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President's Views

On Speaking Truth to Power

By J. Anthony Holmes

I was shocked. Stung, really. Last November, when we conducted our comprehensive electronic survey of the views and priorities of the 8,500 active-duty AFSA members employed by the State Department, fully 65 percent of the 3,400 who responded (a whopping 41 percent of the total Foreign Service work force) said they believed AFSA should be "even more vocal and assertive" in future dealings with State management and the administration to advance their interests.

Only 33 percent said they thought we've had our tone and aggressiveness level about right, while a miniscule 2 percent thought we should be less vocal and assertive. It was some solace that over 80 percent of the survey's respondents were satisfied with our overall efforts on their behalf, though the results made it clear that they wanted a much stronger voice and firmer action in what they clearly view as a very difficult period for the Foreign Service. If you didn't notice it, check out the article on the survey results in the "AFSA News" section of the *Journal*'s January edition, beginning on page 57.

The reason our membership's strong desire for an even more aggressive AFSA posture shocked me was that it is my impression, and clearly the perception of State management in HR and elsewhere, that AFSA has recently become a considerably more formidable (and sometimes more irritating) "bump in the road," to quote one senior official, than it has been since the Vietnam War era. We've been told on a number of occasions that ill-advised initiatives have been deterred inside the department because "AFSA will never agree to that."

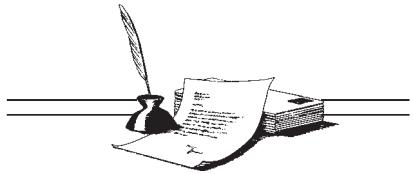
It is also my impression that, if one looks at how AFSA engages the media on professional issues — whether it is interviews with the national press or NPR, letters to the editor of major newspapers, columns written for the *Journal*, or the scope of AFSA's engagement on the significant issues affecting foreign affairs and the Foreign Service — we have spoken up forthrightly, defending the FS as necessary (and frequently when State Department leaders have chosen not to). We have not shirked from pointing out when, on issues with personnel or resource implications that make them relevant to AFSA, the gap between State's rhetoric and the reality of the situation grows too large.

It is important to keep in mind, of course, that as a government employees' union, our array of tools is limited and we must be judicious in using those we have. Strikes are outlawed and some issues, such as individual assignments, are not negotiable. We do have the right to negotiate rules relating to the overall process, as well as "appropriate arrangements" when our members are adversely affected. And we take this entree very seriously indeed, as the larger system itself often determines the individual assignments that follow. But it does happen that we have interests on both sides of an issue; e.g., filling positions at unaccompanied posts. So we both have to protect our members and see that the system generates enough volunteers to preclude the department from fulfilling its promise to use directed assignments if it doesn't.

The limitations on federal unions mean that speaking out — in essence bringing the weight of "public opinion" in the FS to bear on management's perception of an issue — is one of the strongest tools we have. This is especially true given AFSA's long history and the expertise and credibility that stem from the fact that our officers and board come from, and return to, the active Service. We often know the issues as well as management, have equally credible and often broader sources of information, and are better able to see the whole picture and foresee "unanticipated consequences" of specific proposals.

One current example of our approach is our response to the idea of creating a mid-level entry program. While such a mechanism offers the possibility to quickly add needed skills, address affirmative-action needs and fill other gaps, it would also bring a host of significant negative factors, based on a number of similar programs that were major failures in the past. AFSA is adamantly opposed to mid-level hiring into the generalist corps, and we have ensured, publicly and privately, that the key officials in the department understand that. ■

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



LETTERS

Digital State

We were gratified to see in the January issue several references to activities in which the Bureau of Information Resource Management's Office of eDiplomacy is involved, and we would like to offer some additional background on each. The Cybernotes column called attention to use of Wiki technology for *Intellipedia*, an online collaborative space for the intelligence community. Here at State, our office launched a similar product called *Diplopedia* (http://diplopedia.state.gov) last September, following approval for wiki and blog software on OpenNet.

Anyone with OpenNet access can contribute to *Diplopedia* and is invited to draw on his or her experience, knowledge and expertise by contributing articles or comments, or by editing materials submitted by others. Eventually, eDiplomacy would like *Diplopedia* to become a reference and starting point for all topics of interest to the State Department.

We are also using simple blogging software as the basis for our highly successful Communities@State program, with almost 40 Communities of Practice already established or in process.

Cybernotes also called attention to the growing role of cell phones in the economic, political and social affairs of most developing countries. We have highlighted the idea of using "cellcasting" to leverage cell-phone technology for public diplomacy purposes. For more details, see "mobile computing" on our *Transformations* Web site at http://intelink.gov/communities/state/transformations.

We also recently sponsored a global call for ideas on how to use IT for diplomatic work, and received a number of promising suggestions. One idea from Embassy Lima that we intend to support is the establishment of an "800" dial-in number for embassies to use for public diplomacy purposes.

Finally, we read with interest "Location, Location, Location …" by our former colleague, Science Fellow Carol Christian. Carol was a champion for Geographic Information Systems applications and conducted the research for her article while here. We agree that the ability to layer and present various types of information in map format has tremendous potential for reporting and analysis, security, disaster response and other areas of importance for State's activities.

While we recognize the resource constraints that have prevented a wider use of GIS software at State, we helped a coalition of offices and bureaus, headed up by Overseas Building Operations, win approval for use of Google Earth Pro, a commercial product, on OpenNet computers throughout the department.

As an office charged with encouraging innovative uses of IT at State, eDiplomacy continues to do its bit to digitize diplomacy.

Thomas C. Niblock
Director, Office of eDiplomacy
Washington, D.C.

Neocons and Butterflies

In his February article, "A Sound Strategy," Joshua Muravchik has performed a great service for readers of the *Foreign Service Journal*. He has shown us how the neoconservatives, unfamiliar with the realities of many countries around the world, have led the Bush administration to make so many mistakes in foreign affairs.

On another note, Francis X. Cunningham's fondness for Puccini's opera "Madame Butterfly" (Letters, February) is shared by many Americans; it is the most-performed opera in the United States. But Cunningham is wrong to see an analogy between Puccini's U.S. Consul Sharpless and the Foreign Service today.

Puccini's opera, first performed in 1904, is based on a novel, *Madame Chrysanthemum*, written by Pierre Loti in 1887, which takes place in Nagasaki. The U.S. consul in Nagasaki in the 1890s was William H. Abercrombie, a physician whose sole qualification for the job was that he had good connections with the Republican administration in Washington. (So what else is new?) A U.S. consulate had been opened in Nagasaki in 1859, and while I do not know its staffing, it is very unlikely that there was a political or economic counselor there.

As for the two-timing Pinkerton, I cannot say whether there are any analogies with the Foreign Service today.

Yale Richmond
FSO, retired
Washington, D.C.

Student Loans and Retention

I write to protest the recent State Department decision to limit the number of people who can apply for the Student Loan Repayment Program. Previously officers serving in 15-percent differential posts were eligible, but now only those at posts with differentials of 20 percent or higher can benefit from the SLRP.

This change hurts me personally. When I was bidding on my first post, I limited my choices to only those posts that had a differential of 15 percent or more. I currently serve in Mexico City, which has a 15-percent differential. I know other people who used the same bidding strategy. Knowing that up to $4,000 could be knocked off your student loan debt was a huge incentive to avoid lower-differential posts.

More importantly, however, I think that this change hurts the State Department as an institution, especially in terms of retaining officers. I read with some interest that the director general would be making changes to the Foreign Service exam to make it more accessible to interested parties, as well as to shorten the hiring process for those who pass. This would allow the department to compete with top private companies for talent. But what is the point of fighting for talent if we make changes to the SLRP that then hurt retention?

I like to think my story is somewhat typical for those who have recently entered the Foreign Service. I was raised in a single-parent, blue-collar household in the Midwest, and was then fortunate enough to get into a very good — and expensive — private college, where the annual tuition was more than my mother's salary. I joined State with nearly $20,000 of student loan debt. Many of my friends who entered the Foreign Service after two years of graduate school training easily had five times that amount of debt.

It may be true that cutting the SLRP will drive us to more dangerous posts, but what about the people who specifically sought out 15-percent differential posts? Where does this fit with retaining top talent? Why bother seeking out 20-percent differential posts for our second tours if the bar can so easily be raised again?

Another challenge for retention that affects many of us is our loyal and highly educated spouses. My wife is a medical professional who might never realize her full potential as an occupational therapist if we continue to travel the world with the Foreign Service, due to language differences, work agreements and licenses to practice. There were countless such stories in my A-100 class; just deciding to join the Foreign Service is a sacrifice that cannot be a win-win for many spouses.

In the face of such sacrifice, the decision to limit the SLRP will only keep people from staying with the Foreign Service. It seems as though the Service wants to open the doors widely and quickly for those qualified to join, then do little to retain these very able and educated people.

The Foreign Service started as a career for wealthy children of the Eastern establishment. While few will deny the great contributions of FSOs like Hiram Bingham IV, W. Averell Harriman, Dean Acheson and Charles Bohlen, I think that everyone would agree that the Foreign Service has become a better and more dynamic career now that it is more open to women, people of color and people from lower socio-economic backgrounds. In what other foreign ministry can you find female ambassadors serving in the Middle East, or citizens of Indian descent doing consular work in Pakistan? Our example shows the entire world that different is not necessarily bad, that even people who have not come from much can achieve anything they dream.

I look up to people like George Kennan. Maybe he never felt like he fit in with the establishment because of his blue-collar, Milwaukee background, but one would not guess this from his influential words and deeds. The State Department should do all it can to retain the young talent that it has already attracted by continuing to offer the SLRP to as many people as possible.

Rob Doyle
FSO
Embassy Mexico City

Hold the Applause

Your report on Doug Kent's legal victory ("CG on Duty," October 2006) concluded that "no one should have to experience what Doug Kent has gone through." I wonder if that would include the young Russian victim of Mr. Kent's accident who is now spending the rest of his life in a wheelchair? As an FSO, I applaud this important legal victory for the Foreign Service and thank AFSA for its strong support, but I feel that your parting shot on the story lacked sensitivity.

Before joining the Foreign Service, I spent three years in Vladivostok. The roads there are treacherous and impossibly dark at night. Moreover, the locals drive in a reckless manner. During my entire stay in the Russian Far East, I always let a trusted local driver do my driving. Mr. Kent could have done the same. Sure, his decision to drive himself may have been about "saving money for the government" as you reported but, nonetheless, it showed a total lack of judgment. Let's not forget that Mr. Kent's decision to get behind the wheel resulted in dire consequences for the Russian involved.

So, while we celebrate the legal decision, it's hard to get too sympa-

thetic about Mr. Kent's ordeal. I think Mr. Kent and the rest of us would prefer a few years of legal headaches to a life of never being able to walk again. Some perspective, please.

John Fleming
FSO
Embassy Tokyo

Iran: What About Containment?

French President Jacques Chirac recently said that the world could better live with an Iranian atom bomb than go to war to prevent its development. He quickly retracted his statement as much of the world went wild with criticism, and his evaluation of the situation has virtually vanished from consideration. But the French are noted for their perceptive political vision.

Speaking as a retired FSO with experience as a counselor of embassy in the Arab world and as deputy director of the State Department's Bureau of Intelligence and Research, I think Chirac's assessment is worthy of serious reflection despite the controversy it has aroused. His view is in close alignment with a recent article by Joe Klein on how to deal with Iran and its leader, Mahmoud Ahmadinejad, which was the most focused and thoughtful prescription I've yet read.

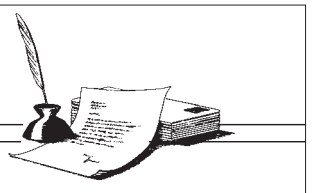
When George Kennan wrote his famous paper on containment as the best way to deal with Soviet expansionism, the USSR had achieved virtual parity with the U.S. in both armaments and delivery systems. Who would have thought that 50 years later we'd be sitting with Russian President Vladimir Putin in Group of Eight meetings? Even if Iran and North Korea succeed in producing half a dozen primitive atomic bombs, how can we be more concerned about the possibility of one or more of them falling in the hands of terrorists than having half our country annihilated by

an onslaught of Soviet rockets?

Mutually Assured Destruction worked with half a dozen different Soviet leaders. Why shouldn't it work with smaller carbuncles on the international scene? Neither Kim Jong Il nor Mahmoud Ahmadinejad is insane. And an announced commitment on our part to obliterate both countries simultaneously if either allows even one of its weapons to be used against the United States should promote serious cooperation between these two countries to monitor each other's actions, deter further weapons development or their spread to terrorist organizations. It would also give leaders of all nations pause for thought about the search for prestige as members of the nuclear club.

Both Kennan and Klein recommended patience and talks, hopefully leading to acceptable solutions. Chirac seems to be saying much the same thing. Let's give the Kennan/Klein/Chirac prescription a chance. Perhaps then in 50 years we can sit down with successor leadership in Iran and North Korea as partners in one or another international organization.

David Brighton Timmins
FSO, retired
Salt Lake City, Utah ■



Send your letters to: journal@afsa.org. Note that all letters are subject to editing for style, format and length.

CYBERNOTES

Russia's WTO Bid: A Bumpy Road

"President Vladimir Putin must understand that his country cannot enjoy partnership with the West ... as long as his policies in the European neighborhood, and at home, look less like those of a modern European statesman than of a czar." So declared Ana Palacio, former foreign minister of Spain, and Daniel Twining, a consultant for the German Marshall Fund of the United States, in a 2006 *Washington Post* op-ed that called attention to "Russia's Shadow Empire."

Palacio and Twining were referring to the so-called frozen conflicts in southeastern Europe and the south Caucasus, where Russia exerts unofficial power by supporting secessionist movements in neighboring states. In Georgia and Moldova, Russia has officially endorsed the breakaway factions by granting their members citizenship, passports and the right to vote in Russian elections in an effort to undermine the countries' pro-Western governments.

The resulting tensions have larger immediate ramifications. Georgia joined the World Trade Organization on June 14, 2000; Moldova joined one year later. Both countries are among the 150 WTO members who will decide on Russia's accession to the organization. Moscow has placed embargoes on both countries, most noticeably on Georgian wine, a major export. Georgia initially supported Russia's WTO bid in a 2004 bilateral trade agreement, but will withdraw its support if the terms of the agreement are flouted (**www.rferl.org/features/features_Article.aspx?m=11&y=2006&id=5DBEE932-A1C2-4904-A210-C833DFE5379C**).

This stage of the WTO process involves general talks with members, to iron out bilateral agreements, and Moscow hopes to have resolved its issues with Georgia and Moldova by July 2007 (**www.mosnews.com/money/2006/11/19/russiauswto.shtml**). Georgia, too, has professed a desire for constructive dialogue. Foreign Minister Gela Bezhuashvili has urged the U.S. and the European Union to work together to help resolve the frozen conflicts, and also requested the assistance of the U.N. and the Organization for Security and Cooperation in Europe. Bezhuashvili says that, while determined to preserve its sovereignty, Georgia is "interested in maximum productive cooperation with Russia" (**www.interfax.com/17/232904/Interview.aspx**).

The bilateral trade agreement Russia concluded with the U.S. in November 2006 marks one of the final steps in its path to WTO membership. On Feb. 21 Rep. Tom Lantos, D-Calif., chairman of the House Foreign Affairs Committee, announced during a visit to Moscow that he intends to push for lifting the Jackson-Vanik Amendment (**www.kommersant.com/p-10163/Jackson-Vanik_end/).**). Regarded by some as a Cold War relic, the 1974 amendment limits trade with countries with poor track records on human rights, specifically with regard to emigration. Lifting the ban would be a significant step in forming normal trade relations with Russia.

Commentators note, however, that Moscow's new push to establish Russia as "an independent 'pole' in a multipolar world," as Carnegie Endowment scholar Andre Kuchins puts it, may get in the way (**www.carnegieendowment.org/publications/index.cfm?fa=view&id=18872&prog=zru**). Kuchins argues that a congressional vote in 2007 on whether to grant Russia permanent normal trade relations status — which could determine Russia's WTO suitability — will be contentious, with the Kremlin's ties to Iran one of the issues.

50 Years Ago...

It is well to realize that international problems do not have ready-made solutions like quiz programs or crossword puzzles or mathematical riddles. I cannot help feeling that mass media communications tend to oversimplify such questions and treat them in terms of stereotypes and symbols.

— From a speech by Indian Ambassador G.H. Mehta, "The Way Diplomacy Works," before the Fletcher School of Law and Diplomacy, *FSJ*, April 1957.

CYBERNOTES

Moscow's willingness to consider an Iranian proposal to set up a cooperative gas producers' group a la OPEC, for example, could stir legislators' ire — in spite of Putin's assurance that it could never be a cartel and the Economic Development and Trade Ministry's prompt denunciation of the idea (**http://en.rian.ru/russia/20070201/60048917.html**).

For all these reasons, Russia's WTO accession is not yet a given. It remains to be seen how the Kremlin will reconcile the quest for a unique foreign policy stance with the process of normalizing bilateral trade regimes and the drafting of membership terms to win a two-thirds majority vote in the WTO General Council (**www.wto.org/English/thewto_e/whatis_e/tif_e/org3_e.htm**).

— E. Margaret MacFarland, Editorial Intern

Information-Sharing Program Takes On SBU

Recommendations for standardizing procedures for handling so-called sensitive-but-unclassified information are due to be delivered to the White House soon as part of the effort to establish smooth channels of communication among federal, state and local agencies for sharing counterterrorism intelligence.

A product of the investigation into the lapses that facilitated the terrorist attacks of Sept. 11, 2001, the Information-Sharing Environment program was mandated in the Intelligence Reform and Terrorism Prevention Act of 2004. The program is led by career Ambassador Thomas E. McNamara from the Office of the Director of National Intelligence (**www.ise.gov/**).

According to the implementation plan McNamara presented to Congress last November, the ISE aims to facilitate, coordinate and expedite access to protected terrorism information across the intelligence, law enforcement, defense, homeland security and foreign affairs communities. "The ISE will not result in the construction of one governmentwide computer system containing all terrorism information," the plan states. "To the contrary, and as stated, technology will play the role of facilitating, improving and expanding information sharing in response to the counterterrorism needs of ISE participants."

Besides bringing appropriate technology to bear, ISE is clearing the obstacles to sharing information. One such obstacle is the proliferation of sensitive-but-unclassified documents with a bewildering array of markers — 108 have been identified by the ISE team so far — that determine the

Site of the Month: Frontline Diplomacy

What was it like to be present when Ronald Reagan said to Mikhail Gorbachev, "Mr. Gorbachev, tear down this wall!"? What was running through the minds of Foreign Service officers at the same wall years earlier, during John F. Kennedy's "Ich bin ein Berliner" speech?

Thanks to a new online initiative by the Library of Congress, we now have some idea. On Feb. 21, *Frontline Diplomacy* made its debut (**http://memory.loc.gov/ammem/collections/diplomacy/index.html**). Part of the library's American Memory project, the Web site features the foreign affairs oral history collection of the Association for Diplomatic Studies and Training. It contains an extensive compilation of primary, oral accounts of 20th-century diplomacy, and is expected to grow to include additional interviews chronicling the unfolding events of the 21st century, as well.

The American Memory project is the centerpiece of the Library's National Digital Library Program, launched in 1994 with bipartisan congressional support and private funding. The project digitalized various oral histories, music and images that make up America's collective consciousness.

Frontline Diplomacy focuses mainly on the contributions of Foreign Service officers after World War II, and offers the personal experiences of Lawrence Eagleburger, Averell Harriman, Jeane Kirkpatrick, Winston Lord and Dean Rusk, among many others. There are first-hand stories of terrorist attacks (Beirut, 1983, and Nairobi, 1998), Henry Kissinger's secret 1971 trip to Beijing and the Berlin airlift of 1948.

As of late February, the site included the transcripts of 1,301 oral history interviews donated by ADST.

— E. Margaret MacFarland, Editorial Intern

I think the need for diplomacy is greater than it ever has been. We need more reporting; we need the best reporting. We need the best representation and explanation of our policies overseas, and we need the most effective problem-solving officers stationed out there.

— Ambassador John Negroponte, at his swearing-in as the new Deputy Secretary of State on Feb. 13, *www.state.gov/secretary/rm/2007/feb/80498.htm*

particular way each document is handled, distributed and stored. The result, McNamara told the *Washington Post* on Jan. 24, is "chaos."

Post writer Elizabeth Williamson cites reports by the National Governors Association and the Government Accountability Office that found that the SBU mess undermines the effectiveness of terrorism alerts from Washington. In one incident cited, a local police official received an SBU memo from Washington, wrongly thought it was classified, and spent days looking for a secure phone line to inquire about it.

McNamara wants to reduce the number of SBU markers to 12 or less, and develop one set of rules. Also under way is a push to promote a culture of information-sharing among all levels of government and across agencies.

Elsewhere, according to ISE's November plan, progress has been made on establishing a strong legal and policy foundation for information sharing. The National Counterterrorism Center is emerging as a central federal institution to facilitate the ISE, and states and localities have invested in fusion centers to act as collection points for information-sharing at the regional level.

— *Susan Maitra, Senior Editor*

TechnoFile: Beyond Shoe Bugs

In the brave, new post-9/11 world, security is a daily concern and technical literacy a crucial asset for diplomats. For a window into the plans and activities of the folks in the Bureau of Diplomatic Security who walk that walk daily, if you have access to State's intranet, take a look at the Office of Security Technology's electronic newsletter, *TechnoFile* at **http://st.ds.state.gov/ST/frontoffice.htm#TechnoFile**.

The current issue of the quarterly publication highlights a story on the new Regional Security Technician program under which 24 Foreign Service National employees maintain and repair "the growing mountain of technical security equipment located outside of controlled access areas overseas."

In "Cold War to Computer Countermeasures," Lonnie Price, the chief of ST's Countermeasures Program, discusses plans to open the Countermeasures Program to close collaboration with DS's Office of Computer Security. "Even as recently as the 1990s, we were worried about transmitters in electric typewriters," says Price. "But today, the threat has become highly technical and sophisticated, and it's always evolving. This pre-

sents a host of new challenges for us."

TechnoFile is produced by and for ST personnel, stateside and abroad, and contains news, articles on personal and professional accomplishments and project summaries, as well as technical articles.

— *Susan Maitra, Senior Editor*

The "New Nepal": Democracy-Building in Action

The process of democracy-building, with all its challenges and messiness, is on display in Nepal, the tiny but strategic nation that changed from an absolute to constitutional monarchy in 1990. It has since suffered from frequent and confrontational government changes, a decade-long Maoist insurgency that claimed more than 13,000 lives, the suspension of parliament and a one-year period of "emergency rule" by King Gyanendra.

The way was paved for ending the insurgency and restoring the political process in April 2006 when the seven main political parties and the Maoist rebels, who control most of rural Nepal, joined to demand an end to Gyanendra's dictatorial rule. Within a month the king was forced to hand power back to the parliament, and the parties and Maoists proceeded to negotiate plans for new elections to a constituent assembly, to be held in June, that will write a new constitution. They also hammered out agreements on power sharing in the interim government and weapons decommissioning. By February, an interim legislature had been formed and an interim constitution promulgated.

Now attention is focused on the next steps, constituent assembly elections and drafting of the new constitution. To help on the ground, a one-year U.N. mission in Nepal is now on the scene (**www.un.org.np/unmin/srsg.php**). U.N. election advisers have been there for some time, and are monitoring the registration and storage of the insurgents' weapons.

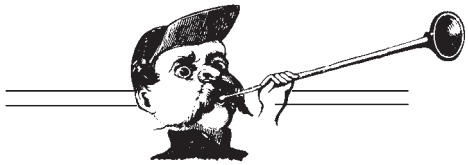
The Maoist commitment to participate in the process is a historic development, but some observers worry that political leaders will fail to cast the net broadly enough. "So far, the concentration has been on building elite consensus at the expense of intense political debate and extensive public consultation," the International Crisis Group, an NGO working on five continents to prevent and resolve deadly conflict, states in its Feb. 26 report (**www.crisisgroup.org/home/index.cfm?id=4673&l=1**). The group warns that unless Nepali political leaders make the process more inclusive they risk a return to violent conflict, as foreshadowed in the recent unrest among residents of the Tarai plains.

"Nepal's constitution-making process has two tough targets to meet," says Rhoderick Chalmers, deputy director of the Crisis Group's South Asia Project. "It must conclusively end the conflict and also shape more representative and responsive state structures. Balancing these concerns is far from straightforward, but broader public participation can only help."

For news and updates on Nepal, see BBC Online at (**http://news.bbc.co.uk/2/hi/south_asia/6435901.stm**). The Center for Strategic and International Studies' *South Asia Monitor* provides regular analysis (**www.csis.org/media/csis/pubs/sam95.pdf**), and the Carnegie Endowment for International Peace offers views from Nepal in its monthly *South Asian Perspectives* webzine (**www.carnegieendowment.org/newsletters/SAP/sap_february07.htm#nepal**).

For background, the Library of Congress country study on Nepal is informative (**http://lcweb2.loc.gov/frd/cs/nptoc.html**). ■

— *Susan Maitra, Senior Editor*



SPEAKING OUT

Time to Overhaul Contact Reporting Requirements

BY DAVID J. FIRESTEIN

The State Department's current contact reporting requirements, as set forth in the Foreign Affairs Manual, confound American personnel; aid hostile intelligence services, which exploit ambiguities in the CRR to entrap and pressure our diplomats; and undermine the department's ability to safeguard classified and sensitive information. The pertinent sections of the FAM contain more enigmas and puzzles than *The Da Vinci Code*. A rule set that screams for clarity and precision is instead a study in "strategic ambiguity."

