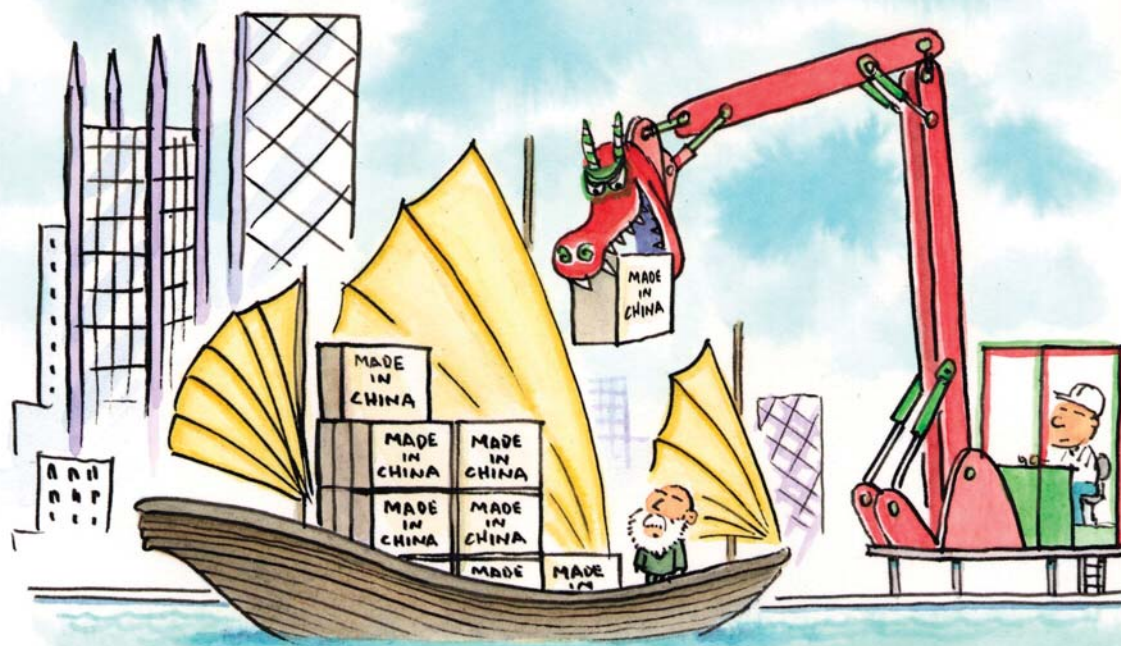


\$3.50 / MAY 2005

FOREIGN SERVICE

JOURNAL

THE MAGAZINE FOR FOREIGN AFFAIRS PROFESSIONALS



STORMY SEAS AHEAD?
China Unfurls Its Sails

Temporary housing that serves you.



featuring Oakwood Falls Church

- Spacious, fully furnished accommodations complete with linens, housewares, electronics, utilities, housekeeping and more.
- Unequaled lodging value for U.S. civilian employees and cost reimbursable federal contractors.
- Rates within the TDY per diem.
- Proud participant in GSA's Federal Premier Lodging Program and the Army Lodging Success Program.
- Offering the federal traveler last room availability.
- Providing emergency housing worldwide through the USO.
- Worldwide FEMA-certified locations.
- Locations available throughout the U.S., Asia Pacific, U.K. and select European cities.



1.703.488.6837
1.800.888.0808
www.oakwood.com



*The Most Trusted Name In
Temporary Housing Worldwide.SM*

Dear Clements,
My husband and I started with
Clements at the beginning of our
careers in the Foreign Service 15
years ago. It seemed easy to apply,
and your company had a good reputation
among our new colleagues.
The service we experienced today is
what keeps us with you.

Sincerely,
Foreign Service Member

Greetings from the Charles Bridge
located in Prague, Czech Republic.



Clements International
1660 L Street NW,
9th Floor
Washington, DC 20036
WJH

Clements  International
Global Insurance Solutions

MissionsAbroad®

Everywhere you are,
every time you need us.

1.800.872.0067 or 1.202.872.0060

www.clements.com

In Re: Personal Banking from Overseas (Peace of Mind Is at Hand!)

