed designation of beneficiary form (TSP-3), with rare exceptions, may override any designation of beneficiary you have stated in your will. It is very important, therefore, to periodically review your records to verify you have completed the form and, determine whether you need to cancel or change your designation.

This is particularly important in the case of divorce, legal separation or death of a family member. In addition, if you have recently retired, you may wish to complete a new designation of beneficiary form and forward it to the TSP Service Office in New Orleans. A new form will automatically supercede any prior form you may have submitted.

If you do not have a completed beneficiary form on file, in the event of your death the proceeds will be paid according to the government’s “order of precedence,” which may not be your own preference. Why take a chance?

7. Don’t be too financially aggressive ... or conservative. Easier said than done, you may be thinking — and you’re right. But in general, the closer you are to retirement, the more important it is to avoid unnecessary risk in choosing

investment options. Recall that in the late 1990s, with the sudden collapse of the high-tech boom, many retirees invested themselves back into employment.

At the same time, particularly for younger investors, it is necessary to take some equity risk to give your portfolio a chance to outpace inflation (which has begun to rise again, it should be noted).

8. Don’t try to time the market. On a related note, there are a number of companies claiming to have success in timing TSP investments by making frequent switches among various funds. The temptation for individual investors to do this for themselves has only grown with the proliferation of new TSP options. Beware of acting on impulse or unreliable information. Remember: the only thing we know for sure about the future is that it’s always uncertain.

9. Attend a pre-retirement seminar. These critically important meetings give you a better perspective on federal retirement, as well as instruction, advice and the opportunity to ask your own questions about the financial matters that mean the most to you personally. There is simply no substitute for face-to-face interaction with the experts in this specialized field.

10. Stay informed. Your federal retirement is the single most important of your employment benefits by a long shot, so leave nothing to chance. Add www.tsp.gov to your online bookmarks and consult it frequently. ■

Steven Alan Honley, a Foreign Service officer from 1985 to 1997, is the editor of the Journal. This column has been adapted from “TSP: 8 Critical Mistakes” by Gary Melling and David Melling, written for FEDWeek (www.fedweek.com).

PRESSURE GROWS FOR CHANGE IN THE AMERICAS



D THE LEFT'S RECENT ADVANCES IN THE REGION COME EVEN AS MOST OF THE HEMISPHERE'S ECONOMIES ARE PERFORMING BETTER THAN THEY HAVE IN YEARS.

BY GEORGE GEDDA

Despite two decades of democracy, political instability continues to haunt Latin America. In recent years, about a dozen elected presidents in the region have been forced from office amid widespread social unrest. In each case, constitutional succession procedures were followed. But the specter of one failed presidency after another suggests something is radically wrong, particularly in the Andes. In Ecuador, for example, three recent elected presidents have been ousted, recalling the fate of Jose Maria Velasco Ibarra, who won the presidency five times

during the last century but only once completed a term in office.

Civilian coups have come to replace military coups as the method of choice for unscheduled changes of government. This trend, while not as disreputable as a shift to outright military rule, “remains both an indication of democratic fragility and a threat to institutionalization of democracy” in the region, says Susan Kaufman Purcell, director of the Center for Hemispheric Policy at the University of Miami.

Peter Hakim, president of the Washington-based Inter-American Dialogue, recently wrote in *Foreign Affairs* magazine that several small and weak states in the Caribbean and Latin America are at risk of becoming permanent centers of drug activity, money laundering and other criminal operations. “Stability,” he added, “is threatened by the upsurge of crime and violence almost everywhere in Latin America.”

Another noteworthy feature of the region is the relative absence of strong bonds of friendship for the United States. Cuba’s Fidel Castro, the principal anti-American voice in the region, now has allies in Venezuela’s Hugo Chavez and Bolivia’s Evo Morales. The three are, arguably, among the five most anti-American heads of government in the world, joining the leaders of Iran and North Korea. Chavez and Morales see the United States as the enemy and Cuba as a model for Latin America, although U.S. officials are hopeful that Morales, who took office in January, will govern more moderately than his campaign rhetoric last year suggested he would.

The diminished regard for the United States is not limited to a handful of radical leaders. In particular, the Iraq War is highly unpopular throughout Latin America. Many in the region were shocked by the revelations of American abuse of prisoners in Iraq and elsewhere, noting the sharp contrast with the American self-image as a world leader in human rights protection.

To the extent that the region was willing to dispatch troops to Iraq in support of the U.S.-led coalition, all came from small, poor countries from Central America and the Caribbean that are dependent on U.S. assistance. They included the Dominican Republic, 300 troops; El Salvador, 360; Honduras, 360; and Nicaragua, 120. All

except the Salvadorans were withdrawn after a relatively short stay. No South American country volunteered troops.

Closer to home, Washington’s policies have struck Latin America as hypocritical, such as its promotion of a hemisphere free of trade barriers on the one hand while, on the other, restricting access to U.S. markets for many of the region’s agricultural products. Another sore point comes from the aid cuts Washington has imposed on at least a dozen Latin American countries that refuse to sign agreements guaranteeing to shield Americans from prosecutions by the International Criminal Court. (The Bush administration has long opposed the court, fearing politically-motivated prosecutions of Americans.) Finally, on Cuba, there is unanimous opposition in Latin America to the 44-year-old U.S. embargo.

The good news for Washington is that, despite Castro, Chavez and Morales, there is little prospect that the region as a whole will lurch very far leftward. Beyond that, the presence of left-of-center governments in a number of countries seems to reflect local conditions rather than external forces. Washington says it has no problem with left-leaning governments so long as they remain faithful to democratic practices. It is the authoritarian democrats such as Chavez who are the most serious cause for worry among U.S. officials.

The Need for Good Governance

The advances on the left suggest Latin American voters have been in an anti-status-quo mood in recent years. Curiously, the shift comes at a time when the economies of the region are performing better than at any time in years. Russell Crandall, a Latin America expert at Davidson College, contrasts the situation now and the one at the end of the 1980s, when the region completed its transition to democracy from military rule. At that time, it was dangerously close to economic implosion from hyperinflation, negative growth, high unemployment and crushing foreign debt payments, Davidson writes in the winter edition of *The National Interest*. In contrast, today’s Latin America is much healthier, without rampant inflation, uncontrolled fiscal profligacy and other ailments that plagued it during the ‘lost decade’ of the 1980s.

Still, sounder economic policies often have not translated into improved lives for ordinary people. Many are therefore seeking change, though not necessarily the rad-

George Gedda, a frequent contributor to the Journal, covers the State Department for The Associated Press.

ical change advocated by Chavez and Morales. One leader often described as leftist, but who has pursued decidedly non-radical policies, is Brazilian President Luis Inacio Lula da Silva. “Were Lula to shave his beard, he and his economic policies would almost be indistinguishable from his more neoliberal predecessor, Fernando Henrique Cardoso,” writes Davidson College’s Crandall. Thomas Shannon, the Oxford-educated career diplomat who took over as head of the State Department’s Bureau of Western Hemisphere Affairs last September, says Lula’s economic views are basically in step with Washington’s own. “Brazil under Lula,” Shannon observed in January, “has recognized the importance of the market, the importance of property rights and the importance of trade as drivers of economic growth.” Chile, which has often in the past two decades had the highest growth rates in Latin America, follows the same policies, Shannon points out.

Successive U.S. Secretaries of State have worried about the durability of democracy in Latin America if governments cannot do a better job of delivering social services. Secretary of State Condoleezza Rice made the need for good governance in the region the underlying theme of her visit to Brazil, Colombia, Chile and El Salvador in April 2005. (Rice returned to Santiago this past March to attend Chilean President Michelle Bachelet’s inauguration.)

On a global level, President Bush’s Millennium Challenge Assistance fund is an attempt to induce governments to embrace effective policies. When they meet certain good governance goals, they can be rewarded with MCA funds. These criteria include creation of market economies, promotion of free trade and an embrace of effective health and education policies — or, as State Department officials are prone to say, “investing in people.”

Four years after Bush launched his Millennium Challenge initiative, however, the only recipient countries in Latin America have been Honduras and Nicaragua. They were awarded rural development grants worth a combined total of \$390 million in 2005. Under the previous government, Bolivia applied for a \$600 million grant

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to assist microentrepreneurs. But Morales’ election last December has made U.S. approval of the project somewhat doubtful.

At times, the State Department can be quite blunt about the need for Latin American governments to do better. An example was the testimony of Charles S. Shapiro, a former ambassador to Venezuela and now a top State Department Latin America expert, in testimony last fall before the House International Relations Subcommittee on the Western Hemisphere.

He noted that polls of Latin Americans by and large show they don’t trust their governments and their institutions. “Survey numbers suggest that virtually all countries of the region have little or no confidence in their executive, judiciary, legislature, political parties, armed forces or police.”

In many cases, he said, political elites exhibit aloofness toward the people they are supposed to serve, a situation that is being exacerbated, he contended, by the legal immunity often granted legislatures and the impunity afforded many other governmental and political actors. “The resultant mutual mistrust between voters and the government encourages corruption, as citizens resort to one of the few ways available to persuade government officials to actually work on their behalf — pay them directly,” Shapiro said.

Alvaro Vargas Llosa, a Peruvian political writer, says elected governments in the region have yet to deal with the legacy of authoritarian structures that he believes are responsible for persistent backwardness.

“We’ve had basically a history of tremendous state power, of authoritarianism, in the belief that authority could solve people’s problems, and we basically delegated the responsibility for solving those problems to those who held power,” Vargas Llosa said in a speech last year.

“And the result of that has been, of course, that half of the population in Latin America lives in poverty, and we need to confront this myth head on, unless we want to continue for the next few decades to live under the misguided impression that the government is there to solve people’s problems.”

Some blame Latin America's continuing economic and social distress on the United States, accusing Washington of foisting unwise policies on the region. Among other steps, the United States joined with international lending organizations in the early 1990s in making 10 recommendations comprising what is commonly known as the "Washington Consensus." Its main themes included calls for open markets, free trade and privatization.

The Washington Consensus: Still Valid?

U.S. support for privatization is based on the notion that the transfer of money-losing, state-owned firms to private hands can yield huge benefits if they are run efficiently by their new proprietors. The results of privatization have been mixed. The poorest results have occurred when privileged elites that buy these state entities are granted monopoly control, thus perpetuating the inefficiencies and other drawbacks that the process was supposed to resolve.

American officials say the "Washington Consensus" con-

cept remains valid. The problem, they say, is often in its implementation. Properly carried out, the policies can help lift countries from poverty. "For the most part, they are motherhood and apple pie," says John Williamson of the Washington-based International Institute for Economics, and an architect of the Washington Consensus.

Hakim, the Inter-American Dialogue president, says there are many reasons why Latin America lags behind. Most countries "are caught in a slow-growth trap, a consequence of the region's low educational standards, paltry investment in technology and infrastructure, pitifully low rates of saving, derisory levels of tax collection and politically divisive inequalities." Haiti, which has drifted from one crisis to another over the past two decades, exemplifies the problem.

Not surprisingly, election outcomes in Latin America in recent years reflect the broad discontent with those in charge. In 1998, Venezuelans eager for change turned to Hugo Chavez, electing the former army officer and architect of a failed military coup in 1992. They reject-

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ed the parties that had led the country for 40 years. In Bolivia, Evo Morales gained prominence as leader of the coca workers. He represents his country's indigenous majority.

Left and center-left governments dominate South America. Only Colombia, Paraguay and Peru have conservative governments — with Peru possibly poised to make a radical leftward shift in presidential elections in April. Ecuador is led by an interim government; its path won't be decided until elections on Oct. 15. One-time U.S. nemesis Daniel Ortega, who ruled Nicaragua from 1979 to 1990 and has lost three straight attempts to recapture the presidency, is making a fourth bid this November. More important for U.S. interests is the July presidential election in Mexico, where leftist candidate Andres Manuel Lopez Obrador, a former Mexico City mayor who promises a better deal for the country's poor, is among the front-runners. The degree to which a Lopez Obrador administration would take on an anti-American cast is unclear.

The Hugo Chavez "Problem"

Chavez and Morales have made clear their opposition to U.S.-backed policies. After a meeting with Chavez in Caracas in early January, shortly after Bolivian voters elected him, Morales said he and his colleague were uniting in a "fight against neoliberalism and imperialism." At one point in his campaign for president last year, Morales declared that "Western development is the development of death." When violent anti-American demonstrators filled the streets of Mar del Plata, Argentina, last November during the fourth Summit of the Americas, Chavez and Morales taunted Bush, a summit participant, by joining the protests.

Chavez, having secured control over the Congress, the courts and the National Election Commission, seems a shoo-in for re-election in December to another six-year term. He describes himself as a "21st-century socialist." Flush with oil money, Chavez also is attempting to forge a broad anti-U.S. coalition in the region. "If he succeeds, that would present enormous problems," says Michael Shifter, a colleague of Hakim's at the Inter-American Dialogue.

The Bush administration has yet to find a formula for countering Chavez. The State Department's Shapiro says the United States has tried unsuccessfully to establish a normal working relationship with him. But, Shapiro says,

"Hugo Chavez continues to define himself in opposition to us. His efforts to concentrate power at home, his suspect relationship with destabilizing forces in the region and his plans for arms purchases are causes of major concern."

Chavez has his own bill of particulars against the United States, contending that Washington plans to invade his country and backed a short-lived coup against his government in 2002 (on this point, the record is ambiguous). He is also a staunch opponent of the proposed Free Trade Area of the Americas, the centerpiece of U.S. policy toward the region. Most Latin countries support the proposal, but it remains stalled. Any such agreement would have to include a phasing-out of U.S. agricultural subsidies, which prevent Brazil and other countries with a strong agricultural base from gaining access to the American market. The United States is willing to cut the subsidies, but only as part of a global agreement in which European countries take parallel measures to reduce their own subsidies.

The United States believes that a free-trade zone extending from Alaska to Argentina would be a tonic for the economies of Latin America and the Caribbean — and for the American economy, as well. But Chavez and his allies believe the FTAA would only enrich multinational corporations and would harm those in Latin America who are poor to begin with. Chavez celebrated when the January 2005 deadline passed with no resolution to the stalemate. Nor is there any short-term prospect that the agreement will come to fruition.

Colombia stands out as perhaps the most pro-American country in Latin America. President Alvaro Uribe is Washington's favorite leader in the hemisphere, seen as a positive counterweight to unwelcome trends elsewhere in the Andes. As the State Department sees it, Uribe has greatly improved internal security since becoming president in 2002, and is considered likely to be re-elected in May.

Squandered Opportunities

Bush took office five years ago vowing to successfully conclude the FTAA and to give higher priority to Latin America. At a hemispheric summit meeting in Quebec in April 2001, he proclaimed that the "Century of the Americas" was at hand. Five months later, Secretary of State Colin Powell traveled to Peru for a ceremony ratifying the Inter-American Democratic Charter, a document that, in effect, enshrined democracy as the only legitimate

F O C U S

system of government in the hemisphere. (The sole hold-out was Cuba, which dismisses electoral democracy as a “multiparty farce.”) Before the ceremony in Lima, Powell was conferring on trade issues with Peruvian President Alejandro Toledo when he received word that terrorist attacks had taken place at the World Trade Center and the Pentagon. He knew instantly that the world would never be the same. After attending the signing ceremony in Lima and accepting condolences from his diplomatic colleagues, he departed hastily on the long flight to Washington.

As his plane headed north, Powell left Latin America in more ways than one. The region quickly receded as a priority issue for the administration. There was too much to do on other fronts.

The war on terrorism also meant that an administration plan to reach an immigration agreement with Mexico fell off the radar screen. Instead, at U.S. insistence, enhancing border security came to dominate the bilateral agenda.

President Bush has tried to revive immigration reform, calling for steps that would legalize some of the five million Mexican aliens on U.S. soil. But he has run into strong congressional opposition; on Dec. 16, 2005, the U.S. House of Representatives approved a plan to build hundreds of miles of border walls to keep illegal migrants out. Many Mexicans were outraged.

One sometimes-overlooked feature of U.S. Mexican relations is the degree to which Mexicans living in the United States help family members back home — sending an estimated \$20 billion back across the border in 2005. For Latin America as whole, the remittance figure for all migrants, both legal and illegal, was \$30 billion that year, according to Don Terry of the Inter-American Development Bank. Terry calls remittances a key to “financial democracy” in Latin America, but that thesis is disputed by Dan Stein of the Federation for American Immigration Reform, which advocates strong measures against illegal migrants. Stein says it’s “highly questionable” whether the remittances sent to

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Latin America offset the loss of the region's most productive workers and the "lost opportunities for economic and political reform that might have occurred if the United States did not provide a constant safety valve for millions of dissatisfied workers."

As the world region least affected by terrorism, Latin Americans did not get caught up in the issue the way Americans did after the 9/11 attacks. Initially, there was an outpouring of sympathy in the region for the United States. But 18 months later came the invasion of Iraq, an event that rekindled longstanding hemispheric concerns about American unilateralism. (According to a recent Zogby poll, an astonishing 86 percent of Latin Americans disapprove of Washington's management of conflicts around the world.) Former Mexican Foreign Minister Jorge Castañeda says the Iraq War has "contributed to a wide, deep and probably lasting collapse of sympathy for the United States" in Latin America. Castañeda has urged Bush to appoint a blue-ribbon, bipartisan commission, headed

by former Presidents George H.W. Bush and Bill Clinton, to recommend ways to rebuild U.S.-Latin American relations.