AFSA State Vice President Steve Kashkett has written in these pages (*AFSA News*, November 2006) that "these archaic and ... contradictory regulations," which have sometimes been enforced in "capricious and arbitrary ways," have tripped up "hundreds of loyal Foreign Service members," resulting in "lasting damage to otherwise productive and distinguished careers." If the issue of the department's CRR — which goes directly to the heart of State's ability to protect its personnel from real harm and safeguard classified information — does not merit the immediate attention and action of management, it is difficult to imagine one that does.

Below, I enumerate the most egregious problems and some possible solutions.

There exist two self-standing and essentially distinct sets of CRR: those outlined in 3 FAM 4100, Appendix B, which govern intimate relationships and cohabitation; and those covered in 12 FAM 262, which govern contacts of counterintelligence concern. Each set of CRR has its own particular mission/purpose, reporting criteria, reporting channel and bureau of jurisdiction (Human Resources and Diplomatic Security, respectively).

A rule set that screams for clarity and precision is instead a study in "strategic ambiguity."

Having the CRR in two places in the FAM and under the aegis of two bureaus creates dangerous blind spots and jurisdictional confusion. (For example, in actuality, HR doesn't enforce the 3 FAM CRR; DS does.) Moreover, because reporting under one section of the FAM does not constitute reporting under the other (per 12 FAM), the current CRR necessitate, in some cases, the filing of two reports for the same contact, one pursuant to 3 FAM and one pursuant to 12 FAM. (Yet, oddly, both reports must use the same 12 FAM form, which is the only one that exists!)

Solution: Unify all contact reporting requirements under 12 FAM; place them under DS jurisdiction.

The 3 FAM CRR are obscenely out of date; they address not today's threats, but yesterday's. The CRR codified in 3 FAM 4100, Appendix B, were published on June 20, 1988 — nearly two decades ago. They utterly fail to take into account the epic changes and events that have occurred in the world since then: the end of the Cold War, the emergence of new adversaries, the 9/11 attacks, the global war on terror and — not least — the rise of the Internet, which has greatly complicated traditional notions of "relationship" and "contact."

State seemed to recognize the gravity of this problem when, on April 15, 1995, it issued unclassified cable 95 State 93112, titled "Relationships and Contact Reporting." The first line stated: "The FAM on subject policy has been revised and will shortly be transmitted to all posts." Though the changes to 12 FAM enumerated in this cable took effect immediately (as promised in the cable), the changes to 3 FAM never did, for reasons that are unclear to this day.

Had they taken effect (as many FSOs thought they did), the changes would have: 1) replaced "communist-governed/allied" with "critical threat" as the affiliation of concern, thus ending the Cold War-era communist-focused non-fraternization policy; and 2) mandated the immediate reporting of only such relationships with nationals of critical-threat countries that involved "bonds of affection, influence or obligation" (as opposed to "any relationship" with communist nationals).

Although these changes were rep-

resented in 1995 as faits accompli, they never entered into force. And thus, for example, the department's non-fraternization policy, which we all thought ended in 1995 (and which was, in fact, stricken from 12 FAM that year, courtesy of 95 State 93112), is still on the books and fully enforceable. As 3 FAM 629.2-4 (1) states, "It is the policy of [the State Department] that reportable relationships… [with] national[s] of communist-governed/allied countries ... will preclude continued security clearance for access up to and including top-secret information, and assignment to sensitive duties/posts which relate to the nationality of the intended spouse, cohabitant or partner in a relationship," pending "full investigation."

Though this policy is inconsistently enforced, it nonetheless begs a question: Why is such a policy still on the books at all more than 15 years after the demise of the Soviet Union? Even more alarming — and, frankly, unconscionable — is the fact that in the post-9/11 era, neither the 3 FAM nor 12 FAM CRR require employees to report contacts, friendships or even sporadic romantic or sexual interludes with known members of terrorist groups like Hamas, Hezbollah, the Taliban or al-Qaida (virtually none of whose members are nationals of the world's five remaining communist countries) or with citizens of such U.S. adversaries as Iran, Syria or Burma. How would Secretary Rice explain this glaring oversight to a member of Congress or a reporter? And more fundamentally, can this really be the department's intended policy?

Solution: Update the provisions of 3 FAM 4100, Appendix B, to reflect the realities and concerns of the 21st century; fully implement 95 State 93112.

There is a documented propensity on the part of DS to fabricate, and hold employees accountable to, contact reporting requirements that simply do not exist in the FAM. This profoundly disturbing tendency is all the more troubling when one considers the fact that in investigations of alleged CRR violations, the Bureau of Diplomatic Security plays the roles of investigator, finder-of-"fact," prosecutor, judge, jury and first court of appeals.

For example, an RSO at a major post in a communist country issued an official administrative announcement which, in part, read: "You should report any contact with a non-U.S. citizen in which you have continuing social contact" — a sweeping and intrusive directive that goes far beyond established policy and has no basis whatsoever in either the 3 FAM or 12 FAM. In another instance, DS actually changed a regulation to make it conform to an allegation in a DS proposal to revoke an employee's security clearance. In other words, the employee hadn't violated the rule, so DS changed (in its proposal to revoke) the wording of the rule to make it seem as if he had.

This kind of behavior on the part of DS is unacceptable and must stop immediately. State Department employees cannot be expected to follow, or be disciplined for violating, "rules" that do not appear in the FAM, the department's only authoritative rulebook.

Solution: Hold DS accountable for its actions and insist that it follow the same rules that govern every other bureau.

The CRR are riddled with profound conceptual flaws and catch-22s that render key provisions literally nonsensical. As noted above, the communist-oriented non-fraternization policy contained in 3 FAM, that we all thought became defunct long ago, remains on the books and is enforceable at the sole discretion of DS. DS is thus technically within its rights to strip a State employee of his or her clearance merely for reporting a communist national contact. What's more, DS has declared in writing (in an unclassified e-mail message dated June 29, 2006) that it will not divulge the results of the vetting on reported contacts to employees who don't have clearances, on the grounds that doing so might "compromise sources and methods." So, by reporting a communist national contact, an officer automatically loses his or her clearance (at least in theory), thereby forfeiting his right to the results of DS's vetting of the contact — and thoroughly obviating the point of reporting the contact in the first place.

Furthermore, to the extent it is implemented, this policy renders meaningless another current 3 FAM provision that stipulates that the reporting of a relationship will trigger an "initial counseling session" in which a "counseling officer" will discuss with the employee "the effect of the [relationship] on the employee's career or future assignments" and "the employee's continued access to classified material." But the counseling session becomes utterly pointless if the employee's clearance has already been suspended, if the employee has already been curtailed from post, and so on. Thus, the defining feature of the department's stated contact reporting policy — the notion that an employee can, without penalty, report a contact and get meaningful and timely feedback from DS as to any known security concerns associated with that contact "for use as [the employee] sees fit" (3 FAM) — is completely negated.

Solution: Rectify conceptual flaws such as these immediately.

The FAM fails to define nearly every term critical to an accurate understanding of the CRR. For example, not a single one of the following six published terms referring to countries of special interest in the

CRR context is defined in any section of the FAM, including the presumably authoritative "Definitions of Diplomatic Security Terms" (12 FAM 090):

- "communist-governed/allied country" (3 FAM)
- "criteria country" (3 FAM)
- "designated country" (12 FAM)
- "critical threat (counterintelligence) post listed on the department's Security Environment Threat List" (12 FAM)
- "critical human intelligence (HUMINT) threat post" (12 FAM)
- "country considered to pose an exceptional counterintelligence threat to the U.S. according to the composite threat list" (95 State 93112)

Do these terms (e.g., the second, fourth, fifth and sixth) refer to the same grouping of countries? Even DS doesn't seem to know. In the absence of any definitions, how would the average employee know?

And here are some other terms (from 3 FAM), all vital to an accurate understanding of the CRR, that cry out for precise definition, particularly in the Internet age:

- "equivalent bonds" (a term in the very title of the 3 FAM CRR that has no self-evident or readily understood meaning outside the fields of chemistry and finance)
- "relationship" (Does a "one-night stand" constitute a "relationship" in the CRR context? What about an e-mail exchange?)
- "contact" (Does an e-mail exchange count as a contact?)
- "romantically intimate" (Does a date or two constitute a "romantically intimate" relationship? And who makes that determination?)
- "sexually intimate" (Does kissing, or writing a flirtatious or erotic e-mail message, constitute a "sexually intimate" relationship?)
- "reportable relationship" (As noted above, an employee's career can hinge on the interpretation of this term, but it is not independently defined in the FAM.)

Solution: Reformulate the CRR to define all terms critical to an accurate understanding of its provisions.

Key provisions of the FAM employ grammar that is amateurishly imprecise, confusing and sometimes misleading. For example, 3 FAM requires employees to "report any relationship (not only continuing relationships) with a national

of a communist-governed/allied country … at the first opportunity." The context — a discussion of exclusively "romantically or sexually intimate relationships," including marriage — makes it abundantly clear that the term "any relationship" here refers only to a "romantically and sexually intimate relationship."

But because the instruction does not say "Report any romantically or sexually intimate relationship (not only continuing relationships)," it gives rise to the possibility of over-broad interpretation on the part of DS. The purpose of the CRR is to articulate department policy and inform employees of their responsibilities. The goal should not be "strategic ambiguity," but surgical precision.

Solution: Ensure that every term and provision of the CRR is as precise and clear as possible.

The contact reporting requirements are extremely poorly organized. For example, the 3 FAM provision (cited in full above) that a reportable relationship with a communist national "will preclude continued security clearance" and "assignment to sensitive duties/posts," and will trigger a "full investigation," is buried in an obscure subsection of 3 FAM innocuously titled "Initial Counseling" — fully three pages removed from the requirement to report communist relationships at the first opportunity. This passage, which outlines the serious, even career-ending, measures the department will take in such cases, ought to be immediately adjacent to the requirement at issue.

Solution: Organize the FAM CRR more logically.

Finally, the FAM omits an entire class of reporting requirements; namely, those pertaining to holders of sensitive compartmented information clearances. The only enumeration of SCI-specific CRR is the 2004 State Department

announcement, "Responsibilities of Personnel with SCI Access" (2004-09-099). Why doesn't this information appear anywhere in the relevant FAM sections? This conspicuous omission perpetuates confusion among State employees, including DS agents. For example, DS agents sometimes apply SCI terms and concepts (which do not appear anywhere in the 3 or 12 FAM CRR), such as the oft-invoked "close and continuing contact" formulation, in cases in which the employee does not have an SCI clearance.

Solution: Include in the FAM the CRR that pertain to SCI-holders.

This open letter highlights some of the most egregious problems with the CRR in the hopes of alerting State's management — as AFSA has repeatedly tried to do — to the clear and present danger the current CRR pose to the department, its employees and the classified information they handle. Though the problems outlined in this letter are profound, they are easily remedied; this is not rocket science. Now is the time to end the abomination that is the department's current contact reporting regime and develop in its place a set of requirements that are better conceived, more precisely crafted and articulated and, above all, more protective of department personnel and information. There is no room in a U.S. Cabinet agency — let alone the oldest and most venerable — for regulations this carelessly cobbled together.

As 12 FAM states, "The success of the [department's contact reporting] policy is dependent ... upon each employee's understanding of and cooperation with its intent." That success will forever be elusive as long as the CRR are as riddled with major flaws as they are at present. The costs of continued inaction will be measured in terms of more needlessly ruined Foreign Service careers, unnecessarily compromised information, and the sounds of laughter and clinking glasses in the headquarters of hostile intelligence services around the world. I implore management to confront this critical issue immediately. Our diplomats and our nation deserve no less. ■

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UNDERSTANDING VLADIMIR PUTIN

Ben Fishman

WHILE HE SHARES THE KREMLIN'S TRADITIONAL PREFERENCE FOR CENTRALIZING POWER, PUTIN'S APPROACH DIFFERS FROM THAT OF HIS PREDECESSORS.

BY DALE HERSPRING

Russian President Vladimir Putin had two overarching goals when he succeeded Boris Yeltsin in 2000, goals he has continued to pursue for seven years. First and foremost, he wants to rebuild the Russian state. By destroying communism, Yeltsin had allowed democracy to flourish as never before in Russian history, but at a price Putin deemed unacceptable: Moscow's authority over much of the country had been seriously undermined.

Regional governments regularly ignored the Kremlin's wishes, passing laws that contradicted the Russian Constitution. For example, the charter for the oblast of Sverdlovsk provided for both a governor and a head of government, but federal law provides that governors head the executive branch. In Voronezh, the procuracy found that regional officials were being paid salaries higher than federal rules allowed. And the Constitutional Court ruled in 2000 that references to "sovereignty" in local charters or constitutions were unconstitutional.

Putin's top-down approach to governance appears authoritarian, but he does not appear to be trying to reintroduce a Soviet regime.

Lacking direction from the top, the nation seemed to be running on automatic pilot.

Putin has a parallel goal on the external front: to reestablish the Russian state as a major player on the international scene, one that would balance the United States and Europe. Shortly after taking office, the new president traveled around the world, visiting such former Soviet client-states as Cuba, China and North Korea. His message to the West was clear: I may not be as strong as you, but I can be a nuisance if you ignore me.

A Bureaucrat Par Excellence

Yet, while he shares the Kremlin's traditional preference for centralizing power, Putin's approach to achieving both these goals is different from that of his predecessors in several important respects.

The first, which should come as no surprise given Putin's previous career in the KGB, is his devotion to the state. To Putin, Russia is just a larger form of the bureaucracy in which he once served. As a KGB officer, he was part of an organization in which meritocracy, discipline and order were paramount. If he was given an order, he was expected to carry it out, and for many years he did just that.

Indeed, this is key to his somewhat ambivalent attitude toward democracy. While Putin's top-down approach to governance appears authoritarian, it is important to keep in mind that he does not appear to be trying to reimpose a Soviet or Stalinist regime on Russia. That danger always exists, of course, but to date he has shown no interest in enforcing strict conformity throughout the system. Rather, as is normal in a bureaucracy, Putin believes the leader should be able to set the organization's parameters, and those who work in it should operate within them.

Last year, for example, the Kremlin enacted a rather stringent set of regulations that nongovernmental organizations must meet in order to operate in Russia. Moscow claims that the rules are only intended to rationalize the operation of these organizations, but it could still be an ominous sign. The concern on the part of many Russians I have dealt with is that whatever Putin has in mind, local authorities will interpret the new regulations in a way that seriously restricts the autonomy and ability of NGOs — especially those that focus on human rights — to operate in the country.

That said, if Putin were convinced that the introduction of greater forms of what we in the West understand as democracy would help him deal with Russia's problems, then I believe he would probably move in that direction, even though it runs counter to his understanding of the Russian mind-set.

This philosophy helps explain Putin's approach to the mass media, as well. His administration has set narrow parameters for what can be criticized and much broader criteria for what is off-limits to criticism (e.g., direct attacks on the president), and believes it is up to the media to abide by those restrictions to stave off chaos. To enforce this approach, the Kremlin has restricted the ability of the media — both TV and newspapers — to

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operate. Television and print journalists have been co-opted, while those who openly oppose the regime have come under considerable pressure to avoid criticizing the Kremlin.

His bureaucratic mind-set also helps explain his approach to issues such as legal reform, the military and even Chechnya. Once he has come up with a structural paradigm for meeting such challenges, he then expects the rest of the system to fall into line. Indeed, for him the answer to many questions comes in the form of structural modifications. In the aftermath of the horrific September 2004 terrorist attack on a school in Beslan, he cited security failures on the part of local officials to push through national legislation giving him the authority to appoint provincial governors, instead of their standing for election.

The Kremlin's message to the West is clear: I may not be as strong as you, but I can be a nuisance if you ignore me.

The situation with the judiciary is similar. Putin has introduced a number of reforms that encourage the use of the legal system to resolve disputes. The difficulty is that when legal issues involve important matters of state, they are manipulated to ensure that the Kremlin gets its way.

The same strategy characterizes Putin's tightening control over both of Russia's key legislative organs — the Duma (Parliament) and the Federation Council, which was set up to represent the regions (somewhat similar in theory to the U.S. Senate). It did not take Putin long to maneuver himself into effective control of the Duma, first by marginalizing those who opposed him, such as the communists, and then by establishing a new political grouping, the Unity Party. Its members sometimes criticize the Kremlin publicly, but when it comes to votes on critical issues, Putin nearly always gets what he wants.

As he did with governors, Putin substantially increased Moscow's leverage in determining which local officials serve on the Federation Council. Through such measures he quickly undermined the independence of the legislative branch and weakened local government organs.

Another step Putin has taken has been to create what Emory University political scientist Tom Remington calls "parallel parliaments": organizations such as the State Council, the Public Chamber and the Council for the Realization of Priority National Projects. While these organizations, made up of individuals from different walks of life, advise the president on matters of public policy, and he even meets with them on occasion, they cannot compel him to do anything.

The Importance of Culture

A second and equally important factor influencing Putin's thinking is Russian political culture. While he has not used the term, he has made use of the concept. For example, when asked if Russia planned to imitate the Chinese model (i.e., economic liberalization with minimal political freedom), he categorically ruled that out. When asked why, he responded, "Because we have a different culture. After all, Russia is a country of European culture."

On another occasion Putin commented, "Russia is a country that, by the will of its people, chose democracy for itself. It set out on this course itself and, observing all generally accepted political norms, will decide for itself how to ensure that the principles of freedom and democracy are implemented, taking into account its historical, geographical and other characteristics."

To paraphrase Stalin's remark regarding the introduction of communism in Poland, Putin believes Western democracy would fit the Russian people like a saddle fits a cow. He openly expressed his doubts about the applicability of the Western experience in Russia in his Millennium Speech of January 2000:

"It will not happen soon, if it ever happens at all, that Russia will become the second edition of, say, the U.S. or Britain, in which liberal values have deep historical traditions. Our state and its institutions have always played an exceptionally important role in the life of the country and its people. For Russians, a strong state is not an anomaly that should be gotten rid of. Quite the contrary, they see it as a source and guarantor of order and the initiator and main driving force of any change."

In essence, that describes exactly what Putin has been doing since he took office: strengthening state authority while permitting freedom — but only to the extent that it does not get in the way of the efficient functioning of the country's bureaucratic structures. And he may well

be right that this is what the average Russian wants: A public poll conducted in November 2006 found Putin's approval rating was 81 percent. Indeed, his approval rating for most of the past seven years has hovered around 70 to 80 percent. Very few politicians anywhere in the world can claim so high a level of public support.

Putin the Pragmatist

This brings me to the third factor that plays a major role in Putin's decisionmaking approach: his nonideological attitude. To quote his Millennium Speech again: "I am against the restoration of an official state ideology in Russia in any form." Instead, the key question for Putin is "Does it work?" If the answer is yes, then do it that way. And if Plan A doesn't work, then try Plan B; everything is on the table.

Frankly, this, too, should not come as a surprise. When it came to problem-solving, the KGB was one of the least ideological organizations in the Soviet Union. The task was always to get the job done, to solve the problem at hand. Based on his conversations with KGB agents over the years, this writer has formed the impression that, while they believed they were the "sword and shield" of the state, they saw their primary task as solving the problems given to them by the "center."

Similarly, for all his carping at U.S. foreign policy, it should not be forgotten that Putin was also the first foreign leader to call George Bush following the 9/11 attacks to express his sympathy for the American public. And when the Russian military dragged its feet on providing the Americans with intelligence information on Afghanistan, he went to the Defense Ministry on Sept. 24, 2001 — just prior to his first visit to President Bush's Crawford ranch — to press them to be more forthcoming. It is therefore no accident that Putin was invited back to Crawford several more times, though it is questionable whether he will receive another invitation given his harsher criticism of the U.S. recently.

The fourth characteristic of Putin's approach to political and economic problems is that he is not a long-range, conceptual planner. His focus tends to be on immediate issues, just as it was when he was in the KGB. This helps explain why he never came up with a carefully thought-out, long-range plan for solving the country's chronic economic problems. Instead, his focus has been on specific issues such as raising the price of oil, getting rid of obnoxious oligarchs, or forcing generals to go along with his ideas about military reform.

Yet such steps have contributed to Russia's increasingly important role in the world. The country no longer owes any external debt. And with the price of gas going through the roof, Putin has used Russia's newfound economic strength to assert himself vis-a-vis Europe, which badly needs Russia's oil. He also raised the price Moscow charges Ukraine, Belarus and other former allies, conveying a simple message: "If you want to go your own way, have a good time. But don't expect us to subsidize your economy."

The same capitalist zeal characterizes his policy toward Iran, where Moscow has major economic investments worth billions of dollars. Though very hesitant to jeopardize those stakes, Putin eventually agreed to weak sanctions against Tehran for allegedly pursuing a nuclear weapons capability. But he did so only after speaking personally with Bush to make it clear that Moscow would never approve military action against Iran.

Authoritarianism Without Repression?

So what should we call Putin's form of governance? No label, especially one taken from another political system, would fit the Russian system exactly. No two cultures are exactly the same, and culture usually gives rise to the form of governance in a country. Thus, to be effective, a system of governance must fit the political beliefs and attitudes of the people.

However, the factors I have been discussing — Putin's preference for reliance on the state, his nonideological approach, his pragmatic attitude, his belief in the importance of Russian political culture, and his cautious, incremental approach to problem-solving — all suggest that the term "authoritarianism without repression" may fit his style best.

As Putin sees things, he was unexpectedly given the task of trying to bring Russia out of the mess he found it in when he came to power in 2000. He shouldered that responsibility and is trying to solve Russia's many problems as he "manages" the country. He fears that if he does not impose order through the power of the state, Russia will collapse into anarchy during the current "time of troubles." He may be wrong about that, but he sees no alternative.

This is why he was prepared to jail billionaire Mikhail Khodorkovsky. Putin made it clear early on that he would not permit those who had gained tremendous

wealth (the so-called "oligarchs") during Yeltsin's privatization program, to use that wealth for political purposes. The majority of them thus far have been left alone; however, Khodorkovsky refused to play by Putin's rules and, as a result, now sits in a Russian jail.

Whatever outsiders may think, it is clear that Putin enjoys the support of the overwhelming majority of the Russian people for what he presents as a rational approach for dealing with the country's multifaceted problems. Seen from his perspective, he has been successful; domestically, Russia is more stable than it was when he came to power. Internationally, Putin believes Russia is no longer a "beggar" state and deserves to have the rest of the world, including the United States, take it seriously.

It should not be forgotten that Putin was the first foreign leader to express condolences following the 9/11 attacks.

Speaking at an international conference in Munich on Feb. 11, he made headlines by declaring that Washington has "overstepped its national borders in every way ... in the economic, political and cultural policies it imposes on other nations." He also expressed nostalgia for the Cold War at the same forum: "We are indebted to the balance of power between these two superpowers. This was certainly a fragile peace and a frightening one. But it was reliable enough. Today it seems that the peace is not so reliable." The speech was a direct attack on the United States for the "unilateral" role it is playing in the world.

Putin has also shown he is prepared to use whatever leverage Russia has against former Soviet states such as Georgia and Azerbaijan. He and his defense minister have repeatedly attacked Washington for its advocacy of

NATO expansion. The bottom line is that Putin is not prepared to have his country play second fiddle to anyone.

The Price of Stability

I do not anticipate any significant changes in Moscow's current policies, domestic or diplomatic, during the remainder of Putin's time in office. But what is the outlook for Russian society after his departure from the presidency next year? Certainly Putin has tightened the screws on the political system since he took office, putting any march toward a Western-style democracy on hold. In its place, there is stability — but for how long?

"Russia is today a kind of plebiscite democracy, where one-man rule is preserved through democratic institutions," analyst Vitaly Tretyakov observes. "But as long as there is stability, people will be primed to trust this man, and only this man." The fact is that Russians appear to have a more optimistic view of their future than they did seven years ago. And to a large degree, Putin's presidency is the reason. "There is a totally different mood in the country from what we had seven years ago," says the scholar Vyacheslav Nikonov. "Everyone was sunk in depression after all the disasters and humiliations of the 1990s. Today there is optimism. The country is moving ahead, and we have things to be proud of again."

To paraphrase Stalin, Putin believes Western democracy would fit the Russian people like a saddle fits a cow.

It is worth noting, however, that Putin is betting on the high price of Russia's oil exports and the prosperity they bring as the basis for a stable political system. If the economy should collapse, or if another catastrophe should hit Russia, the progress that Nikonov cites could turn into stagnation, with all the political unknowns that such a situation could trigger. ■

PREPARING FOR THE POST-PUTIN ERA

Ben Fishman

WHERE IS RUSSIA HEADED? HERE IS A LOOK AT THE FUNDAMENTAL CHALLENGES BEFORE THE COUNTRY AND THE RUSSIAN ELITE'S CAPACITY TO COPE WITH THEM.

BY LILIA SHEVTSOVA

The Vladimir Putin era is nearing the end of the line. The next presidential election is due in March 2008, and the Russian political class is now preparing to jump aboard a new train. Before the election frenzy begins, we ought to reflect on the state of Russia today and where the country is headed.