Dear *Journal Reader*:

There are many exciting experiences while on overseas assignment, but managing your finances isn't typically one of them. Actually, it can be quite challenging. Managing your pay, meeting financial obligations, maintaining a good credit rating at home, and sustaining and growing one's financial portfolio can all become a challenge. Additionally, once settled-in at your country of assignment, local obligations arise, requiring the need to transfer funds, be it in US Dollars or in Foreign Currency.

A seamless solution exists, which not only provides all of the necessary tools to efficiently manage your Personal Banking but, more importantly, provides "Peace of Mind."

The **Citibank Personal Banking for Overseas Employees** (PBOE) program delivers this Peace of Mind and so much more. Citibank PBOE has been the provider of choice and industry leader servicing international assignees for over a third of Citibank's century-plus history. Citibank PBOE offers a product and solution set designed specifically for the client on overseas assignment. Citibank PBOE provides a simplified, practically paperless way to manage your Banking by establishing a comprehensive, globally accessible banking relationship that includes access to credit and also to alternative banking products and services. NO other financial institution can compare to Citibank's depth and breadth of global expertise, its technological networking capabilities, its product offerings, or its worldwide presence.

The **Citibank PBOE** Program offers:

- U.S. Dollar, NY-based, interest-bearing International Access Account with unlimited deposits and withdrawals.
- No Monthly Account Balance Requirement AND the Monthly Maintenance Fee has been WAIVED!
- Assignment of a "Personal Banker," a dedicated point of contact who can handle a variety of financial and customer service needs.
- Global access via a Citibank Banking Card, which provides access to account information and funds at over 500,000 locations worldwide.
- Ability to access account information, execute Bill Payments and other transactions via Citibank Online, Citibank's award-winning, premier Internet banking service, at NO charge.
- Ability to execute Funds Transfers in almost ANY currency and at a Preferred Foreign Exchange Rate, regardless of currency or amount of transfer.
- Assistance in establishing bank accounts overseas, with Citibank or another financial institution.

And much more.

Now you can start enjoying "Peace of Mind." The **Citibank Personal Banking for Overseas Employees** program is close at hand. Simply call, e-mail or write to:

Eduardo J. Velarde

Vice President

Citigroup International
Citibank Personal Banking for
Overseas Employees Group
666 Fifth Avenue, 7th Floor
New York, NY 10103
Tel: 1.212.307.8578 (Admin)
1.212.307.8527 (Dir. Line)
1.877.647.7723 (Toll-Free)
Email: eduardo.j.velarde@citigroup.com

CONTENTS

May 2005 ■ Volume 82, No. 5

FOCUS ON CHINA

18 / CHINA'S ECONOMIC GROWTH: SOURCE OF DISORDER?

Beijing's rapid rise has raised concerns about the ramifications for the region and the rest of the world.

By Robert Wang

24 / CONGRESSIONAL PRESSURES AND U.S.-CHINA POLICY

As the Bush administration seeks to manage Sino-American relations, it would be wise to keep in mind congressional sensitivities.

By Robert Sutter

30 / CHINA'S NEW DIPLOMACY IN ASIA

A proactive PRC is transforming international relations throughout Asia. Here is a look at the four pillars of Beijing's new regional posture.

By David Shambaugh

39 / DEEPENING SINO-AMERICAN TIES AT THE GRASS ROOTS

Improvements in China's human rights record will not come overnight from the top down, but will develop gradually through social activism.

By Carol Lee Hamrin

47 / ZHAO ZIYANG: BURIED BUT NOT DEAD

The Chinese leader's remains were interred on Jan. 29, but a recent book points to the unfinished historical reckoning of Tiananmen Square.

By Joseph Fewsmith

54 / HONG KONG'S SEVEN-YEAR ITCH

Economic malaise, outbreaks of disease and mass protests have marked Hong Kong's first years as part of the PRC.

By Heda Bayron

THE "ONE CHINA" POLICY: TERMS OF ART / 58

Playing with words has been an essential element in maintaining the uneasy peace between Beijing and Taipei.

By Stanton Jue

FEATURES

HUGO CHAVEZ: A NEW CASTRO? / 64

The Venezuelan president's authoritarian tendencies represent a growing concern to the Bush administration, which is speaking out more about the threat he poses to the hemisphere.

By George Gedda

DEPLETED URANIUM MUNITIONS: A NEW WMD / 70

The United States should lead the international community to responsible global control of depleted uranium munitions.