Phillip McLean, a former diplomat and a Latin America expert at the Center for Strategic and International Studies, concurs that Washington should be doing more for the region. He notes, "Latin America policy is always best when it ties into what's on Latin America's mind."

The Bush administration denies that it has neglected Latin America, pointing to its aggressive pursuit of bilateral and regional trade agreements. These include the Central America Free Trade Agreement, as well as accords with the Dominican Republic and four Andean countries. (A fifth nation, Chile, reached final agreement with the United States on its own bilateral free trade agreement in 2003.) Still, perhaps understandably, it is events to the east that command Washington's attention these days, not the south. And that is a situation that may not change for some time. ■

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BRAZIL: LATIN AMERICA'S SUPERPOWER?



T

THE U.S. AND BRAZIL ARE FATED TO WORK FOR ACCOMMODATION, CERTAINLY IN THE HEMISPHERE AND PERHAPS IN THE BROADER INTERNATIONAL SPHERE.

BY MARK LORE

he late Vernon Walters, linguist and American diplomat extraordinaire, joked that “I used to worry about Brazil falling into the abyss — until one day I realized that it is bigger than the abyss!” The jest is amusing — and very Brazilian. But it encapsulates the perennial question as to the country’s future: does its size offer a promise of greatness, or will it act forever as a brake on the country’s development?

Brazil’s size is indeed its defining characteristic. It is the fifth-largest country in the world in terms of size and pop-

ulation. A larger territory than the continental U.S., it occupies about half of the land area of South America and borders on every other country on the continent except Chile and Ecuador. Its economy is the 12th-largest in the world, surpassing that of Russia. It is an agribusiness superpower, supplying half the world's soybeans, one-third of its oranges and ranking first in export of chicken parts, in addition to its more traditional dominance in sugar, coffee and tobacco. At the same time, Brazil boasts pockets of relatively sophisticated industry; for example, it ranks fourth globally in production of civil aircraft, many of which are used by regional U.S. air carriers.

Partly because of its dimensions, partly because of its history, culture and language, Brazil is an anomaly in Latin America. Portugal gave Brazil its language and also the institutions of the Braganca monarchy and legalized slavery, both of which endured until the end of the 19th century. Portugal also bequeathed to Brazil a more accommodative social and political style than that of Spain, helping to hold it together as Spanish America splintered.

Lacking obvious mineral wealth — at least until the discovery of gold in the 18th century — Brazil evolved as an essentially plantation economy. Lacking native labor for these plantations, it imported huge numbers of African slaves from an early date, resulting in a population that is at least half of African descent and a culture renowned for its African roots. Finally, as Portugal's resources ebbed, royal land grants came to be used as a means to administer the interior; this led to a dispersion of authority which persists to this day. That history helps to explain the central government's

Mark Lore was a Foreign Service officer from 1965 to 1997. His overseas service was in South America, Africa and Europe, including a tour as deputy chief of mission and chargé d'affaires in Brasilia from 1992 to 1995. His final assignment was as professor of strategy and policy at the Naval War College in Newport, R.I. His current activities include serving as course chair for the Brazil/Southern Cone region in the Area Studies division of the Foreign Service Institute.

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Latin America.***

struggles to curb human rights abuses and environmental destruction in the Brazilian outback.

A “Real” Country

Many foreigners know Brazil best for its mass-marketed “fantasy industry” — its music, films, TV soap operas, plastic surgery and, of course, the annual bacchanalia of Carnival week. The country's show-biz prowess may even promote an unfair image of frivolity; the idea that

“Brasil n'est pas un pays serieux,” in Charles de Gaulle's famous line. This is a calumny that ignores the society's significant accomplishments in consequential areas — such as its audacious and dramatically successful anti-inflation plan of the early 1990s, its pioneering of deep-water oil drilling technology, its success in combating HIV/AIDS, and its achievement of energy independence using sugar-based ethanol and new offshore oil and gas exploration.

One of the biggest Brazilian turnabouts in recent years has been the country's transformation from the poster child of the 1980s debt crisis to a stable and reliable player in the international financial system. The change took hold during the Fernando Henrique Cardoso administration of the late 1990s, but has continued under Cardoso's successor, Luis Inacio Lula da Silva. Despite his leftist roots, Lula has impressed the global financial community by maintaining — even tightening — Cardoso's fiscal and monetary policies. Brazil's external position has become so strong that the government was able to pay off its \$15 billion IMF loan last December, two years in advance of its due date.

So if inventiveness, technical skill and external economic probity are not Brazil's problems, what is? The primary answer is the country's weak political institutions. The country's massive, often unresponsive bureaucracy, its dysfunctional political parties and sometimes irresponsible legislature all render Brazil highly vulnerable to official corruption and scandal — in turn disrupting progress on the reform and development agenda. The follow-on effects, abroad and at home, are to undercut the Brazilian government's credibility, sour the investment climate and threaten the stability of its currency (the real) on world financial exchanges.

The latest of these scandals has proved particularly damaging. Dubbed the "Mensalao" (roughly "The Big Payoff") when it erupted last year, it has titillated Brazilians with allegations of payments of as much as \$13,000 a month from top officers of the ruling Partido Trabalhador (Workers' Party) to buy votes from members of Congress for pending legislation, and the airport detention of a PT official with \$100,000 stuffed in his underwear. Senior party leaders have been forced to resign.

The scandal has shaken the standing of the heretofore very popular Lula presidency and blown a huge hole in what had been the party's reputation for clean government. Public approval for Lula, the former metal worker, union leader and four-time presidential candidate, has sunk from a peak of 77 percent after his smashing electoral victory in 2002 to around 50 percent. Lula himself

On broad geopolitical issues, the U.S. and Brazil have always been generally in step.

has not been directly linked to any illegal acts so far, but the scandal has cast into doubt his prospects for a second four-year term in national elections this October.

On the positive side, even with his political problems, Lula has managed to keep control of the PT in the hands of the moderate wing, main-

taining intact his economic program. But the scandal has effectively stopped needed work on tax, social and labor reforms in the Congress. This is a serious blow. Despite undeniable progress over the past 12 years, Brazil still needs to implement a long list of reforms if it is to realize its potential and provide a better life for its poorer citizens. Its savings rate is too low, its real interest rates are too high, and basic health and education needs remain underfunded. Far too many Brazilians continue to subsist on a large, informal economy (estimated at about 40 percent of gross domestic product, according to some

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sources). Brazil's infrastructure of ports, roads and railroads is antiquated and in need of modernization. Reform of the tax structure, labor law and business regulation is essential if Brazil is to play its proper role in the global economy.

Above all, Brazil must tackle the grinding inequality of income that allocates roughly 14 percent of GDP to the richest 1 percent of the population — about the same amount that goes to the poorest 50 percent. Brazil's "Gini Index" measuring its relative income inequality has showed some improvement in recent years, but is still generally judged to be the worst in the world among major countries. An open trade in drugs and arms in the slums of Rio and other major cities has led to de facto loss of government control in these areas; there is a pressing need for better-trained, better-paid law enforcement at the local level.

The American Connection

Such problems in Latin America's largest country would seem to call for close and continuing U.S. engagement — and, indeed, Brazilian-American relations are multifaceted and complex. American companies have a considerable stake in the large Brazilian market; according to the U.S. and Foreign Commercial Service, Brazil remains one of the three top locations in the world for American foreign direct investment. Brazilian visitors are traveling to the United States, particularly Florida, in unprecedented numbers and, despite some post-9/11 restrictions, Brazilian students still come here in large numbers to study.

There is constant scientific and technological interchange between our two societies: NASA satellites track rain-forest burning and the agency cooperates closely with its Brazilian counterpart; the Centers for Disease Control works with Brazilian and international bodies on field testing and surveys of Brazilian populations; and there are frequent private and governmental exchanges in fields such as agronomy, biodiversity and energy. In addition, strong mutual interest in the Amazon's rain forest and biodiversity has spawned a plethora of construc-

As with all consequential nations, day-to-day dealings can be scratchy, complicated by a perception on the Brazilian side that the U.S. does not take it as seriously as it should.

tive bilateral, multilateral and NGO-supported efforts between the two countries' environmental communities.

A sometimes overlooked point of people-to-people contact concerns what might be called the sociology of race. Mindful of our own mixed-race society, Americans, particularly African-Americans, have always been fascinated by the Brazilian experience. From a common history, including the importation of millions of Africans into slavery during the 17th, 18th and 19th centuries, the two societies evolved in ways that are both

singular and comparable. The myth of Brazil's "racial democracy" has collapsed in recent years in the face of damning statistics: black Brazilians still lag economically at least a generation behind whites and experience higher infant mortality and mistreatment at the hands of the criminal justice system. As the United Nations Human Rights Commission has commented: "Brazil lives in two worlds: it has a vibrant multicultural and multiracial street life, which is the image we get overseas. But Afro-Brazilian and indigenous communities are not part of the political, economic, social and media power structures."

Brazilian policy-makers largely accept such observations. In their search for solutions, they are willing to look at some U.S. models; e.g., affirmative action programs in public universities and required teaching of Afro-ethnic history in the public schools. One would hope to see greater exchanges in this area in the coming years, whether of legal and educational experts or through greater African-American tourism to Brazil.

On broad geopolitical issues, the U.S. and Brazil have always been generally in step, as well. The two nations were close allies in World War II and during much of the Cold War. Following the 9/11 attacks, the Cardoso government took the lead in pressing the Organization of American States to invoke the 1947 Rio Treaty, declaring the attacks as being against all nations of the hemisphere — an act of diplomatic solidarity much appreciated by the Bush administration. While skeptical of the U.S. invasion of Iraq and critical of

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some aspects of the Bush administration's war on terror, the Brazilians continue to cooperate at the working level on potential terrorist threats in the hemisphere.

Brasilia often prefers to exercise its diplomacy in multilateral forums, such as the OAS and the U.N., where it usually works cooperatively with Washington. In a dramatic reversal of past policy, the country recently sent a 1,200-man contingent to lead the U.N. Stabilization Mission in Haiti, showing a new will to assume international leadership (as well as, it must be said, boosting Brazil's bid for permanent membership on the U.N. Security Council). And a Brazilian general serves as commander of the international peacekeeping force in Port-au-Prince.

Brazil has gone from being the poster child of the 1980s debt crisis to a stable and reliable player in the international financial system.

executive branch or on Capitol Hill, when they provide high-level access to U.S. government visitors and congressional delegations in Brasilia. In addition, there is a natural competition with the U.S. for hemispheric influence, most evident in recent years in the well-publicized arm-wrestling between the two governments over the conduct and direction of negotiations to create a Free

Increasing Trade Flows

Of course, as with all consequential nations, day-to-day dealings can be scratchy. They are at times complicated by a perception on the Brazilian side that the U.S. does not take Brazil as seriously as it should. This perceived asymmetry gnaws at the Brazilians, who ask why their officials and congressional leaders visiting Washington sometimes have trouble arranging policy-level appointments in the

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Trade Area of the Americas.

In fact, trade negotiations, both multilateral and bilateral, represent the fulcrum of the relationship. Multilaterally, even as it sides with Washington's position on European Union agricultural subsidies, Brazil seeks a reduction in U.S. agricultural supports, as well as the elimination of anti-dumping and other restrictions on products ranging from steel to cotton to orange juice to sugar. For now, though, both sides have agreed to give priority to Doha Round work on these issues, essentially putting the FTAA on the shelf.

Bilaterally, the challenge is finding a way to increase trade flows in both directions. U.S. sales to Brazil need to be a special focus — Brazil, with its 185 million residents, received only 1 percent of U.S. exports in 2004, a level below that of much smaller entities such as Taiwan, The Netherlands, Belgium and Hong Kong. The long-term solution here is undoubtedly tied to economic growth and a widening of the Brazilian market. However, some short-term redress in areas of U.S. concern, such as patent/copyright protection, could also improve north-to-south export prospects.

Other major bilateral issues include narcotics control (Brazil is a key transit country and has a significant drug-use problem of its own) and space (a technology safeguards agreement for the Alcantara space vehicle launch site still awaits submission to the Brazilian Congress).

In the region, Venezuela looms increasingly large as an issue for both the U.S. and Brazil. Typically, Brasilia has taken a more nuanced approach to dealing with Venezuelan President Hugo Chavez than has Washington. The Brazilians are cool toward Chavez's autocratic rule at home and erratic forays abroad, but have opted for a strategy of greater engagement with him — a course that also suits Lula's overall interest in lessening Brazil's dependence on the U.S. and Europe. Currently, there is a move afoot to finalize Venezuela's full entry into the MERCOSUR (MERCOSUL in Portuguese) Common Market. With the election of Chavez ally Evo Morales as president of Bolivia, the game has become even more complex — Brazil has substantial investment in Bolivia's natural-gas industry and obtains a little less than half of its supply from Bolivian

***Brazil remains one
of the three top
locations in the world
for American foreign
direct investment.***

fields. At the same time, the Venezuelan/Bolivian connection is likely to prove highly problematic for MERCOSUR, already hobbled by trade tensions between Brazil and Argentina and other internal quarrels.

Political Prospects

What is the outlook for Brazilian-American relations, both in the short and the medium term? If President

Lula can ride out the Mensalao scandal without being directly implicated, he may well remain the front-runner in this October's presidential election. But even if he wins, Lula will still have to face the prospect of dealing with the fractious Brazilian Congress from what is likely to be a weakened personal and party base. In this situation, it is probable that Lula would strive to keep U.S.-Brazilian relations on an even keel and preserve his excellent personal relationship with President Bush.

It is still early to handicap prospects for Lula's challengers. The Social Democrats — the party of former President Cardoso — have settled on a probable nominee, Sao Paulo's state governor, Geraldo Alckmin. Neither Alckmin nor any other potential candidate, most likely from the center-left, would be likely to present a significant ideological or policy problem for Washington. That being said, the next occupant of the Planalto Palace, whoever it may be, will face growing popular pressure to jettison the tight-money policies of the past decade. And movement in this direction might cause a large hiccup (or more) on world financial markets and risk a repeat of the currency exchange crisis of 1999.

In the long run, the U.S. and Brazil are fated to work for accommodation — certainly in the hemisphere and perhaps in the broader international sphere. In the Americas, can the two countries eventually find the means to exploit the complementarities in their societies and to develop what could be a combined market of 500 million consumers? And in the wider world, will emerging economic superpowers such as Brazil gain geopolitical influence? U.S. interests would seem to be served by positive responses to both questions, for the two countries' common interests reinforce the case for sustained and serious engagement in the years to come.

Working together, Brazil and the U.S. will *certainly* be larger than the abyss. ■

COLOMBIA IS COMPLICATED



“**E** COLOMBIANS DON’T FIND IT EASY TO DEFINE WHAT WENT WRONG IN THEIR COUNTRY, OR HOW AMERICA CAN HELP THEM RECTIFY IT.

BY PHILLIP MCLEAN

s complicado,” is the common Colombian reply to a foreigner’s question, “why is your country so violent?” Without a doubt, the country remains both violent and complicated.

Nonetheless, as 2006 came around, both President George W. Bush and Secretary of State Condoleezza Rice, encouraged by recent positive signs in Colombia, have taken to holding it up as an example of what can be done in other trouble spots around the world. There may indeed be lessons to be learned from the last five years of heavy U.S.

involvement there, but Colombians themselves don't find it easy to define what went wrong or how to rectify it — or how America can help.

Thirty years ago, Colombia was a star graduate of the Alliance for Progress, the initiative launched by President John F. Kennedy to promote growth and democracy in Latin America. It had put together more than a decade of healthy economic expansion, new export opportunities and had even, according to United Nations figures at the time, achieved a modest closing of the income gap between rich and poor. Competitive, if still elite-dominated, politics had become the rule, and the two main leftist rebel groups — the Revolutionary Armed Forces of Colombia and the National Liberation Army (known respectively, in English, as the FARC and ELN) — were seen as diminishing threats. Colombia was so sure of itself that in 1976, the talented economic minister Rodrigo Botero called in the U.S. ambassador to tell him his country no longer needed the still-substantial assistance Washington was providing, and ordered the closure of the USAID mission.

But the picture had seriously darkened by 1999. The Colombian economy was in the middle of its first recession since the 1930s. Per-capita income dropped several years in a row, and half the population was classified as poor. As the majority saw their access to health care and education shrinking, the better-off found their security threatened. The country recorded 2,500 kidnappings that year and murder rates climbed: more than 400 per 100,000 inhabitants were killed in each of the country's

Phillip McLean, a Foreign Service officer from 1962 to 1994, served in Brazil, Panama, Bolivia, Colombia, Italy and the U.K. He was also deputy assistant secretary of State for South America, among other Washington assignments. After retirement from government service in 1994, McLean was appointed assistant secretary for management at the Organization of American States and served as an adviser to OAS Secretary General Cesar Gaviria until 1997. He is now a senior associate at the Center for Strategic and International Studies and an adjunct professor in the Elliott School at The George Washington University.

***Helping a country with
the history and size of
Colombia is a
formidable task, even
under the best of
circumstances.***

two largest cities, Bogota and Medellin. Extortion became common, especially in small towns, on farms and along the highways, where outlaws set up roadblocks, armed not just with threatening weapons, but also laptop computers loaded with purloined official tax and financial records, to determine the ability of passers-by to pay tribute.