The current debate — between the "pessimists," some of whom claim that Vladimir Putin has betrayed Boris Yeltsin's liberal reforms while others try to argue that Russians are incapable of living in a democratic system, and the "optimists,"

who praise the current regime, believing that authoritarianism is Russia's only path to modernization — misses the point. Argument over whether Putin is a Jekyll or a Hyde, or whether the Yeltsin years were good and the Putin years bad, or vice versa, fails to address either the fundamental challenges Russia faces or the capacity of the Russian elite to cope with them. But now these issues are perhaps clearer than ever.

In the following, we examine the framework of the Russian political system, looking at its stability, what it can deliver in terms of domestic and foreign policy, and the prospects for future transformation. In particular, we seek insight into two major questions of relevance today: What will happen when the factors currently holding Russia together stop working? And, how far off is this moment of truth?

Personified Power

Those who argue that Putin made a sharp break with the Yeltsin era have a hard time proving it. To be sure, he has torn down some elements of his predecessor's rule. But by doing so, he bolstered the principle of personified power, a principle that Yeltsin established. Thus, Putin showed himself truly to be Yeltsin's successor: both leaders contributed to maintaining a system that survives by succeeding one set of arbitrary rules with another, each accompanied with a new rhetoric substituting for a nonexistent ideology, and each tied to the leader himself. By contrast with a system based on the rule of law, this system is uniquely limited and vulnerable.

Under Putin, personified power has assumed the form of a bureaucratic-authoritarian regime. The concentration of power in the hands of a president has led many to conclude that the current regime is autocratic. But appearances are deceptive: in fact, the Russian president is increasingly dependent on his base, which is comprised of the "apparatchiki," the so-called power structures (the military, law enforcement and security services), big business and liberal technocrats.

These disparate groups have congealed into a *bureaucratic corporation*, which tries not only to make the president its hostage but also presents its own interests as those of the Russian state. Contrary to one popular assumption, its membership is not mainly made up of "siloviki" (former officials of the intelligence and military agencies), who have failed to demonstrate the ability to govern, but rather the apparatchiki (federal and local) who have restored control over the state they lost in the 1990s. Ironically, liberal technocrats constitute a critical element of the corporation, injecting a spirit of dynamism and at the same time discrediting liberalism.

In preparation for the approaching election cycle, the Russian political elite has devoted all of its resources to maintaining the status quo. It may succeed in this, as long as it manages to prevent a schism from developing within its ranks. Bickering inside the Kremlin, however, has already begun in earnest. Putin's successor will most likely have to follow in his footsteps, consolidating the new rule by denouncing his predecessor and forcing today's Kremlin team into early retirement.

There is no reason to assume that Putin intends to remain in the Kremlin beyond the end of his second term (to do so would require a change in the Russian Constitution). Putin surely understands that were he to stay on, he would become a puppet of the new administration: the leader who dismantles the constitution undermines the legitimacy of his presidency and thereby destabilizes the political system, based as it is on personal leadership. Still, it is unclear whether he will manage to guarantee a smooth succession.

Bureaucracy's Victories over the Market

The economic foundation of the current Russian system is bureaucratic capitalism, which has replaced Yeltsin's oligarchic capitalism. Having gained a sense of self-confidence, the bureaucracy no longer requires intermediaries to run the economy. This does not necessarily imply nationalization or redemption of property, as happened with the oil companies Yuganskneftegaz and Sibneft. The bureaucratic corporation has devised other ways to control assets, particularly by installing its representatives on the boards of private companies. The ruling elite will undoubtedly tighten its grip on the economy, although some private companies under Kremlin control

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— the telecommunications sector, for example — will be preserved. In the process of redistributing assets, however, the regime has jeopardized its continuity. By undermining property rights, it has left itself with no guarantee that the new ruling team will not start the cycle over again, with a fresh round of privatization creating a new oligarchy that will also be temporary.

The limits of Russian bureaucratic capitalism are now becoming clear, too. Despite nominal continuing economic growth at a rate of about 6.8 percent per year, the Russian economy is losing steam due to the fact that reforms are stalled, attempts to diversify have failed and growth is based more on consumption than investment. Under the circumstances, the government is increasingly torn by internal rivalries, a search for scapegoats and vain attempts to project self-confidence. While it makes a show of being mighty and powerful, the Russian state has proved too weak to keep its commitments to business and society, and too feeble to maintain order based on the rule of law. Meanwhile, arbitrary, interventionist behavior is scaring off potential investors. Foreign investment is still coming in, to be sure; but Russian cash is fleeing in the form of the drive by the country's mega-companies to acquire assets in the West, now politely called "export of capital."

A significant portion of the Russian elite is trying to have it both ways: integration with the West for themselves and their families, but not for the rest of society.

Until recently the elite considered over-reliance on natural resource exports to be a weakness, recognizing that this strategy testifies to the government's failure to develop a diversified, competitive, high-tech economy.

But today the Kremlin is attempting to turn this liability into a strength by transforming Russia into an "energy superpower." Natural resources account for 80 percent of total exports, and energy accounts for 60 percent of resource exports. More than 50 percent of investment flows into the natural resources sector.

Other characteristics of what could be called a petro-state are also becoming increasingly pronounced: the fusion of business and power; the emergence of a rentier class that lives on revenue from the sale of natural resources; endemic corruption; the dominion of large monopolies; the vulnerability of the economy to external shocks; the threat of "Dutch disease," where high oil prices drive up the value of the ruble, putting a premium on imports and undercutting manufacturing exports to the detriment of domestic industry; and a large gap between rich and poor.

Russia differs from other petro-states in one respect, however: the more it becomes a natural resources appendage for the rest of the world, the more its elite soothes its inferiority complex by promoting Russia's ambitions to be a global player. A new phenomenon, the "nuclear petro-state" with superpower ambitions, may yet surprise the world.

Russia in the Global Arena

After 15 years of retreat in its foreign policy, Russia is regaining confidence. This confidence stems not only from high oil prices and the Kremlin's attempt to overcome the humiliation of the 1990s, but also from purely external factors: the confusion surrounding European integration, America's difficulties in Iraq and world resentment of U.S. hegemony. However, the most powerful factor explaining Russia's new assertiveness is necessity. The Russian system can't consolidate itself without a global presence. Maintaining Russia's superpower ambitions and its domination of the former Soviet space is crucial to the perpetuation of its political system.

During Putin's first term, the Kremlin developed a multivector approach to foreign policy, which amounted to simultaneously moving west and east while refusing to make a final commitment to either direction. A substitute for the old geopolitical agenda, this approach was essential for Russia's survival in light of its diminished power and failure to integrate with the West. But today the Kremlin has abandoned ambiguity. For the first time since perestroika, Moscow has publicly declared through its foreign affairs minister, Sergei Lavrov, that Russia cannot take sides in global conflicts, but must act as a mediator — a la Moscow's attempts to intervene in the ongoing disputes between the West and Iran or Hamas. In short, Russia is not going to join the West. Regardless of how it might be spun, Russia's relationship with the West is now one of "partner-opponent" — cooperation in certain areas and obstruction in others, all on the Kremlin's own terms.

Ukraine's Orange Revolution proved to be a watershed in the evolution of Russia's post-Soviet identity and foreign policy by provoking the Kremlin's desire to recover lost ground. The Russian elite now seeks to persuade the West to endorse a new "Yalta Agreement," in which the West would recognize the former Soviet space as Russia's area of influence, and accept its role as energy superpower. As for the latter, Putin has offered the world a two-part energy security proposal: First, Russia would give foreign investors access to its major deposits in exchange for allowing Russian companies access to foreign pipelines and retail networks. Second, the West would legitimize the fusion of state power and business in Russia by letting state companies like Gazprom act as transnational majors.

The West is not enthusiastic about Putin's bargain, but appears to be at a loss as to how to build relations with Moscow. Meanwhile, the new Russian assertiveness has already triggered two energy conflicts — with Ukraine and Belarus — sending shock waves around Europe.

Elaborating the new foreign policy doctrine, Foreign Minister Lavrov has offered the idea of the "geopolitical triangle," with the U.S., Europe and Russia as the corners; Lavrov also called for abandoning the old alliances in favor of "network diplomacy." Along the same lines, President Putin, in his Feb. 11 speech at the Munich Conference on Security Policy, put Russia forward as a pole of opposition to the U.S., yet simultaneously hinted at his desire to remain a partner of the West.

How far is Moscow ready to go to pursue this new, controversial agenda? Is it ready for confrontation with the West? A significant portion of the Russian elite is trying to have it both ways: integration with the West for themselves and their families, but not for the rest of society. These representatives of the ruling class, such as the oligarch and governor Roman Abramovich, live in the West with their families, hold accounts in Western banks and even manage their Russian assets and perform their jobs from abroad. Yet, when back in Russia, they make a big

show of nationalism. The Russian elite can only maintain their privileged status in a society that is hostile to the West — but not too hostile, lest their personal fortunes in the Western banks be threatened. That means that a major portion of the elite is not ready for serious conflict with the West over any of the above-mentioned goals. At the same time, however, another subset of the elite, who lack such personal connections with the West, may be prepared for — may even long for — a conflict they could use to oust the moderates from the Kremlin.

It would be wrong to assume that cooperation in areas of common interest to Russia and the West will diminish the tension in the relationship. Indeed, just the opposite is occurring, as demonstrated by the growing differences on terrorism, nonproliferation and energy security. This new situation creates tough challenges for pragmatists on both sides, who understand the consequences of Russia and the West drifting too far apart. Moscow's tougher line, designed to secure greater leverage in the international arena, and especially in the energy field, could set in motion a process over which both it and the West lose control.

An Uneasy Balance

Situational factors help explain the current stolidity of Russian society. High oil prices are keeping the economy stable. In addition, the Russian people are still recovering from the turmoil of the Yeltsin years, so they remain disenchanted with the political opposition. Political strategists have managed to fill the vacuum left by the opposition with virtual political forces that leave little room for genuine social movements. The current regime attempts to incorporate all of the popular ideas that come along by co-opting them from the opposition.

However, Russia's present stability is slowly being undermined by conflicts embedded in the system. Among these are the inherent conflicts between personified power and the democratic source of its legitimacy, and between the regime's attempt to preserve the status quo even as it redistributes the country's wealth.

Moreover, the situational factors providing stability today could have the opposite effect tomorrow. Those who rest their hopes on oil to stabilize Russia in the long term forget that the collapse of the Soviet Union began with a steep decline in the price of oil in 1986.

Russian society supports President Putin, but this does not mean that people are happy with his policies. Recent polls show that among Russians, 72 percent say they approve of the president's actions, yet only 19 percent consider him a successful leader. Seventy-five percent say order is Russia's most important priority, while just 13 percent opt for democracy above all — but only 15 percent say that human rights should be sacrificed to the state's interests. Such survey results suggest that Russians do not totally reject Western values.

The temptation to demand free and fair elections in Russia in 2007 and 2008 could prove to be a trap.

Like any society that has not yet learned to live in freedom, Russian society is subject to manipulation. But it is worth noting that Russians have never elected a nationalist or communist president; rather, they have elected pro-Western leaders who declared their intention to modernize the country — Yeltsin and Putin. Russia's ruling elite, by contrast, continues to live in the past. The possibility that a crisis will prompt the elite to turn completely to nationalism and xenophobia, and that a part of society will follow, cannot be excluded. In fact, the growing nationalistic sentiment in Russia is already alarming, and there are signs that the authorities cannot control it: the growing numbers of attacks and murders perpetrated by the Russian skinheads and pogroms such as the recent ethnic clash in the city of Kondopoga in Karelia, are exemplary. If Russia moves further in this direction, it will do so because the elite has failed to offer society a constructive alternative to the old trick of unifying the country by creating an external enemy.

The law of unintended consequences also applies here. The harder the regime tries to create a loyal "civil society," the more likely it is to push the disenchanted and disenfranchised members of society into the streets in protest. The regime's efforts to marginalize the opposition will only increase its unpredictability and hostility to the system as a whole. That is just as true of Russia's attempt to flex its muscles in the former Soviet space: pressuring Ukraine during the "gas conflict" stoked anti-Russian sentiment there, undermined Moscow's reputation as a responsible partner and encouraged Europe to look for alternative sources of energy.

No one can predict how long stability can be maintained in such a closed system. At present Russia's equilibrium seems secure, but all bets are off if the price of oil falls dramatically, or if the president's approval ratings take a nose dive. This is not likely to occur to the Teflon-like Putin, but could easily happen to his successor. In the absence of high ratings for the leader who serves as the substitute for a political system, one hardly can hope for stability to endure.

Is There a Path to Modernization for Russia?

War and the militarization of everyday life were the engines of Russia's two periods of modernization under Peter the Great and Josef Stalin. By bringing the standoff between the Soviet Union and the West to an end, Mikhail Gorbachev shut these engines down. Failing to find a new impulse to spur reform, the Russian elite has fallen back on the spirit of militarism. The regime now attempts to revive a fortress mentality and cynically creates new myths — among them the belief that the nation can modernize by distancing itself from the West, even as it relies on the West's economic and technological resources. On occasion, the Russian elite even borrows language used by the Bush administration to justify its emphasis on military might and its role as "the only sovereign" in Eurasia.

But if Russia is not moving forward, it is not quite slipping back into the "premodernity" of the Soviet or pre-Soviet era either. Not having the resources (or even the political will) to fully resurrect the old traditions, the political class is attempting something new in Russian history. It is stitching together a hybrid, combining elements of traditionalism with elements of modernism — a process that fortunately weakens the former but at the same time, unfortunately, undermines the latter. In the end, Russia's bureaucratic-authoritarian system can create the *illusion* of development — and many people are prepared to believe in illusions — but nothing more.

Meanwhile, Putin will bequeath his successor a difficult legacy, which includes suspended reforms in the areas of military, banking, pension, health care, local self-government and economic deregulation; a non-diversified economy; and an addiction to the oil and gas. Finally, he leaves a centralized state that has become the key impediment to further Russian transformation, a state that needs a hostile environment and a constant search for the enemy in order to survive. There is no doubt that if this system remains in place, Russia will face a crisis that could result in a far more brutal regime or dramatically accelerate the slow process of rot now setting in. Will the elite consider reforming the system before it is too late?

This would require political will and a transformational leadership, neither of which seems likely at present. Those in power are unlikely to dispel the illusion that all is well as long as the price of oil remains high. In fact, the political class is unlikely to begin looking for a way out until the oil actually starts to dry up. It is the business community that will no doubt be the first to realize that the current model leads to a dead end — but only if societal discontent threatens to spin out of control.

Advice for the West: Do No Harm

Under current conditions, the West cannot do much to aid Russia's continuing transformation; but it can exert a limited influence on the members of the elite interested in personal integration with the West.

• *Practice what you preach.* The success of a liberal alternative in Russia depends on the extent to which the West is prepared to reject double standards, abide by its own principles, and find the balance between freedom and justice.

• *Pay attention.* If the West wants to avoid being surprised by every twist and turn of events in Russia, it will have to invest in preparing a new generation of analysts who can understand the complexities of the postcommunist reality.

• *Consolidate the stakeholders.* There has long been a need to move from a state-to-state dialogue to society-to-society dialogue, as well as the need to include in the conversation the parties on both sides who have a stake in Russia's integration into Western civilization.

• *Integrate Russia.* The West must avoid isolating Russia at all costs, despite the inherent difficulty in engaging Moscow without legitimizing bureaucratic authoritarianism. This task will require a great deal of diplomatic finesse and political will. And while Western politicians are figuring out how to proceed, the Kremlin will no doubt attempt to further co-opt its representatives, as it has done in the case of former German Chancellor Gerhard Schroeder.

• *Don't let Russian leaders portray personal friendship as tacit approval.* Western leaders have ample opportunities to remind their counterparts about the standards Russia committed to uphold when it joined various international organizations, and to do so privately without humiliating the Kremlin.

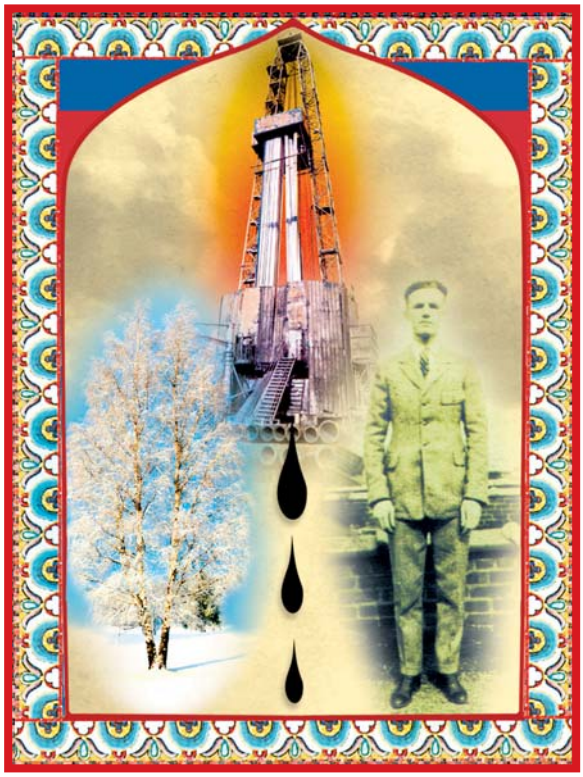
• *Make Ukraine a success story.* The integration of Ukraine (and, if possible, Belarus) into Europe would draw the ire of the Russian elite, but in the end such a success would help Russians discard the belief that they are genetically unsuited to democracy.

The time is coming when Russian authorities will pay even less heed to Western counsel. Once the self-perpetuation of power has begun, no one in the Kremlin will be terribly concerned about how this process is regarded outside of Russia. The West will also have a difficult time finding the right approach to dealing with Russia during this period. Continued appeasement of the Kremlin would only strengthen bureaucratic authoritarianism, but a hard line would most likely contribute to the rise of anti-Western feelings among the Russian people.

The temptation to demand free and fair elections in Russia in 2007 and 2008 could prove to be another trap. Western leaders must take into account the fact that the Russian leadership has perfected the art of "managing" elections. No amount of Western monitoring will alter the result. It is also worth considering that, in the absence of a powerful liberal-democratic opposition, truly free elections in Russia could bring a new group of nationalist, populist leaders to power.

If the West can avoid these pitfalls, it could make a genuine contribution to Russia's benevolent transformation by working to convince the elite that it should be interested in establishing the rule of law for the sake of its own survival. True, it is far more likely that Moscow will have to reach the end of its rope before it can accept the need to rethink its course. The only real question that remains, then, is what price Russia and the world will have to pay for this epiphany. ■

AN IMPOSSIBLE TRINITY?: RESOURCES, SPACE AND PEOPLE



Ben Fishman

RUSSIA'S FUTURE DEPENDS ON HOW IT MANAGES ITS RESOURCES, ITS SPACE AND ITS PEOPLE.

BY CLIFFORD G. GADDY

The suddenness with which Russia has re-emerged as a global political and economic power has stunned observers. This time, its power rests not on tanks and nuclear missiles but on oil and gas. Russia has become a critical supplier of energy to a world whose demand is growing rapidly. At the same time, thanks to soaring prices for these commodities, both the Russian state and its big corporations have turned into financial powerhouses. Is Russia's newfound power only temporary, or will it last?

High world oil prices are likely to continue to bolster Russia's wealth, strength and confidence in the short to medium term, but there are questions about the longer term. Russia has yet to adequately address fundamental problems left behind by decades of Soviet mismanagement of its economy. Some of these problems directly affect the future of Russia's energy wealth. The oil and gas of the future lie in the vast, cold expanses of the eastern part of the country. In the earlier phase of energy wealth — the 1970s and early 1980s — Soviet economic planners committed great mistakes by misdeveloping and overpopulating Siberia. To avoid repeating the same mistakes, Russian policymakers today need a comprehensive view to tackle the dual challenges of resource management and Siberian development. The issue is all the more important because today Russia faces a shortage of one asset that it has in the past possessed in abundance — human beings.

The increase in wealth flowing into Russia from oil and gas is staggering.

It is therefore worth examining Russia's future in terms of how it deals with the challenge of managing its resources, its space and its people.

Resource Plenty

The benefits of abundant oil and gas reserves are easy to see. These resources turned Russia from a virtually bankrupt country after its 1998 financial crisis into one with real financial leverage today. The increase in wealth flowing into Russia from oil and gas is staggering. Consider the income from one component alone — crude oil exports. Revenues from foreign sales of crude in the four quarters prior to now-President Vladimir Putin's appointment as prime minister in August 1999 were $14 billion. For the most recent four quarters, the corresponding number is over $150 billion. (By comparison, in 1999 Russia's total GDP in dollar terms was only $200 billion.)

The growth in the total market value of Russia's oil and gas is even more impressive. Figure 1 (p. 34) shows the value of these commodities produced on the territory of the present-day Russian Federation from 1970 to the present.

It is important to distinguish between the physical quantities of oil and gas Russia produces and exports, and the wealth generated from them. The wealth is due mainly to the increase in world prices: in the case of oil, from under $10 a barrel to over $60. The price increase overshadows the levels of physical production. The output of oil grew strongly from 1999 through 2003; but since then, as shown in Figure 2 (p. 34), growth rates have dropped sharply.

Russia is not likely to resume strong output growth. It is estimated that the country invests only half as much in its oil and gas sectors as would be needed to sustain expansion of production over the longer term. For consumers throughout the world, the trend is disturbing. The price of oil that we all pay is determined by global supply and demand. Over the past few years, Russia's increased production has been the most important addition to the world pool of oil. (In fact, it almost exactly matched the increase in demand from China, the fastest-growing consumer country.) Without Russia, world oil prices would have been even higher.

A fundamental question is whether the country is able, and whether it wants, to keep producing more. There are voices inside Russia that now argue explicitly that the country should *not* continue to expand production of oil. It is better to keep this precious resource in the ground, they say, as it will only become more valuable as time passes.

But even if Russia does attempt to expand production, it will face challenges of a qualitatively new dimension. The increased oil pumped between 1999 and 2006 has been largely so-called "old oil" — that is, oil that had been left in the ground in mature fields. These are fields mainly in Western Siberia where infrastructure was already in place. The oil itself was there for a combination of reasons. In the 1980s, desperate to pump as much oil as possible as quickly as possible, the Soviet oil industry followed a strict "skim the cream" approach. Taking only the easy oil, they left all the rest in the

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ground. At the same time, they employed such destructive practices in their haste that the wells were considered ruined. Industry insiders questioned whether the remaining oil could ever be lifted. Meanwhile, during the chaos of the post-Soviet Russian economy of the early 1990s, there was no effort to return to those wells to recover the bypassed oil. Output on the territory of the Russian Federation plummeted from a Soviet-era peak of 562 million tons per year (11.2 million barrels per day) to barely 300 million tons a year (6 mbd) in 1999.

Spatial misallocation is an often-underappreciated feature of the Soviet system.

At the end of the decade, however, two circumstances changed the situation dramatically. First, the steady rise in world oil prices made even hard-to-lift oil more attractive. Second, substantial parts of the oil industry had been put in the hands of new, private owners — the so-called oligarchs — whose more entrepreneurial outlook allowed them to re-examine the status of the old oil. New technology, it turned out, was available internationally that made it possible to lift oil from the "ruined" wells. Output rose year after year, reaching 480 million tons (9.6 mbd) in 2006. But with the good news came bad. With most of the bypassed oil now recovered, the question is, "where now?" Oil producers in Russia will now have to shift increasingly to new fields and new regions. The new oil, like most of the old, will be in Siberia, but *where* in Siberia? As in its previous oil boom, Russia is faced with critical decisions about Siberian development.

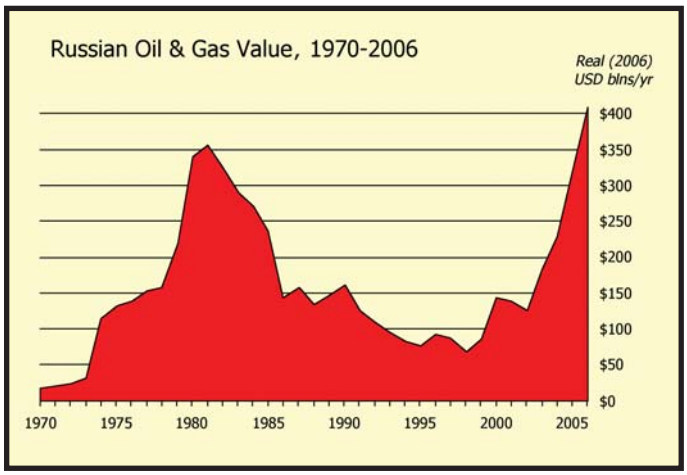

Figure 1

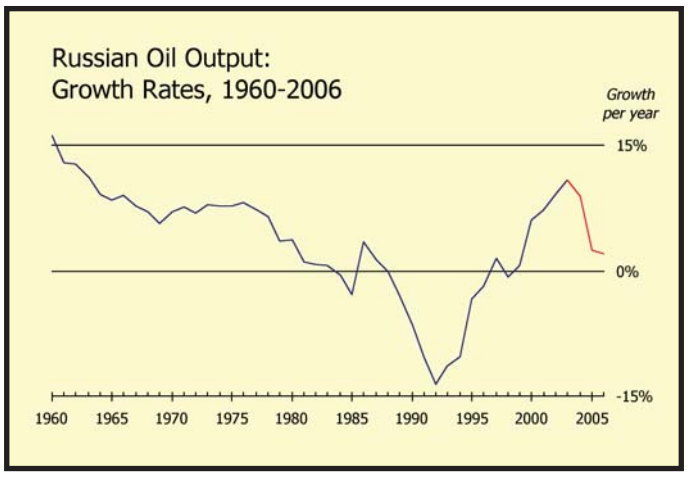

Figure 2

The Challenge of Vast Spaces

Siberia represents a real boon in the form of resource wealth. However, it does have great associated costs — costs that rise at an increasing rate the further east one moves. The first component of the increased costs comes from the climate. Cold temperatures add extra costs to all economic activity. In a normal market economy, these costs are weighed against the benefits. Patterns of population settlement and location of industrial activity evolve accordingly. The Soviet economic system, however, largely ignored the issue of cost. Far too many people and too much manufacturing industry were moved to Siberia. As a result, Russia was made "economically colder" than it needed to be. (My colleague Fiona Hill and I discuss the cost to the Russian economy of the overdevelopment and misdevelopment of the region in *The Siberian Curse*.)