By Francis Xavier Cunningham

COLUMNS

PRESIDENT'S VIEWS / 5

The Essentials Do Not Change

By John Limbert

SPEAKING OUT / 15

Making a Tragic Mistake in Indonesia

By Edmund McWilliams

REFLECTIONS / 84

By James B. Angell

DEPARTMENTS

LETTERS / 7

CYBERNOTES / 12

MARKETPLACE / 14

BOOKS / 75

INDEX TO

ADVERTISERS / 82

AFSA NEWS /

CENTER INSERT

FOREIGN SERVICE JOURNAL

Editor

STEVEN ALAN HONLEY

Senior Editor

SUSAN B. MAITRA

Associate Editor

SHAWN DORMAN

Ad & Circulation Manager

ED MILTENBERGER

Business Manager

MIKKELA V. THOMPSON

Art Director

CARYN SUKO SMITH

Advertising Intern

MARIA-ANGELICA AGUAYO

Editorial Board

HOLLIS SUMMERS,
CHAIRMAN

KENT C. BROKENSHIRE

STEPHEN W. BUCK

PATI CHAPLIN

CAROL A. GIACOMO

WILLIAM W. JORDAN

LAURIE KASSMAN

KAY WEBB MAYFIELD

VIRGINIA F. SMITH

CHRISTOPHER L. TEAL

TED WILKINSON

THE MAGAZINE FOR FOREIGN AFFAIRS PROFESSIONALS

Foreign Service Journal (ISSN 0146-3543), 2101 E Street, N.W., Washington, D.C. 20037-2990 is published monthly with a combined July/August issue by the American Foreign Service Association, a private, non-profit organization. Material appearing herein represents the opinions of the writers and does not necessarily represent the views of the *Journal*, the Editorial Board or AFSA. Writer queries and submissions are invited, preferably by e-mail. *Journal* subscription: AFSA Members - \$13 included in annual dues; others - \$40. For foreign surface mail, add \$18 per year; foreign airmail, \$36 per year. Periodical postage paid at Washington, D.C., and at additional mailing offices. Postmaster: Send address changes to *Foreign Service Journal*, 2101 E Street N.W., Washington, D.C. 20037-2990. Indexed by Public Affairs Information Service (PAIS). The *Journal* is not responsible for unsolicited manuscripts, photos or illustrations. Advertising inquiries are invited. The appearance of advertisements herein does not imply the endorsement of the services or goods offered. FAX: (202) 338-8244 or (202) 338-6820. E-MAIL: journal@afsa.org. WEB: www.afsa.org. TELEPHONE: (202) 338-4045. © American Foreign Service Association, 2005. Printed in the U.S.A. Send address changes to AFSA Membership, 2101 E Street N.W., Washington, D.C. 20037-2990. Printed on 50-percent recycled paper, of which 10 percent is post-consumer waste.

Cover and inside illustrations by Jeff Moores



CORT® Furniture Rental Welcomes You to Washington

With just one phone call we can address all your temporary housing needs.

CORT offers furniture packages that fit any style...at a price that fits within the Federal Government per diem allowance.

CORT provides a **FREE** apartment locating service to make sure you get comfortably settled in quickly.

Take advantage of these special **CORT** extra services:

- ❖ Free shuttle service from NFATC to the **CORT Showroom**.
- ❖ Evening appointments upon request.
- ❖ Automatic Payment using your credit card.
- ❖ Next day delivery available.
- ❖ 10% government discount.

CORT has more than 30 years experience providing furniture solutions in the Washington area.

Call...

703-379-8846
3101 Park Center Drive, Suite 100
Alexandria, VA



Visit our website at www.cort1.com
or find us at www.relocationcentral.com





PRESIDENT'S VIEWS

The Essentials Do Not Change

BY JOHN LIMBERT

Ambassador George F. Kennan died on March 17, 2005, at the age of 101. He often noted that the Foreign Service he left (against his will) in 1953 had changed dramatically from the one he entered, in the second class under the “Rogers Act,” in 1926. Our Service today is vastly different from his, as well. In a 1999 interview with the *Foreign Service Journal* (one of the last he gave, in fact), he recalled: “When we came to Washington to enter the Foreign Service school, we were given a list of the ladies that we should call on in Washington. ... We were part of the diplomatic family in Washington once we were appointed, and we were supposed to call on the proper people.”