***Violence from the
Left and Right***

Worst of all, the central government's ability to protect citizens, never strong, seemed to be collapsing in the face of a two-pronged attack. By the late 1990s, the FARC, an old-line communist guerrilla band, had grown from a force of 7,000 to 18,000. For the first time in its four decades of existence, it was not just overrunning police and military outposts and ambushing government patrols, but began defeating the army in set-piece battles. For its part, the ELN — a product of 1960s-era university students' enthusiasm for Fidel Castro and liberation theology — was said to have as many as 5,000 fighters in the field. The group had come close to annihilation in the late 1970s but was revived by pipeline-related extortion, making headlines with regular bombings of the Cañon-Covenas pipeline, important for the country's oil exports. In 2000 the government lost a third of its expected revenues from petroleum exports.

While these leftist rebels were showing off their prowess and the government its vulnerability, a new form of violence was emerging: organized rural militias to counter the guerrillas. These "paramilitaries," as they were called, soon came to be responsible for some of the bloodiest massacres in Colombia's long history of civil conflict. Teams of these "paras" would enter small villages, call out those they suspected of guerrilla sympathies and assassinate them on the spot. It was unadulterated terror, the most brutish form of counter-guerrilla tactics.

Most local and international human rights organizations have long believed that the paramilitaries were closely associated with the army. Many saw the events in Colombia as a direct replay of the depredations of death squads in El Salvador a decade earlier. Evidence does exist that a number of attacks received official aid, evi-

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dence that has been used in protracted but still inconclusive legal actions against cashiered officers. As the light of publicity has shone on these cases and international pressure, especially from the United States, was brought to bear, allegations of paramilitary-army complicity have sharply dropped, but the underlying problem of paramilitarism remains.

Yet consistently drawing a bright line between official law enforcement and citizen self-defense is difficult, because Colombians themselves so often mix the two. Colombia has a long tradition of allowing, and at times promoting, private security arrangements. The Colombian Ministry of Defense estimated in the mid-1990s that what citizens were spending for their own protection (on bodyguards, property protection, security companies and vigilante bands) amounted to 3.4 percent

***In 1976, Colombia told
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of the country's gross domestic product, equivalent to what the government was then spending on the police and armed forces combined. It was often remarked that for a country supposedly in the midst of a nationwide civil conflict, Colombia had a ridiculously small defense budget. But if police and private security expenditures were included, that total was about average for Latin America.

Back in the mid-1980s, regional military commanders freely admitted that local cattlemen were helping equip their underfunded units, boots and all. Colombians also recall that the FARC began at the end of the turbulent period of the 1950s called "La Violencia" as a self-protection force set up by middle-class campesinos in the southern department of Huila. But the current version of paramilitarism is heavily influ-

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enced by its close connection with narcotics trafficking, which, of course, has made it a special concern to the United States.

The Narco Connection

Some trace that connection back to the first such group, MAS (Muerto a Secuestradores, Death to Kidnappers), set up in December 1981 by the Medellin cartel to hunt down the M-19, an urban guerrilla group that had kidnapped a sister of the cartel's Ochoa clan. But most recent paramilitary leaders are products of the time when that cartel collapsed following the hunt for and killing of its most notorious leader, Pablo Escobar, in 1993. Several members set up their own drug operations in the corners of his crumbling empire. Prominent among these was Diego Murillo (better known as Don Berna), who was for a time Escobar's chief bodyguard; now in prison, he remains one of the most influential figures in the country's drug trade and Medellin's poor barrios.

The Castaño brothers, Fidel and Carlos, broke from Escobar's gang early on and participated in the effort to run him down. By most accounts, they are now dead, but in their last years of life sought to paint a picture of themselves as valiant guerrilla fighters who protected honest rural people and only incidentally got involved in the narcotics trade. After Fidel's mysterious disappearance in 1996, Carlos announced the formation of the United Self-Defense Forces of Colombia (Autodefensas Unidas de Colombia) and gained wide public attention as a leader who linked private self-defense units around the country into a significant national counter-guerrilla force. These groups were indeed proliferating and gaining strength, often able to afford high-quality armaments and hire retired police and military officers to do the training.

But despite its name, the AUC was far from united. While some of its leaders were obtaining political power in some localities, their main activity was crime: not just drug-running, but kidnapping, extortion and theft of gasoline supplies, a particular specialty of gangs along the Magdalena River Valley. With all the competing paramilitary interests, few were surprised when Carlos Castaño also "disappeared" in 2003.

The narcotraffickers have been careful to spread the

The current version of paramilitarism is heavily influenced by its close connection with narcotics trafficking, making it a special concern to the U.S.

wealth across the political spectrum. According to a recent estimate by a local journalist, traffickers affiliated with the various paramilitaries account for 40 percent of the drug trade and the FARC accounts for another 40 percent. In fact, the business is of such importance to both sides that there have been frequent reports of their operatives cooperating on specific drug deals. That would work out to roughly \$1 billion for each side.

But in general, the two sets of armed groups fight to protect their respective spheres of influence, such as prime coca cultivation zones. The Catatumbo, a former jungle reserve of the Montilliones Indians along the border with Venezuela, for instance, has become a vast coca plantation that was fought over by various paramilitary groups, the FARC and even the ELN. Eventually, one of the best-organized paramilitary organizations, led by Salvatore Mancuso, became the main enforcer of a kind of rough peace among the coca growers there. In that and other cases, there was always the suspicion that Mancuso's well-equipped units won with at least indirect help from the army, which was actively fighting the guerrillas. Human-rights activists have frequently observed that until they raised their voices in protest, instances of Colombian Army clashes with the paramilitaries were rare.

The fiercest battles between the paramilitaries and the guerrillas have been over control of the best supply routes to ship narcotics out of the country and bring armaments in. In 2002, the FARC dealt successive, serious defeats to the paramilitaries at Campamento in northern Antioquia and Bojaya in the Choco region. In the latter fight, 200 innocent civilians lost their lives in the crossfire.

Unveiling Plan Colombia

Colombia's president during this period (1998-2002), Andres Pastrana, tried to negotiate with the guerrillas, but also took steps to strengthen his demoralized army and reached out for foreign assistance. Put off by accusations of human rights violations, Europeans were at first slow to respond and, when they did, made clear that they would emphasize the needs of the country's poor and not its security problem. But by 1999, the Clinton

administration was becoming alarmed at the prospect that a country so close to the United States and so large might fail, and sought ways to stabilize it, whatever the complications.

Helping a country with the history and size of Colombia is a formidable task, even under the best of circumstances. It is as large as the southern United States minus Florida, with three distinct Andean ranges and the vast, lightly-populated Amazon plains. It was often incorrectly said during this period that the guerrillas controlled half the country. Perhaps the more accurate assertion is that to this day no one controls large stretches of the countryside, in part because of the long tradition of weak government.

Complicating matters, the weakest instrument of the government is the judiciary, reflecting a sad national record of lawlessness. Smuggling has a long history, with the emerald trade, for example, being a law unto itself. Colombia has long been known to law enforcement officials around the globe not just for various forms of narcotics trafficking (first marijuana, then cocaine and heroin) but also as one of the world's major currency counterfeiting centers.

Some analysts contend that Colombia is violent and lawless because it is poor, and point to economic assistance as the key. Sadly, nearly a quarter of the population falls below the \$2-a-day poverty line. But there is solid evidence that the strongest explanatory factor for poverty in Colombia is the level of violence. The World Bank estimates that if Colombia had just the rate of violence that is average for Latin America as a whole, it would be 50 percent richer. Two-and-a-half-million Colombians are refugees in their own country. The Bank's studies also point to a close correlation between the rise of the narcotics trade, the rise of violence and the decline of economic growth.

While its goal was stabilizing a country just two hours by air from Miami, the Clinton administration bought the narcotics explanation of the country's plight. Pragmatically, it also calculated that it could only gain congressional support for massive assistance to Colombia by anchoring its assistance in counternarcotics programs.

President Alvaro Uribe's approach, "democratic security," means all citizens have a right to be free from violence — and a duty to help make their communities safer.

Thus, "Plan Colombia" was born in 1999 as a multilateral aid package worth \$7 billion over five years. Of this, \$2.5 billion came from the United States, \$1 billion from other countries and the rest from Bogota. A third of the U.S. money, all of the European funds and most of the Colombian component went to improve the efficiency of government and expand social programs. But from the beginning it was understood that two-thirds of U.S. funding would be directed to the police and armed forces, with much

of that used for helicopters and other aircraft to support a large-scale aerial fumigation effort against coca and heroin poppies.

While some in the U.S. Congress were happy that "the Clinton administration was finally getting serious about narcotics," most critics in the United States and Europe believed Plan Colombia was wrong-headed because it focused on drugs and not poverty and it gave aid to military and police institutions accused of human rights violations. In fact, the plan's early efforts were largely dedicated to vetting the units that would be trained and supported for human rights violations. Colombians, for their part, were grateful for the assistance but anxious to get started.

A New Sheriff Comes to Town

In 2002, Alvaro Uribe ran for president to succeed Andres Pastrana. An ambitious, highly goal-oriented former governor of the Antioquia department, he had twice taken time out of his political career to study at Oxford and Harvard. His father had been murdered by the guerrillas, and as governor he promoted the then-legal community-protection organizations. Many deduced from that background that he was a conservative, though the views he exhibited in his rise through various elected and appointed government positions seemed to reflect the Liberal Party's views.

Colombians have historically chosen weak government over strong and, perhaps for that reason, have consistently sought negotiations rather than confrontation. Following that tradition, the other candidates in the race followed in Pastrana's footsteps and continued to pro-

mote peace talks with guerrillas and the AUC. But Uribe sensed that the country had changed, and was ready to take a hard line against violent groups. Seeing his opening, he took it, winning by a healthy margin in 2002.

To Washington's applause, Uribe quickly labeled his approach "democratic security," meaning all citizens have a right to be free from violence — and a duty to help make their communities safer. He levied new taxes on the rich to pay for a stronger armed forces and police, and he promoted programs to encourage citizen cooperation with authorities to better stop illegal armed groups. Both initiatives were controversial, but they have produced results. When the original Plan Colombia expired in 2004, President Bush continued to provide U.S. assistance on a year-to-year basis totaling about \$750 million annually, with some support given directly for military equipment, training and intelligence. It is only fair to note that the percentage of the total U.S. aid package has shifted more toward economic and social assistance, and the United States has successively improved the unilateral trade preferences that have helped stimulate Colombia's non-traditional exports from flowers to manufacturing. But the central justification for U.S. assistance is still as it was in 1999: that constraining the narcotics trade will weaken Colombia's illegal armed bands and strengthen the country in every respect. It is a logic Uribe accepts, perhaps even more than most Americans.

Uribe's government can claim some remarkable achievements. In the first year of his presidency, violence dropped sharply. Today kidnappings are a fraction of what they were in 2002. The murder rates in Bogota and Medellin are now lower than in Washington, D.C. Health, education and pension programs still mostly favor the middle class, but are reaching more of the poor. The economy has grown by more than 4 percent for three years. Backed by foreign assistance, the judicial system is reforming. The military is putting more pressure on all of the illegal armed groups. The major paramilitary groups are disbanding, a process unfolding under the loose supervision of the Organization of American States. The surrender of FARC and ELN soldiers seems

While President Bush and Secretary Rice rightly admire Colombia's achievements, the root causes of violence have not yet been overcome.

to have shrunk both organizations by a third.

It is no wonder that Uribe is highly favored to win re-election in May. Colombia has a strong tradition, and until last year a constitutional prohibition, against allowing a sitting president to run for re-election. But with Uribe garnering approval ratings of 70 percent or better ever since his election, the Congress and the courts bowed to reality and let him run again.

Still on the Brink

Yet for all that success, Colombia remains a country on the brink of crisis. The FARC may have shed some members and lost some to capture by the government, but is still capable of taking on and defeating government forces in isolated skirmishes. Perhaps even more serious is the continuation of the underlying criminality that has haunted the country for so many years. Many paramilitary soldiers may have turned in their arms, but the rural authoritarians who were at the heart of the phenomenon still hold sway in many parts of the country — and their urban counterparts are the alternative government in many poor neighborhoods. They aspire, as Pablo Escobar did before them, to a political role, and that aspiration threatens Colombian democracy.

A second Uribe administration (or that of his successor) will have to make much more progress on government reform, including the always-difficult job of increasing the tax burden (now just 15 percent of GDP). The rule of law urgently needs to be further strengthened to give citizens faith in the justice system. While narcotics control efforts have been impressive in scope — 120,000 hectares eradicated each year, more than 200 tons of cocaine seized, more than 350 cartel leaders extradited to the United States — the impact of those efforts on the availability of drugs in the United States has been small, as has been the effect on the criminals themselves. And while President Bush and Secretary Rice rightly admire Colombia's achievements, the causes of violence — the flush demand for narcotics trade from abroad and the enduring tradition of impunity at home — have not yet been overcome. ■

THE U.S. AND MEXICO: WHAT'S NEXT?



Elizabeth Lada

N WHOEVER HE IS, THE NEXT MEXICAN PRESIDENT WILL HAVE A KEEN APPRECIATION OF THE COMPLEXITY OF MANAGING THE BILATERAL RELATIONSHIP.

BY DEBORAH L. RINER

No matter who is elected president of Mexico on July 2, 2006, succeeding Vicente Fox (who is constitutionally limited to one six-year term), the country's relationship with the United States won't enjoy the auspicious beginning marked by the elections of Presidents Fox and George W. Bush in 2000. That is not necessarily bad, however.

The high expectations of six years ago about what personal affinities could accomplish in reconciling national agendas

were soon dashed by political realities including, but not limited to, the 9/11 attacks. As a result, the next Mexican president will have a more measured appreciation of the complexities involved in addressing the many thorny issues in the bilateral relationship.

That lesson points to four key facts worth bearing in mind when analyzing U.S.-Mexican relations. First, who is elected in July will, of course, matter; but in the end, political and economic realities will severely limit what he can accomplish. Second, personnel and policy changes at the top of each government do not necessarily translate into changes throughout the bureaucratic apparatus, where the critical day-to-day relations are handled. Third, just as relations with Mexico weren't a factor in the 2004 U.S. presidential election, relations with Washington aren't a focus in this year's presidential race in Mexico. And fourth, the two countries have different priorities for the bilateral relationship.

Although some trade disputes — sugar and trucking being the most notable examples — periodically flare up as high-profile irritants, they are no longer a defining issue on the bilateral agenda, thanks to the success of the North American Free Trade Agreement. Of course, protection of intellectual-property rights and regulation of markets such as telecommunications (which, while open to foreign competition, still effectively enjoy a large measure of protection) will continue to require diplomatic attention. Drug trafficking is another issue of concern for the U.S.

But the really critical questions from Washington's per-

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Just as Mexico was not a factor in the 2004 U.S. election, relations with Washington aren't a focus in this year's presidential race.

spective center on border security and stemming illegal immigration — as shown by such ludicrous and needlessly offensive proposals as the construction of a 700-mile-long wall along parts of the border. Whether the Senate approves construction of the wall or not, the possibility has, regrettably, already damaged the relationship.

The Importance of Immigration

For Mexico, too, immigration is the top item on the bilateral agenda, as well as representing one of the few issues that unite the country's otherwise quarreling parties. But the Mexican focus is on protecting the rights of its citizens in the U.S., legal or otherwise, not limiting their movement north, a policy known as "non-intervention." That concern reflects the reality that migration is a social and political safety valve for Mexico, as well as a very large and reliable source of foreign exchange.

While precision is impossible, by most estimates there are at least seven million Mexican illegal immigrants in the U.S. (the Mexican government prefers the term "undocumented workers"). There are entire villages in Mexico whose male population is almost non-existent. The money sent home by Mexicans working in the U.S., legally and illegally, has become almost as important as petroleum revenues, constituting the main source of revenue for states such as Zacatecas and Michoacan. In 2000, according to Mexico's central bank, those remittances totaled \$7 billion; last year, they were nearly triple that level, reaching \$20.5 billion.

Remittances have also helped to deliver macro-economic stability, a sine qua non of sustainable growth. (And, as any politician knows, economic growth translates into votes.) Not only has this income been the mainstay of millions of families back home, it has also played an important role in limiting the size of Mexico's current account deficit, the trigger of the balance-of-payments crises and economic instability that plagued the country for the quarter-century prior to the election of President Fox in 2000. For example, in 2004 remittances totaled \$17 billion; without them, the current account deficit would have been three times what it actually was and equivalent to 3.6 percent of gross domestic product.

This is not to say that Mexico's next president will encourage his compatriots to head north en masse. But the realities of labor markets in the U.S. and Mexico, combined with the inability of the Mexican executive and legislature to work together to address the obstacles to competitiveness (e.g., an inefficient energy sector, an obstructive bureaucracy and a flawed justice system), thereby fostering job creation in Mexico, will ensure that illegal immigration is an issue that won't go away. So protecting the rights of Mexicans trying to get into or living illegally in the U.S. will remain politically popular.

It should certainly be possible to negotiate trade-offs between the U.S. interest in tightening security and cooperating more closely on drug enforcement, and the Mexican interest in protecting the safety and rights of its citizens in the U.S. However, there are major obstacles. Mexico prefers not to treat the different issues as related; worse, most Mexicans do not understand how complicated the process is for the U.S. to change its immigration policy, even when both houses of Congress and the presidency are controlled by the same party. That misconception may help to explain a monumental blunder early in the Fox administration, when Mexico insisted on achieving the "whole enchilada" in immigration-policy negotiations. It is not clear that the three main presidential candidates have learned that lesson, however.

All that said, there are certainly significant differences among the three front-runners on foreign policy. For instance, they are likely to place different emphases on relations with Mexico's southern neighbors, particularly Venezuela, Cuba, Argentina and Bolivia. And those calculations will inevitably affect how closely Mexico wants to identify its interests with those of the U.S.