The cold is not the only disadvantage of Siberia. Remoteness, or distance, is also important. Distance is the most basic obstacle to all economic interaction in market economies. Transportation costs are only part of the problem. When potential exchange partners are separated from one another physically, they are less likely to know about each other, to know what goods and services are available or needed. They are less likely to know each other's reputation. They are less likely to share the same social networks. Therefore, the busi-

nesses that produce, buy and sell in Siberia all have to overcome the obstacle of distance.

Spatial misallocation is an often-underappreciated feature of the Soviet system. One way to recognize this is to imagine a counterfactual: suppose that the Bolshevik Revolution had taken place not in Russia but in Japan. Central planning under a "Japanese Stalin" would have done great damage to the economy. But it would not have caused as much spatial misallocation, simply because it would have had much less "room for error." Spatial misallocation may well be the most difficult part of the Soviet legacy to overcome, as decades of mistakes have to be corrected.

Has there been any corrective shift in the post-Soviet period? After the collapse of the command-administrative system of economic management in the early 1990s, free-market forces in Russia began rectifying the mistakes of the Soviet era. People migrated out of the coldest and most remote regions. However, that self-adjustment came to a halt in 1999, a development illustrated in Figure 3 above.

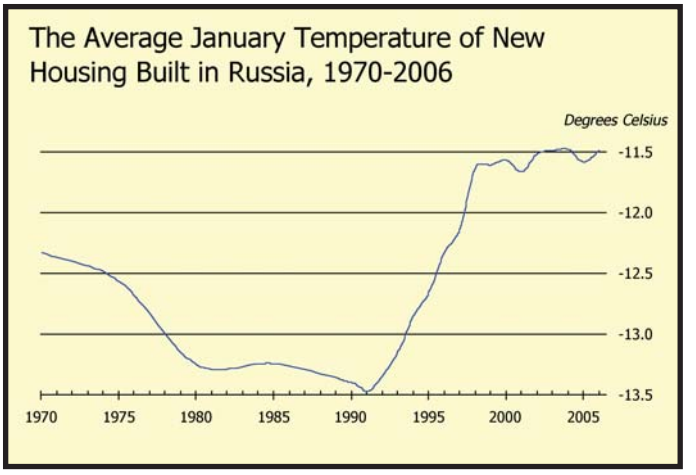

Figure 3

The index plotted on the chart is the average January "temperature per square meter" of new housing. It takes into account both the volume of new housing built

in various regions of Russia and the average January temperature of those regions. (If relatively more housing is built in warmer regions, the index rises, and vice versa.) That index rose by two full degrees Celsius between 1991 and 1999. It has since remained flat, and there are signs that the trend may even be reversing. Plans for Siberian development and repopulation are back on the national agenda. In June 2006 President Putin announced a new migration program designed to attract ethnic Russians from abroad to return to Russia in order to repopulate Siberia and the East.

The shrinking of Russia's population is inevitable. Even radical measures will not be able to prevent it.

What explains the change since 1999? This, of course, is the year Putin came to power (appointed as prime minister in August and then tapped as acting president at year's end). It is tempting to conclude that the renewed emphasis on Siberian development is simply a reflection of Putin's policy preferences. There is, however, a more fundamental factor, one suggested by Figure 1. Misallocation is costly. During the 1990s Russia simply could not afford to keep pumping money into the east. People therefore moved away and less housing was built. This also implies that to the extent that mistakes of the Soviet past were corrected in the 1990s, it may not have been because the old policies were recognized as wrong. It was only because the government could not afford to continue them. Since the 1999 oil boom, Russia again has had the physical and financial resources to misallocate. And of course, the space is still there. This time around, though, the really scarce factor is labor — people.

People

The main parameters of Russia's demographic crisis are well-known. The population is shrinking rapidly. On average, 840,000 more Russians have died than were born each year since 1993. See Figure 4 (p. 38).

There are only three ways to correct this: (1) increase births; (2) decrease deaths; (3) increase net immigration. The Russian government is aware of all three approaches, but has focused its policies on the first and third options. However, the second option is actually the most important for Russia. Why? Because it is most directly concerned with the quality of the country's human capital. The most significant aspect of Russia's death rate is that it is young men who die in such great numbers. Russian males of prime working age — 25 to 55 years old — are dying at rates more than four times higher than American men and seven to 11 times higher than Scandinavian, Dutch and Japanese men in that age range. Russian 26-year-old men die at the same rate as Swedish or Japanese 56-year-old males. Figure 5 (p. 38) shows that the problem is getting worse.

The shrinking of Russia's population is inevitable. Even radical measures will not be able to prevent it. One logical conclusion is that people — the country's human capital — need to be regarded as a very precious asset. Clearly, this would dictate much more attention to the health of the population. (Russia's rampant alcoholism problem is a major reason for the high death rates among men.) Also, human capital needs to be located geographically where it can be most productive. Mobility should be facilitated to the greatest extent possible. But instead of becoming more mobile, Russians have become less so. Each year only one-third or one-fourth as many Russians move to a new city as do Americans or Canadians, and the rate of internal migration has declined by nearly 40 percent since 1992. In an economy that needs much more dynamism, this is not a good sign.

Unfortunately, to the extent that mobility is encouraged in Russia today, it is in the wrong direction. If people are valuable, then moving more people to the east — as the government wants — is particularly wasteful. Instead, the goal ought to be to use as few people as possible to develop the resources of Siberia. The strong new policy statements by Russia's leadership to "repopulate the East" are alarming. Such statements typically include phrases such as: "Less than 5 percent of Russia's population lives in the region, which occupies 36 percent of the country's territory." In fact, if one makes an international comparison, one sees that Siberia and the Russian Far East are not underpopulated. Rather, they are vastly overpopulated.

Compare East Siberia and the Russian Far East with Alaska in terms of their relative shares of population and territory for Russia and the United States. If Alaska had

been populated according to the Soviet model, it would not have 650,000 residents, as it actually has today, but nine million! Conversely, if East Siberia and the Russian Far East had followed the American pattern, they would have barely one million residents combined instead of their current 15 million.

Siberia and its resources need to be developed as efficiently as possible.

Similarly erroneous is the argument that because Russia's East is so thinly populated and China's neighboring regions are densely populated, Russia risks being overrun by the Chinese. All evidence says that the natural tendency is for economic activity to concentrate, not disperse. People are not like a fluid or a gas: they do not flow to fill a vacuum. The Chinese immigrants in Russia — who, in general, are far fewer than some of the alarmist estimates — follow the laws of economics, not physics. They are not attracted to empty spaces in Siberia. They are attracted to cities where they find Russians with whom they can trade.

What to Do?

How then might one formulate a sensible policy for Russia's future development that adequately manages its resources, its space and its people? This is a broad and complex question. But the general principle is clear. Siberia and its resources need to be developed as efficiently as possible; e.g., to produce the greatest amount of oil, gas and other resources with the least possible financial and human costs.

This is not the way things work today. In Russia's current political economy, companies in the resource sectors are expected, even compelled, to keep costs high. High costs mean more orders for local industries and, in turn, more jobs. Even private companies have to play this game because they do not have secure property

rights. Their property rights are conditional on good relations with federal and regional political officials. Companies "invest" in good relations by meeting the informal demands of officials to spend money locally. Not only Russian companies, but foreign companies as well, are expected to follow this model.

Another factor that is going to drive up costs is the attempt to move the focus of oil and gas production away from West Siberia to new regions of East Siberia. West Siberia has huge amounts of oil that have yet to be developed. It is premature to shift investment from there to the east. Owing to the burden of extra cold and distance, costs now and for years to come will be higher in East Siberia than in West Siberia. Then, one needs to factor in the massive expense of building from scratch new infrastructure for production, transport and settlement in the virtually untouched east.

West Siberia has huge amounts of oil that have yet to be developed; it is premature to shift investment from there to the east.

A further advantage of West Siberia is that it is more conducive to a pluralist, competitive — and therefore more cost-efficient — model of resource development. Because the basic infrastructure is already in place, West Siberia can accommodate a greater number of small operators in addition to the big companies. Small operators are suited for risk-taking and innovation. (Significantly, the U.S. has over 20,000 operating companies in its oil industry, and Canada has several thousand. Russia — which produces nearly twice as much crude oil as the U.S. — has only 150.) Development in East Siberia and the Russian Far East, in contrast, would require truly large-scale investments, big operators and heavy state involvement.

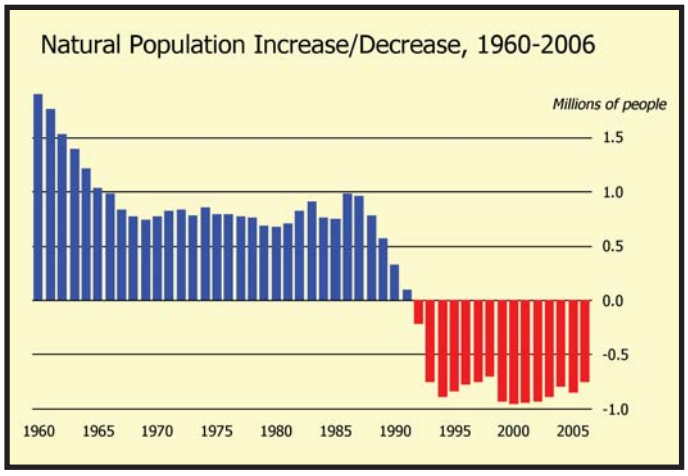

Figure 4

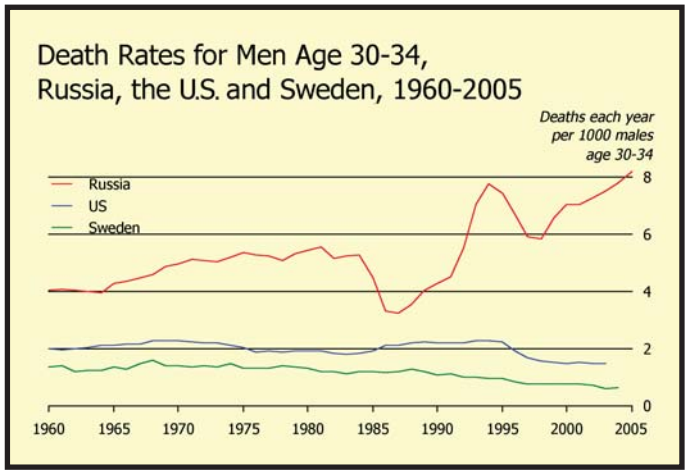

Figure 5

To sum up: the Siberian challenge includes within it the challenges of managing resources and people. Russia needs to achieve efficient, clean and humane development of the resources located on this vast territory. "Efficient" means to determine and implement an optimal current depletion rate and an optimal rate of investment for expanding the resource base for sustainable future growth. "Clean" entails policies that protect the sensitive environment of Siberia and the Far East. "Humane" requires decent treatment of people, Russia's most precious asset. Those who wish to relocate to the west — whether now or later, when they retire — must be encouraged and assisted in doing so. Those — at least those of working age — who choose to remain or those who may move there need to be sure that Siberia is the place where they can be most productive. And, in return for their truly productive contributions, they deserve to be adequately compensated.

The three challenges of space, resources and people interact. They must be addressed at the same time and with recognition of their interdependence. ■

RUSSIA CONFRONTS RADICAL ISLAM

Ben Fishman

COMING TO TERMS WITH ITS MUSLIM MINORITY IS LIKELY TO BECOME A LARGER AND MORE DIFFICULT PROBLEM FOR THE KREMLIN IN THE FUTURE.

BY DMITRY GORENBURG

In August 1998, soldiers from Russia's Ministry of Internal Affairs (known as the MVD) killed a group of six Muslim radicals hiding on the outskirts of Nalchik, the capital of the Russian republic of Kabardino-Balkaria. At the hideout, investigators found plans for the establishment of an Islamic state in the region. Several days after this incident, unknown attackers fired shots at the MVD building in Nalchik. In response, the MVD conducted a regionwide manhunt, including searches of several mosques. As if going out of their way to offend religious Muslims'

sensibilities, the government agents gratuitously spat and swore in the sanctuaries and beat innocent bystanders who had been engaged in prayer. Many Muslims were detained and beaten further while in custody.

The public reaction was exactly as might have been expected. Residents of the North Caucasus republic condemned the government for attacking Islam. In addition, a number of radical Muslim leaders, who had previously espoused peaceful methods and focused on proselytizing, went underground and began establishing connections with Chechen Muslim extremists.

The turn to radicalism and violence took several years to bear fruit, but the results have been tragic. In October 2005, a group of between 100 and 300 fighters simultaneously attacked the Nalchik city airport, several prisons and police stations, and the headquarters of the MVD, the Federal Security Service and the riot police. The fighting lasted most of a day and resulted in (depending on the source) between 40 and 140 deaths among civilians and members of the Russian security services. Both the radical Islamists who claimed responsibility for the assault and the Russian government agreed that approximately two-thirds of the assailants were locals, while the rest came from Chechnya.

This attack, together with the siege by Chechen guerrillas of a school in Beslan in the neighboring republic of North Ossetia the previous year, made clear that the violent conflict in the Caucasus has grown beyond its beginnings in the struggle over Chechen independence: it is rapidly spreading throughout the region, even as the conflict has become predominantly religious in nature. The attack also signaled that, in attempting to deal with Russia's Muslim minority, the government in Moscow faces a challenge likely to become larger and more difficult in the future.

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A Growing Threat

Estimates of the number of Muslims living in Russia vary widely — from 6 million to 20 million, depending on whether one counts only people who consider themselves to be observant believers in Islam, or whether one includes all members of "traditionally Muslim" ethnic groups. By most estimates, self-identified Muslims account for at least 10 percent of the country's total population of about 143 million. Looking at population size, however, underestimates their demographic and political influence. Ethnic Muslims are growing in number even as Russia's total population shrinks. They are also geographically concentrated — in large cities, the Volga region and, most significantly, the North Caucasus, a region that in recent years has been wracked by violence.

Muslims have lived within Russian borders for centuries, and despite persecution they continued to practice their religion under Soviet rule. Nevertheless, the end of restrictions on religious practice that came with the fall of communism in 1991 led to an Islamic revival in Russia. It began gradually, but gathered steam in the late 1990s. The total number of mosques in the country has increased from 300 in 1991 and 4,000 in 2001 to over 8,000 today. Some analysts believe that within 10 years, that number will increase to 15,000.

Complicating the matter are geographic, ethnic and doctrinal divisions that prevent Russian Muslims from presenting a unified front on most issues. First, Muslims indigenous to Russia are distinct from those who migrated to the country from Central Asia and Azerbaijan since the collapse of the Soviet Union. Second, significant differences in practice and belief distinguish Muslims in the North Caucasus from those who live in the Volga region and Siberia. Third, ethnic divisions occur within these broad regional groups. Muslims from Volga and Siberia, for example, include Bashkirs, Volga Tatars and Siberian Tatars. North Caucasian Muslims are even more ethnically diverse, including Chechens, Ingush, Avars, Dargins, Kumyks, Lezgins, Circassians, Karachai and Balkars. Each of these groups has different traditions of Islamic practice.

Finally, and perhaps most importantly, although the vast majority of Russia's Muslims are Sunni, doctrinal differences divide the adherents of traditional Islam (including Sufism) from various types of reform and political movements. The latter range from moderate and mod-

ernizing "Euro-Islam" to the anti-Sufi New Islamic Movement and the radical Salafis who support the establishment of a fundamentalist Islamic state in areas where Muslims live.

The challenge for the Russian government is to work with these different strands of belief and practice to maintain (or in some cases restore) peace and economic development in Russia's Muslim regions. Unfortunately, the policies undertaken by both Moscow and regional governments are only making an already volatile situation worse, especially in the North Caucasus. These governments often use the specter of radical Islam (universally equated with so-called Wahhabism in Russia) as an excuse to pursue centralizing and authoritarian policies.

Furthermore, the authorities have proved themselves unable to distinguish radicals bent on using violent means to overthrow the existing political order from pious Muslims who simply wish to observe the tenets of their faith but have no political agenda. As a result of official abuse and overreaction, many Muslims in the second category become alienated and shift to the first. In this way, government policies have actually increased the number of supporters of radical Islam and the likelihood of religious violence within Russia.

Meanwhile, the authorities have failed to focus on the actual causes of the spread of radical Islam. These are based in the poor economic situation in Muslim regions — especially high rates of unemployment among young men — combined with pervasive corruption and abuse of political power, which have led many to lose faith in their leaders and in the secular society these leaders are seen to represent. Islam seems the only alternative that can combat corruption and abuse by building a righteous society based on faith.

It is in this environment that Russian leaders face the difficult task of coming to terms with the Muslim population. Today, the potential for violence from the radical minority of Russia's Muslims threatens not only the inhabitants of areas that might be subject to terrorist attacks, but also the security of Russia's political elites,

both in the North Caucasus and in the country as a whole. While Vladimir Putin benefited from popular reaction to Islamist terrorism in the run-up to his becoming president, the continuing spread of violence to areas outside the Caucasus may lead Russian voters to turn to more nationalist alternatives, thus threatening the current political elite's hold on power.

The potential for Islamist violence also threatens Russia's continued economic growth, which in the long run will need to diversify away from the current focus on extracting energy resources. Diversification will require foreign investment to develop Russia's manufacturing base — investment that may be scared away by the prospect of political instability and conflict.

Muslims and Communists

Traditional Islam in Russia is organized around Muslim "spiritual directorates," which have existed in one form or another since the eighteenth century. Under Soviet rule, two directorates controlled Muslim affairs in Russia proper. The first, based in Dagestan, was responsible for the North Caucasus, while the second, based in Bashkortostan, covered the rest of Russia. During the early part of its history, the Soviet government sought to eliminate Islamic practice and belief throughout its territory. Mosques were closed or destroyed, religious figures were killed or imprisoned, and the secret police infiltrated the spiritual directorates. This is not to say that Islam was singled out for repression; much the same fate befell the Russian Orthodox Church and other religions.

Beginning in the 1950s, official attitudes toward religion in general and Islam in particular liberalized somewhat. Islam was now tolerated and a few mosques were reopened. An implicit compact emerged, allowing Muslim believers to practice their religion as long as they did not question communist rule or attempt to impose Islamic beliefs on others in their community. Most of the Russian Federation, however, underwent a relatively rapid secularization as young people abandoned Islamic practices and beliefs in favor of the prevalent Soviet culture. Secularization was dominant in urban areas, but by the 1980s had also made significant inroads into rural, traditionally Muslim communities in regions such as Tatarstan and Siberia.

The relatively isolated and mountainous parts of the North Caucasus were the exception to this trend. Here, traditional Muslim practices combined with Soviet innovations such as collective farming in ways that often strengthened Islam rather than weakening it. The result was that even local Communist Party functionaries in Dagestan and Chechnya participated in collective prayer and tithed regularly. Spiritual leaders continued to exert considerable influence over local communities in the North Caucasus.

The end of communism brought about a religious revival throughout the former Soviet Union, and Russian Islam benefited. There was a sizable growth both in the number of people professing to practice Islam and in public expressions of piety. Mosques quickly opened in virtually every Muslim village — not just in the North Caucasus but also in the Volga region and in parts of Siberia inhabited by Tatars, Kazakhs and Bashkirs. In cities that had previously been limited to one large mosque each, smaller mosques began to open in every neighborhood. Many of these mosques were financed by foreign money, much of which came from private foundations in Saudi Arabia and other Persian Gulf states.

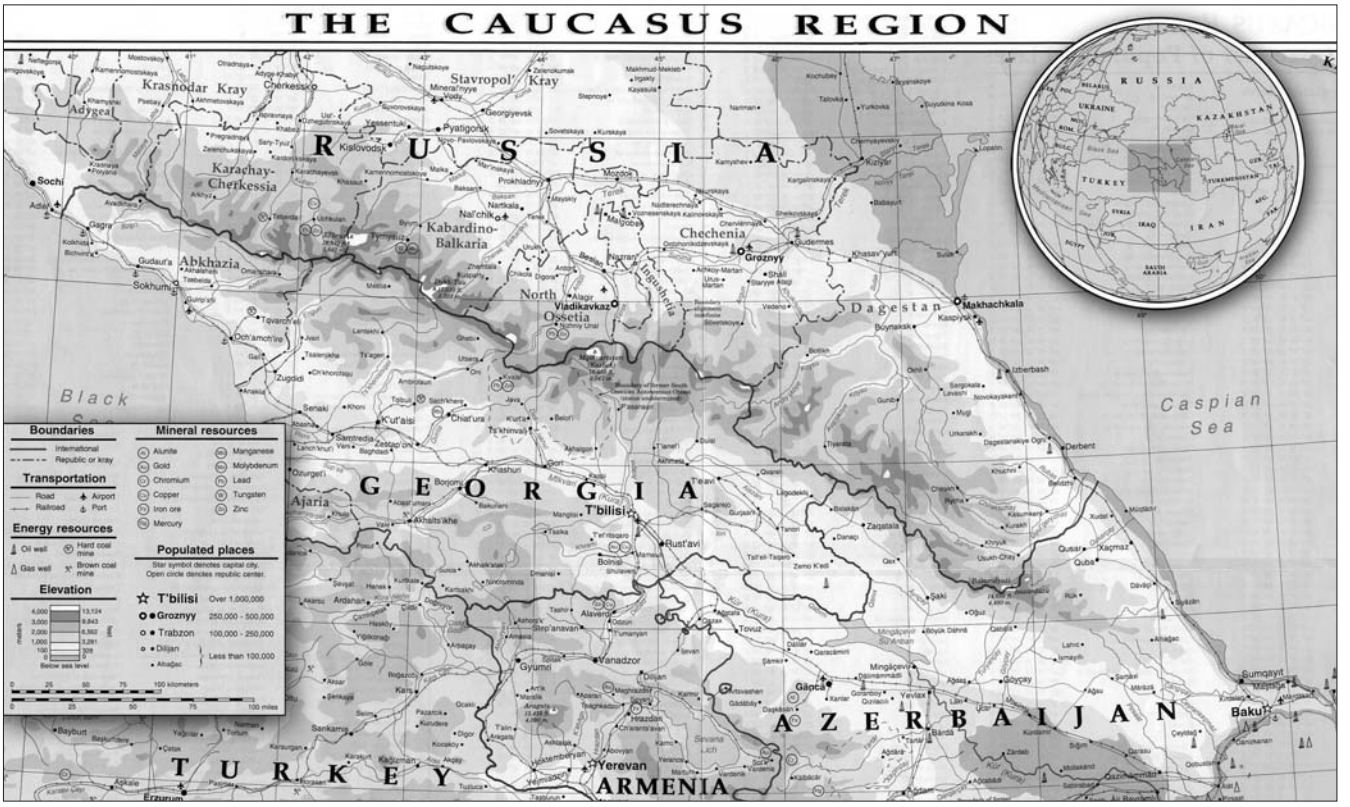
Enter the Salafis

Given a sudden increase in demand for clerics and a lack of Islamic educational facilities in the region, the Arab-run foundations also often sent clerics to run the new mosques. Many of these sought to eliminate local practices and innovations by preaching the puritanical Salafi Islam most commonly practiced in Saudi Arabia.

(In the West, Salafi Islam is commonly referred to as Wahhabism. Developed on the Arabian Peninsula in the 18th century by Muhammad ibn Abd al Wahhab, it is fundamentalist in the sense that it rejects all modifications to Islamic practice after the time of the prophet. While some Salafis embrace violence as a means of restoring proper Islamic practice and fighting unbelievers, most are not violent.)

Salafi practices appeared excessively strict and therefore radical to most Russian Muslims, but they gained popularity among young people who distrusted local Muslim leaders for their lack of Islamic education and their possible ties to Russian security services.

The local leaders in turn felt threatened by the foreign clerics and, by highlighting the danger of the spread of Islamic radicalism, succeeded in having most of them expelled by the late 1990s. Nevertheless, Salafi Islam has continued to spread throughout Russia's Muslim republics, and particularly in the North Caucasus.



Office of the Geographer and Global Issues, Bureau of Intelligence and Research, U.S. Dept. of State.

Russian leaders have come to brand all followers of Salafi Islam, regardless of their political views, as radical Wahhabis who seek to create Islamic rule. Authorities believe they are the main source of religiously inspired violence in the North Caucasus and Russia as a whole.

The rise of Salafi Islam was spurred in part by the collapse of the already limited system of Islamic education in Russia. Under Soviet rule, Muslim education was permitted only in the Bukhara Medrese and the Tashkent Islamic University, both of which were located in Uzbekistan and ceased to function as educational centers for Russian Muslims once the Soviet Union collapsed. Yet, at the same time, the number of Muslim religious communities that needed educated clerics and religious schoolteachers mushroomed. The initial result was the promotion of numerous poorly educated Muslims to leadership positions in local mosques and even at the regional level. This was followed by the proliferation of Muslim educational institutions with questionable credentials and few standards.