Times and values have changed — thankfully. Who would want to return to the unenlightened days of McCarthyism, spouse evaluations and the forced resignation of women officers who decided to marry? One FS retiree who served on a selection board back in the 1960s still recalls reading endless evaluations of Foreign Service officers’ wives as “gracious hostesses.” After reading dozens of such reports, the board members concluded that all Foreign Service officers must be married to the same woman.

In reviewing George Kennan’s life

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

Today’s Foreign Service men and women still need the qualities George Kennan possessed.

and career, it is clear that many essentials of our Service have not changed. Commentators, such as *Washington Post* obituary writer J.Y. Smith (“Outsider Forged Cold War Strategy”) and Kennan biographer Wilson Miscamble, writing in the February 2004 *FSJ*, have noted Kennan’s ongoing struggles with the Foreign Service career and his difficulties with its traditions and restraints. (That issue of the *Journal*, featuring several articles celebrating Kennan’s 100th birthday, is available online at www.fsjournal.org.) For all its achievements, his career seems another example of the old saying, “Sooner or later the Foreign Service will break your heart.”

Yet when Kennan spoke to AFSA in 1961 he gave a description of our profession that reflected great pride and satisfaction. Here are some excerpts:

“What is important in the relations between governments is not just, or even predominantly, the ‘what’ but rather the ‘how’ — the approach, the posture, the manner, the style of action. ... The conduct of foreign policy rests today on ... understanding not just the minds of a few monarchs or prime ministers, but understanding of the minds, emotions and necessities of

entire peoples. ... And what is involved here is the necessity for understanding the lives of these peoples in all their aspects: social, economic, cultural, as well as political. ...


“It is [the diplomatist’s] task, very often, to say the unpleasant things — the things people neither want to hear nor like to believe.”

After listing all the problems of our career — the dangers, frustrations and isolation — he speaks for many of us when he says:

“To find meaning and satisfaction in this work, one must learn, first of all, *to enjoy it as a way of life* [emphasis added]. One must ... [accept] gladly the challenge that the external world presents to the understanding and the capacity for wonder. This is something which the over-ambitious, self-centered man will never be able to do because he will never see much beyond himself. ...

“But there is something more, too, something more important still. You must also have, if you are to taste the full satisfactions of this work, a belief in its essential importance and even — if I may use this term — its solemnity.”

So there you have it. Although, thankfully, no one gives us any more “lists of ladies” to call upon in Washington, the essentials of FS work have not changed. Today’s Foreign Service men and women still need the qualities Kennan described — most importantly, a sense of service, the ability to enjoy what we do, and the confidence that our mission is important to the fate of our people and our country. ■



The Earth's surface is
316,944,852 square kilometers.
You'll need a car to get around.

Foreign Affairs Day is May 6th.

In appreciation of your service, for every vehicle sold in May and June,
Diplomatic Automobile Sales will donate \$25.00 to AFSA.

- ◆ Exclusive Invoice-Based Pricing ◆ Custom Factory-Ordered Vehicles
- ◆ Worldwide Delivery ◆ Worldwide Warranty ◆ Satisfaction Guaranteed

To place an order, or for more information on any of
the available models, please contact us at:

Web site: www.diplosales.com

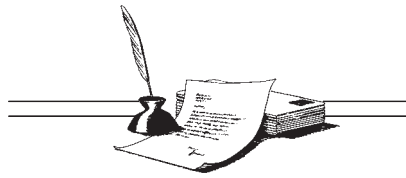
E-mail: diplosales@diplosales.com

Phone: (516) 496-1806 Fax: (516) 677-3701

Diplomatic Automobile Sales 

Diplomatic Automobile Sales is an authorized distributor for Audi, Chrysler, Ford, General Motors
and Volkswagen products to the International Diplomatic Community

Audi Volkswagen Ford Lincoln Mercury Chevrolet Pontiac GMC
Oldsmobile Cadillac Buick Hummer Chrysler Dodge Jeep



LETTERS

Retirement Goes Online

The March issue of the *Foreign Service Journal* carried two articles about the State Department's retirement system. Keying off of recent overpayment cases, AFSA President John Limbert and Retiree Activities Coordinator Bonnie Brown wrote that the larger goal is "a decent and dignified retirement" and "a retirement system that works for, rather than harasses, its retirees." I am in complete agreement with AFSA on these goals and we are hard at work to realize them. I welcome AFSA's putting a spotlight on a key matter that is of concern to all of us who will eventually share in the department's pension systems.