The Candidate of Continuity: Felipe Calderon

As recently as last summer, Mexican pollsters assumed that former Interior Minister Santiago Creel, not Felipe Calderon, would be the presidential candidate of the National Action Party, the most conservative of the three main parties. But after President Fox publicly chastised Calderon for using a rally to announce his interest in running for the PAN's nomination, he resigned as energy

Immigration is the top item on the bilateral agenda for both countries, but for very different reasons.

minister (a post he had held for eight months) and began distancing himself from Fox. And in a sign of just how much politics has changed in Mexico, that move helped Calderon wrest the nomination from Creel.

In spite of that falling out, Mexican foreign policy under a Calderon presidency would probably resemble that of the Fox administration.

There would likely be different faces in the top positions of the Foreign Ministry, but the thrust of policy — a primary focus on the relationship with the U.S. and on efforts to improve it — would continue.

That approach will not be tremendously popular in Mexico. In a recent interview, Gabriel Guerra, a well-known analyst and spokesman for former President Ernesto Zedillo, characterized Fox's attack on Argentine President Nestor Kirchner, and his defense of the Free Trade Area of the Americas (and of Washington), as "the consequence of a series of mistakes, inexperience and no medium- and long-term strategy giving Latin America its rightful place in policy." Indeed, there is a widespread consensus that while Fox's tilt toward the U.S. and break with Cuba may have been justifiable, it happened too fast and too soon — and failed to secure a bilateral immigration agreement. Thus, however sincerely Calderon might believe that Mexico should look north, prudence dictates that his stance not be so enthusiastically pro-American.

Another incentive to hew closely to the country's current foreign policy is the fact that Calderon, whose political career has focused principally on his party and on the legislature, has little first-hand knowledge of international affairs. Nor has he developed a cadre of foreign-policy experts, even as a significant number of professional diplomats have been forced out of the Foreign Ministry by the present administration. This lack of expertise could introduce unfortunate complications into the bilateral relationship.

The Candidate of Change: Andres Manuel Lopez Obrador

The Democratic Revolutionary Party's presidential candidate is Andres Manuel Lopez Obrador. (He is generally known as "AMLO," more or less as many Americans refer to George W. Bush as "W" or "Dubya.")



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A former mayor of Mexico City, Lopez Obrador sees the country's foreign policy through the prism of domestic politics and in very traditional terms: "The foreign policy we propose should be based on the strengthening of domestic policy, cautious diplomacy and respect for the principles of self-determination, non-intervention, peaceful solution of conflicts, abolition of the threat or use of force in international relations, equality of states, international cooperation for development and the fight for international peace and security."

Lopez Obrador, like Institutional Revolutionary Party candidate Roberto Madrazo (see next section), hails from Tabasco. The two presidential contenders, between whom no love is lost, have a long history. Both men made their careers in the PRI until Lopez Obrador left in 1989 to join the PRD, where he quickly rose to the top, thwarting what would have been the fourth presidential bid of the party's founder and "moral leader," Cuauhtemoc Cardenas Solorzano. But in doing so, he has created enemies within a party whose factions have traditionally

demonstrated a willingness to go for each others' jugulars instead of closing ranks to fight the election.

Nor would a President Lopez Obrador have a large enough pool of experienced, qualified professionals within the PRD on which to draw. (Former President Miguel de la Madrid reportedly said in 1982 that, at a minimum, he needed 2,000 people he could trust in order to know what was going on in the government.) He would have to move outside his circle of loyalists to fill the key positions of government: for a man reputed to place more emphasis on personal loyalty than any other characteristic, that situation might be uncomfortable.

Like Vicente Fox, Lopez Obrador has a reputation of speaking out on issues before analyzing the implications of what he says. If he were to decide that he did not approve of the way that Foreign Ministry bureaucrats were conducting some aspect of the relationship with Washington, it is quite conceivable that he would announce a different, not necessarily coherent policy on the spot.

Under a Lopez Obrador presidency, Mexican foreign

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policy is likely to look south, aligning the country with the interests of Latin America and the developing world. On his personal Web page, the candidate attributes Mexico's turn to the north as motivated by "the illegitimacy of [former President] Carlos Salinas' government, which, when confronted by constant protests ... led to a closer alignment with policies promoted by the U.S. government." He has more of an ideological affinity with the thrust of the regimes in Argentina, Venezuela and Bolivia than either of his rivals for the presidency.

So don't be surprised to see a President Lopez Obrador pictured more often with Nestor Kirchner, Hugo Chavez, Evo Morales or even Fidel Castro than with his U.S. counterpart. (It is also worth noting that his English is not as fluent as that spoken by Mexico's recent presidents.) This is not to say that he is another Chavez, seeking opportunities for confrontations with Washington, or that the cooperation manifested in the daily details of the bilateral relationship would cease. But it is likely that the tone of the relationship would change to one of greater distance, reflecting skepticism that U.S. and Mexican interests are complementary.

For instance, Lopez Obrador has consistently expressed his dissatisfaction with some provisions of NAFTA, such as its agricultural clauses. Reopening negotiations in the present environment, when the American public and many of its elected representatives hold an increasingly unfavorable opinion of NAFTA due to job losses, would introduce another stressor into the bilateral relationship and further complicate U.S. efforts to implement the FTAA.

In the Middle: Roberto Madrazo

Until Fox's election, the Institutional Revolutionary Party had held power continuously for seven decades. So it was hardly surprising that affiliation with the PRI did not hurt the careers of professional Mexican diplomats. Should PRI candidate Roberto Madrazo be elected, he will likely follow the tradition of rewarding prominent party figures with desirable ambassadorships, while supporting them by naming career officials sympathetic to the PRI to key positions. This will allow experienced

***Thanks to the success
of NAFTA, trade disputes
are no longer a
defining issue on the
bilateral agenda.***

diplomats to smooth over the inevitable rough edges in the bilateral relationship.

Until former President Carlos Salinas tried to redefine "national sovereignty" in terms of economic development, the PRI deftly played on public opposition to U.S. policies to reinforce its dominant position. So don't expect Madrazo to repeat Fox's defense of the FTAA

during the Summit of the Americas; instead, he would let the U.S. defend its own interests while he would work at strengthening Mexico's ties with his counterparts in the hemisphere. Similarly, his foreign policy platform is a return to Mexico's classic stance: "...our commitment to self-determination, non-intervention, peaceful solutions to controversies, and outlawing the threat or use of force in international relations."

To be sure, the Fox administration has voiced its displeasure with certain U.S. actions, but under Madrazo, both the substance and the tone in which it would be conveyed would become much more strident. So issues like building a wall along the border and encroaching on Mexican territory without permission to repair it would become higher-profile irritants than they are now. Professional diplomats would be charged with repairing the damage wrought by more acrid public exchanges.

Under Madrazo, NAFTA itself would not be an issue on the bilateral agenda. He is well aware that the bilateral relationship has deepened as commercial relations between the two countries have strengthened, and Mexican administrations have come to believe that their country has much more to gain than to lose from closer integration and cooperation. But look for a Madrazo administration to exploit skillfully the historical emphasis on distance and opposition in the relationship even while developing more areas of cooperation. For instance, it is conceivable that he would use trade barriers to benefit constituencies he wanted to reward or needed to heed — rather like the U.S. interpretation of NAFTA's trucking provisions.

Still, whatever his rhetorical thrust, a President Madrazo would be very careful not to let words stand in the way of Mexico's real interests, which reside in its relationship with its northern neighbor. But whereas a Lopez Obrador-led government would give greater emphasis to

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Latin America, especially regimes that share his views on “neoliberal economics,” Madrazo’s foreign policy would revert to the more traditional posture of turning to Europe to counterbalance the importance of the U.S.

The Honeymoon Is Over

No matter who is elected in July, the honeymoon in the bilateral relationship that started five years ago is already over. U.S. Ambassador to Mexico Antonio Garza is more frequently presenting notes to the Mexican government and publicly voicing U.S. unhappiness with Mexico’s perceived lack of commitment to fighting drug trafficking and controlling drug-related violence on the border. He has even gone so far as to close temporarily the U.S. consulate in Nuevo Laredo. And Washington’s official response to protests about the proposed wall is that Mexico is not respecting America’s right to protect our borders.

Still, whoever assumes office on Dec. 1, the bilateral relationship will continue to function relatively smoothly

on a daily level. There will be the occasional high-level dust-up, followed by a return to more or less cordial relations. Relations with the U.S. would almost certainly be generally cooler if Lopez Obrador wins, while under Madrazo, relations are likely to be much more volatile. Although Calderon will probably make more of an effort than either of the others to keep Mexico’s relations with the U.S. on an even keel, there’s a limited amount he can do, given the different emphases in the two countries’ agendas.

Meanwhile, the present U.S. political configuration does not seem capable of producing immigration legislation that meets Mexican expectations — an obstacle to reaching a hemispheric security or trade agreement. With or without a wall, the contributions of undocumented workers to both the U.S. and the Mexican economies will continue to grow more important. Mexican workers will continue to help fill the jobs that need to be done in the U.S. and send money home to support their families in Mexico. ■

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SENSING SENSIBILITY IN THE FALKLAND ISLANDS



Elizabeth Lada

“**T**ODAY’S FALKLAND ISLANDERS — VISIBLY PROSPEROUS, WIRED AND WELL EDUCATED — STAND ON THE FRINGE OF GLOBALIZATION. WHAT LIES AHEAD?”

BY JIM DORSCHNER

“The future of the Falkland Islands clearly lies in South America,” states Julian Morris, a Londoner on a three-year contract as general manager of the Falkland Islands Development Corporation, part of the colony’s government. Since 1985 the FIDC has disbursed over \$60 million to assist more than 150 business startups and initiatives such as the 60 wind generators installed throughout the islands.

The tall, ruddy 42-year-old looks pensively across his spacious new second-floor office, which offers magnificent views

over Stanley Harbor, his naturally warm face displaying concern for the implications of this reference to the continent four hundred miles to the west. Among many islanders, lingering trauma from Argentina's 1982 invasion and occupation of the islands reinforces a compulsion to remain isolated, to stick with the safe 8,000-mile link back to Mother Britain.

But the young, globally-connected demographic of the Falklands is comfortable with another South America. Every Saturday a LAN Chile Airbus brings in a belly-full of freight, including retail goods and fresh fruit. The plane carries islanders out to Punta Arenas (in Chilean Patagonia), and on to bustling Santiago for shopping and medical appointments, and for business meetings conducted with personal digital assistants and laptops.

Today's Falkland Islanders — visibly prosperous, wired and well educated, with the possibility of oil looming offshore — stand at a quirky edge of globalization, a critical juncture that oddly mirrors what the rest of the world is facing, with the same shades of uncertainty and promise.

Disputed History

The Falklands' history is an ambiguous chronology of claims and counterclaims. The islands were uninhabited when sighted by European explorers in the 1500s. The British landed first, in 1690, though the first settlement was established on East Falkland in 1764 by the French explorer Antoine de Bougainville. Unaware of the French activity, British Captain John McBride set up a competing colony on West Falkland in 1766.

Shortly thereafter, de Bougainville sold out to the Spanish, who appointed a governor under the captain-general of Buenos Aires. In 1770, a Spanish military expedition dislodged the British, sparking negotiations that resulted in Madrid agreeing to London's return. Four years later, Britain abandoned the islands, leaving behind a plaque claiming continued sovereignty. Spain followed suit, pulling out in 1811, leaving the islands unoccupied.

Jim Dorschner is the spouse of FSO Sonya Tsiros, assigned to Embassy Bucharest. He is a correspondent for Jane's Defense Weekly, and a principal contributor to Jane's Sentinel. His work has also appeared in Armed Forces Journal, U.S. Naval Institute Proceedings and Military History Quarterly. He retired from the U.S. Army in 2004 and has lived for more than 22 years outside the United States in Europe, Asia and Latin America.

After gaining independence from Spain in 1816, Argentina claimed all previously associated colonial territories — including Las Malvinas (the name comes from the French Malouins, a name for the Corsairs of Saint-Malo, whence came the first colonists to settle under de Bougainville). In 1826 Argentine civilian Louis Vernet established a small colony, finally eliciting a reaction from Britain in 1833, when warships forced the Argentines to leave and London effectively reclaimed full sovereignty under the 1770 agreement with Spain. Britain has peacefully governed and populated the islands ever since.

Argentina believes it holds uninterrupted sovereignty dating back to 1816, making Britain's 1833 "invasion and occupation" illegal, and asserts that Argentina was simply "recovering" national territory in 1982. Britain maintains that the Falklands are British. This claim is reinforced by continuous occupation since 1833 and, most importantly, the fact that the islands' population is British. Britain insists that "sovereignty is not negotiable," while Argentina will not negotiate unless sovereignty is on the table. Argentine President Nestor Kirchner rekindled tensions in 2003 by publicly vowing that the Malvinas will once again be part of Argentina, following up by economically squeezing the islands.

Behind these diplomatic positions are serious issues of control over important South Atlantic resources, which Falkland Islanders regard as vital to "self-determination."

21st-Century Islanders

Some 2,370 civilians live in this British overseas territory the size of Connecticut, situated 400 miles east of Argentina and 850 miles north of the Antarctic Circle. Ninety-four percent claim British descent, and 80 percent trace their roots to mid-1800s immigration. Others are long-term temporary residents; nearly 150 "Saints" from the British South Atlantic island of St. Helena, and about 100 Chileans. The capital, Stanley on East Falkland, is home to 1,989 people; the rest are in "Camp" (a Falklands term derived from the Spanish campo, meaning countryside). Another 1,700 military personnel and civilian contractors serve at the Mount Pleasant Military Complex 35 miles west of Stanley.

Today's islanders are surprisingly young, connected and entrepreneurial. Access to the Internet and satellite TV is universal, even in Camp. Children abound and a new wing added to the junior school in Stanley is already too small because of higher-than-average birth rates.

After attending small settlement schools, Camp kids join their Stanley brethren in the junior school, boarding in the hostel or with family. Everyone goes on to the new community school built in 1992. At 16, qualified students are fully funded by the Falkland Islands government to attend boarding school in Britain.

The government also funds vocational, university and graduate education. The first islander physician recently graduated in the U.K. and returned to work at the hospital, where one operating room nurse is also an islander. While the rate of return after education abroad is 65 percent, a labor shortage necessitates the importation of workers from St. Helena and Chile. Most residents have multiple jobs, and 14 percent of taxpayers run small businesses.

Tim Miller is thin and 50-something, soft-spoken, with receding blondish-red hair over thick eyebrows, rosy cheeks and a perpetual grin. His rough hands testify to years as a sheep farmer on West Falkland, where he was accidentally bombed by a British jet during the war and lost an eye. Afterwards, Miller established Stanley Growers with the help of a hydroponics farming expert brought in from the U.K., and eventually built it into a thriving business that includes outdoor furniture and gardening supplies. Stanley Growers is the principal produce vendor in the islands, with a large organic nursery producing tomatoes, lettuce, peppers and other vegetables for sale locally and to cruise ships.

Miller does extensive business in Chile, importing fresh fruit and other goods via the weekly LAN flight and via ship, and has been badly hurt by Argentine efforts to squeeze the economy. He could easily sell more, but the capacity and frequency of transport from Chile are insufficient. He is clearly frustrated. In another blow, Stanley Growers and other businesses suffered significant losses when some cruise ship visits were canceled after Argentina refused transit permission for passenger exchange charter flights.

Besides the weekly LAN flight from Chile, the only other air link is a weekly service from the U.K. provided by Britain's Royal Air Force. Both flights use the airbase at Mount Pleasant. Sea links are no better. There is a general cargo ship every six weeks from Chilean Patagonia, 1,500 miles south of Chile's main container port of Valparaiso, plus five chartered sailings a year from the U.K. and some commercial space aboard military charters.

A LAN Chile request for an additional weekly flight through Argentina was denied, with the aviation authority in Buenos Aires citing strong pressure from "the very top of the government." Likewise, a major international shipping line agreed to link the islands to South American container terminals, only to have the Argentine Foreign Office threaten "spontaneous" industrial action in Argentine ports. Since these efforts of Argentina to interfere with the Falklands' economy in 2004 and early 2005, there have been no new initiatives as islanders await a signal that Argentina is prepared to cooperate.

Lack of access to South America seriously undermines the economy. A 20-foot refrigerated meat container costs \$9,000 to ship to the U.K. on ships available only about every two months. The same container could go directly to a South American hub for onward shipment anywhere in the world for about \$2,500.

From "Sheepocracy" to Self-Determination

Before 1982, the Falkland Islands Company, a royal charter since 1852, owned most of the 30 enormous farms and controlled every aspect of commercial activity. Councilor Richard Cockwell calls this period the "sheepocracy." He ought to know, having been the last farm manager at Fox Bay in West Falkland, before it was purchased by the government after the war and split into family-size plots. Managers were the elite of Falklands society, living in large homes, hobnobbing with the governor, and able to travel off the islands and educate their children. Until the 1950s, most islanders had little access to education, under the premise that expanded horizons would tempt them to leave, thereby denuding the sheep farms of labor.

In this static, isolated society, principal settlements such as Goose Green on East Falkland and Port Howard and Fox Boy on West Falkland provided basic health services and a simple school, but were dominated by shearing sheds, large structures for the seasonal shearing of thousands of sheep. There were virtually no roads outside of Stanley, leaving Camp reliant on intra-islands steamers and horses until 1948, when the Falkland Islands Government Air Service introduced light bush planes. (A network of all-weather tracks now links nearly every corner of the islands.) Prior to 1971, the Falklands were only accessible by four cargo ships a year from Britain and a monthly ship to Montevideo. That year a communications agreement between Britain and Argentina intro-

duced shipping links that lasted until 1982, along with the first external air links, operated by the Argentine military airline LADE.