The low level of religious education among establishment Muslim leaders drew the derision of younger pious Muslims, especially those who were educated in Salafi schools, either within Russia or (increasingly) in the Middle East. Many of these students came to believe that Salafism constitutes a purer form of Islam and rejected the traditional Islamic practices of the region.

The Arc of Instability

Although Salafi Muslims are found throughout the Russian Federation, the majority of the movement's Russian followers live in the North Caucasus. It is therefore not surprising that Moscow's relationship with the Muslim population has been dominated for the past several years by the North Caucasus. This has been increasingly the case since the start of the first Chechen War in 1994. For several years, the Russian government was able to contain this brutal conflict mostly within Chechnya, though occasional terrorist attacks occurred outside the republic. Over time, however, the conflict has shifted in nature and scope, especially during the second Chechen War.

That war began in 1999 with an invasion of Dagestan

by groups that included both Chechens and Dagestanis. They proclaimed as their goal the creation of an Islamic state throughout the North Caucasus. The Russian government defeated the incursion and then used it as a pretext to launch a new invasion of Chechnya. Nevertheless, it showed that what began as an ethno-nationalist struggle for Chechen independence had become a broader Islamist struggle under the influence of the international radical Islamist community, which had sent money and men to help the fight. This trend had already become prominent during the period between the two wars, when some Chechen leaders attempted to implement Islamic law in the region.

The current situation in Chechnya is gradually beginning to normalize. The war itself has turned into isolated skirmishes, and some of the leading Chechen terrorists in recent months have been killed (including Shamil Basayev, the head of the radical Islamic wing of the nationalist movement since the mid-1990s). The Russian government has been relatively successful at turning over administration of the region to its local Chechen allies, who have even undertaken some physical reconstruction in the capital city of Grozny.

The region now is controlled by Prime Minister Ramzan Kadyrov, who runs his own private army with a reputation for extreme brutality and who is reported to have personally participated in the torture of civilians. Kadyrov is widely expected to become the Chechen republic's president sometime after he turns 30, the required age to hold the office, in October 2006 [Kadyrov took office on March 2. — Eds]. In the meantime, he has introduced aspects of Islamic law, including banning alcohol and requiring women to wear headscarves. He has also spoken in favor of legalizing polygamy in the republic. Kadyrov is the son of Akhmat Kadyrov, the former president and chief mufti of Chechnya, who switched from the rebel side to supporting Moscow and was assassinated in 2004. Although Kadyrov's rule has been repressive, the level of violence directed at civilians in the region has declined significantly since he has been in office as the effectiveness of the separatist forces has diminished over time.

While violence has been declining within Chechnya, however, it has been spreading to other parts of the Caucasus. And the violence in these regions is explicitly linked to efforts to spread radical Islam. The killing of Aslan Maskhadov, the secular nationalist president of the independent Chechen republic, in March 2005, has shifted the balance of forces within the armed separatist movement in the North Caucasus in favor of those who seek to establish an Islamic state throughout the region.

Even more worrisome for Moscow is the spread of violent Islamist movements into the western areas of the Caucasus. As recently as three years ago, major violence was confined to Chechnya and Dagestan. Since then, it has spread throughout the region, with major attacks in Nazran, Ingushetia, in June 2004; in Beslan, North Ossetia, in September 2004; and Nalchik, Kabardino-Balkaria, in October 2005. Although Chechen terrorist attacks occurred outside the republic as early as 1995, these recent attacks have been carried out not by Chechen infiltrators mainly, but by fighters from the towns and regions where the attacks took place. This crucial change shows that the character of the fighting has evolved, with Chechen radicals now primarily serving a coordinating role while locals familiar with a particular location carry out the actual attacks.

Revolt of the Hopeless

Moscow blames the spread of violent Islamic radicals throughout the North Caucasus on foreign influences in the region. But the role of mercenaries and ideologues from the Muslim world is very much secondary to domestic factors in explaining the rise of violent Islamism. President Putin's North Caucasus policy has, if anything, hastened the spread of Islamic radicalism in the region. Federal and local governments have increasingly come to see all religious Muslims as potential radical Islamists and have increasingly begun to suppress Islam as a whole. Youth who studied Islam in the Middle East and practice the religion peacefully, but in ways that are different from local tradition, are treated with suspicion and sometimes arrested and beaten. Such actions mainly serve to further radicalize pious Muslims, some of whom then turn to violence.

The republic of Kabardino-Balkaria is instructive in this regard. Its government has closed most local mosques. In 2004 the republic government issued an order allowing Muslims to attend services only on Fridays and then only for 40 minutes. Worshippers suspected of sympathizing with radical Islamists have been dragged out of mosques, beaten and had crosses shaved into their hair. These kinds of actions have only served to increase the popularity of radical Islamic organizations, since tra-

ditional Muslim groups have not dared to speak out against the authorities' repressive measures.

Part of the problem is the elimination of gubernatorial elections. This has allowed Putin to replace respected local politicians — such as the former president of Ingushetia, Ruslan Aushev, who had taken measures to ensure stability by balancing various local interests — with representatives of the security services who do not know the situation on the ground and corrupt cronies who are not interested in maintaining a balance among local interests.

Widespread corruption and poverty in the region also have contributed to the popularity of radical Islam. Unemployment rates throughout the Caucasus hover around 50 percent, while wages are only two-thirds the Russian average. Areas with large numbers of Muslims rank at the bottom of Russia's regions in terms of most measures of standards of living. What is more, much of the population has come to blame this poverty on the corruption of local government officials as well as local representatives of the federal government. Massive corruption has virtually eliminated outside investment in the region, and is in the process of destroying the region's political institutions.

The common view among the population is that powerful clans have monopolized the region's political and economic resources, and that representatives of these clans exploit the local population, steal resources sent by the federal government, and use their political power to repress anyone who tries to change the situation through political or legal channels. Since radical Islam promises that under Islamic rule theft and corruption will not be tolerated, many unemployed young men have turned to it as an alternative to a hopeless existence.

The Rise of Racism

One factor leading toward the radicalization of Russia's Muslims beyond the Caucasus is the prevalence of daily discrimination in most large Russian cities against anyone who does not look Slavic. Police, ostensibly on

the lookout for migrants who are not registered to live in their town, are constantly asking dark-skinned people for identification. Slavic or other light-skinned migrants generally avoid this harassment, while even longtime residents of cities such as Moscow or St. Petersburg, if they are ethnically Azeri or Chechen, are vulnerable. At the same time, the local media in these cities frequently report about migrants from Central Asia and the Caucasus cheating customers in markets, being involved in crime and generally causing trouble. Police use the vulnerability of unregistered migrants to blackmail market traders and collect bribes.

Discrimination and violence against Muslims in Russia's major cities are not caused by anti-Muslim sentiment, per se.

An anti-immigrant mood in much of urban Russia has led to a rapid rise in the number of violent attacks against Muslims (and non-whites in general) over the past several years. Although some of these attacks are perpetrated by individual criminals looking for easy targets for robbery, most are carried out by gangs of Russian skinheads who deliberately target non-whites as part of a campaign of "racial cleansing" to rid the cities of people they consider undesirable.

Discrimination and violence against Muslims in Russia's major cities are not caused by anti-Muslim sentiment, per se. They result rather from fears among locals of being swamped by culturally dissimilar migrants and, in some cases, racist attitudes against darker-skinned people. Fears of immigrants largely stem from the influx of migrants from the Caucasus, Central Asia and East Asia over the 15 years since the collapse of the Soviet Union. These migrants come to Moscow and other cities mainly for economic reasons, though some are seeking to escape conflicts in their homelands.

Given the relatively low birth rates and high death rates among ethnic Russians, some people worry that the Russian Federation's demographic balance will increasingly shift toward non-Russians and especially Muslims, who are feared because they are seen to have different cultural values from the Slavic majority. The Chechen war, and especially the occasional terrorist acts carried out by Chechen rebels in Moscow and elsewhere, have contributed to a hostile attitude toward people from the Caucasus and other non-Slavs. These are often lumped together into a single group that is seen as radical or at least prone to sympathize with radicals in Chechnya.

The effect of this form of racism on Russia's Muslims is hard to gauge definitively. Most migrants are too busy trying to support themselves and feel too vulnerable to retribution to get involved in any kind of political resistance to the racism and discrimination that they suffer. Muslims who have lived in cities for a long time may feel little sympathy for the recent migrants, especially since the longtime city-dwellers are likely to belong to different ethnic groups and are often quite Russified culturally and linguistically. There may be occasional cases of local Muslim youth fighting back against skinhead gangs, but these are not likely to change the general situation, and may serve only to harden the attitudes of the rest of the population against the migrants.

The Future of Russia's Muslims

Despite the fears of Russia's demographic doomsayers, Russia will remain a predominantly Slavic country for at least the next century. Even with their faster population growth rates, Muslims are likely to remain less than 20 percent of Russia's total population. Nevertheless, they could potentially play a very significant role in Russian political life.

Given the increase in anti-Muslim and racist attitudes among Russia's Slavic population, the failure of Russia's leadership to solve its radical Islam problem may lead to an increase in support for more nationalist alternatives. This trend could already be seen in the unexpectedly strong showing of the Rodina Party in the 2003 State Duma elections. The nationalist, xenophobic trend will continue to grow stronger if politicians in Moscow fail to distinguish between dangerous and potentially violent radicals, and pious Muslims who are not presently radicalized but could turn to violence because of discrimination and abuse by local officials and police.

The Russian government has used the specter of Islamic radicalism to maintain its popularity and to justify its continuing war against Chechen rebels. At the same time, the government has made efforts to use Russia's Muslim population to increase ties with the larger Muslim

world — including becoming an observer at the Organization of the Islamic Conference in 2005, the most important international organization of Muslim states.

Nevertheless, sharp cultural, ethnic and religious divisions within the Muslim community have limited the political influence of Russian Muslims, and will continue to do so for the foreseeable future. Since the start of Soviet efforts at modernization in the 1920s, Russia's Muslims have been divided between city-dwellers and villagers. Urban Muslims look down on their rural cousins as uncultured and tradition-bound, while rural Muslims see urbanites as having abandoned the ways of their community in favor of Russian culture. As modernization and urbanization have continued and more people have moved from the villages to urban areas, recent migrants to the cities have come to the forefront of efforts to maintain traditional cultural and religious values. These migrants are particularly likely to turn to radical Islam, especially if they encounter difficulties in adapting to city life.

Ethnic divisions played an important role in the early years after the end of communism, as ethno-nationalist movements were the primary challengers to Russian rule. And ethnic identity will continue to play an important role in disagreements within Russia's Muslim community. Tensions between Bashkirs and Tatars over the status of several hundred thousand Tatars living in Bashkortostan will divide the Volga Muslims, while Balkars and Cherkess in the Caucasus will continue to agitate for the formation of their own ethnic regions, separate from the larger Kabardin and Karachai communities with which they are now joined. Ongoing ethnic tensions in Dagestan among Dargins, Avars and Kumyks may become more severe now that Avars control all of the region's political institutions. There is a further division between members of these indigenous ethnic groups and the Muslim migrants from Central Asia and Azerbaijan, who live in the larger Russian cities and work primarily as traders.

The dominance of ethnic divisions over Muslim unity has been one of the main sources of grievance among

Russia's growing population of radical and reformist Muslims. These groups, some but not all of which support the use of violence, have been preaching that ethnic divisions within the Muslim community may be overcome by purifying Muslim practice and belief according to the tenets of Salafism. Followers of this doctrine in Russia have developed far more extensive cooperation across ethnic lines than have followers of traditional Islam. But at the same time, they have brought about a new and potentially even more serious split within the Muslim community — between those who practice the new imported doctrine and those who follow the more spiritual and ritual-focused Muslim practices traditional to the region. (These practices are based on Sufism in the North Caucasus and on Jadidism, a reformist Muslim doctrine developed in the late 19th century, in the Volga region.)

The diversity of Russia's Muslims presents both a challenge and an opportunity for Moscow. The Kremlin needs to work carefully to limit the spread of potentially violent, radical Islam in the North Caucasus and beyond without alienating the rest of Russia's Muslim population. So far, as exemplified by its abusive response to provocations in places like Nalchik, the government has not done a very good job of this. There is still time, however, for Russian policymakers to come to understand that not all pious Muslims are potential violent radicals.

The majority of Russia's religious Muslims oppose radical Islam and would gladly work with the government to reduce its influence. Such an alliance could be cemented if the Russian leadership began to treat the Muslim population with respect, appointed regional leaders who have the trust of the local population and acted to reduce the corruption that has virtually destroyed the economy of much of the North Caucasus. Given the trends in Russian policies toward Muslims under Putin, this is unlikely to happen in the short term, but it may be possible under new leadership after 2008. ■

Saving Globalization from Itself

There are concrete ways to counter the fears of change and increasing inequality that are fueling the current backlash against trade liberalization.

By Eric Trachtenberg

The Doha Round and the economic liberalization it symbolizes are under increasing attack, even though economic data show that cross-border trade boosts incomes worldwide, particularly in developing countries. Instead of being seen as an opportunity for economic growth, trade liberalization is often portrayed as an agent of imperialism in developing countries and a driver of the "race to the bottom" in the rich countries.

This is evident in the rising protectionist pressures in the rich countries and increasing trade skepticism from developing countries. In France and Japan, trade is seen as a threat to the rural way of life. In Latin America, the "Washington Consensus" that includes open markets is under attack in Venezuela, Bolivia and Argentina. And in the United States, longstanding support for open trade has been undermined by complaints about "unfair" policies by China, concerns about outsourcing, and the fear of "hollowing out" and layoffs.

Although economic theory and recent history overwhelmingly support free trade and globalization, little attention has been given to the high human costs created by the "creative destruction" of people's lives. As Gene Sperling, former economic adviser to President Bill Clinton, ruefully observes, "While the benefits of open trade are broadly shared, the costs are heavily concentrated."

To move forward with the Doha Round and economic liberalization generally, these very real concerns must be addressed, and a new, more comprehensive view of the globalization process embraced.

Free Trade Helps Growth

Systematic studies of economic performance since the late 1940s show a strong relationship between economic openness and growth. For example, a study of 117 countries by Jeffrey Sachs and Andrew Warner found that developing countries with open economies grew at 4.5 percent per year during the 1970s and 1980s, compared with 0.7 percent in closed economies. In a 1998 study, the Organization for Economic Cooperation and Development concluded that nations relatively open to trade grew twice as fast as those closed to it. A 2004 World Bank study by David Dollar showed that trade raised 375 million people out of extreme poverty over 20 years. Studies by McKinsey & Company and the OECD estimate that full liberalization could boost global welfare by nearly $300 billion annually by 2015 and add almost a billion new customers to the global market.

For a regional perspective, consider the experience of East Asia. In Taiwan, South Korea, Malaysia, Japan and Singapore, the gains in wealth have been spectacular. The vast majority of families in the region have climbed from poverty 30 years ago into the middle class.

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The case of China is particularly illustrative. Since the country's economic opening in the late 1970s under former President Deng Xiaoping, its coastal regions have been transformed. Transport rapidly changed from bicycles to motorcycles and, increasingly, cars. Since 1976, more the 300 million Chinese have been lifted out of poverty. In contrast, those regions of China left behind are still relatively unconnected to the world economy. Similarly, people in the least globalized countries also do not live very well. Life in places such as Myanmar, North Korea and sub-Saharan Africa is rarely envied elsewhere.

Trade does not only benefit developing countries. A 2005 study by Institute of International Economics economist Gary Hufbauer found that 50 years of globalization made the United States richer by $1 trillion per year, measured in 2003 dollars. This is equivalent to $9,000 of wealth added per year for the average U.S. household. Although globalization costs $50 billion in adjustment expenses in the United States, that charge is far outweighed by the benefits.

These gains from trade for both rich and developing countries are most abundant when economies are both export-oriented and allow imports. When domestic firms face competition, they are forced to do better. After the mid-1970s, GM, Chrysler and Ford were compelled to improve because of competition from Honda and Toyota. The Big Three could no longer afford to sell gas-guzzling, poorly designed, unreliable cars for high prices. If U.S automakers failed to improve, people would buy a Civic or Corolla. In this way, open trade improves quality while keeping prices and inflation down. Most recently, Chinese exports to the United States have helped to slow inflation created by rising energy and other natural resource costs. Trade not only increases incomes but it benefits ordinary people by increasing the real value of their wages.

"While the benefits of open trade are broadly shared, the costs are heavily concentrated."

— Gene Sperling, former economic adviser to President Bill Clinton

Dangers of Protectionism

If open trade has clear benefits, protectionism has real dangers. When a company is shielded from competition, it generally becomes inefficient, high-cost and inattentive to quality and service. Over time, a closed economy encourages these bad practices that eventually impede competitiveness in the protected sector — or across an entire economy. Through their inferior performance, protected firms essentially levy a tax on both industry and consumers to stay in business. Anyone who has tried to obtain a phone line from an unresponsive state phone monopoly or has driven an Indian or Russian car is already familiar with the results of uncompetitive markets.

Protectionism also prevents companies and economies from using capital and labor efficiently. As protected firms grow less capable, they usually go to the government for aid. This almost always makes things worse. If granted, subsidies usually allow firms to continue the same bad business practices that made them noncompetitive in the first place. As they continue to weaken, these firms ask for ever-higher levels of protection and support.

This vicious cycle can impede positive change. In the United States, major U.S. airlines continue to rack up losses and require bankruptcy protection despite subsidies and repeated bailouts. Japan's economy stagnated during the 1990s mostly because of the existence of "zombie" companies. The zombies never became competitive but continued to suck resources out of the system, preventing the growth of new and more competitive firms. Keeping an open economy also means resisting the temptation to reward bad management.

Closed economies lose flexibility when they are not allowed to allocate capital and labor freely in order to prevent job losses. Although being laid off is extremely traumatic, preventing it by fiat also has serious consequences: If a company cannot shed labor during downturns, it will be very reluctant to hire in the future. Even worse, to avoid the rules, companies will either resort to informal labor, temporary contracts or other expediencies — all of which have significant costs. Informality is the worst response, because it is highly inefficient, sharply reduces tax revenue and often results in substandard or even unsafe products. For workers, the results are disastrous: low job security, no pension protection and bad working conditions. To avoid regulation, firms may also stay uneconomically small or may increase use of capital to avoid hiring.

Flexibility makes a big difference. Within the European Union, countries with more flexible labor markets, such as the United Kingdom, the Netherlands and Sweden, have much lower unemployment rates than those that don't (e.g., France, Italy and Spain). Since joblessness almost always hits the disadvantaged first, it is not surprising that the worst unrest in

Western Europe came from immigrant groups in France, where youth unemployment is over 20 percent. Guaranteed jobs for some mean mass unemployment for others.

Protectionism has another negative effect. It encourages companies to use the political system to extract rents from society for themselves. Increasing the ability of governments to protect markets can drive corruption deeper when firms manipulate policy instead of improving their marketplace performance. This makes markets even less transparent, increases prices, drives subsidies higher and usually worsens customer service.

Fear and Protectionism

If protectionism is so counterproductive, why is it so popular? How is it possible for politicians from Hugo Chavez to Jose Bové to win popular acclaim by attacking trade and globalization? Why is open trade so disreputable in so many quarters?

To move forward with the Doha Round, and economic liberalization generally, calls for a new, more comprehensive view of globalization.

Starting most visibly with the protests at the 1999 WTO ministerial in Seattle, anti-globalization has become increasingly popular for several reasons. One is the fear of what change can mean to individuals, especially if they lack a clearly defined way to benefit from it. Without some assurances about their future employment and incomes, people will rightly ask what's in it for them as the process moves forward. And unless supporters of globalization have an answer, they will be vulnerable to attack.

A second is that the real costs of change are borne by individuals. Although entire economies may benefit from trade and openness, and most individuals are generally better off, some people will lose out. When they lose their jobs, watch their pensions become insolvent, face a salary cut or witness their community falling apart because of competition, they blame globalization and see it as fueling a race to the bottom. After all, for them, life really is getting worse.

A third concern is that globalization is fueling inequality and causing a loss of opportunity. Although trade

has benefited the overall economy by increasing incomes and decreasing prices, people see many of the benefits going to the well-educated or well-connected — instead of them. The biggest winners are often graduates of elite universities, while the losers are often industrial workers. The winners go to Davos while the losers lose their jobs at General Motors.

Combine fears of change, a perceived race to the bottom and increasing inequality, and a backlash against globalization seems almost inevitable. It also raises serious questions about the purpose of trade and globalization. If openness inevitably leads to a bigger economic pie at the cost of inequality, is it worth it? Richard Wilkinson in *The Impact of Inequality* (New Press, 2005) points out that a society marked by high levels of inequality is more prone to violence, poorer public health and higher levels of depression. Highly unequal places also seem more prone to political unrest and extremism, which can undermine attempts at democratic government.

Costs of Change

The key problem with the traditional arguments in favor of open economies, trade and globalization is that they fail to accommodate the concerns of those who stand to lose from these trends. The damage is real: As jobs are destroyed, communities and families are severely affected. When workers find their skills are obsolete, the lack of an effective safety net in many countries suddenly pushes families into poverty — or worse. Even when people don't actually lose their jobs, the fear of it is pervasive.

On top of this, it has become harder to change careers as the minimum qualifications for quality jobs have increased, and barriers to entry for new and displaced workers have risen. Increasing professional licensing requirements have also made it harder to switch jobs. Thirty years ago, a high school graduate could walk into a well-paying factory job in many developed countries; these days, even an auto-mechanic requires extensive technical education. Now if you want to be a mechanic in many places you need an Automotive Service Excellence certification before you will be considered. The ASE requires years of training and experience. Not everyone can afford this.

Trade liberalization is often portrayed as an agent of imperialism in developing countries and a driver of the "race to the bottom" in the rich countries.

Things are not easier for the educated. A master's degree is required for many professions where a bachelor's used to suffice — and specializations within majors are rapidly becoming the rule. It is not enough to be a biologist anymore; one must be a very specific kind of microbiologist. These changes have made it more difficult and costly to change jobs. The demand for increasingly expensive qualifications threatens to transform the work force from a meritocracy of upward mobility to one of stratification, where those without means are left behind. The result can be a vicious circle: Increasing specialization combined with an environment of rapid change compels people to spend ever more time and resources to learn the skills required to perform a job that then quickly becomes outdated.

Four Models

On many political issues, the right-left continuum has been slowly fading away in favor of more multidimensional approaches. In the economics field, two dimensions come to mind: the strength of the safety net and openness to change. The safety net refers to the government's role in helping people cope with change. At one extreme, it does nothing. If you lose your job, it is completely your problem. At the other extreme, the safety net is so strong that it creates a negative incentive to work.

The other dimension is openness to change. A change-oriented economy welcomes trade, has flexible labor markets and is focused on being competitive. It generally levies low tariffs on imported goods, welcomes foreign investment and ownership, pays low subsidies, allows flexible labor markets, and has few domestic monopolies or state-owned enterprises. Such economies are characterized by high export rates, deregulated capital markets, a convertible currency and a deregulated economy. Those systems closed to change follow the opposite policies.

Some countries such as France, Germany and Italy, are well-off but resist change. They ameliorate the dissent created by high unemployment through a generous welfare state. Although these governments are generous, the lack of sound economic policies and high taxes are impediments to long-term economic growth. Because this system is expensive and relies on a weakening economy, it is not sustainable over the long run.

By contrast, the United States is open to trade but does little to assist workers in case they are laid off. Compared to what other nations allocate for unemployment compensation, the U.S. is stingy. According to a

2006 McKinsey study, America only spends 0.5 percent of annual GDP compared to 0.9 in the U.K., 3.1 percent in Germany and 3.7 percent in Denmark. Although there are some programs in place (the most important being unemployment insurance), most Americans are largely on their own when they lose their jobs. The result is a dynamic economic system that imposes heavy costs on individuals. Because workers face increasing barriers to entry and job transition, the American approach has led to increasing inequality. Although the inherent dynamism of the economy will keep some upward mobility available, increasing stratification is a threat.

Russia and many developing countries, such as those in sub-Saharan Africa, combine the worst features of both systems. They are relatively closed economically and also do little to help their people when their work lives are disrupted. Such societies suffer both from bad economic policy and great personal uncertainty for workers. These worst-case scenarios are also usually marked by extremely high levels of corruption and a dependence on informal labor.

The final group of countries includes the Netherlands and some of the Nordic countries, such as Denmark. These countries are generally open to change (save for the European Union's protectionist biases), but generally support people during difficult times. These systems generally reduce dependence by requiring people to be either working or looking for it. This "flexicurity" approach encourages economic openness while supporting workers during transitions — and encouraging them to work.

The New Globalization

Looking at economic policy through the twin lenses of openness and economic security allows us to view globalization in a new light. On one hand, openness respects economic reality. Without these kinds of sound policies, incomes will fall — a development that hurts the poor the hardest.

However, we also must consider the social costs created by dynamic 21st-century capitalism. In order to gain support for globalization, we need to help people prepare for the world of work and to cope with the costs of change. Economic openness and targeted support are both critical parts of what is known as the New Globalization.