Serious work is under way to upgrade the State Department's retirement office (HR/RET) and retirement payroll system (RM/GC/RAD). The results of our efforts will be seen over the coming months by all department employees. On April 4 we launched a new electronic Personal Statement of Benefits (PSOB OnLine). This new "always-on" application is key to realizing the informed partnership between individual employees and State that will result in the kind of retirement that AFSA and the department both envisage. As AFSA President Limbert notes, employees and the department have equal roles to play in ensuring a smooth retirement process. Making sure that your Official Personnel File is accurate is a first step; this includes addressing all Prior Service Credit

matters well before you apply to retire. PSOB OnLine will put all your data on your desktop.

On May 6 we will launch www.RNet.state.gov. Over the next year, the Retirement Network Web site will become the primary vehicle for retirees and the department to stay in touch. RNet is being designed as the vehicle for bringing into existence a real department alumni network. RNet will deliver a range of services to retirees and employees preparing to retire. This July, RNet will open a new login/password account to each and every annuitant and for State Department employees preparing to retire.

Later this summer, for the first time, retirees will receive not just annuity pay statements, but will get them electronically. Seeing regular pay statements, rather than bank deposit line items, is one solution to the overpayment cases. While extremely small in number (less than 1 percent out of 15,000 annuity recipients), each case has been a personal and financial issue for the retirees involved. Systems are being put into place to enhance the department's ability to coordinate the Social Security component of some annuitants' retirement pay. This will become even more critical as the number of employees retiring under the FSPS plan increases in the coming years. Next to IRS income tax rules, Social Security and retirement rank as among the most complex U.S. laws and regulations.

Which brings me to the process of retirement. I fully endorsed and cleared on the "Retirement Rights and Responsibilities" published with the President's Views column. I want to assure AFSA members and all Department Civil Service and Foreign Service employees that the Bureaus of Human Resources and Resource Management are doing our utmost to ensure they will get a first-class retirement program. In addition, Foreign Service personnel should know that our \$15-billion Foreign Service Retirement and Disability Fund is actuarially sound. The key to both Fund solvency and our retirement program goals is good management and personal responsibility. I appreciate AFSA's recognition and endorsement of the changes that are now under way.

David B. Dlouhy
Administrator, Foreign
Service Retirement and
Disability Fund
Director, Office of
Retirement

Celebrate Principled Dissent

On behalf of my family, I want to thank Mr. Douglas Kerr for his thoughtful and moving "Appreciation" of Archer K. Blood in the December 2004 issue.

My father was, I believe, an especially elegant spokesman for the United States during the long Cold War years when the United States and the Soviet Union stood at nuclear loggerheads while vying for the hearts

LETTERS



and souls of millions, particularly in the developing world. He was a steadfast champion of American values during this protracted struggle, and had proven himself, above all, to be a man of democratic principle and humanitarian caring.

I shall always remember, and be most proud of, my father's decision to put his principles into action and even place his career in jeopardy to protest what still seems to me as the unconscionable lapse of ethical judgment of an earlier U.S. administration. He spoke out against the failure to condemn by word or action the slaughter of countless innocents in the East Wing of Pakistan by the rampaging troops of the Pakistan Army in 1971. The rather imperial administration in Washington at that time chose to pursue a strategy of

employing Pakistan as a secret backdoor to establish detente with China. This strategy did not take into consideration the human element and the democratic striving of a people in the face of terror and great odds. My father did not waiver in his convictions and spoke out boldly. I think his convictions were vindicated. What began as an aspiration for more democracy became the fulfillment of nationhood for the newly created Bangladesh. I am gratified that, in time, my father was recognized by his peers for his actions on behalf of freedom and human dignity.

I hope that the memory of my father may strengthen the resolve of those who insist on accountability and transparency in governmental decision making — those motivated by reason and conscience, who feel

obligated in extreme cases to vigorously express their creative and honest dissent to policies that could negatively affect the future of and international image of our nation for years to come. To take a principled stand when circumstances call for it is an action that should be celebrated in a democracy, not punished.