“Things were pretty grim, really, before 1982,” Richard Cockwell admits. “The place was in decline. People were streaming out and there wasn’t much hope. Not everyone realized it, but the feeling was there.”

Now, under the 1985 Falkland Islands Constitution, citizens elect eight councilors every four years. Every year the councilors elect three of their number to serve on the Executive Council alongside four appointed officials, all presided over by the appointed governor, a senior British diplomat. The current governor, Howard Pearce, came to the Falklands after three years as high commissioner to Malta. Tall and broad in an immaculate dark pinstripe suit, he looks much younger than his 56 years while relaxing in an easy chair over coffee in his sunlit office at Government House. A self-proclaimed “Falklands fanatic,” he clearly enjoys his role and is committed to progress, even as he describes the job as “schizophrenic.” The governor is caught in the middle, required to simultaneously represent local views and desires to London and transmit London’s views and desires back to them.

Other than defense needs, the Falklands have not cost British taxpayers anything since 1986. In 2004, for example, the islands enjoyed a comfortable GDP of \$133 million. A postwar transformation was paid for by the sale of licenses for commercial fishing inside the internationally recognized Falklands Conservation Zone. Until a recent decline in *Ilex* squid, licensing and logistical support to fishing fleets earned about \$55 million annually. Tourism brings in another \$7.5 million a year from cruise ships and “land tourists,” who fly in to enjoy the spectacular scenery and wildlife and some of the best trout fishing in the world. Agriculture accounts for another \$5.8 million a year, which still means wool sheep.

Options for Revitalization

After 1982 the population in Camp finally stabilized at around 400, though the average age is alarmingly high, with many farmers in their 60s or older. Today there are 580,000 sheep in the Falklands on 88 farms, and Falklands wool is considered among the finest in the world. But younger islanders have largely lost interest in putting in the long, grueling hours for low financial return.

Options under consideration to revitalize Camp include switching from wool to organic meat, based on the

renowned purity of Falklands’ herds, kept isolated from disease and pests and fed on the open range. Commercial mussel production at Darwin is generating a lot of interest in aquaculture and exploratory gold mining is underway near Mount Osborne, but tourism is the most likely industry to supplant the sheep wool economy. Some 50,000 cruise-ship passengers visited last year, along with over a thousand others arriving by air.

An idea gaining momentum is to convert a significant portion of lands now devoted to sheep into national parks serviced by additional guest lodges similar to those now operating at Sea Lion Island, Pebble Island and Port Howard. These spots offer visitors incredible wildlife, horseback riding, hiking, kayaking, trout fishing, scenic boat trips and air tours among some of the most unspoiled natural beauty in the world. The problem is how to pay for it as revenue from fishing declines.

Offshore oil is the gorilla in the room. Six promising exploratory wells were drilled in the North Falkland Basin in 1998, with good prospects for further drilling. In 2002 a large area of the South Falkland Basin was licensed to Falkland Oil and Gas Ltd., known as FOGL, a joint venture among Global Petroleum, Hardman Resources and the Falkland Islands Corporation, with the support of the government. A recent seismic survey identified possible recoverable reserves in excess of 200 million barrels. More drilling is expected in 2007, with full-scale production likely by 2010. According to estimates by independent consultants, the FOGL license area may contain up to 1,250 billion barrels of oil, roughly equivalent to the oil content of the declining North Sea Gas Basin and Central Graben fields combined.

Islanders express little joy and almost-universal concern over the potential effects of oil. Economic viability and political “self-determination” will be enhanced as oil revenues and associated infrastructure improvements facilitate long-term diversification, particularly the supplanting of wool sheep with tourism, organic meat and aquaculture, but at unknown risk to the fragile environment and social fabric. Hopefully, operations can be kept largely offshore, with a limited and temporary footprint on land, but everyone knows oil will change the islands as much or more than did the 1982 war.

Overcoming the Past

That watershed for the Falklands is increasingly viewed as part of the past. As Prof. Carlos Escude of the

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— James Yorke
AFSA Labor Management Specialist

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Universidad Torcuato di Tella in Buenos Aires observes of the Argentine side: "It is sufficient to talk to any Buenos Aires cabdriver to understand that the Argentine people know that the Falkland Islands will not be 'recovered' by Argentina. The only locals who appear not to understand this basic fact of life are a group of war veterans, a small bunch of nationalist fundamentalists and practically the entire lot of Argentine politicians."

Still, the bleak Argentine war cemetery near Darwin is incredibly poignant. Out of sight from the nearby main gravel road to MPA and Stanley, 260 plain white crosses, each hung with a powder blue plastic rosary, represent young Argentines — all of whom died tragically, and many heroically, for the junta's misguided scheme to recover the



The downtown Stanley waterfront reflects the prosperity that has transformed the Falkland Islands since the 1982 war with Argentina.

Malvinas. The cemetery is there only because the first major casualties of the land war occurred nearby during the Goose Green battle. Seventeen British paratroopers and 55 Argentines were killed, and afterward the farm manager selected the site to bury them.

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Corporate Apartments Specialists ned@corporateapartments.com	Yes	30 days	Studio, 1, 2, 3 Bedrooms	GS, HR, TH	Varies	26
Crimson Temporary Housing info@crimsonworldwide.com	Yes	1 day	Studio, Efficiency, 1, 2, 3, 4 Bedrooms	Varies	Varies	9
Executive Lodging Alternatives finder5@ix.netcom.com	Yes	30 days	1, 2, 3, 4 Bedrooms	GS, HR, TH	3-5 miles	59
Georgetown Suites reservations@georgetownsuites.com	No	1 day	1, 2 Bedrooms	LR	15-min. walk	45
Hawthorn Suites sfoster@capitalhospitality.com	Yes w/ deposit	1 day	Studio, 1, 2 Bedrooms	HR	3 miles	35
Korman Communities ltaylor@kormancommunities.com	No	30 days	1, 2 Bedrooms	HR	8 blocks	65
Oakwood lstevens@oakwood.com	Varies	30 days	1, 2, 3 Bedrooms	GS, HR, TH	Varies	Inside front
Remington reminc3333@aol.com	Yes w/ deposit	1 day	1 Bedroom	HR	2 blocks	51
State Plaza Hotel reservationsagents@stateplaza.com	No	1 day	1 Bedroom	HR	Across street	42
Staybridge Suites markwelker@staybridgемclean.com	Yes	1 day	Studio, 1, 2 Bedroom/2 Bath	LR	14 miles	23
SuiteAmerica ben@suiteamerica.com	Limited w/ fee	3 days	1, 2, 3, Bedrooms	HR, LR	1.5 miles+	69
Virginian Suites dos@virginiansuites.com	No	1 day	Efficiency, 1 Bedroom	HR	1.5 miles	63

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

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— James Yorke
AFSA Labor Management Specialist

CONTINUED FROM PAGE 50

F O C U S

After successfully regaining the islands, the British decided to consolidate the Argentine dead at Darwin. They wanted to send them home for burial, but Argentine authorities insisted on the soil of the Malvinas. Small groups of relatives have visited since the 1990s, and the weekly LAN flight from Chile now stops once a month in Argentine Patagonia as a principal link for family members.

A group of directors of the association which represents families, the Comision de Familiares de Caidos en Malvinas e Islas del Atlantico Sur, visited the islands in March 2005 to examine the cemetery and a new memorial. They also met with Governor Pearce, Falklands councilors and islanders. Afterwards, association president Hector Cisneros described the meetings as "very pleasant, very cordial and very respectful." He said the business of the association "is not to talk politics nor resolve diplomatic problems." He was touched by the reception they received, Cisneros said: "They are so friendly that it is frightening."

Falklands Councilor Jan Cheek deflected criticism of



Darwin Cemetery holds 260 young Argentines killed on the Falklands, mostly conscripts from the classes of 1962 and 1963. They all died tragically and many of them heroically in Argentina's misguided 1982 invasion that concluded with a humiliating defeat by British arms that probably ended forever any chance of "recovering" Las Malvinas.

the occasion from the Falklands' own bitter minority, saying simply that welcoming the visitors was "the right thing to do." ■

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BOLIVIA AT THE CROSSROADS



Elizabeth Lada

T WILL BOLIVIA'S NEW PRESIDENT BE A FORCE FOR POSITIVE CHANGE OR LEAD THE COUNTRY BACKWARD? THIS IS THE KEY QUESTION.

BY *PETER DESHAZO*

The inauguration of Evo Morales as president of Bolivia on Jan. 22, 2006, opened a new chapter in that country's history and poses a formidable policy challenge to the United States. While Morales came to power through an election in which he unexpectedly garnered a majority of votes, his past political practices, campaign rhetoric and ideological outlook place him at the outer limits of democracy. He was a major force in deepening Bolivia's grave crisis of governance that led to the forced departure from office of the two previous presidents, a sharp decline

in the prestige and authority of the state, the weakening of an already debilitated rule of law, and increased regional and ethnic tension. Whether Morales can construct an effective government from the ruins of the old political system he helped dismantle remains to be seen.

The public mood in Bolivia immediately following the election was one of generalized relief that violence and confrontation had been avoided by the size of Morales' victory. His 54 percent of the popular vote translated into a substantial majority for the Movement Toward Socialism, or MAS, in Bolivia's lower house of Congress (84 seats to 56 for his conservative opposition, with an additional 15 seats divided among two other centrist parties). But he has a minority position in the Senate, where he must rely on a political deal with two other parties in order to prevail. By any measure, however, Morales' landslide victory in the Dec. 18 election gives him a popular mandate.

What Morales will do with that mandate is the key question for Bolivians and the international community alike. His populist and nationalistic campaign promises, oriented toward winning support from Bolivia's impoverished but politically-mobilized indigenous majority, awakened expectations that will be difficult to meet. Although Bolivia's economy is in relatively good shape, it remains heavily dependent on the export of primary products — above all soya, natural gas and minerals — and on foreign aid. Any hope for sustained economic growth and job creation will depend on attracting domestic and foreign investment. Morales, however, may attempt to move the country back to the failed state-capitalist model that prevailed before 1985. His choices to head the key economic development and hydrocarbon ministries certainly point in that direction.

Morales' campaign rhetoric was peppered with negative references to the United States, portraying himself as

Peter DeShazo is director of the Americas Program at the Center for Strategic and International Studies in Washington, D.C. A former FSO, Ambassador DeShazo served as deputy assistant secretary of State for Western Hemisphere affairs, deputy U.S. permanent representative to the Organization of American States, and director of the Office of Public Diplomacy and Public Affairs of the Bureau of Western Hemisphere Affairs at the State Department. He was posted to La Paz, Medellin, Santiago, Panama City, Caracas and Tel Aviv.

a defender of Bolivian sovereignty and economic interests in the face of "imperialism." His first foreign travel on the heels of his victory took him to Cuba and then Venezuela, prompting the world media to portray him as firmly ensconced in the anti-American camp. Whether his program of government conforms to the verbiage of his campaign, or his views and positions take a more moderate turn, will be a key factor in determining his future relationship with the United States.

That relationship will be important for both sides. The U.S. has long been the largest bilateral provider of foreign assistance to Bolivia and promotes high-profile support from international financial institutions, including coordinating (with Mexico) a Bolivia Support Group that raised nearly \$100 million in additional funding to help the government of Carlos Mesa close its budget deficits in 2003 and 2004.

U.S.-Bolivian bilateral ties have traditionally been close, although not without discordant episodes. The U.S. supported Bolivia's return to democracy in 1982 and the economic liberalization process that began in 1985. Bolivia's success in drastically reducing the amount of coca under cultivation in the lowlands Chapare region from some 46,000 hectares in 1997 to 15,000 in 2000 under "Plan Dignidad" was touted by the U.S. as a major achievement in the war on drugs in the Andean region.

The emergence of Morales in Bolivian politics, representing a disparate alliance of local political groups, civic organizations (many of a far-left orientation) and a core support group of coca growers in the Chapare region of Cochabamba Department, has long been a matter of concern to Bolivia-watchers in the U.S. government. His near-victory in the 2002 presidential elections and his subsequent maneuverings to force the winner — Gonzalo Sánchez de Lozada (popularly known as Goni) — and then Goni's successor, Carlos Mesa, from power exacerbated that concern. Now, with his overwhelming victory, Morales-in-power is a reality, and the degree to which he will become, in his own words, a "nightmare" for the U.S. warrants close attention.

Reform and Reaction

In analyzing the path ahead for Morales, it is useful to look back at how and why he rose to power. It is also important to lay to rest the facile and self-serving explanation of his emergence as an expression of pent-up indigenous rage at being excluded from Bolivian political

life, or as a conscious popular protest against the so-called Washington Consensus.

Little more than a half-decade ago, Bolivia was Latin America's poster child for political and economic reform. Beginning in 1982, the country enjoyed a quarter-century of uninterrupted democracy, a milestone in Bolivia's turbulent history pockmarked by military coups. The "New Economic Policy" — put into place in 1985 by Bolivia's greatest political figure of the 20th century, Víctor Paz Estenssoro — moved the country to the front lines of economic liberalization in Latin America, initiating a reform process broadened by subsequent administrations, especially the first government of Sánchez de Lozada (1993-1997).

These reforms put an end to Bolivia's inflationary cycles, vastly downsized the public sector, stabilized the currency, liberalized trade and investment, linked a new pension system to the capitalization of former state enterprises, and established a new hydrocarbons regime that attracted unprecedented levels of foreign investment and led to the discovery of enormous natural gas reserves. Economic reforms were accompanied by large public investments in health and education.

Under Goni, a series of important laws were passed that fundamentally altered political life in Bolivia. In 1994, the Law of Popular Participation decentralized public authority by creating municipalities around the country, providing them with resources and allowing for the direct election of mayors and municipal authorities. A further decentralization law the following year broadened the powers of local government, and the constitution was amended to lower the voting age from 21 to 18 years. Reduction of the voting age, coupled with energetic voter registration campaigns, nearly doubled the number of registered voters between 1987 and 1999.

Bolivia's liberal reform regimes between 1985 and 1998 produced some impressive results. Inflation was brought to heel. GNP rose during the late 1980s and reached a steady range of 4.3 to 5 percent annual growth throughout the 1990s; unemployment was reduced; infant mortality fell sharply; life expectancy increased; child immunization rose impressively; illiteracy plummeted;

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major gains were made in access to education and potable water; poverty rates fell; and large numbers of indigenous peoples became bilingual by learning Spanish.

Stimulated by the liberal 1996 Hydrocarbons Law, foreign investment in exploration and production of petroleum and natural gas resulted in a tripling of proven petroleum reserves and a fourfold rise in proven gas reserves. Investment in hydrocarbons increased by 600 percent between 1996 and 1998. By 2004, taxes and fees related to natural gas constituted some 37 percent of overall Bolivian tax revenues. With the conclusion of a major gas pipeline to Brazil in 1999 and with plans to resume gas sales to Argentina and expand markets to other countries in the Southern Cone and in North America, the door appeared open for a long-term role for natural gas as a motor for economic development.

By 2002, however, the liberal reform process in Bolivia began to unravel, paralleled by a breakdown in effective governance that became manifest soon after the election of Goni for a second term in 2002. An economic downturn in 1999, accompanied by a spike in unemployment, opened the door to widespread protests that eventually brought down Goni in October 2003 and Mesa in June 2005. Longer-term problems not addressed by the liberal reforms of the 1990s helped stoke the fire of protest, especially the persistence of extreme poverty in indigenous rural areas, deep disparities in income distribution and a rigid class structure based on ethnic origin, with the indigenous majority at the bottom.

Decline of Traditional Parties

The clearest manifestations of the crisis, nonetheless, were political. The system of government based on coalitions of Bolivia's traditional political parties that was started in 1985 had run out of gas by the time of Goni's second, truncated presidency. At the head of the once-powerful Movimiento Nacionalista Revolucionario (National Revolutionary Movement), Goni won the 2002 presidential vote with a mere 22 percent, besting Evo Morales by about two points. Goni's subsequent government was weak from the start, in an environment where political power was dispersed among splinter parties, civil society

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and pressure groups, many with tenuous attachments to liberal democracy.

Ironically, the decentralization of government and state spending during Goni's first administration made a large contribution to the decline of traditional political parties, including his own MNR. Popular participation and decentralization stripped important sources of political patronage — the lifeblood of Bolivia's traditional political parties — from the central government, while fostering a dramatic increase in the number of locally-based parties. In rural areas, especially on the Aymara-speaking altiplano, indigenous leaders used the reforms to strengthen their political base in small municipalities. Liberal reforms that shrank the size of the state eliminated jobs that had previously gone to loyalists of the national parties, further reducing their patronage base. The dramatic increase in the size of civil society encouraged by domestic and foreign NGOs added a decidedly antiparty bias to the environment, further undercutting the legitimacy of traditional politics.

The government's own anti-corruption campaigns, while ineffective in combating the scourge, reminded Bolivians of the glaring weaknesses in transparency and governance that marked the political system, driving down the prestige of the parties further still. To be sure, the traditional parties had a major role in their own demise by adhering to authoritarian, exclusionary and elitist practices that distanced them from the rest of society, as evidenced by Goni's very weak support in 2002. The December 2005 election completed the demise of the traditional parties: the once-powerful MNR won just one Senate seat and elected 7 deputies, collecting a mere 6.5 percent of the popular vote for president.