Social support policies should be designed to widen opportunity and aid people with transition in a changing workplace. At the same time, globalized societies need to enhance opportunities for the poor and support their well-being and competitiveness in the workplace. The following policies could accomplish this.

First and foremost, governments must make health care available to all citizens. Not only does this allow people to be more productive and increase their incomes, but it also encourages the use of preventative care, which saves both lives and dollars. In addition, a healthy population is not only morally desirable but it is an important competitive advantage because of lower absenteeism and higher productivity. Publicly supported health insurance would also relieve overburdened companies of crippling legacy costs, which would help firms such as General Motors be more competitive.

Second, governments must concentrate on improving primary and secondary education. In cases where public or local schools are not performing adequately, parents should be given other options. In developed economies, all deserving students should have the means to go to college without having to work their way through school (which can sharply reduce their academic performance). Vocational programs should be linked with the labor market to prepare for employment those who are not bound for college.

Gains from trade for both rich and developing countries are most abundant when economies are both export-oriented and allow imports.

Lifelong education is also vital. The goal of the education system in economic terms is to enable as many people as possible to find the best jobs they can. If people lose their positions, they should have the means to be re-educated for the changing workplace through a system of grants, subsidies and cost-sharing. Continuing education grants designed to increase the labor pool for those professions facing labor shortages, such as health care and education, could be particularly helpful for workers and the overall economy.

Because many of the best jobs only go to people who can afford to work in low- or non-paying internships, students should have access to loans or other support during these training periods. Better yet, while it is not the government's role, the private sector should reconsider the pernicious internship system that often limits

access to the best jobs to those who are rich enough to work for free.

To encourage the creation of more jobs, governments should reduce or eliminate employer-paid taxes on labor, which discourages employment, especially of low-wage workers. Most pernicious are any kind of "per head" costs or taxes that create strong disincentives for the creation of low-wage jobs. A per-head charge of $7,000 a year for medical insurance is a nuisance for a firm creating a job paying $100,000 a year — but lethal for one paying only $20,000. The medical insurance issue has especially grave implications for low-wage earners, because insurance costs make up a much larger share of their employment costs.

Beyond taxation, health care and education, the public sector should also consider other means to work with people trapped by economic change or other circumstances. Portable pensions will allow people to save over their careers as they change employers. To help families, the government should seriously consider using child-care vouchers or allowing more imported nannies to help working parents. Governments also need to improve services such as public safety and public transportation in depressed areas to enable the poor to compete more effectively and, in cases when an entire region is affected by change, it should offer aid to distressed communities. In addition, the government should also seriously consider setting up a wage insurance system. According to the Brookings Institution, a program to insure 30 to 70 percent of wages for two years would cost around $7 billion a year.

As economies develop, governments should also reconsider their biases in favor of manufacturing. The service sector is increasingly important: Local services account for 60 percent of all jobs in rich countries — and most of the job creation. Although there is a negative stereotype of these positions as "McJobs," service positions are not necessarily less desirable than manufacturing jobs. Some are low-paying, but many are in high-paying fields such as telecommunications, IT, employment services and health care. In any case, even the lowest-paying service job is better than an informal job, which has no stability or protection.

Yet despite this sector's importance, service-sector productivity remains low in many countries because of limited access to capital, overregulation and neglect. Services are especially vulnerable to low labor mobility.

Governments should also consider using active labor market programs that include job-search assistance, career counseling, training, moving allowances and other re-employment services.

In addition to these initiatives, the public sector should follow sound economic policies to enhance competitiveness and productivity in support of a high standard of living. Without these things, sustained future prosperity is unlikely. Other vital measures include controlling corruption, which is an especially onerous tax on the poor, improving infrastructure and finding a balanced approach to regulation.

Creative Construction

The New Globalization approach recognizes the essential link between open economies and social supports for families dealing with a dynamic 21st-century economy. Open trade without these protections risks creating a race to the bottom, increases fear of change, and can increase inequality. This can have negative consequences socially, economically and politically.

The goal of the New Globalization is to maintain the benefits of an open and dynamic economy while giving people a way to cope with and prepare for change — to keep the pie expanding while ensuring as many as possible benefit from it. Under this paradigm, government is a partner that strives to maximize opportunity and lifetime employability. It is not a nanny state.

While the size of the state should shrink (in terms of public-sector ownership, unnecessary subsidies, etc.), small government is not always the best answer. In fact, small government can be detrimental, both politically and economically. The New Globalization recognizes the need to maintain economic growth and create a system that distributes its benefits widely to maintain political peace, economic competitiveness and support for globalization. In practice, this probably means a significantly larger future role for government because the educational, health and infrastructural demands of a modern economy are much bigger and more dynamic than in the past. Meeting those demands means more than just implementing good macroeconomic policy or having a competent "night watchman" state. It is capitalism with a human face.

In order to win the arguments against opponents of free trade and open economies, supporters of globalization must address the concerns of those who fear losing from international trade. If we do not, resistance to trade and openness could gain further strength, causing the Doha Round and subsequent negotiations to fail. This could lead to an unraveling of the trading system into a confusing snarl of bilateral agreements — or worse. If that happens, we risk losing much of what we have built over the last half-century. ■

FSJ Guide to Extended-Stay Housing

(with Foreign Service Clause information)*

Go to www.fsjournal.org: Click on Marketplace. Click on Extended Stay Housing.

Property & Web Address	Telephone	Location	Amenities	Housekeeping	FS Clause	Ad Page
Accommodations 4 U, Inc. www.accommodations4u.net	(843) 238-2490	DC, MD, VA Nationwide	CC, FC, HSI, SP, TC	Daily / Weekly	Yes	54
Arlington Residence Court www.arlingtonresidencecourthotel.com	(703) 238-2490	VA	BC, CB, CC, HSI	Yes	Yes	35
Attache Property Management www.attacheproperty.com	(202) 787-1885	DC, MD, VA	Varies	Optional	Yes	37
BridgeStreet Worldwide www.bridgestreet.com	(703) 208-9110	DC, MD, VA	Varies	Bi-Weekly	Yes	23
Capitol Hill Stay www.capitolhillstay.com	(202) 544-4419	DC, VA	HSI, FC, RD, WD	Yes	No	18
Corporate Apartment Specialists www.corporateapartments.com	(703) 979-2830 (800) 914-2802	DC, MD, VA	BC, CC, CS, FC, HSI, PG, RD, SP, WD	Optional	Yes	55
Executive Lodging Alternatives None	(703) 354-4070	VA	HSI	Optional	Yes	48
Georgetown Suites www.georgetownsuites.com	(202) 298-7800	DC	CC, FC, HSI	Daily	Yes	72
Korman Communities www.kormancommunities.com	(202) 904-2500 (866) 567-6264	DC	CB+, CC, FC, RD, HSI	Weekly	No	4
Pied a Terre www.piedaterredc.com	(202) 462-0200	DC	Varies	Optional	No	81
Remington Hotel, The www.remington-dc.com	(202) 223-4512 (800) 225-3847	DC	Varies	Weekly	No	56
State Plaza Hotel www.stateplaza.com	(202) 861-8200 (800) 424-2859	DC	HSI	Daily	Yes	73
Suite America www.suiteamerica.com	(703) 461-1932 (877) 827-8433	DC	HSI	Weekly	Yes	45
Virginian Suites, The www.virginiansuites.com	(703) 522-9600	VA	CC, FC, HSI, SP	Daily	No	9

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 — swimming pool, TC — tennis courts, WD — washer/dryer

While in long-term training at NFATC, you may claim up to 100 percent of daily per diem for the first 60 days. This amount is reduced to 50 percent from day 61 to day 120, and to 25 percent thereafter. The reduction applies to both the lodging and Meals & Incidental expenses portions of per diem. This is a complicated calculation for 2007, because the General Services Administration has determined that per diem for the D.C. area (which includes Arlington and the Northern Virginia suburbs) will change seasonally. While M&IE remains $64 throughout the year, the lodging portion is $188 from Jan. 1 – May 31 (total $252), $162 from June 1 – Aug. 31 (total $226), $195 from Sept. 1 – Nov 30 (total $259), and $188 again from Dec 1 – Dec 31(total $252).

— James Yorke
AFSA Labor Management Specialist

* Found in lease agreements, this clause protects members of the Foreign Service from the penalties of an early termination of a lease.

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FSJ Guide to Extended-Stay Housing

(with Foreign Service Clause information)*

Go to www.fsjournal.org: Click on Marketplace. Click on Extended Stay Housing.

Property & E-mail Address	Pet Friendly	Minimum Stay	Number of Bedrooms	Style	Distance to State Dept.	Ad Page
Accommodations 4 U, Inc. vicki@accommodations4u.com	Yes	1 Day	Studio, 1, 2 Bedroom	GS, HR, LR	Varies	54
Arlington Residence Court chris.benner@snbhotels.com	Yes	1 Day	Efficiency, 1, 2, 3 Bedroom	HR	2 Miles	35
Attache Property Management info@attacheproperty.com	Varies	30 Days	Studio, 1, 2, 3, 4 Bedroom	GS, HR, LR, TH	Varies	37
BridgeStreet Worldwide info@bridgestreet.com	Varies	1 Day	Studio, 1, 2, 3 Bedroom	Varies	Varies	23
Capitol Hill Stay capitohillstay@att.net	Yes	Varies	Studio, 1, 2 Bedroom	Varies	Varies	18
Corporate Apartment Specialists ned@corporateapartments.com	Yes	30 Days	Efficiency, 1, 2, 3 Bedroom	GS, HR, TH	Varies	55
Executive Lodging Alternatives finder5@ix.netcom.com	Yes	30 Days	1, 2, 3, 4 Bedroom	GS, HR, TH	3 - 5 Miles	48
Georgetown Suites reservations@georgetownsuites.com	No	1 Day	1, 2 Bedroom	LR	10 Blocks	72
Korman Communities ltaylor@kormancommunities.com	No	30 Days	1, 2 Bedroom	HR	8 Blocks	4
Pied a Terre sgordon@piedaterredc.com	Varies	60 Days	Studio, 1, 2 Bedroom	GS, HR, LR, TH	1 Mile	81
Remington Hotel, The reminc333@aol.com	Yes w / Deposit	1 Day	1 Bedroom	HR	2 Blocks	56
State Plaza Hotel spresagents@rbpropertiesinc.com	No	1 Day	1 Bedroom	HR	1 Block	73
Suite America ben@suiteamerica.com	Limited w/ Fee	3 Days	1, 2, 3 Bedroom	HR, LR	1.5 Miles	45
Virginian Suites, The dos@virginiansuites.com	Yes w / Deposit	1 Day	Efficiency, 1 Bedroom	HR	1.5 Miles	9

GS — garden style, HR — high rise, LR — low rise, TH — town homes

While in long-term training at NFATC, you may claim up to 100 percent of daily per diem for the first 60 days. This amount is reduced to 50 percent from day 61 to day 120, and to 25 percent thereafter. The reduction applies to both the lodging and Meals & Incidental expenses portions of per diem. This is a complicated calculation for 2007, because the General Services Administration has determined that per diem for the D.C. area (which includes Arlington and the Northern Virginia suburbs) will change seasonally. While M&IE remains $64 throughout the year, the lodging portion is $188 from Jan. 1 – May 31 (total $252), $162 from June 1 – Aug. 31 (total $226), $195 from Sept. 1 – Nov 30 (total $259), and $188 again from Dec 1 – Dec 31(total $252).

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AFSA NEWS

American Foreign Service Association • April 2007

SUSAN REARDON'S 14 YEARS AT THE HELM OF AFSA

Fond Farewell to AFSA's Beloved Executive Director

BY SHAWN DORMAN

AFSA bid a fond farewell to Susan Reardon in February. Executive director of the association for 14 years, Susan has moved on to a position as executive director of the National Chamber Foundation. Sentiments expressed during the Feb. 9 celebration of her tenure at AFSA — on display in song, verse and teary remarks — made clear that Susan has been much more than an executive director to the staff and AFSA officers. Described variously as a leader, a manager, a mentor, a dear friend, a sister and a mother, she truly touched the lives of all those who had the opportunity to work with her.

Member Services Director Janet Hedrick, Susan Reardon and AFSA General Counsel Sharon Papp at the Feb. 9 farewell event.

In her remarks before the approximately 60 colleagues, friends and family members attending the event at AFSA headquarters, Susan said that it had been a great privilege to serve as AFSA's executive director for so long. She expressed appreciation for the opportunity to work with so many outstanding people in the Foreign Service. Speaking of the strength of the association, she noted that its greatest asset is not in the building or offices, but in the people who make up the organization.

Susan brought a management style to AFSA that is largely responsible for the unusually long tenure of so many of the staff members. Staff members point to her lead-

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FOREIGN AFFAIRS DAY MAY 4

Join AFSA for Retiree Homecoming

The State Department's annual Foreign Affairs Day celebration is scheduled for Friday, May 4. This is the traditional State Department homecoming for Foreign Service and Civil Service retirees. The department will send invitations to all those who attended last year's event, as well as to all new retirees. If you would like to receive an invitation, please send an e-mail asap to **foreignaffairsday@state.gov** with your full name, retirement date (month and year), street address, e-mail address and phone number, or contact Chryss Hernandez at (202) 663-2383.

Secretary of State Condoleezza Rice is scheduled to deliver the keynote address and preside over the AFSA Memorial Plaque Ceremony. The Foreign Affairs Day program will include off-the-record seminars from the regional bureaus on topical foreign pol-

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Life in the Foreign Service

BY BRIAN AGGELER

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If Only ...

If only we could hire into the Foreign Service just those people who are willing to go where they are told without complaining about their personal preferences, our transition to an "expeditionary" assignment system would be so much easier. This old-fashioned practice of allowing them to "bid" and have a say in their overseas postings is nothing but an antiquated vestige of the Ivy League old-boy network of the pre-1960s Foreign Service, which used to treat diplomats as specially pampered civil servants. All they want to do anyway is read the newspapers at their desks in Paris, have long lunches and go to black-tie cocktail receptions every evening. Diplomats should be no different from soldiers and, of course, soldiers follow orders unquestioningly.

If only we could hire into the Foreign Service just those people who do not have families, we would have so much less to worry about. We would not have to deal with transportation expenses for family members, with concerns about unavailability of decent schools, or with elderly parents who always seem to be getting sick. We would not have to struggle with disgruntled spouses who whine about the demise of their own careers and complain about job opportunities at overseas posts. We would not have to cope with slackers who avoid war-zone assignments because they don't want to be separated from their families. There must be a way to limit the Foreign Service to people with no spouses, partners or kids — in the interest of national security.

If only we could hire into the Foreign Service just those people who want to work in the Third World, we could really move smartly toward a future of pure transformational diplomacy. Honestly, why do we need all these people who specialize in Europe, Canada, Japan, Australia, etc.? There is nothing transformational going on in those parts of the world, and we can manage our relationship with those governments by watching the Fox News world report, reading the international section of the *Wall Street Journal* and keeping in e-mail contact with the leaders of those countries. In the electronic age, who needs career "experts" on Europe living at taxpayers' expense in London, Brussels and Berlin — don't we have think-tanks with that expertise anyway?

If only we could hire into the Foreign Service just those people who understand that their opinions about U.S. foreign policy should remain private, we could manage things so much more smoothly.

If only we could hire into the Foreign Service just those people who understand that their opinions about U.S. foreign policy (if they have any) should remain private, we could manage things so much more smoothly. Don't they understand that it is the elected leaders in the White House who decide policy and that it is not their job to tell their leaders what is actually going on overseas, but to carry out what these leaders have already decided? We need to weed out those self-important, arrogant rank-and-file diplomats who are laboring under the illusion that their input on policy is somehow needed or useful. How impudent of them to think that they know better than our elected leaders just because they have lived and worked in foreign countries! They are bureaucrats, not policymakers.

If only we could hire into the Foreign Service just those people who belong to and personally embrace the views of the president's political party, we could do a much better job selling our government's position through public diplomacy campaigns all over the world. How can we seriously expect Foreign Service officers who belong to the "other" party to do a credible job selling the administration's foreign policy to audiences overseas? Those who harbor disagreements with the president's party have a tendency to raise a lot of questions and express dissenting opinions, sometimes even in public. We need more loyalty and discipline in the ranks, and the only realistic way to ensure that is to make the proper party affiliation a requirement for members of the Foreign Service who want to serve abroad. Hey, it works well for political-appointee ambassadors!

Think this column is unnecessarily overblown and hyperbolic? I have heard every one of these ideas expressed by non-career appointees (and even some of our own FS members) over the past 18 months. The future of a broad-based, family-friendly Foreign Service in which diplomats play a meaningful role in the formulation of foreign policy and are free to engage in open debate, and even constructive dissent, about the wisdom of various possible courses of action — that is what hangs in the balance. ❑

Susan Reardon • Continued from page 59

ership and warmth as key to their loyalty to AFSA. No one sticks around for the money, to be sure. Or the plush offices (come visit and you'll see — although perhaps the "coziness" of the headquarters building has played a role). People stay because AFSA is a great place to work. Susan shaped an organization that is truly family-friendly, which should serve as a great example for the agencies where AFSA members work.

Big personalities, different styles, new ideas and shifting focus accompany every Governing Board rotation. Susan was commended for her ability to work well with each new board that has come in, every two years. Through every twist and turn, Susan has been, as Janet Hedrick, member services director and longtime friend, put it, "the epitome of grace under fire."

AFSA Counsel Sharon Papp worked with Susan for almost 15 years. In her tribute, she said Susan deserves the highest praise for her "excellent management of AFSA's resources and staff and for professionalizing what was in many ways a mom-and-pop organization."

Additional tributes included the following comments from from staff and board members:

"Your professionalism and humanity over 14 years will be impossible to replace. You'll be missed for a very long time."
— *Tony Holmes, AFSA President*

"I've benefited so much from watching you manage every bit of AFSA over the years. You've done it all fairly, professionally, and with a sense of humor and compassion."
— *Zlatana Badrich, Grievance Attorney*

"You have been a delight to work for. You have a deft touch and real understanding of how to motivate and support people."
— *Bonnie Brown, Retiree Coordinator*

"Thank you for your skillful mentoring and constant friendship."
— *Steve Honley,* Foreign Service Journal *Editor*

"You've spoiled my view of a manager in that wherever I go from here I'll expect someone of your caliber to be in charge!"
— *Austin Tracy, Executive Assistant to the President*

"You have been a true advocate of the AFSA staff in addition to being a fair, compassionate and highly skilled manager. But most importantly, you've been a great role model, both as a leader and as a woman balancing a career and a family."
— *Neera Parikh, Grievance Attorney*

"If it weren't for you, I'd be hunting puffins in Iceland!"
— *Asgeir Sigfusson, USAID Office Manager*

It was a reluctant goodbye on all sides. The staff knew that with a newly completed MBA, Susan had outgrown her position and it was time for her to move on to a bigger organization.

AFSA is well into the search for a new executive director. A search committee, with additional assistance from an executive search firm, is hard at work seeking the best possible candidate to step into some very big shoes. ❑

2006 SINCLAIRE LANGUAGE AWARD WINNERS

AFSA Honors Language Study Achievements

BY BARBARA BERGER, PROFESSIONAL ISSUES COORDINATOR

AFSA is proud to announce the 11 winners of the 2006 Matilda W. Sinclaire Language Awards. The Sinclaire Endowment was established in 1982, with a bequest of $175,000 to AFSA from Matilda W. Sinclaire, a former Foreign Service officer. The purpose of the award is to promote and reward superior achievement by career officers of the Foreign Service in the study of one of the "hard" languages under the auspices of the Foreign Service Institute School of Language Studies. In 2001, the guidelines were updated and amended to expand eligibility for the awards to any career or career-conditional member from any of the foreign affairs agencies.

Candidates for the award are nominated by the language-training supervisors or instructors at the FSI School of Language Studies, by instructors at the field schools or by language officers at post. A committee composed of an AFSA Governing Board member who serves as the chairman, the dean and associate dean of the School of Language Studies, a retiree member of AFSA and the AFSA coordinator for professional issues selected this year's winners. Each winner receives a check for $1,000 from the Matilda Sinclaire Endowment and a certificate of recognition signed by the president of AFSA and the chairman of the AFSA Awards Committee.

The committee was especially pleased to recognize the accomplishments of those students of Arabic and Dari, as it had expressed disappointment last year that these critical languages were absent from the nominations. Committee members hope that these high-priority languages, as well as Chinese, Japanese and Russian, will receive greater emphasis and recognition, as proficiency in these languages is vital to our country's foreign policy goals.

AFSA congratulates the 11 winners of this year's Sinclaire Language Awards, listed below. Bradley Evans, one of the winners, was also a winner of a Sinclaire Language Award last year for his mastery of Albanian, which he learned on his own while serving in Tirana.

Geoffrey J. Anisman	Hebrew
Susannah E. Cooper	Arabic
Stephen A. Cristina	Albanian
Rebecca Dunham	Lithuanian
Bradley Evans	Icelandic
Gregory Macris	Greek
Kimberly McClure	Dari
Mirembe Nantongo	Arabic
Susan Parker-Burns	Polish
Michael Pelletier	Arabic
Andrew Schilling	Polish ❑

GAINING PUBLIC SUPPORT FOR DIPLOMATIC READINESS FUNDING

Prominent Retirees Lead AFSA Outreach in 2006

BY TOM SWITZER, DIRECTOR OF COMMUNICATIONS

Prominent retirees led AFSA's expansion of its national outreach efforts in 2006 aimed at broadening and deepening public support for funding diplomatic readiness. Retirees support outreach through public speaking and by writing articles and op-eds for their local papers. One of our most effective outreach vehicles is our **Speakers Program**, which in 2006 deployed 520 Foreign Service speakers to explain the importance of U.S. diplomacy for American national interests to more than 31,000 professional and academic attendees in 43 states and Washington, D.C.

AFSA's speaker corps includes nearly 500 retired Foreign Service officers — 80 former ambassadors among them. Most of these individuals are still actively involved in international affairs as teachers, authors, business people and consultants. Drawing on their personal experiences and historical perspectives, they offer audiences an opportunity both to explore the complex, often confusing international order that has replaced the Cold War and to reflect on the evolving role of American diplomacy in the face of global terrorism and other challenges. Audiences range from major world affairs councils and universities to community-service organizations, town meetings, churches and high schools.

Among AFSA's prominent retiree speakers were Ambassador Richard Holbrooke and Ambassador Marc Grossman. Holbrooke highlighted for eminent legal experts at the Washington Foreign Law Society the increasingly dangerous challenges facing the Foreign Service in Iraq, Afghanistan and other hardship posts. Grossman elicited glowing reviews from attendees at George Mason University's "Learning in Retirement" adult education series for his insightful description of the crucial role of the Foreign Service in varied global hot spots.

AFSA speakers addressed other topics, including counterterrorism; public diplomacy; U.S. initiatives in Latin America, Africa, Europe, Asia and the Middle East; international trade promotion; migration; energy issues and human rights.

Speakers were provided with talking points and issue updates from AFSA, as well as promotion material for AFSA's best-selling book, *Inside a U.S. Embassy*. Speakers stressed the critical role of diplomacy in advancing America's vital security and economic interests around the globe. They also encouraged audience members to contact their congressional representatives to request increased funding for U.S. diplomatic readiness. Our speakers also reached out to talented youth — especially minority-group members — to encourage them to consider Foreign Service careers.

> "AFSA speakers explained the importance of U.S. diplomacy to more than 31,000 attendees in 43 states and Washington, DC."

Above: Amb. Richard Holbrooke highlights the dangerous challenges facing the Foreign Service to the Washington Foreign Law Society. Left: Amb. Marc Grossman explains the critical role of the Foreign Service to George Mason University's "Learning in Retirement" adult education series.

AFSA's **media outreach** efforts were also intensified in 2006. We placed, either directly or through AFSA retirees, 52 op-eds, letters to the editor, articles and press releases advocating increased public and congressional support for U.S. diplomacy in leading media entities including the *Washington Post*, *New York Times*, *Wall Street Journal*, *Government Executive*, *Federal Times*, The Associated Press, NPR and CNN.

Among our most successful efforts was heavy media coverage for AFSA's annual Memorial Plaque Ceremony held at the State Department in May. The event attracted network coverage and reports by some 12 journalists from major media. The result was in-depth coverage via some 22 media outlets nationwide, including the *Washington Post*, NBC, CNN, Fox News, The Associated Press and NPR.

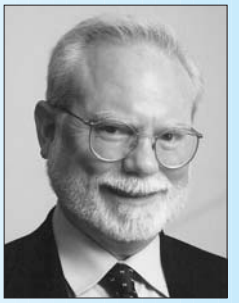
AFSA outreach efforts have placed strong emphasis on the vital role played by U.S. diplomacy in the ongoing struggle against terrorism. Since the 9/11 attacks we have deployed more than 850 AFSA retiree experts on counterterrorism, Middle Eastern and South Asian issues for speaker and media programs nationwide. We also held frequent discussions regarding AFSA issues with the more than 35 diplomatic correspondents attached to the State Department, as well as with senior editors and bureau chiefs of national media based in Washington.

These outreach programs have promoted three important AFSA goals: broadening the Foreign Service constituency through outreach to the public; enhancing public awareness of global affairs and of the key role of the Foreign Service and diplomacy; and activating the AFSA retiree constituency by involving it in significant programs that draw on their backgrounds and skills in telling our story to audiences nationwide.