After 2002, Bolivian politics morphed into an ongoing conflict between the national government and regional, often ethnically-based political and social groups making direct demands on the state. The rule of law, habitually weak in Bolivia, was swept aside by the protests and road blockages used by an active political minority, above all in the cities of El Alto and La Paz, to impose their will over

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the state. During this process, Morales established himself as a consummate power broker, able to call crowds into the streets and shut down much of Bolivia's economy to move his agenda forward.

The groups that drove Goni and Mesa from office and triggered the new round of elections held on Dec. 18 espoused a mix of strongly populist and nationalistic demands — ranging from broadened indigenous rights to the nationalization of hydrocarbons.

Evo Morales and the radicals to his left both promoted and rode a tide of economic nationalism that sealed Goni's fate in October 2003 and was eventually translated into the Hydrocarbons Law passed by Congress in May 2005. The new law repealed Goni's 1996 statute, placed Bolivia's state hydrocarbons corporation (Yacimientos Petrolíferos Fiscales Bolivianos, or YPF) in control of the industry, imposed new taxes on production and ordered the renegotiation of all previous shared-risk contracts between (foreign) producers and the state. It marked a full-circle return of economic nationalism in Bolivia, similar to the circumstances under which Standard Oil and Gulf Oil were nationalized in 1937 and 1969, respectively.

What Way Ahead?

Bolivia now stands at a crossroads. The old political system based on coalitions of traditional parties has been swept away and the liberal economic reforms put in place in 1985 are likely to be dismantled. What will replace them? The MAS is a conglomerate of unions, civic groups and regional organizations — “a confederation of alliances” in the words of a former adviser to Morales — rather than a political party in the traditional sense. While Morales had a very strong showing in the heavily indigenous departments of La Paz, Oruru, Potosí, Cochabama and Chuquisaca, many of his supporters are of mestizo background and in the middle class, with a smattering of intellectuals and leftists of European descent.

Reflecting its diverse and disunited base of support, the MAS proposed a vision rather than a program in its electoral campaign, protesting neoliberalism, imperialism and exclusion and promising profound change, but

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without laying out a coherent plan. Beyond a call for the nationalization of hydrocarbons and for holding a constituent assembly to draft a new constitution, the campaign rhetoric of the MAS vacillated between moderate populism, staunch nationalism and virulently leftist appeals.

The legislative program Morales intends to carry out will have broad repercussions for Bolivia and for relations with the United States. Among the most contentious issues will be:

Democracy and governance. Is Morales a democrat? If so, what sort of democracy does he envision for Bolivia? Weak and ineffective governance lies at the heart of Bolivia's underdevelopment and helped undermine the potential of the economic reforms put in place during the 1990s. Among the most glaring weaknesses are broad disrespect for the rule of law, deep-seated official corruption, an ineffective civil service, low-quality policing, poor relations between the executive and legislative branches, enervated political parties, a widespread penchant for populism, and a political and civic culture that ignores the public good. Whether Morales attempts to deal with these fundamental problems will indicate the seriousness of his commitment to change.

In compliance with his campaign promises, Morales has already called for a constituent assembly to draft a new constitution for Bolivia. Reaching consensus on a new constitution would be a difficult enough task, given the broad ideological, ethnic and regional disparities that exist in the country. But if Morales intends to use the forum to promote a corporatist vision of society along the lines of the so-called “participatory democracy” of Chavez's Venezuela, representative democracy would be at risk. Not averse to using force and the threat of it to advance his agenda when in the opposition, Morales must now wear the other shoe as president. A key factor in judging his democratic credentials will be the manner in which his government respects the human and civil rights of all Bolivians.

Economic policy. Evo Morales' economic views are a work in progress. From his campaign rhetoric and statements following his election, he clearly favors a strong role for the state in the economy and has a personal distrust of the private sector. Morales' campaign promises

have awakened expectations for more jobs, quick improvement in the lives of Bolivia's poor and higher standards of living that will affect his decision-making. Myriad political favors will be on his debit sheet, with supporters expecting government jobs in what Morales insinuated would be a greatly-expanded public sector, highlighted by the resurrection of the privatized state corporations, including the state hydrocarbons corporation.

At the same time, he claims to favor fiscal discipline and a tight lid on government spending. These goals are largely incompatible. Augmenting income to the state requires either political sacrifice (charging and collecting income tax, lowering subsidies, halting contraband, fighting corruption, increasing domestic fuel prices) or stimulating exports, especially in the hydrocarbons sector, where foreign investment plays a key role. If he overmilk the hydrocarbons cow, he risks drying up foreign investment and dooming the sector to stagnation.

On one side, Morales' own supporters and opponents to his left clamor for outright nationalization of hydrocar-

bons. On the other, he must negotiate new contracts with international energy companies who regard the 2005 Hydrocarbons Law as contrary to their interests. These firms include Petrobras and Repsol-YPF. The governments of Brazil, Spain, Argentina and others have a considerable interest in the outcome of this process.

Drug policy. Morales' original base of political support was coca producers in the lowlands Chapare region of Cochabamba department, many of them out-of-work miners or, like Morales' own family, impoverished campesinos from the highlands. With a tradition of political militancy behind them, the Chapare cocalers provided the shock troops for protests in the zone itself and elsewhere, and constituted a vocal lobby against eradication of coca. Bolivian law allows the planting of 12,000 hectares of the crop in the tropical valleys of La Paz Department (Yungas) for "traditional" use (chewing, tea and ceremonial purposes). But in past years, production of coca leaf in the Yungas has reached levels more than double the legal limit.



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Not long after his triumph, Morales visited the Chapare and assured planters that coca would return to the area, but without going into specifics such as how or how much. Increased production of coca in the Chapare would invariably provide additional raw material for cocaine and fuel narcotrafficking. Should Morales allow large-scale production to return to the region, he would be in violation of Bolivian law and would put himself at odds not only with the United States, but other countries where Bolivian cocaine is trafficked: Brazil, Argentina and Spain. The issue constitutes another testing ground for Morales.

The U.S. Response

Mindful of the spurt in support for Morales resulting from a warning by the U.S. ambassador during the last days of the 2002 election that a vote for him would imperil U.S. aid, Embassy La Paz played its hand deftly and remained above the political fray in the 2005 election. Morales, for his part, met with Ambassador David Greenlee soon after the election and gave prominent media play to his meeting with Assistant Secretary for Western Hemisphere Affairs Tom Shannon on the eve of his inauguration. His stridently anti-gringo rhetoric notwithstanding, Morales is familiar with U.S. positions on democracy, development and coca and may see the value of dialogue and accommodation with the U.S. The evolving relationship between Bolivia under Morales and the United States will depend to a large degree on his openness to cooperation and the skill of U.S. diplomats in encouraging the same.

What happens in Bolivia in the ensuing months will have a bearing not only on the well-being of Bolivians but on regional stability. A turn toward authoritarianism, especially if paralleled by close ideological and diplomatic ties to Chavez and Castro, would imperil democracy and set a negative example for other political groups in the Americas claiming to represent indigenous constituencies. The prickly nationalism that runs so deep in Bolivia may dissuade Morales and the MAS from attempting to turn the country into a client state of Venezuela or Cuba, if indeed they have any aspirations to do so. The appearance of Venezuelan or Cuban "advisers" in Bolivia, especially in the security services, would set off alarm bells.

On the economic front, Morales will have a difficult time meeting demands for jobs, poverty reduction and

sustained development if he attempts to turn back the clock by pursuing state-capitalist formulas from the 1960s. If, on the other hand, he follows a more moderate economic strategy, he could thread the needle between growth and social investment, building on his strong political mandate and the willingness of the international community to give him the benefit of the doubt. The opposition to Morales was set back by the December vote, but is not invisible, especially in the Senate and in its regional bastions of support in the hydrocarbons-rich departments of Santa Cruz and Tarija. Soon after his election, Morales traveled to Santa Cruz to ensure local leaders that he would be the president of all Bolivians. Time will tell if he is.

The U.S. should seek engagement with the new government, fine-tuning its policies according to the decisions Morales takes and his willingness to work with the United States. One key variable pending final approval by Washington is Bolivia's eligibility for nearly \$600 million from the Millennium Challenge Account for infrastructure and development projects. Working with other countries, especially Brazil and Argentina, and the international community, the U.S. should encourage moderate political and economic policies from Morales, even if he is by nature disinclined to take such steps.

Washington should also give priority to public diplomacy efforts to overcome the negative image of the U.S. in many circles, stressing American concern for democracy, economic development and poverty reduction, as well as narcotics issues. Larger-scale investment in alternative development projects in the Chapare and continued focus of USAID programs on El Alto, the altiplano and other bastions of MAS support are needed. Embassy La Paz should make certain that it has Aymara- and Quechua-speaking Foreign Service National employees in key positions. The recent announcement by the State Department that two Foreign Service officers will be deployed to Santa Cruz is a good step, as well.

Bolivia will be a difficult test for U.S. policy, with broad implications throughout the hemisphere. Evo Morales may turn out to be a force for positive change, or he may lead the country backward toward authoritarianism and further misery. Whatever Washington can do to encourage the former outcome will benefit both nations. ■

THE POLITICS OF HAVING A MAID

THE DECISION TO HIRE HOUSEHOLD HELP WHEN POSTED OVERSEAS MAY SEEM A NO-BRAINER.
BUT FOR MANY FSOs, IT IS QUITE COMPLEX.

BY ALEXIS LUDWIG

One of the more surreal experiences I remember from my first year in the Foreign Service (over 12 years ago now) took place following a Hash House Harriers run in Guatemala City. Not long after the drinking had begun, I found myself observing a discussion among a group of (mostly) men about my age who were, of all things, complaining about their maids.

I didn't take active part in the discussion, a rather prolonged exchange that (as I recall) turned on the problems of tardiness, imperfect vacuuming and a less-than-enthusiastic washing of dishes. At that time I was still stunned I could even afford a maid (she cleaned my apartment twice a week). Just before joining the Service, I could barely pay my rent.

Since that long-ago late afternoon, I've come to accept that I, too, could be liberated from the burden of mundane daily chores, which can grow nearly all-encompassing if you throw kids into the mix. With a maid, I would not have to worry about dishes or laundry, vacuuming or ironing, cleaning the toilets or taking out the trash. Nor would I ever again have to shop for food or cook dinner while serving overseas if I wasn't in the mood.

Alexis Ludwig, an FSO since 1994, has served in Guatemala City, Tokyo, Kuala Lumpur and Washington. He is currently deputy economic-political section chief and labor officer in La Paz.

In that sense, I've taken full advantage of an undeniable facet of the Foreign Service experience: when posted abroad, particularly to a "developing" country, many of us (I include myself in this majority) are catapulted from the obscure ranks of the American middle and upper-middle classes to the highest social rungs of the societies that receive us, even if we are only honorary members while there. Having a maid, and sometimes more than one, along with other household assistants such as a nanny, gardener and driver, is often *de rigueur* in the new situation. It comes with the territory, and the class.

I got over the initial hump of reluctance in Guatemala when I was still single and didn't really need a maid, even as I realized how convenient it was for a person with my level of (non) commitment to housework to have one. Newly married in Tokyo, where most Japanese people go it alone, we had a young woman from the Philippines come to help with the household chores. Returning to D.C., we were plunged back into the mundane obscurity of my class of origin, destined to sweep our own floors, wash our own dishes and do our own laundry. (My wife, who is from Latin America, continued to hold me in high regard even as she realized that I was not as well-off as she first thought.) When we left for Malaysia, it was with a newborn in tow. There, for the first time in my life, I had a maid full time, as I have had since. How quickly things change!

Recently, I had the pleasure of reading Roy Jenkins' brilliant biography of Winston Churchill. I was naturally impressed by the great man's energy and gusto, by his broad

appetites and interests, and by his many accomplishments. On the other hand, I noticed that he had a leg or two up on the rest of us in achieving these feats, thanks to a team of servants catering to his every personal need, both at home and during his constant travels around the globe.

Somehow I doubt Churchill even once, for example, made his own bed or even a sandwich. It also comes across clearly in the biography that he devoted little time to being a father, and probably never saw, much less changed, a diaper. And he was able to dictate to an ever-present personal assistant a number of his famous speeches while soaking in his cherished bath.

Could it be, I asked myself, that I, too, might accomplish more by taking full advantage of a similar opportunity to hire household help? Now that I am living in the heart of South America and have two full-time maids and even a gardener (who tends to our yard once a week), shouldn't I be achieving more than I did before having all this help?

Dealing with Cognitive Dissonance

I suspect I'm not alone in my discomfort at the existence of a large class of people who live at the beck and call of a much smaller elite. However attractive the lure of the easy life, I suspect that the still-strong egalitarian sentiments of many Americans — our discomfort with explicit and entrenched class distinctions and the marked social and economic inequalities that necessarily accompany them — compel us to focus on that other side of the coin.

For those of us accustomed to performing our own daily household chores and attending to the more prosaic dimensions of child-raising while living in the U.S., whether out of economic necessity or choice, the pres-

***When I joined the
Service, I was stunned
I could afford a maid;
not long before, I could
barely pay my rent.***

ence in one's home of actual servants can be quite unsettling. No matter how well we treat them, we feel that we are somehow betraying our egalitarian roots.

This is especially true in societies where the existential identity of the maid or the nanny is defined by that work, and doubly so when the work (as is mostly the case) offers little or no hope of advancement, of breaking out of that identity and moving toward something better. The average monthly salary of a maid or nanny in many poorer countries is less, sometimes much less, than the cost of dinner for two at a decent restaurant in San Francisco (wine not included), a room for a night at an adequate hotel in Miami, or movies and popcorn for a family of four at your typical suburban multiscreen complex. International economists will insist that such comparisons are misleading because the cost of living in such countries is often dramatically lower than in the U.S. But somehow, such reassurances fade when measured against the seemingly unbridgeable social and economic chasm between those on the higher rungs like us, who can afford such things of leisure — and the many down below, including our household help, who cannot even dream of affording them. Simply put, for them there is no way up, or out.

For me and no doubt for many others, to live within a social structure characterized by deep-seated and seemingly immovable structural inequalities causes what psychologists call cognitive dissonance. I enjoy the tangible benefits of living on the right side of the social divide, but at the same time I feel first-hand the injustice of it all, and the feeling gnaws at my conscience. There are various strategies for dealing with such feelings, some of which have the advantage of violating both the hidden and the visible codes of the unjust order. For example, you can, as we do, pay your maid or nanny more than the going salary rate ("distorting the market," as economists would say), give generous gifts at holidays and so forth. That still may not amount to much by U.S. standards, but it at least demonstrates your conviction that the so-called market in this case is cynically distorted to begin with. (Is a dinner with friends at a good restaurant really worth the same as one month of loving, dependable child-care services offered by your nanny?)

You can also encourage your household assistants to develop their professional prospects by studying English, cooking, first aid or the like, and thereby help them open further and greater possibilities for themselves or their children in the future. Or, most radical of all in some societies, you can treat them with respect and, to the degree possible, as equals.

Doing What We Can

There is one other approach that can be helpful, which is to give ourselves credit for good intentions and not get hung up on changing the world. After all, we pay our household help a living wage, often well above the national average, and sometimes better than that of teachers, office workers and other educated professionals in the local economy. Accordingly, refusing to extend employment

I suspect I'm not alone in my discomfort at the existence of a large class of people who live at the beck and call of a much smaller elite.

merely to salve one's conscience seems facile, self-defeating and not particularly helpful to anyone concerned. (It was a variation on this argument, by the way, that convinced me to hire a maid for the first time.)

My sense is that, on the whole, the local household help in many countries often prefer working for American families precisely because we tend to employ all or some of these strategies, instinctively or otherwise, in dealing with their presence in our homes. Call it a humble pushing at the social boundaries, an irrepressible egalitarian impulse (mocked by many as naïve and even disingenuous, I realize), or real, rubber-hits-the-road democratization.

Ironically, in some societies, where social stratifications go deeper than we can fathom, such efforts can be jarring even to their intended beneficiaries. Following my wife's knowing guidance, for example, I have refrained from inviting the maid who currently lives and works in our home to sit at the table with us to share the dinner that she herself prepares — to avoid the dreadful confusion this could cause. At the same time, however, we take care to emphasize that she should make herself at home in our shared home. Among other things, we tell her, this means she

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*Having a maid, and
 sometimes a nanny,
 gardener and driver,
 comes with the territory
 — and the class.*

should eat what we eat, including the ice cream in the freezer, with our same dishes and utensils (some local families have separate, less attractive versions for their household help), and take time to relax (as we all do) when the press of work is off.

Few Americans believe that Thomas Jefferson's oft-quoted phrase in the Declaration of Independence about all men being created equal means that everyone is, or even should be, equal in American society. (We need not dwell here on the cruel ironies of Jefferson's own life or of slavery in the American past.) Even if they did, a simple look around proves it isn't so. But it does speak to a central ideal, albeit one never fully realized: no one should be stuck in the place or position into which they were born, and those things don't define who you are. The son or daughter of the janitor, farm worker or maid enjoys, at least in theory, the same rights, privileges and access to the law and opportunity as does the daughter or son of the industrial scion, chief executive officer or ambassador.

One can choose to activate that "latent" equality or not, but ultimately, who one is deeper down — below mere socio-economic circumstances — plays an important role in how the show evolves. In short, the content of one's character is supposed to count for something in American life.



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I continue to hope that the children of today's maids and nannies, with hard work and a little luck, will become tomorrow's engineers, artists or entrepreneurs.

Social and economic classes may exist, but membership in one or another of them is not permanent: those above may fall and, more importantly, those below may rise.

Pondering the politics of having a maid and a nanny, I often reflect on the late George Kennan's belief that the U.S. should strive to lead the world on the human rights front not by hectoring, pressuring or slaying foreign dragons, but by the powerful example of our democratic practices at home. In this connection, the statistics indicating a growing divide between the truly wealthy and the rest of us right here in the U.S., along with the apparent emergence of a quasi-permanent underclass, should concern us all.

Still, I continue to hope that the children of today's maids and nannies, with hard work and a little luck, will become tomorrow's engineers, artists or entrepreneurs. For as much as I dislike washing the dishes and folding the laundry, I would prefer doing those thankless tasks to knowing that the daughter of the maid who folds laundry and does dishes for my family today will be doing the same thing for my son's family tomorrow. ■

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LIFE AFTER THE FS: RETIREEES HAVE THE LAST WORD

MORE STORIES AND ADVICE ABOUT RETIREMENT FROM THE FOREIGN SERVICE.

The Journal's January focus, "A World of Possibilities: Life and Work after the Foreign Service," generated so much interest that stories, observations and insights on the subject from retirees have continued to pour in. The second installment of "Retirees Speak Up" appeared in the February issue. Here is the third and last installment.

— Susan B. Maitra, Senior Editor



REINVENTING OURSELVES

After the "up or out" system was instituted in the 1980s, I used to think occasionally about what retirement from the Foreign Service might be like. It looked to me like a huge, yawning, empty abyss below the cliff that was the cutoff point of our careers. It was hard to imagine what might lie beyond. The Foreign Service had been almost my only job. Our careers, after all, enfolded our whole lives in a way few others would, with entire changes of country, language, personal contacts, culture and job every few years. I would wager that for many of us, our lives have taken directions we never anticipated. Mine led me to jobs I never thought of and things I'd never tried.

The best advice I ever heard was part of the State Department retirement seminar: lead a varied life and take care of your health. While I no longer recall all the details,

the speaker urged us to include social ties, educational and cultural activities, spirituality, sports/health/exercise and some kind of meaningful work, paid or voluntary, in our plans. Those general guidelines, which research on longevity supports, have formed a good basis for a life full of enriching experiences for me. And had I not heeded the caution to pay attention to my health, I might not have noticed a lump in my neck that led to a timely cancer diagnosis and effective treatment.

In running over the retirement cliff, I tumbled into a process of reinventing myself over and over as I tried different things. And I encountered the unexpected: a divorce, serious illness, accidental injury, death in the family, age discrimination in the workplace — the kinds of setbacks that could derail any plans. Each person has his or her own version of this; one of my FSO friends suddenly found himself raising grandchildren shortly after retirement.

What Would It Take?

My initial inclination upon completing the Job Search Program had been to seek a second, full-bore career, for I was far too young — only 51 — to sit on the sidelines of life. As one of my friends observed, "You've never let grass grow under your feet." Reality and experience, however, revealed that a new, high-powered career was not only an unrealistic option but not really a desirable one for me.

A Civil Service job would mean a suspended annuity. And I had never been attracted to for-profit business, whose focus is on the bottom line. Nonprofit organizations seemed

to be looking for very senior people, such as former ambassadors, with corporate contacts to boost their image and fundraising, or for 20-somethings willing to accept very low wages to do junior program work. Getting a grant to write a book on Germany proved impossible; grant-giving foundations would consider only writers who were already well known, or a candidate who either had a Ph.D. or was getting one, and I was unwilling to go to the huge expense of spending a year in Germany to do the research on speculation.

One of the first things I did was hire a certified financial planner to help figure out whether I needed to work for pay to supplement my annuity, and how much I would have to earn to enjoy the lifestyle I wanted. The answer, to my relief, was: I'd have to do some work, but not full time all year long. Everyone has his or her own preferences, but I would hate a job that tied me down two or three days a week all year long. With money not a primary consideration, I like to have maximum flexibility to take long international trips and engage in other interests. Working full time for part of the year gives me the lifestyle I want.

It's absolutely true that most jobs come from personal contacts. Serendipitously, in 1996 a former Foreign Service supervisor suggested I apply to the Federal Emergency Management Agency, which was recruiting public affairs people at the time. I was hired within a few months to do intermittent assignments around the country. A number of other retired FSOs have also done this work for FEMA, whose regional offices hire intermittent people — called "Stafford Act Employees," somewhat like WAEs at State — to do everything from personnel work to disaster housing programs and keeping the computer systems running. (I feel compelled to note, as the result of my experience at FEMA, that the organizational, systemic and leadership problems plaguing the agency are recent and seldom the fault of those out in the trenches.)

In 1998, another former colleague mentioned that the Foreign Service Grievance Board was seeking new members. I wound up on contract there for four years. Neither this job nor FEMA was anything I had thought about doing; but both offered new experiences, the chance to meet wonderful, talented people and the extra income that enabled me to do many things I enjoy. Unfortunately, I was unable to tap into the WAE program at State until very recently, and opportunities there now seem to have largely dried up. But a call from the blue led to a recent, very short-term job that

has opened some doors to exploring possibilities in new areas.

Places to Go, Wishes to Fulfill

I detest the phrase "I keep busy," which seems to imply that life is so empty that one has to search for something, even with little meaning, to fill the time. I find that sad and short-sighted, like the comment from a German friend who declined to take a course in something in which she was interested because — in her 60s — she thought she was "too old to learn." I plan to keep right on learning until I'm at least 90. There are so many wonderful organizations out there, from the Smithsonian to the World Affairs Council, not to mention retirement programs, libraries, the Internet and community colleges, that anyone with a curious mind and reasonable health has virtually endless choices for continuing education.

Like many of my friends, I now wonder how I ever had the time to work full time. There are so many things to which we can turn our attention and skills that it is a matter of choosing what each of us finds meaningful and perhaps fun. Being

a contributing member of society is very important to me. I began exploring and have never stopped changing focus as opportunities either appear on my doorstep or, once I have defined a goal, are found through systematic searching.

When I retired, I made a list of places I had always wanted to go but had never visited, and those I wanted to revisit. I have been to a number of them already, from Australia to Thailand; the Galapagos and Serengeti are next.

I also listed unfulfilled aspirations such as creative writing, researching and writing a family history, taking up skiing again, reading more international literature and social science books, being more active in my church, taking up scuba diving and learning wildlife photography. I particularly wanted to contribute to international education, which I have always thought is the best thing we do in foreign affairs.

Today, the family history is nearly complete. I'm enjoying my parabolic skis in Colorado and Utah. I earned my advanced PADI diving certification at age 56, and have dived on the Great Barrier Reef. My shelves are so stuffed with books on everything from Islam to Australian literature and photo albums that they threaten to topple over, and I recently completed an interfaith pilgrimage to Israel. And this is the sixth year I have been a volunteer evaluator for FLEX, an international youth exchange program.

With money not a primary consideration, I like to have maximum flexibility.

Working full time for part of the year gives me the lifestyle I want.

— Carolyn V. Meirs

Always Something New

And so it goes. When someone recently asked me, “Are you looking for a job?” I found myself answering: “Always.”

Another asked: “Where are you going next?” I had to think about that one, because visits to friends and family or work could lead me almost anywhere. But wherever it is, I’m open to new places and adventures.

Maybe, if I ever settle down long enough, short stories, a play or a novel might actually get written some day.

*Caroline V. Meirs
Alexandria, Va.*



COCKTAILS AND ANIMALS: HOW I RETIRED

Retirement is scary. I grew up in State and worked for the Army and State for 35 years; so retirement changed a half-century-old connection.

As the Bureau of International Organization Affairs’ policy adviser on disaster management between 1994 and 2005, I negotiated United Nations agreements on emergency telecommunications and urban search and rescue, helped father Reliefweb, the U.N.’s first disaster Web site, showed how a solar-powered plane could track refugees and rhinos, seized an airplane, worked on sanctions and crises and sat on important disaster expert panels. I also ran the Global Disaster Information Network, an international public-private partnership started by Al Gore. At the end of Clinton’s time I considered a move to the Hill or a political appointment, and was slated for the latter. But then the 2000 election went south.

By 2004, despite my involvement in many important crises and challenges, I needed a change. Fortunately, my disaster work was well regarded and I hadn’t burned political bridges. I retired to join an inter-

I decided then to go into animal welfare, which really involved just a focus shift. It is a field that is useful, similar to my diplomatic work and challenging.

— Larry W. Roeder Jr.

national animal-welfare NGO. The move has been fantastic and builds on my background, so I offer it as a retirement planning model.

Plan Before Your 60s

The retirement plan began by deciding not to wait until my 60s, a bad time to start fresh. I also sought courses, projects and jobs supporting my core specialties of crisis management and multilateral diplomacy; and consulted headhunters. Offers came my way; but a lion, camel and gorilla led me to animal welfare.

Animals have always been important to me. I’ve ridden camels since age 5, and as an adult I investigated the caravan trail from Somalia to Cairo when I saw a camel burned alive — a career-changing trauma before I knew it. I uncovered a smuggling operation in primates, helped release dolphins and investigated the effects of oil pollution on whales. During the first Persian Gulf War, I advised frigate commanders who inspected ships, often stocked with animals suffering from little water and much heat. While driving in southern Sudan, my driver and I saw a gorilla and worried he would

be eaten, but could do nothing.

Enter the lion of Kabul. During the Afghan conflict, BBC spotlighted the story of a lion that the Taliban had tortured. I realized every animal lover would want to be in Kabul, and within 24 hours many called. But most well-meaning animal-relief workers who called were not conflict veterans. I feared they might interfere with humanitarian workers, so the North Carolina Zoo and I assembled an international coalition and inserted professional relief workers. The World Society for the Protection of Animals — an umbrella body for over 600 animal welfare groups, many in developing nations — also sent a great team. Still, while animal relief workers at WSPA are professionals, many others are not trained to work in U.N. emergencies. Could trained animal-relief workers make a difference?

Senior U.N. and Red Cross friends agreed that animal welfare should be important in both disasters and development. If Pakistani sheep are protected from winter, the earthquake victims will have jobs in spring and can buy a future. Otherwise, the victims will become beggars, vulnerable to exploitation. In fact, about one billion people worldwide (more than the population of North America and Western Europe combined), many dependent on animals, earn less than a dollar a day. Such poverty endangers economic development, the environment and political stability — issues my whole career focused on. Animal welfare in disasters or peacetime enhances productivity and protects livelihoods, and thus is as crucial as shelters, clearing landmines or farming.

Protect People and Animals

About a year before retirement, while starting a project helping Native Americans, I met WSPA’s impressive director general, a retired two-star British Army general. He agreed

that while, in principle, animal welfare's mission must be to stop animal cruelty anywhere, it can also be the best way to protect human livelihoods, like those of many refugees and internally displaced persons. We also concurred that the animal welfare effort is disjointed and should be organized like the humanitarian relief community, and have better ties to the U.N.

Then, on the heels of the Asian tsunami crisis in December 2004, came the World Conference on Disaster Reduction. The U.N. told member nations to spend money on risk reduction measures, such as adopting early-warning systems, strengthening structures and reducing populations in disaster-prone locations, because risk reduction saves far more than rapid response. The same benefit works for animals on farms, in cities or pastoral settings. It's an argument many of us

have made for decades. Now WCDR, the tsunami and Hurricane Katrina are seen as giant highway signs saying: do more risk reduction and do it better — protect people and animals. I decided then to go into animal welfare, which really involved just a focus shift. It is a field that is useful, similar to my diplomatic work and challenging.

Today I work as director of United Nations affairs for WSPA (lroeder@wspausa.org). We manage anti-cruelty projects, work on disasters, protect species and foster a Universal U.N. Declaration on Animal Welfare. Our work also protects human livelihoods, reducing poverty and hunger. Now I travel the globe, talking to the disaster and development communities. In other words, even though retired, I am a contented, contributing member of society.

*Larry W. Roeder Jr.
South Riding, Va.*

❁❁❁

ECA: AN EXCELLENT WAE OPPORTUNITY

I read with interest Roger Dankert's article ("FS Retirees Find a 'WAE' Back to the Department," *FSJ*, January 2006), but noticed that in his description of "Where WAEs Work" he did not mention the very successful work that WAEs have carried out within the Bureau of Educational and Cultural Affairs.

From June 2001 until September 2004 I worked as a WAE program officer in ECA's Office of International Visitors, Europe/Eurasia Branch. It afforded me excellent and steady employment. With my Civil Service colleagues, I helped to prepare programs for the international visitors nominated by our embassies in Europe and in the Central Asian republics. We designed programs to meet embassy goals for individual, small-group and regional groups of

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visitors, including a growing number of Muslim participants in Europe.

International visitors are generally mid-career professionals in their governmental, media, educational, scientific, cultural and NGO institutions. For most, it is the first opportunity to visit the U.S. and interact with Americans in many different institutions and walks of life. They also learn about our cultural offerings and regional differences, and participate in “home hospitality” experiences.

As a retired FSO with more than 30 years of experience in cultural and informational affairs overseas and in Washington, I was able to apply my Foreign Service skills to the development of programs and national itineraries for our visitors. My colleagues and I worked with national program agencies in Washington and with volunteers in cities throughout the country to welcome our international visitors and assure them of the highest-

*I am one more example
that there is, indeed,
life after the
Foreign Service.*

— Tom Miller

quality professional and cultural experiences in our country.

From time to time I also worked with the East Asia Branch in the Office of International Visitors to develop programs for IVs. Some of my most rewarding experiences were those involving participants in regional programs, especially younger professionals on their first visits to the United States. Through debriefings at the end

of programs, my colleagues and I have been able to gauge the effectiveness of the International Visitor Leadership Program in helping to overcome participants’ preconceptions and prejudices about America. The 60-year history of the program and the fact that currently more than 180 alumni are heads of government both speak to the efficacy and long-standing success of this outstanding program.

In my Foreign Service assignments overseas as a cultural affairs officer, I coordinated the nomination and selection process at different embassies that chose international visitors. I met with them and briefed them prior to their departures to the U.S. After retirement, as a WAE, I was able to welcome many new visitors, especially those from Central Asia and countries in which I had previously served.

My four years of part-time work in ECA have been among the most rewarding of my long career in international affairs, and I have had the good fortune to meet with a few of the IVs in their home countries during my travels. I have also spoken with a number of ambassadors who rate the International Visitor Leadership Program as one of their most effective tools of diplomacy. The existence of International Visitor alumni associations in many countries speaks to the value IV participants themselves attach to their experiences in our country.

*Bruce K. Byers
Reston, Va.*



**APPRECIATION FOR THE
RETIREMENT FOCUS**

I really appreciated your series of articles on life after the Foreign Service in the January and February editions of the *Journal*.

I can well identify with the writers as I retired from the Foreign Service at the end of 2004 after 29 years, most recently as ambassador to Greece and

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before that as ambassador to Bosnia-Herzegovina. I had not done a resumé in 30 years, and didn't have a clue on how to go about looking for post-Foreign Service employment.

Through a series of fortunate circumstances and a lot of luck, I ended up taking a job as chief executive officer of Plan International, a \$500 million NGO that focuses on the needs of poor children in Asia, Africa and Latin America. We concentrate on the longer-term development needs of children and their families, including education, health, livelihood, shelter, children's rights and building relationships. We have 7,000 full-time and over 60,000 part-time and volunteer staff working in 62 countries. The job is fantastic. I'm on the road 75 percent of the time in all the countries I avoided during my Foreign Service career.

I write to reassure my colleagues that I am one more example that there is, indeed, life after the Foreign Service. I also would be glad to provide whatever meager advice I can to colleagues contemplating careers in the international NGO sector.

*Tom Miller
Surrey, U.K.*



SENIOR LIVING FACILITIES: ONE THING MISSING...

The article by Bill Harrop in the January issue, "Moving to a Senior Living Facility," was very well researched and highly informative. One thing missing, however, was mention of facilities that are associated with universities: they offer a great many benefits over and above those described in the article.

For example, Oak Hammock, where my wife and I retired, is affiliated with the University of Florida. Among other things, we can avail ourselves of the bookstore, the libraries and many of the university's recre-

ational facilities. We also have complimentary door-to-door transportation to world-class performing arts and sports events and an active Institute for Learning in Retirement program. And, space permitting, we can audit classes at the university at no charge. In addition, we have access (if we so choose) to the College of Medicine for state-of-the-art medical, dental and hospital services.

There are a number of retirement communities that are affiliated to some extent with universities. Affiliations range from merely being located near a university to a more integrated affiliation such as at Oak Hammock.

Bottom line: in addition to the questions suggested in the Harrop article, ask about affiliation with local educational institutions. Such affiliation can offer great benefits in addition to those mentioned in the article, and — judging from the cost figures given in the article — at no greater and perhaps even less cost.

*Frank Bates
Gainesville, Fla.*



RETIREMENT HOMES: ATTEND TO THE FINE PRINT

Congratulations on a most useful issue for retirees. On the basis of my experience, I would add some information to Bill Harrop's fine summary of the factors involved in considering a retirement home.

Although some of the retirement complexes are condominiums or cooperatives, admission to some of the principal ones is on the basis of a substantial entrance fee that ranges between \$100,000 and \$500,000, depending on the number of persons, the space and the choice of refund options.

This entrance fee (in addition to the monthly fees) provides assured life-care, but no equity in the space. Refund options include: (1) full refund

(less 4 percent per month for 25 months); (2) partial refund (less 2 percent per month for 25 months); and a full refund. In at least one case that I am aware of, the refund is not paid until a new resident signs a contract for the space.