If you would like to be involved with AFSA outreach, please contact me at **switzer@afsa.org**, or 1 (800) 704-2372, ext. 501. ❑

V.P. VOICE: **RETIREES** ■ BY DAVID REUTHER

AFSA Goes to the Hill, With You!



As you read this, AFSA is gearing up for this year's Day on the Hill, May 3. We wish you all could be here. Throughout the 20th and 21st centuries, regardless of the dangers, proud, talented Americans took up the challenge to serve their country as members of the Foreign Service. We now look to Congress to acknowledge this loyalty, patriotism and personal sacrifice.

The FS community has two objectives for Day on the Hill. The first and most important is simply to present the face of the Foreign Service to our elected representatives. You have already served on America's first line of defense overseas, but there are those who don't understand your service or mischaracterize your achievements. Some members of Congress brag that they don't hold a passport. Other congressional offices tell us they have no FS constituents. Yet over my last two years as AFSA retiree vice president, I have communicated with many of you who have taken the initiative to expand the views of members of Congress and their staffers, locally or in Washington, as educators and volunteers. Join us in this job of making the Foreign Service community a real force.

Our second interest is to honor your service to the country. Nothing increases the spending of the State Department and diminishes your professionalism more than the use of contractors. The enormous, security-cleared, talented and experienced pool of retirees is often overlooked because Congress places a cap, calculated in either time or salary, on retiree availability. It eliminated these same restrictions for the retired military a few years ago. AFSA asks, "Why not the Foreign Service community, too?" AFSA works for the elimination of the WAE cap. Won't you join us?

In 1980, a new Foreign Service Act made an FS career similar to that of the uniformed military. This act shortened careers, forcing many to retire earlier than they expected. Talented and skilled, most are close now to completing a second career during which they earned Social Security credits. A painful e-mail recently reminded me that the Windfall Elimination Provision deprives a Foreign Service retiree of approximately 60 percent of his or her Social Security earnings. On Jan. 4, Representative Howard Berman, D-Calif., and 103 bipartisan cosponsors introduced the Social Security Fairness Act of 2007 (H.R. 82). A Senate bill (S. 206) was introduced by Senator Dianne Feinstein, D-Calif., with cosponsors Senators Susan Collins, R-Maine, Olympia Snowe, R-Maine, and Frank Lautenberg, D-N.J. During Day on the Hill, AFSA will highlight the elimination of the WEP penalty. Won't you join us?

We will also highlight the Government Pension Offset, which mandates, for example, that a widow who receives a $900 FSRDS monthly annuity and who normally would be eligible for a $400 Social Security survivor benefit, would receive no Social Security benefit because two-thirds of her annuity exceeds the Social Security benefit. If AFSA doesn't raise these issues on behalf of the retired FS community, who will? Won't you join us?

Consider this: active-duty federal employees pay health insurance premiums with pretax earnings. Retirees lose the premium-conversion benefit on the date of retirement, at a time when the tax savings (estimated at more than $400 per year) would be of great benefit. If AFSA isn't there to raise this issue for the retired FS community, who will? Won't you join us?

If you can't join us in person, join us by writing your representatives and senators a letter coinciding with Day on the Hill. Tell them that you are proud to have served the American people overseas and that the Foreign Service community should be treated the same as the uniformed military when it comes to the WAE cap, and that there is a need to revisit the punitive WEP and GPO provisions. All these issues, along with talking points and congressional addresses, are on AFSA's Web site, at **www.afsa.org/congress.cfm**.

You served with distinction. Retire proud.
Join us by interacting with your local congressional office.
Join us by writing your representatives and senators May 3.
Join us by using the automatic annuity deduction to pay your AFSA membership dues.
AFSA: Your Voice, Your Advocate ❒

Retirees, do you think the department terminated your membership in AFSA? If you want to carry your payroll deduction membership into retirement, you have to clear a hurdle. The payroll deduction for AFSA membership doesn't automatically transfer. State has two payroll offices, one for active-duty personnel and one for retirees. You have to separately file a new form for automatic deduction from your annuity. For forms, go to **www.AFSA.org**, hit the Retirees tab, or call Retiree Coordinator Bonnie Brown or Membership Director Janet Hedrick at 1 (800) 704-2372.

FAD • Continued from page 59

icy issues; a panel discussion, "Maritime Security in Our Ports — The Facts," about how the public and private sectors work together to improve the security of U.S. ports; and the elegant traditional luncheon in the Ben Franklin Room. There will also be plenty of opportunities to catch up with old friends and colleagues.

The AFSA Memorial Plaque ceremony takes place during Foreign Affairs Day to honor Foreign Service personnel who have lost their lives while serving their country abroad. The solemn ceremony, which includes the presence of an Armed Forces Color Guard, will be held at the site of AFSA's Memorial Plaques in the C Street lobby of the State Department. Secretary of State Rice will once again preside over the ceremony and help us honor our fallen colleagues.

There are currently 221 names on the two plaques, located on the east and west walls of the lobby. AFSA will unveil three new names at the ceremony: Margaret Alexander, a USAID Foreign Service officer and deputy director of the USAID mission in Nepal, who was killed on Sept. 23, 2006, in a helicopter crash in Nepal; Doris Knittle, a Foreign Service nurse, who was killed in her home in Kabul, Afghanistan, in August 1970; and Henry Antheil Jr., a State Department employee who died in a plane crash in June 1940 while performing official duties as a courier. Relatives of those honored will attend the ceremony.

Foreign Service personnel continue to serve in very dangerous conditions and undertake enormous risks in the service of their country, and this ceremony offers us an opportunity to remember and honor these brave and dedicated men and women.

All Foreign Affairs Day participants are invited to attend AFSA's reception, from 3 to 5 p.m., at AFSA headquarters for complimentary hors d'oeuvres and a cash bar. During the reception, AFSA will present its annual merit scholarships to children of Foreign Service employees. For more information about the AFSA events for that day, contact Professional Issues Coordinator Barbara Berger at berger@afsa.org. ❑

V.P. VOICE: **FCS** ■ BY DON BUSINGER

Promotions and Domestic Assignments

By the time this article appears, AFSA/FCS will have tabled its spring 2007 midterms and updated our Web site. Hopefully, management will have signed off on two of our three fall 2005 midterms, especially since the 30-day management review period expired in January!

While I always hesitate to write too specifically about items under negotiation, in this article I wanted to throw a spotlight on an important area with which I have significant, though dated, personal experience — FCS officers serving in domestic (ODO, Office of Domestic Operations) positions outside Washington, D.C., headquarters.

The Feb. 20 e-mail sent by Deputy Assistant Secretary for the Office of International Operations Dan Harris pointed to the shortage of FCS officers for overseas posts, especially at higher-grade levels. Comparing the number of new hires with the retirement of many from the original wave of officers who joined in the early 1980s when FCS was created, plus other attrition, this promises to get worse before it gets better. The Harris e-mail also said management was working with ODO to create a few more FS-1 or FS-2 positions to accommodate higher-grade officers who may need domestic assignments (all such positions today are FS-3, with the exception of one FS-1 position in Las Vegas).

In 2004, AFSA signed an MOU (see the AFSA Web site for details) on "Assignments and Tours of Duty," including the so-called "seven-year rule" that career candidates (new entrants into FCS) generally have to serve a two-year domestic tour in a U.S. Export Assistance Center within their first seven years of service. Therefore, we have an interest in ensuring that domestic assignments "work." The experience of the first wave of mid- and senior-level officers in ODO assignments from 1994-1998 was less than positive, as none were promoted and most ranked at the bottom of their class due to negative perceptions of the promotion boards on domestic versus overseas assignments.

The promotion record for domestic service is not easy to assess or count given that promotions may be based on the five most recent years of service. According to the records of the last 10 boards (1997-2006), no FS-1 serving in a domestic position was promoted; five FS-2s were promoted, but three of these had mixed service in the most recent year; five FS-3s were promoted, but one of them had mixed service; and only two FS-4s were promoted — hardly a stellar endorsement of domestic service aiding a career of promotions!

Some lower-graded officers (especially new entrants once tenured) may have been promoted out of domestic service positions, and the seven-year rule may have made sense until now. But it is time for management and AFSA to review the entire "integration" effort with a view to enhancing domestic service or eliminating it — or something in-between. AFSA probably needs to design a "Zoomerang" survey of members on this topic to get your views, but in the meantime please e-mail me (**Donald.Businger@mail.doc.gov**) with your personal ODO experiences and comments — or, if you have not served in an ODO position, you may simply provide your views on the "golden mean" of reform. ❐

AFSA NEWSBRIEFS

Notice from HR Recruiting Division

At the Director General's initiative, HR is redesigning the process for selecting Foreign Service officers. The new process will be a "total candidate" approach that includes two new elements: a personal biographic narrative written by the candidate and a qualifications evaluation panel that determines which candidates move forward to the oral assessment. There will still be a test (somewhat shortened) and an essay, and the oral assessment will remain as it is. Further information on the new process is available at **careers.state.gov**. Keep an eye on this Web site, for it will be updated as more information becomes available.

AFSA Welcomes New Grievance Attorney

Holly Rich has joined AFSA as a grievance attorney, replacing Charles Garten. She graduated from Hofstra University School of Law in 2005, where she received the Distinguished Service to the Law School graduation award as well as two awards from the New York State Bar Association, one for a commitment to labor and employment law and the other for a state-wide writing competition. At Hofstra, Ms. Rich served as editor-in-chief of the *Labor & Employment Law Journal*. After sitting for the New York bar exam, she moved to London for nearly a year to pursue a lifelong personal interest in learning about the art market. A recent D.C. transplant, she is thrilled to be at AFSA. She can be reached at (202) 647-7683 or **richhe@state.gov**.

Pull Out Those Old Scrapbooks ...

Embassy Managua Seeking Photos

Were you fortunate to serve in Nicaragua? Do you have any old photographs, pictures, slides or magazines from your tour there that you would be willing to share?

On June 22, 1849, Ephraim George Squier arrived in Managua as the first official U.S. representative to Nicaragua. Since then, hundreds of U.S. Foreign Service officers, specialists and locally-employed staff have served there with distinction.

Embassy Managua is putting together a collage to show the history of the mission that will be displayed in the new embassy building. Please help capture this rich history by sending photos of people, buildings and events from your time serving in Nicaragua. E-mail submissions, along with a brief description, to **WyrickME@state.gov**. Hard copies can be mailed to: U.S. Embassy Managua, Attn: Transition Coordinator, Unit 2702, Box 1, APO, AA 34021.

Thrift Savings Update

Thrift Savings Plan contributions will not be limited by a percentage of salary in 2007, but IRS limitations will still apply. The 2007 IRS limitation is $15,500, which is a maximum $596.15 contribution per pay period. If you will be age 50 or older during 2007, you may contribute up to $5,000 in additional "catch-up" contributions if your regular contributions for the year reach the $15,500 limit.

If you are contributing the full amount, consider putting in a straight dollar amount from your pay check and not a percentage of your salary. That way, when your salary increases, you will not risk going over the limit during the year. If you reach the limit prior to pay period 26, your contributions stop and you lose any remaining matching contributions for the year.

You cannot enroll or change the amount of your contributions to your TSP account on the TSP Web site. However, you can set up and change TSP contributions at **www.employeeexpress.gov**. Your logon ID is your Social Security number, and you need to get a password. More details are at **www.tsp.gov**.

AFSA Receives Major Scholarship Gift

In late January, a very generous gift of $750,000 was made to the AFSA Scholarship Fund from the estate of Brockman M. Moore. This is in addition to the $157,000 gift from the Brockman M. Moore Charitable Remainder Trust that AFSA announced in the January *AFSA News*. The combined gift of $907,000 is the largest AFSA Scholarship Fund contribution ever received. Prior to this gift, the largest bequest to AFSA was $806,000 from the estate of Naomi M. Mathews. The gifts will fund financial aid and merit scholarships for Foreign Service children.

Mr. Brockman passed away in 2005 and his wife, retired FSO Marcia Martin Moore, died in 1980. She was in the Foreign Service for 28 years, retiring in 1976. Upon the death of his wife, Mr. Brockman established a perpetual financial aid scholarship in her name. The couple had no children, and placed the highest priority on education. They served in Guatemala, Japan, Italy, Vietnam, England, West Africa and Austria. For more information about making a donation to the AFSA Scholarship Fund, please contact Scholarship Director Lori Dec at (202) 944-5504 or 1 (800) 704-2372, ext. 504, or send an e-mail to **dec@afsa.org**.

DAY ON THE HILL MAY 3

Pay a Visit to Capitol Hill for the FS

May 3 is AFSA's Day on the Hill. This will be the seventh year AFSA takes active-duty and retiree members and their spouses to Capitol Hill for face-to-face visits with their home-state representatives and senators, and congressional staff. It is our chance to show members of Congress that they do in fact have Foreign Service constituents.

AFSA will provide background information and position statements on the Foreign Service and retiree issues on our Web site and through the April *Retiree Newsletter* and other mailings. AFSA will focus on the need to secure enough funding and resources to enable diplomats out in the field to do their jobs effectively. AFSA will also highlight the need to take care of those who are part of the larger Foreign Service family — spouses, children and retired personnel.

If you cannot join us in Washington, D.C., on May 3, consider making your views known on the same day from wherever you are by sending letters, e-mails or faxes, or by calling your representatives and senators in Washington or in their home district offices. Sample letters and information about how to make contact with Congress will also be posted on our Web site. Visit the special Day on the Hill page at **www.afsa.org/dayonthehill**. We also encourage AFSA members to visit congressional district offices.

Please join your colleagues on May 3 and help ensure that the voice of the Foreign Service is heard on the Hill. For more information, contact Austin Tracy by e-mail: **tracy@afsa.org**, or by phone: (202) 338-4045, ext. 506. ❑

SHARON MILES HONORED FOR WORK WITH DISABLED

AFSA Award Winner Receives Presidential Medal in Bulgaria

BY E. MARGARET MACFARLAND, EDITORIAL INTERN

One of AFSA's 2002 Exemplary Performance Award winners made headlines in Sofia recently, receiving a medal from Bulgarian President George Parvanov for her advocacy work on behalf of the disabled. In 2002, AFSA recognized Sharon Miles for her extraordinary contributions while serving in Bulgaria with her husband, Amb. Richard Miles. She was presented with the Avis Bohlen Award for Exemplary Performance by a Foreign Service Family Member during the June AFSA Awards Ceremony for her advocacy work on behalf of fair treatment for disabled persons in Bulgaria.

On June 12, 2006, President Parvanov awarded Ms. Miles the "Madarski Konnik," the Bulgarian national medal. Following the official ceremony, Miles visited the Bulgarian Parliament and discussed disability issue priorities with the chair.

Miles was nominated for the award by representatives of the Bulgarian disability movement, through the chair of the Psychological Center for Research, Dr. Diana Indjov, who worked with Miles in Bulgaria. Dr. Indjov is the founder of the Psychological Center, the first Bulgarian nongovernmental advocacy and lobbying organization for people with disabilities. She visits the U.S. periodically to get ideas for ways to energize the movement back home in Sofia.

Sharon Miles, center with medal, in Bulgaria for the Presidential Award Ceremony. Back row, from left: Regional Director for the Psychological Center for Research Burgas Area Ivan Karagiozov; PCR Chair Diana Indjov, Ph.D.; PCR Washington Representative Stephen Spector; Jocelyn Greene; Regional Director for PCR Nevena Popova. Front row: Sharon Miles and Executive Director of the Agency for People with Disabilities Mincho Koralski.

Indjov, during a visit to AFSA, told *AFSA News* that between 12 and 14 percent of Bulgaria's population of 8 million are disabled in some way, and that 90 percent of them live below the poverty line. Many receive inadequate medical care. In addition, she reports, disabled persons continue to face heavy discrimination.

Sharon Miles receiving the Bulgarian National Medal from Bulgarian President George Parvanov.

Through organizing seminars and fundraising events, and appearing on national television, Miles gave a voice to an often ignored section of society. She became known in Bulgaria as a leading spokesperson for fair treatment for the disabled, using her position as the ambassador's wife to draw more attention to disability issues. She also tried to help those in need by organizing the collection of food, clothing, furniture and equipment to donate to various local groups, even in remote areas of Bulgaria.

The Bulgarian disability movement, according to Indjov, is at a critical stage in cultivating understanding on disability issues, and she credits the counsel of Miles for this progress. Her ability to both recognize and fill a need has now been honored not only by the Foreign Service community, through AFSA, but by the Bulgarian disability movement, the Psychological Center for Research and the Bulgarian government itself. ❑

AFSA NEWSBRIEFS

Foreign Earned Income — Important Change in IRS Rules

The Foreign Earned Income Exclusion allows U.S. citizens, who are not government employees and are living outside the U.S., to exclude up to $82,400 of their 2006 foreign-source income if they meet certain requirements.

However, for 2006 there has been a change in the way the IRS requires the excluded amount to be calculated. This affects the tax liability for couples with one member employed on the local economy overseas. Previously, you took your total income and then removed your excluded income and paid tax on the remainder. The change now requires that you take your total income and figure what your tax would be, then deduct the tax that you would have paid on the excludable income.

For example:
FS employee earns $80,000
Teacher spouse earns $30,000

Before: Tax on ($110,000 minus $30,000) = Tax on $80,000 = Tax Bill of $13,121

Now: Tax on $110,000 = $20,615; Tax on $30,000 = $3,749; Total tax = $20,615 minus $3,749 = Tax Bill of $16,866

Increase in tax bill = $3,745

If you have questions about the implementation of this new regulation, please consult a financial professional. ❑

Correction

In the March issue, "FSO Reunion" on page 81 incorrectly refers to Jack Davison as deceased, yet he is very much still with us. The item listing the four ambassadors from the A-100 class of 1961 should have read: John Blacken, Stephen Bosworth, Jack Davison and the late Peter Sutherland. We regret the error.

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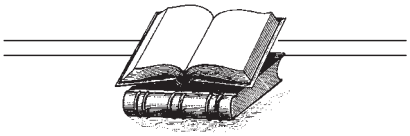

BOOKS

Triple Threat

Peter Strickland: New London Shipmaster, Boston Merchant, First Consul to Senegal
Stephen H. Grant, New Academia Publishing, 2007, $18, paperback, 231 pages.

REVIEWED BY AARON CHASSY

When done well, social history illuminates how societies organized themselves and how they reacted to, contributed in — and sometimes even helped set off — some of the world's great events. Similarly, well-written biographies invite us, the readers, to share with the subjects the emotional response to their successes and failures in the face of life's challenges. Taken altogether, historical events and individuals' efforts to play out their own part in these events' creation or unfolding are what impart meaning to these brief moments in time for future generations.

Stephen Grant's biography of Peter Strickland, the latest title in the ADST-DACOR Diplomats and Diplomacy Series, does not set out to offer a grand sweep of history. But it provides us with so much more than a simple recounting of one man's life. It opens our eyes to the workings of transatlantic maritime commerce and U.S. diplomacy in West Africa, putting them in the context of some of the 19th and 20th century's major developments.

Drawing on nearly 60 years' worth of personal diary entries and official dispatches, Grant illuminates the life of his subject, the seemingly unremarkable product of a middle-class New England family. Yet as the book's title details, Strickland (1837-1922) enjoyed three fairly successful careers: first as a sailor and later as a ship's officer; then a brief stint as the West African representative of U.S.-based commercial firms; and finally, service as one of the first U.S. consuls in the region.

Grant's careful blending of historical hindsight with Strickland's own words brings enormous value to our understanding of U.S. diplomacy.

Beyond describing his many career transitions, Grant allows Strickland's voice to illustrate aspects of some of the major social issues facing America during that era: how to reconcile the issue of slavery between the North and the South as an alternative to an all-out war; the exploitation of unskilled labor, seamen in this case, which drove America's industrial revolution; and the brutal colonization of West Africa by Europe.

What emerges is the portrait of a man whose vision and intellect far surpassed the capacity expected from someone with his meager formal training — he had only a high school education. Further, Strickland's views provide some insight into how American society made the collective choices that ultimately shaped its national character and influenced its relations with other nations.

This careful blending of Strickland's personal view with Grant's selective use of historical hindsight brings enormous value to our understanding of U.S. diplomacy and how it responded to world affairs during the early years of the republic. For instead of focusing on diplomacy's "great men," who are often portrayed as having "made" history, this book shows us how U.S. diplomacy in general, and the institution of the consul in particular. They represented U.S. commercial interests, and provided much-needed support and service to Americans who found themselves alone in remote parts of the world.

The book's organization is straightforward and its style is simple enough to make it a quick read while maintaining the reader's interest throughout. It offers a rich, non-judgmental depiction of one man's life, as well as his achievements and contributions to U.S. diplomacy, all within the context of a world undergoing significant social transformation.

Aaron Chassy, a former USAID Foreign Service officer and former Peace Corps Volunteer, lived and worked for five years in West Africa, where much of this book takes place. He currently lives in Virginia, where he manages anticorruption programs for ARD, Inc., a USAID contractor.

Still Discontented

Making Globalization Work
Joseph Stiglitz, Norton, 2006, $26.95, hardcover, 358 pages.

REVIEWED BY JIM PATTERSON

Joseph Stiglitz is that rare breed: an economist who isn't afraid to declare that free trade must also be fair trade. His latest book, *Making Globalization Work* (a follow-up to his 2002 bestseller, *Globalization and Its Discontents*), documents the fact that the benefits of more open trade are not being evenly distributed among members of the World Trade Organization — or within societies.

Stiglitz has excellent credentials for rendering such judgments. During the 1990s, he served as chairman of President Bill Clinton's Council of Economic Advisers and, later, was a chief economist at the World Bank. In 2001 he shared a Nobel Prize for his work on the economics of information. He has had a major role in formulating international economic policies and in laying the foundation for the current Doha Round of trade negotiations, designed to reduce barriers to trade and to fully integrate diverse economic systems into a working global market.

One of the main complaints developing countries have against developed economies, like the United States and the European Union, is that nations with sophisticated economies reap the main benefits of world trade. This has always been true, but now developing countries have the means — membership in the World Trade Organization — to seek a place at the global economic table. And, Stiglitz contends, developed countries have an obligation to spread global trade's benefits among all nations.

"If any trade agreement were to be a success, it should have been the one among Mexico, the United States and Canada," the 1992 North America Free Trade Agreement. But while Mexico has benefited from access to other markets, the gains have been fewer than NAFTA supporters claimed. Once self-sufficient in maize production, Mexico now imports more than 20 million tons annually from the U.S. And rural poverty is on the rise, fueling illegal immigration to the north.

As the author explains, protection-

ism, especially by developed countries, remains a huge obstacle to globalization and poses a major threat to the Doha Round. It takes many forms, including non-tariff trade barriers such as technical barriers and rules of origin. Even those countries that abolish tariffs are quick to establish and enforce non-tariff barriers to protect certain industries.

"The United States and Europe have perfected the art of arguing for free trade while simultaneously working for trade agreements that protect themselves against imports from developing countries," Stiglitz notes. "The average European cow gets a subsidy of $2 a day; more than half of the people in the developing world live on less than that."

The Bush administration, in an effort to help the foundering Doha Round negotiations succeed, has proposed eliminating $10 billion in farm subsidies over the next five years. But whether these cuts will find their way into the new farm bill is dependent upon politics more than economics.

Stiglitz also dissents from the prevailing wisdom among economists and policymakers regarding intellectual property rights. When the Uruguay Round's set of multilateral trade rules was signed in 1994, it included an agreement on Trade-Related Aspects of Intellectual Property Rights. But in Stiglitz' view, TRIPs pose serious obstacles to trade and do not belong in a trade agreement.

In a chapter discussing the crushing debt burden many developing countries carry, Stiglitz equates overborrowing with overlending, and says developed countries have an obligation to assist those burdened with debt, especially when it is not a result of government corruption.

"The global financial system is not working well," Stiglitz concludes. He recommends a better capitalized global reserve system based on "global greenbacks," a type of world currency.

Agree or not, Stiglitz is a policy-minded economist with a firm grasp of the problems of our global economy and detailed solutions to them. ■

Jim Patterson, a former Foreign Service officer, is an economist and freelance journalist. His work has appeared in the San Francisco Chronicle, New York Times *and* The Hill, *among other publications.*

In Memory

Harold S. Daveler, 71, a retired Foreign Service officer with USAID, died on Dec. 13 at his home in Alexandria, Va.

Mr. Daveler was born in Hershey, Pa., on June 20, 1935. He graduated from Manchester College in 1957, received a master's degree in religious education from Bethany Theological Seminary, and was working toward a master's degree in international relations at American University when he joined International Voluntary Services in 1961. With IVS, he served in Laos until 1966 on the education team, first as a volunteer and then as deputy chief of party. He then spent one year teaching in Laurel, Md.

Mr. Daveler joined USAID in August 1967. He studied advanced Lao at the University of Hawaii, and returned to Laos in January 1968 as a full-time employee in the administrative section, where he served until December 1974. He took a direct transfer to Jakarta, and was there until May 1979, when he returned to Washington. In 1984 Mr. Daveler was posted to Cairo, where he first served as the administrative officer in the U.S. embassy and then as the administrative officer for the USAID mission. He retired from the agency in Egypt in 1993.

Following retirement, Mr. Daveler accompanied his wife, Delberta Mills Daveler, a Foreign Service specialist, to posts in Malaysia, Argentina and Peru. While in the first two countries he did several TDYs for USAID. In Peru he worked for Embassy Lima in the administrative section. The Davelers returned to the U.S. in 2002. In retirement, Mr. Daveler enjoyed his videography hobby as well as spending time with his family and his cats.

Mrs. Daveler died on Feb. 2, 2003. Mr. Daveler is survived by 10 nieces and nephews.

Catherine "Kay" Andrus Fessenden, 89, widow of FSO Russell Fessenden, died of congestive heart failure on Oct. 22, 2006, at her home in Ashfield, Mass.

Born in Honolulu, Hawaii, Mrs. Fessenden graduated from Oberlin College in 1939, and married Russell Fessenden the same year.

During their 57-year marriage, the Fessendens spent 26 years as a Foreign Service couple, serving in Paris, Brussels, Bonn and Washington, D.C. While in Bonn, Mrs. Fessenden's duties included welcoming several U.S. senators and Presidents Kennedy, Johnson and Nixon into the family's residence. She became fluent in French and German.

In 1972, when Mr. Fessenden retired from the State Department, they moved to the ancestral home town of Ashfield, Mass., and set about making renovations to their vintage New England house while creating extensive vegetable and flower gardens. Mrs. Fessenden loved homesteading, and became accomplished at raising goats for meat, milk and cheese; tending sheep, and spinning and weaving their wool; and beekeeping. At various times the Fessendens also kept horses, chickens, geese, rabbits and pigs. She was skilled at oil painting, papermaking, bookbinding, candlemaking and calligraphy.

During 35 years of retirement in Ashfield, Mrs. Fessenden was active in the community. Among other things, she volunteered as the Friday-night dispatcher for the local volunteer ambulance in the days before one could dial 911 in an emergency. One of her greatest passions was writing: she left over 20 volumes of journals; worked as a reporter for the *Greenfield Recorder*; wrote regular articles for the Massachusetts Audubon Society's magazine, *Sanctuary*; and was published in *Yankee Magazine*. She also contributed human interest pieces to *The Ashfield News*, including a popular series on local craftspeople in Ashfield, "Presence of the Hand."

Mrs. Fessenden was physically active throughout her life, remaining a skier, tennis player, avid bicyclist, hiker, canoeist and gardener well into her 80s. In her 60s she worked as an apple-picker atop a tall ladder; and, until the last weeks of her life, she was always ready to take a walk. She spent almost a decade caring for Mr. Fessenden, who died at home of Parkinson's disease in 2001.

Mrs. Fessenden is survived by her children, Helen Andrus Snyder of Portal, Ariz., David Andrus Fessenden and Anna Fessenden of Ashfield, Mass., Jean F. Sprague of Emporium, Pa.; a sister-in-law, Susan Dean Fessenden; seven grandchildren; one great-granddaughter; a nephew; a niece; and a great-nephew.

In Memory

George Der Koorkanian, 79, a retired FSO, died on Jan. 20 at his home in Manchester, N.H., surrounded by his family.

A graduate of the University of New Hampshire, Mr. Koorkanian joined the State Department in 1954, where he served in the Diplomatic Courier Service. During a 34-year career, Mr. Koorkanian was posted to Panama, Germany, the Philippines and Thailand, as well as Miami, Fla., and Washington, D.C.

Upon retiring from the Service in 1988, Mr. Koorkanian settled in Manchester, N.H., where he was active in Democratic Party politics. A stalwart campaigner for various local, congressional, gubernatorial and presidential elections, Mr. Koorkanian worked tirelessly to support candidates and causes that championed social justice.

He also served as longtime treasurer of the Hillsborough County Democratic Committee, as well as being a member of both the Manchester and State Democratic Committees.

Mr. Koorkanian's commitment to social justice was further reflected through his involvement with a number of community organizations. He served as past president of both Manchester Kiwanis International and the Manchester chapter of the National Association of Retired Federal Employees.

He was a board member of Child Health Services and also held memberships in the American Foreign Service Association, Foreign Affairs Retirees of New England, the American Legion and the New Hampshire Council on World Affairs.

Survivors include his wife of 30 years, Cora, of Manchester, N.H.; his daughter, Diana Koorkanian-Sauders, and son-in-law, Robert Sauders, of Bethesda, Md.

Sherwin Landfield, 86, a retired FSO with USAID, died on Feb. 3 at the Halquist Inpatient Center of Capital Hospice in Arlington, Va., as a result of complications from a stroke he suffered in 2003.

A native of Chicago, Mr. Landfield joined the Army in 1942, and during World War II served in Iceland with the 977th AAA Automatic Weapons Battalion. After discharge from active duty (he remained in the reserves until 1953), Mr. Landfield combined his desire for travel with his passion for learning: thanks to the G.I. Bill, he studied at the Sorbonne in Paris and traveled around Europe. He graduated from Central YMCA College (later Roosevelt University), and received a master's degree at the University of Chicago in political science and public administration. He taught at Roosevelt University until he was recruited by International Harvester for their adult education department.

In 1960, Mr. Landfield joined the Point Four Program, which was soon to become the U.S. Agency for International Development. His first assignment as an FSO was to Port-au-Prince, where he and a team of advisers created a teachers' college. The second post was Asuncion, where he again worked on national education reform, helping to establish that country's first national bookmobile. Then came two posting to the high Andes: Ecuador, where USAID's educational reform efforts were focused on a new teacher training system; and then Bolivia, where Mr. Landfield supervised preparation of a new national primary school curriculum.

Back in Washington, D.C., in 1970, Mr. Landfield served as USAID/State liaison to the Organization of American States and UNESCO. Later he was tasked with improving USAID's internal communication system, and for that work was recognized with the agency's Meritorious Honor Award.

Mr. Landfield's final overseas assignment was to Abidjan; from there he traveled throughout West Africa as USAID's regional program evaluation officer. As he had done in the Americas, Mr. Landfield visited nearly every republic on the African continent before his tour was over.

In June 1977, Mr. Landfield retired from the Foreign Service, and for the next 25 years — twice in most years — he and Mrs. Landsfield undertook a new international venture to discover those corners of the world on their "must visit" list. In 1999, Mr. Landfield won a *Washington Post*-sponsored contest for the most visas on a single passport: his 1985-1995 passport with 51 visas from Albania to Venezuela far eclipsed the closest runner-up. In his lifetime, Mr. Landfield visited well over 100 countries, all the American states and countless islands, waterways and byways.

A 36-year resident of Arlington County, Mr. Landfield was an active member of the county's Donaldson Run Civic Association and Citizens for the Abatement of Aircraft Noise. A frequent spokesman for CAAN, he helped push the group's arguments all the way to the U.S. Supreme Court in 1990. He was also an active member of the National Geographic Society, and supported his wife in her volunteer work as a multilingual docent for international visitors at the National Galleries of Art.

Survivors include his wife of 55 years, Jacqueline, of Arlington, Va.; sons Ken of Homer, Alaska, and Kerry of Pflugerville, Texas; grandson Zachary of Pflugerville; sisters Joy Feldstein of Glenview, Ill., and Phyllis Goldman of Chicago, Ill.; niece Anita Julie Goldman of Brooklyn, N.Y.; nephew Philippe Lacour of Paris,

France; and a cousin, James S. Landfield of McLean, Va.

In lieu of flowers donations in Mr. Landfield's name are suggested to Hospice or the Alzheimer's Association.

Thomas B. Larson, 92, retired FSO, died on Dec. 26, 2006, in Hightstown, N.J.

Born in Kansas City, Mo., Mr. Larson spent his childhood in Nebraska. He was a graduate of the University of Nebraska, and received an M.A. in political science from the University of Chicago in 1938 and a Ph.D. in political science from Columbia University in 1939.

Mr. Larson taught government and political science at Northeastern University, Amherst College and Williams College before joining the U.S. Army in 1943. He started out as a private, and was then transferred to the Army Specialized Training Program in Army Intelligence's Russian program as a lieutenant. He joined the State Department in 1947.

He served as chief of the Division of Research for the USSR and Eastern Europe in the Office of Intelligence and Research, and was posted to Moscow (as attaché-political officer) and Paris (as first secretary-political officer). Mr. Larson also served as a research analyst, a foreign affairs specialist and an intelligence research specialist.

In 1963, he was detailed to the National War College as director of the Department of Political Affairs. Following the assassination of John F. Kennedy in 1963, Mr. Larson appeared on national television as a Soviet expert, analyzing an excerpt from the diary of Lee Harvey Oswald.

Mr. Larson retired from the Foreign Service in 1966, and subsequently taught at the Russian Institute at Columbia University and the School for Advanced International Studies of Johns Hopkins University.

He is the author of *Disarmament and Soviet Policy, 1964-1968* (Prentice-Hall, 1968) and *Soviet-American Rivalry* (W.W. Norton & Co., 1978), and co-editor, with Alexander Dallin, of *Soviet Politics After Khrushchev* (Prentice-Hall, 1968).

In 2000, Mr. and Mrs. Larson moved to Meadow Lakes, a retirement home in Hightstown, N.J.

Survivors include his wife of 64 years, Helen R. Larson of Hightstown; a son, John D. Larson, and wife Leslye, of San Francisco, Calif.; and a daughter, Ruth Larson, and husband Hunter Taylor, of Mt. Holly, N.J.

Hawthorne "Hawk" Mills, 78, a retired FSO, died of bone cancer on Feb. 3 at his home in Havelock North, New Zealand.

Born in California, Mr. Mills graduated from Colorado College in 1950 and received a master's degree from the University of California at Berkeley in 1958. He served in the U.S. Navy from 1945 to 1946. Mr. Mills' public service career spanned the years of the Cold War, from 1945 when he served as a young sailor in the Pacific, to 1990, when he served as an international peacekeeping official with the Multinational Force and Observers in the Sinai, helping enforce the security provisions of the Israel-Egypt Peace Treaty.

Over a 36-year Foreign Service career, Mr. Mills also served as chief of mission in Afghanistan during the first two years of Soviet occupation, DCM and chargé d'affaires in Athens, consul general in Amsterdam, political counselor in Tehran, province senior adviser with CORDS in Vietnam and mission coordinator in Saigon. He was also posted to The Hague, Salzburg and Washington, D.C. Mr. Hawthorne's decorations and awards include the State Department's Award for Heroism and its Superior Honor Award, the Vietnamese Gallantry Cross with Bronze Star, the Purple Heart and two Senior Foreign Service performance awards.

For 12 years following his retirement from the Foreign Service in 1990, Mr. Mills and his Kiwi wife, Diana, lived on an island sheep farm in the Bay of Islands, New Zealand. During this time, they spent the Northern Hemisphere summers cruising the inland waterways of Europe aboard their French canal boat or visiting their far-flung children and grandchildren. In 2002, they moved to the Hawke's Bay wine country, where Diana grew up, to be closer to family, friends and good medical facilities.

Mr. Hawthorne's autobiography, *The Time of My Life: A Personal Look at the Twentieth Century* (Xlibris, 2005), was described in the *Foreign Service Journal*'s November 2005 issue as "candid and trenchant, and sometimes at odds with conventional wisdom" — but "never boring."

Mr. Mills is survived by his wife, Diana, four children and six grandchildren.

Phelon DeLafyette Peters, 76, a retired Senior Foreign Service officer with USIA, former Fulbright scholar and Korean War veteran, died on Nov. 28, 2006, in his hometown of Winston-Salem, N.C., after a short illness.

After graduating from Atkins High School in Winston-Salem in 1948, Mr.

Peters went on to become a pioneering African-American career diplomat. After receiving a B.A. in English literature from Fisk University in 1952, his plan to attend Howard University law school was aborted when he was drafted into the army during the Korean War, where he served from 1953 to 1954. Following military service, he returned to studies at Loyola University in Chicago, working summers on the Sante Fe railroad, and received a master's degree in English literature in 1956.

Mr. Peters then moved to Los Angeles, where he was a social worker and high school English teacher until 1961, when he received a Fulbright scholarship to teach English as a foreign language and English literature in Italy. While in Rome, U.S. embassy officials suggested that he join the U.S. Information Agency.

In 1964, Mr. Peters began a 30-year Foreign Service career during which he served in a variety of positions at USIA and the State Department. His first assignment was to Lagos as a space science lecturer. He was transferred to Mogadishu a year later as a program assistant. In 1967 he was detailed to FSI to learn Vietnamese. Subsequent assignments included deputy head of public diplomacy in Bonn, head of public diplomacy at the U.S. consulate in Trieste, at the U.S. consulate in Da Nang during the Tet Offensive, at the U.S. consulate in Kaduna, and cultural affairs officer at Embassy Lagos, where he managed American involvement in the major international festival of culture and arts of Africa and the African Diaspora. Mr. Peters spoke many languages, including French, Italian and German.

Mr. Peters' Washington assignments included a tour as senior inspector in the Office of the USIA Inspector General, where he evaluated the performance of USIA programs in Europe, the Middle East, Asia and Africa. He was later deputy executive director of the Foreign Service Board of Examiners, evaluating candidates for the Foreign Service.

In retirement, he managed programs at Meridian House in Washington, D.C., for international visitors to the U.S. A bon vivant and gourmand,

Mr. Peters returned to Winston-Salem to care for his mother, Helen G. Peters (also a world traveler), until she was 89 years old. He continued a lifelong love of international travel in retirement, visiting former haunts and colleagues in Germany, Italy and South Africa regularly and often. In the novel *City of Falling Angels* (Penguin, 2006), author John Berendt acknowledges his debt to Mr. Peters for an understanding of Venice.

Mr. Peters is survived by two sisters, Edith Mehlinger and Jacquelyn Tolbert; a brother, Orlando Peters; a niece, Linda Mehlinger; nephews Keith and Ferdinand Mehlinger; and grand-nephews Mark, Jason and Ferdinand IV.

Abraham Meyer Sirkin, 92, a retired FSO with the U.S. Information Agency who used his position to champion freedom of the press and promote American good will internationally, and helped develop human rights as a formal component of American foreign policy, died of pneumonia on Jan. 7 at a hospice-care center in Rockville, Md.

Mr. Sirkin was born in 1914 in Barre, Vt., the son of Russian-Jewish immigrants who had come to America several years earlier, fleeing discrimination and pogroms in Russia and Eastern Europe. The youngest of four, and the only boy, he was brought up in a strictly observant Jewish home. Through his mother, Mr. Sirkin was descended from a long line of rabbis. When he was 13, his father died, and he moved to New York City. He graduated from Townsend Harris Hall High School, and earned a B.A. from Columbia University and an M.A. from the Columbia School of Journalism in 1936.

Mr. Sirkin's first job was as publicist for the Council of Jewish Welfare Funds in New York from 1937 to 1941. As a commissioned U.S. Army officer during World War II, he served in the Pacific theater and in Japan. On entering the Army, Mr. Sirkin began a correspondence with First Lady Eleanor Roosevelt, who was interested in the daily life and opinions of recruits. As a result, he was invited to the White House on New Year's Eve in 1941. The correspondence continued, with Mr. Sirkin sending Mrs. Roosevelt regular reports from basic training camp and from the Pacific.

Mr. Sirkin resigned his commission as a major in 1946. For the next two years he worked in the press office of Gen. Douglas MacArthur. At Sixth Army HQ in Kyoto he guided a group of correspondents on their first visit to Hiroshima, among them John Hersey, who was gathering material for his book, *Hiroshima*.

From 1948 to 1957, Mr. Sirkin lived in London, first in a press position with the Economic Cooperation Agency/Mutual Security Agency. Following the creation of USIA in 1954, he received his commission as an FSO and was appointed deputy public affairs officer in London. There he wrote speeches for three American ambassadors and supervised a 13-part "Report from America" for BBC-TV. In London, he met and married Helen Ball, an American on assignment as economic analyst with the Marshall Plan mission. They moved to Washington, D.C., in 1957.

In Washington as long-range planning officer for USIA from 1958 to 1961, Mr. Sirkin produced the first draft of the contents of the U.S. Exhibition in Moscow — including the kitchen where Khrushchev and Nixon had their famous chat. During this period he also initiated the "Forum" series on the Voice of America to display America's academic achievements. He was then detailed to the Senior Seminar.

For the next three years, from 1963 to 1966, Mr. Sirkin served as director of the U.S. Information Service in South India, based in Madras. There he managed a staff of 125 and supervised U.S. cultural centers in Hyderabad, Bangalore and Kerala. All four Sirkin children attended local schools, an unusual choice for Foreign Service families at the time. The Sirkins maintained longstanding connections with South Indian colleagues and friends, especially in journalism and the arts, returning many times for visits.

After studying modern Greek for a year at the Foreign Service Institute, Mr. Sirkin became counselor for public affairs in Athens in 1967. During five years there, in his own words, "I sought to convince Greek journalists, ex-politicians, university people and cultural leaders that the U.S. did not install the governing junta and did want a speedy return to democracy." Mr. Sirkin also worked vigorously to maintain the Hellenic-American Union in Athens as a cultural space where opposition members and students felt welcome. On at least one occasion, the Greek dictator, Col. Papadopoulos, tried but failed to have him removed from his post.

His last career assignment was as a member of the Policy Planning Staff in the State Department from 1972 to 1974. There, he worked to coordinate policy among various U.S. agencies on international communications and served on American delegations to U.N. working groups on direct-broadcast satellites.

In 1974, Mr. Sirkin wrote several papers on relations with dictatorial regimes, suggesting the U.S. distance itself from its authoritarian allies of

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the time. Though supported by most senior officers of the department, many of his ideas died on Secretary Henry Kissinger's desk. He persisted, however, and the papers he drafted helped define the functions of the new office of human rights, since upgraded to the assistant secretary level.

Following retirement from the Foreign Service, Mr. Sirkin worked as a consultant with the Policy Planning Staff from 1974 to 1981. He wrote more on human rights in foreign policy, and also developed papers for various seminars as a consultant to the Aspen Institute.

Additional consulting projects included work as a "futurist" on issues related to sharing earth images from space and global warming. Mr. Sirkin drafted and edited a report for the National Academy of Sciences, "Resource Sensing from Space," and edited a volume on the same subject for the World Bank. One of his last assignments involved writing and editing a history of the State Department's Senior Seminar.

Except for overseas assignments, Mr. Sirkin resided in Bethesda, Md., with his family for 50 years. He was a member of Adas Israel congregation in Washington, D.C. He enjoyed classical music, skiing (which he did until age 86) and fast-walking.

Survivors include his wife of 55 years, Helen Winsor Sirkin, of Bethesda, Md.; two sons, David of Santa Monica, Calif., and Samuel of Portland, Ore.; two daughters, Susannah Sirkin of Boston, Mass., and Leah Sirkin, Inverness, Calif.; and six grandchildren.

Gordon Winkler, 82, a retired FSO with the U.S. Information Agency, died on Dec. 15 in Santa Barbara, Calif., of complications of cancer and other illness.

Born in Chicago, Mr. Winkler attended schools there and in Los Angeles. During World War II, he served in Europe as a bombardier in the Army Air Force. After the war he attended Dartmouth, graduating in 1948 with a degree in English. He then returned to Chicago and worked as a reporter for *City News* and, later, the *Chicago Tribune*. In 1949, Mr. Winkler married Margaret Mayer. From 1952 to 1962 he worked in public relations.

Perpetually restless, Mr. Winkler took President Kennedy's "ask not" speech seriously, and joined the U.S. Information Agency in 1963. Over the course of 25 years as a Foreign Service officer, he served in Addis Ababa, Accra, Tehran and Washington, D.C.

He ended his diplomatic career in 1988, with the rank of minister-counselor, after serving as chief inspector of USIA and dean of the School of Area Studies at the Foreign Service Institute.

In 1988, the Winklers moved to Santa Fe, N.M., where they lived for 15 years. There, he was active in the Council on International Relations, writing its newsletter and serving as president for several years. He was an avid hiker, and led treks all over Santa Fe. He also volunteered at the Santa Fe Animal Shelter, where he was known as the "Madam of the Cat House." The high altitude eventually proved too difficult, and the Winklers moved to Santa Barbara, Calif. Besides world travel, Mr. Winkler enjoyed woodworking.

He is survived by wife, Margaret (Peggy) Winkler, of Santa Barbara, Calif.; three sons and their families, Richard and Selby of New York, N.Y., Andrew and Dorothy, and their daughter Beky, of Denver, Colo., and Bill of New York City and Los Angeles, Calif.

Contributions in memory of Gordon Winkler may be sent to: The Santa Fe Council on International Relations, 227 East Palace Avenue, Suite D, Santa Fe, NM 87501 or to The Santa Fe Animal Shelter, 100 Caja Del Rio, Santa Fe, NM 87507.

Diana Woollons, 80, wife of retired FSO Sidney L. Woollons, died on Dec. 24 in Morgan Hall, Calif.

Born Diana Jozef Theresia Maria Wauters in Courtrai, Belgium, on March 18, 1926, Mrs. Woollons lived as a teenager under Nazi occupation, while several of her family members were sent to work camps in Germany. From 1945 to 1947, she was a local employee of the American consulate general in Antwerp. In 1947 she married Sidney L. Woollons, who had already embarked on a career in the Foreign Service, eventually rising to the level of consul general.

Mrs. Woollons lived in Belgium, Austria, Canada, Sweden, Germany, Barbados and Washington, D.C. She and her husband settled in Morgan Hill, Calif., following his retirement from the Service in 1977. There, Mrs. Woollons was active in the Women's Gold Club in Gilroy and at the Santa Theresa Gold Club.

Mrs. Woollons is survived by her husband and her daughters and their spouses, Christine Woollons of San Jose, Calif., Sandy and Brad Laue of Morgan Hill, Calif., and Suzan and Jeff Blackden, also of Morgan Hill. ■

Send your "In Memory" submission to:
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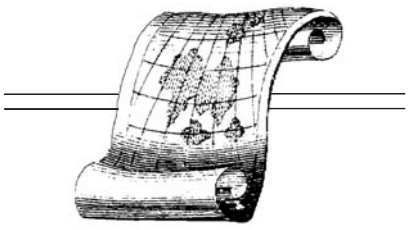

REFLECTIONS

The Best and Worst Golf Courses

BY BOB GRIBBIN

One subjective measure for rating an overseas post is the quality of the golf experience. In that spirit, I offer the following observations.

On becoming the consul in Mombasa, I rented a house that backed up to the Nyali Club golf course. It was finally time for me to learn the game and become inculcated into the arcana of golf rules and, especially, the formality of a British-origin club. I joined and, depending upon the season, played either upon lush, green fairways or hard-packed clay over fossilized coral rock. I regularly jumped my back fence for a few practice holes in the early evening. Baby monkeys carted off balls, doum palms swallowed them up and the rough hid puff adders. Most refreshing during competitions was a cold fresh lime drink under the palm trees between nines.

The course in the middle of Kampala was full of ardent players. Though modest, the prizes — a bicycle, a set of kitchen utensils or a bottle of scotch — were items beyond the reach of many players. Despite the fact that few players were British, an English sense of decorum prevailed. One did not fail to doff his hat upon entering the bar. Most entertaining were rule-committee arguments and rulings conducted in an open fashion over beers on the terrace. Real tension arose only once a year, in the regional competition organized on tribal lines; we foreigners were allocated to any region where more players were needed. In keeping with Uganda's strife-plagued politics, the contest was war by other means. However, it all ended amicably in a huge drunk.

The course in Bangui became one of my favorites. It was not much of a course, with poorly mown fairways and oiled-sand greens, but it had very cold beer. As it happened, either political officer Stacy Kazacos, the only Central African Republic member, Martin Yando, or I won every competition for about a year. This infuriated the largely French membership. My triumph was to capture the CAR national championship in 1995. Unfortunately, that was the last year it was played: the golf course succumbed to the ravages of civil strife, and has not reopened.

Kigali has a winding nine-hole course that crosses and recrosses an infernal stream. A challenging course, its fairways are narrow and grass greens unpredictable. The club had a mixed membership of Rwandans (mostly army officers who learned the game in Uganda) and international personnel. I tried to interest now-President Paul Kagame in golf, but he preferred tennis (he rarely lost). Once a year we decorated the club house with leftover July 4 bunting, and played for the "American Cup." We cooked hot dogs, and I gave away putters, bags and balls to the winners.

Other memorable African courses include Firestone East, located on a vast rubber plantation in Liberia. The main challenge was getting to and from the course, 40 miles from the capital. Players had to run a gauntlet of roadblocks manned by former dictator Charles Taylor's goons and child soldiers.

The midtown course in Kinshasa is low-lying, with lots of water hazards. One rarely lost a ball, however, on account of the ever-present "crocodiles" — men who waited patiently by each pond, waded in and retrieved your ball for a small sum. In contrast, the course in N'Djamena had little vegetation but lots of sand. We carried around a swath of outdoor carpet to hit from into inconsistent oiled browns. Heat was the issue in Chad: it was already 95 degrees when we started at 9 a.m. and often 120 by the finish.

Djibouti's course resembles Chad's: sand and rock decorated by remnants of plastic trash bags. Heat and humidity, each about 100, necessitated a dawn start. I would rouse a caddy off his sleeping mat — they slept on the club veranda — and head out. One morning with a tail wind and good bounces, I had a legitimate sub-par round. The golf gods were telling me that even in Djibouti, they smile down on lunatics. A year later, my crowning achievement came on the course in Bujumbura. I aced hole number 12, a 180-yard, uphill par 3 ... bounce, bounce, in!

So which is the best or the worst? I can't say. I liked them all. I needed them all! For without a golf course, any post is the pits. ■

An experienced Africa hand, Ambassador Gribbin is the author of a memoir, In the Aftermath of Genocide: The U.S. Role in Rwanda *(iUniverse, Inc., 2005).*

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