It might also be added that no guarantee exists that the monthly fee will remain at the level it was at the time of admission; experience shows that it is likely to rise annually.

For a Foreign Service retiree, a full understanding of the financial terms before signing the contract is highly recommended.

*David Newsom
Charlottesville, Va.*



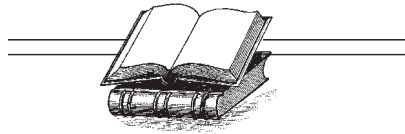
ACCURATE, EXCELLENT INFORMATION

I commend Ambassador William Harrop on his informative article on moving to a senior living facility. As a retired social worker with experience at the State Department and as a former consultant to the Senior Living Foundation of the American Foreign Service, I can testify to the accurate and excellent information he has given to retired Foreign Service personnel.

It is traumatic to leave one's home of many years, with the attendant sifting-through of treasured possessions and leaving familiar surroundings. However, arming oneself with an understanding of what each facility can provide, what levels of care are offered and what the fees and expenses are can mitigate somewhat the pain of leaving and ease the transition to another home.

Mr. Harrop has done a fine job of explaining what retirement facilities can offer and has provided a practical guide to approaching this important decision.

*Jill Funk Chobanian
Bethesda, Md. ■*



BOOKS

Set Up for Failure

My Year in Iraq: The Struggle to Build a Future of Hope

L. Paul Bremer III, with Malcolm McConnell, Simon & Schuster, 2006, \$27.00, hardcover, 417 pages.

REVIEWED BY DAVE DUNFORD

Ambassador L. Paul (“Jerry”) Bremer has taken a lot of heat for what has gone wrong in Iraq. While *My Year in Iraq: The Struggle to Build a Future of Hope* will not absolve him, it does suggest that if our intervention proves to be the disaster many fear, much of the blame should go to the Bush administration’s mistakes and misjudgments prior to his appointment. Conversely, should Iraq somehow emerge as a success, Jerry Bremer will deserve some of the credit.

He got off to a rocky start when he arrived in Baghdad in May 2003. During his first substantive meeting with the senior civilian advisers (I was one) who had come in with retired Lt. Gen. Jay Garner the month before, he floated the idea of “shooting looters.” When this comment inevitably leaked, the U.S. administration and the military quickly distanced themselves from it — apparently convincing Bremer that we were all Garner loyalists who couldn’t be trusted.

Ironically, most of us hungered for strong civilian leadership and very much wanted Bremer to succeed. So his unwillingness to reach out for advice from those of us with some

Jerry Bremer took on one of the toughest tasks ever given to a U.S. diplomat and handled it with skill, discipline and grace.



experience on the ground in Iraq was a missed opportunity

Bremer staunchly defends his controversial deBaathification decree, pointing out that it applied to just 1 percent of Baath Party members. Unfortunately, most of them were heads of large families and networks, greatly increasing its impact. The order did not create the insurgency, but did give it the legs it has today.

Too late, Bremer realized that “we’re in a race.” From the day Coalition forces took Baghdad, time was not on our side. Iraqis were making decisions about whether or not it made sense to work with us. So our top priority should have been to get Iraqi institutions up and running and put people back to work, with help from the United Nations and other countries. But instead of focusing on security, which he left largely to the military, and reconstruction, which was hostage to the deteriorating security situation, Bremer spent much of his time haggling with his hand-picked Governing Council over the details of the political process.

I once assumed Bremer had not given senior Shiite leader Grand Ayatollah Ali al-Sistani enough attention. But after reading this memoir, I suspect the reverse is true. I also wonder if our scrupulous attempt to balance the number of Sunnis, Shi’a and Kurds contributed to the dominance of ethnic and sectarian politics we now find in Iraq.

Making matters worse, Bremer’s relationship with Lt. Gen. Rick Sanchez, commander of Coalition forces, was clearly strained, while Donald Rumsfeld and the civilians in the Pentagon ignored his concerns about troop levels, persisted in naïve attempts to transfer power to Ahmad Chalabi and an unrepresentative group of exiles, and resisted Bremer’s push for the arrest of renegade Shiite cleric Moqtada al-Sadr.

Other critical issues get surprisingly little of the author’s attention. He records that for weeks the CPA had no phones, but never explains why. The Abu Ghraib prisoner abuse scandal elicits a few paragraphs but embarrassingly little introspection. And the State Department’s Future of Iraq project is dismissed in a couple of sentences.

This book is an important component of the history of this war, though critics will find it self-serving. But there should be no doubt that Jerry Bremer took on one of the toughest tasks ever given to a U.S. diplomat and handled it with skill, discipline and grace — notwithstanding the president’s negative reaction when Bremer recommended he look to the State Department for his replacement.



Indeed, it is a revealing barometer of Bremer's tenure to compare his unremarkable arrival in Baghdad in May 2003 with his intricately choreographed exit on June 28, 2004. His departure, two days early for security reasons, entailed crawling out of a C-130, dashing to a waiting Chinook helicopter and boarding a small U.S. government jet.

Things that begin badly usually end badly.

Dave Dunford is a retired Foreign Service officer whose overseas postings included Quito, Helsinki, Cairo, Riyadh and Muscat. He served in Baghdad from April to June 2003. He currently teaches, writes and consults out of Tucson, Ariz.

Turkic Delight

Sons of the Conquerors: The Rise of the Turkic World

Hugh Pope, 2005, Peter Mayer, \$35.00, hardcover, 413 pages, photos.

REVIEWED BY RICHARD MCKEE

After the disintegration of the USSR, the unfamiliar adjective "Turkic" came to characterize five new republics — Kyrgyzstan, Kazakhstan, Uzbekistan, Turkmenistan and Azerbaijan — and minorities in China's Xinjiang province, Russia, Afghanistan, Iran, Iraq, Greece and the Balkans. All shared with Turkey languages derived from a single source and sociological affinities, notably an attachment to Islam. The United States was already interested in this "strategic buffer zone" separating Slavic Europe and Asia from the often-turbulent lands to the south. But Washington's interest grew sharply after the 9/11 attacks, due to

Few observers are better prepared and positioned than Hugh Pope to enlighten Western readers about the 140 million Turkic residents of some 20 countries.

the region's utility as a base from which to launch a military assault on the Taliban regime in Afghanistan.

Few observers are better prepared and positioned than Hugh Pope to enlighten Western readers about the 140 million Turkic residents of some 20 countries, including Germany, the Netherlands and the U.S. Having read "Persian" and Arabic at Oxford, he settled in Istanbul in 1987, learned Turkish, and became the local correspondent of the *Wall Street Journal*. In 1989, a xenophobic spasm that obliged 350,000 Turkish-speaking citizens of Bulgaria to seek refuge in Turkey, and Pope's courtesy call on Isa Alptekin, the aged and exiled leader of the Turkic Uygur minority of Xinjiang, led him to travel far afield to gather reportage that became material for this ambitious, often funny and occasionally profound book.

Mercifully, *Sons of the Conquerors: The Rise of the Turkic World* is neither a guidebook nor a travelogue. In its pages, Pope highlights six collective qualities he discerns in Turkic peoples: their military leaning, affinity for strong leaders, shared history, complex attitudes toward the West,

pragmatic approach to Islam and entrepreneurial confidence. He then devotes a section to each trait, as revealed in various locales he visited. Along the way, he gives us sharply delineated portraits of such figures as Kazakhstan's crafty Nursultan Nazarbayev, Turkmenistan's comically megalomaniacal Saparmurat Niyazov, and Uzbekistan's hardline Islam Karimov, all acolytes of Turkey's Kemal Ataturk.

Pope's insights into the Uygurs' smoldering discontent are particularly valuable because Xinjiang is so inaccessible. Devotees of the 19th century's "Great Game" will appreciate his chapters on the Turkic republics' efforts to loosen the Russian bear's hug; the contest for influence between theocratic Tehran and secular Ankara (won by enterprising Turkish exporters, entrepreneurs, builders and moderate Muslim educators); and American oilmen and military officers (alas, no diplomats), far from home but close to the action. His encounters with many colorful characters like Emre, a youthful Kazakh immigrant from Mongolia; Fidan Ekiz, an outspoken Turk creating her own future in the Netherlands; and Arif Azci, who led a camel caravan from China to Turkey, vivify Pope's generalizations.

It is odd, however, that Pope lavishes so much ink on the far-fetched claims to Turkic descent of North Carolina's "Melungeons" but ignores the Tatars in the heart of Russia and, particularly, the Turks of Cyprus. The island's unresolved status clouds Ankara's quest for full European Union membership and has great potential ramifications throughout the Turkic (and Muslim) worlds.

Is there a Turkic world and, if so, is it rising? Pope marshals arguments to answer both questions affirmatively, adducing architectural, culinary, psychological and physiological affinities, along with the six qualities cited above,



as being shared by all “sons of the [Mongol and Ottoman] conquerors.” Nonetheless, he concedes that “The Turkic peoples ... add up to far less than the sum of their parts.” Given their linguistic differences, oppressive and corrupt political systems, and economic and ecological burdens, that sober assessment looks likely to last.

A retired FSO, Richard McKee is the executive director of Diplomatic and Consular Officers, Retired, Inc., and the DACOR Bacon House Foundation. These views are his own.

Still a Good Deal

Going Critical: The First North Korean Nuclear Crisis

Joel S. Wit, Daniel B. Poneman and Ambassador Robert L. Gallucci, Brookings Institution Press, 2005, \$22.95, paperback, 474 pages.

REVIEWED BY
STEVEN ALAN HONLEY

Even though *Going Critical: The First North Korean Nuclear Crisis* won the American Academy of Diplomacy’s 2005 Douglas Dillon Book Award, I must confess that I began reading it more as a matter of duty than pleasure. Despite the importance of its subject — the negotiations leading to the 1994 Agreed Framework that led Pyongyang to freeze, and pledge to dismantle, its plutonium production program — I expected to slog through a worthy but dull account, heavy-laden with jargon.

Fortunately, I am delighted to report, *Going Critical* substantially exceeded those unfairly low expectations.

The three authors are among the handful of American officials who

*The authors strongly —
and, in this reviewer’s
opinion, persuasively —
defend the fruits of their
diplomatic labors more
than a decade ago.*

have ever negotiated with North Korea. Two of them, Joel S. Wit (now a senior fellow at the Center for Strategic and International Studies) and Robert Gallucci (currently dean of Georgetown University’s School of Foreign Service), were career civil servants at State; the third, Daniel B. Poneman, served on the National Security Council staff and is now a principal in the Scowcroft Group.

The book is organized chronologically, with most chapters covering a few months at a time. (June 1994, a turning point in the negotiations, takes up two of the 12 chapters.) Once the authors have laid out the historical background and introduced the main figures involved in the saga, the book steadily gathers momentum. Their skill at enabling readers to keep straight the many Koreans surnamed “Kim” is particularly admirable.

While some sections are slow going, I would not recommend skipping around; there are simply too many flashes of humor (frequently at the authors’ own expense) and insightful comments along the way that it would be a shame to miss. But if one does give in to that temptation, the appendix contains a comprehensive timeline of the negotiations, along

with the texts of the relevant joint statements (which are surprisingly concise and readable considering the technical subject matter). The index is also thorough, and I found myself turning to it frequently.

Somewhat unexpectedly, the authors’ decision to write in the third person as a single voice, rather than as individual narrators, greatly enhances their account’s readability and credibility. But for me, what makes *Going Critical* compelling reading is the authors’ forthrightness about how they and other actors on all sides missed, or were powerless to react appropriately to, the confusing diplomatic and political signals emanating not only from Pyongyang but Seoul, Washington and other capitals.

This is emphatically not a book written to settle scores or promote any particular political agenda. Wit, Poneman and Gallucci are scrupulous in noting the downsides inherent in any negotiations with a regime like North Korea, including the virtual certainty of cheating, and they freely acknowledge the possibility that they miscalculated some of the trade-offs along the way. Nonetheless, they strongly (and, in this reviewer’s opinion, persuasively) defend the fruits of their diplomatic labors.

The final section, “The Land of Counterpane” (one of many clever, even literary, chapter titles and sub-heads throughout the book), surveys the events of the decade following the signing of the Agreed Framework, analyzes its breakdown and offers eight lessons. Generously, the authors call them “lessons learned.” But reading between the lines, it is not hard to detect their doubts that the Bush administration has absorbed them. ■

Steven Alan Honley, an FSO from 1985 to 1997, is the editor of the Journal.

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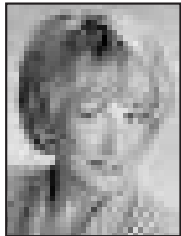
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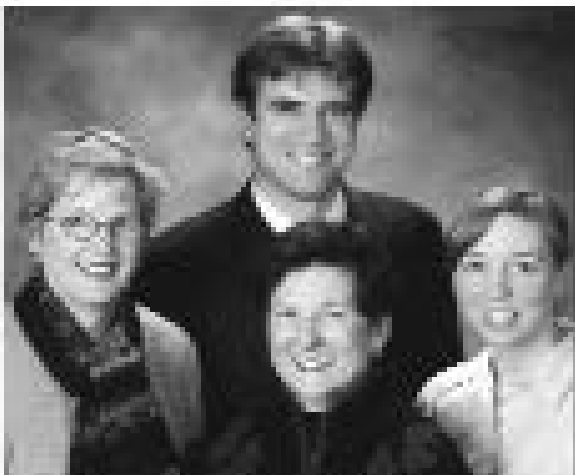
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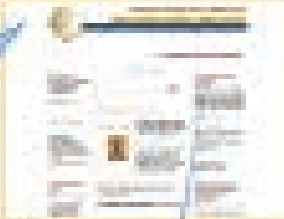
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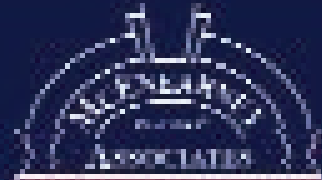
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REFLECTIONS

The Streets of Nuevo Laredo

BY MICHAEL E. KELLY

It is a new day in Nuevo Laredo. The sun is huge and orange in its ascent against the hazy blue backdrop of desert sky; the temperature is in the 90s and rising. The daily ritual of sweeping clean the sidewalks has begun across the city where the buildings are a mix of cinder-block slum and refined neo-colonial, strung together by a tangled web of electrical wires and phone cables hung with sun-bleached, wind-torn banners. And shoes. My 4-year-old son looks up and asks: "Daddy, how do the shoes get up there?" In a city where an orphanage has to send the kids to school in shifts because there aren't enough shoes, I answer truthfully, "I don't know, son."

Then, after the shoes, come the piñatas hung from rafters and eaves of the shops that crowd the road. "Look, Dad," continues the commentary from my son. "Piñatas. Do you see them?" I tug at his hand and smile down at him as I duck one of the papier-mâché creations. Out of the corner of my eye, I see a newspaper vendor approaching, holding up copies of two of the local papers. I squeeze my son's hand tightly and look for a break in the traffic. My

Michael E. Kelly, a creative writer married to an FSO, lives in Nuevo Laredo, Mexico with his family. They have served in Africa, the Caribbean, Europe and Washington, D.C. Stamp courtesy of the Stamp Corner.

eyes are drawn to the papers. I wonder how many died last night? The headlines say something about a gunfight; the pictures show the carnage. I glance at the vendor. He raises a hopeful eyebrow and steers his path closer to me, but I shake my head and mouth the word no, hoping my son doesn't see the pictures, which would lead to more questions I can't answer.

There is more to this town, though, than violence and bloodshed. There are churches where people go to worship, and not just to memorialize the dead. There are hospitals that treat the ill, and not just gunshot victims. There are shoe stores, bakeries and stationers. There are kitchens and dining rooms where food is shared. There are schoolchildren in tidy uniforms, pensioners chatting on street corners, mothers with smiling babies.

Life here is chaotic, boisterous, colorful and sweet. Even the tree-shaded plazas cannot escape the hubbub — strolling vendors hawk their wares in loud, gritty voices and food carts proffer tacos, roasted ears of corn, fresh-cut fruit sprinkled with chili powder, and shaved ice raspas. It is a city where salad bars are scarce but salsa bars abound, and where the aroma of savory carne asada is carried through the air on clouds of mesquite smoke.

We sit down on a bench under the shade of some swaying palms. My son sits contentedly, swinging his legs, while he studies a line of ants march-

ing in single file. I look around the plaza. It is more brown than green, more dirt than grass. Most of the shops that line the square are still shuttered. Somewhere, a radio is playing. Strains of music reach my ears through the ebb and flow of the traffic. My son climbs down and kneels beside the ants, his brow furrowed as he gently probes their line with a stick. The noise, grit, heat and brutality of life swirl around him, yet he is oblivious to everything but the ants.

Soon, the sun will be high and heavy, the heat oppressive. The noise will crescendo into something akin to a million insects scraping their legs together, screaming at the shimmering heat. By then, we will have retreated to the cool stone and tile confines of our home, safe behind the iron bars and locked doors.

Later still, the westering sun will diminish, deep red in its descending glory. The shadows will lengthen, the edge of the heat will dull, and orange-golden hues will color the town. Then, as the mantle of evening is draped across the city and the moon comes up over the horizon, a sound like a string of exploding firecrackers will be heard; and shortly thereafter, the sirens.

Finally, the dust will settle again, fine and thick, on the sidewalks, to be swept clean on the morrow. Until then, Nuevo Laredo will sleep another fitful sleep. ■



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