Peter R. Blood

Senior Information

Specialist

*Congressional Research
Service*

Library of Congress

The Need for Cultural Centers

The first job for Karen Hughes as under secretary for public affairs will be to re-convince the whole world, especially the Middle East, of Ameri-

Luxury Suites at the Quality Hotel Courthouse Plaza

1200 North Courthouse Road
Arlington, VA 22201

Phone: 703-524-4000

E-mail: 707dos1_arlington@sunbursthospitality.com

www.hotelchoice.com/hotel/va058

- ◆ Government per diem year round
- ◆ Fully equipped kitchens available
- ◆ Apartment suites with fridge and microwave
- ◆ Special extended stay rates
- ◆ Shuttle to shops, restaurants and metro
- ◆ Two miles to DOS and NFATC
- ◆ Two blocks to Courthouse metro - Orange Line
- ◆ Free parking
- ◆ General Manager's Reception every Tuesday
- ◆ Pet friendly, cable TV, free local calls, pool, fitness center and business center
- ◆ 1 bedroom, 2-bedroom suites available



LETTERS



can values and policies. There is a tried-and-true formula for doing so.

Following World War II, the United States adopted a wide-ranging new policy of public diplomacy. This consisted of broadcasting the Voice of America around the world and sending public affairs officers to every American embassy. One of the most successful elements were the American Cultural Centers near universities in towns all over the world, especially in Germany, Italy, and Japan — our defeated adversaries — where students (and others) had ready access to the best American literature, periodic evening showings of classic American movies, and occasional guest lecturers from prestigious universities.

Because of congressional pressure to save a few dollars, all of these cultural centers, as well as most of our post-World War II consulates, have been closed.

Our Swiss cousins have been clever enough to combine their cultural centers and libraries with Swiss consulates and Chambers of Commerce on separate floors of single buildings convenient to town centers around the globe. And they usually have a couple of great Swiss restaurants on the ground floor and basement to underwrite operating costs.

I would suggest that this is the formula to satisfy Ms. Hughes' task, which demands an effective U.S. outreach program in the Middle East: combine cultural centers with American Chambers of Commerce and American consulates, plus a couple of the better U.S. chain restaurants, in the major cities of every Muslim country. Congress should finance such public diplomacy efforts, where Islamic students, businessmen and other interested persons would have ready access to the best of American culture (instead of the worst as purveyed by contemporary Hollywood

MARTENS OVERSEAS DELIVERY PROGRAM:



VOLVO
for life

2005 VOLVO S40

IT'S EASIER THAN TRYING TO SHOVE A VOLVO IN YOUR DIPLOMATIC POUCH.

Martens is America's diplomatic sales leader. For over 25 years, Dana Martens has made the unique needs of the community her specialty. As her client you'll enjoy 10% off MSRP on most models, legendary Volvo luxury during your posting here, and the unparalleled convenience of overseas delivery for your next assignment. Contact Dana Martens today.

MARTENS
Celebrating 100 years

www.martenscars.com

Contact Dana at dmartens@martenscars.com. 4800 Wisconsin Ave., N.W. Washington, DC ph. 202 885 5312

All New Suites, Same Great Prices!



*Sliding Scale
Accepted—
First and
Second Tier*

The Virginian Suites has just undergone a major room renovation. Everything's new, from floor to ceiling. We've heard the suggestions of our loyal guests and we've responded.

Now you're not only staying just minutes from National Airport, the National Foreign Affairs Training Center, most government buildings, and Metro—you're getting a great price for a brand new suite!

- ◆ Spacious suites with full kitchens
- ◆ Pool and exercise facilities
- ◆ Free local phone calls, on-site parking, and cable TV with HBO
- ◆ Complimentary Continental Breakfast on weekdays
- ◆ Free shuttle to NFATC weekdays during rush hours

The 
Virginian Suites

1500 Arlington Blvd., Arlington, VA 22209
703-522-9600 • 800-275-2866 • Fax: 703-525-4462

E-mail: dos@virginiansuites.com
www.virginiansuites.com



and the currently biased American media).

I can think of no better approach to winning back trust in America and undercutting al-Qaida's meretricious appeal to Islamic youth.

David Timmins

FSO, retired

Salt Lake City, Utah

History Repeats

My wife and I read with great interest Barbara Furst's article on Gertrude Bell in the January issue of the *Journal*, but we were disappointed that the author omitted any reference to the insightful political analyses that Bell prepared for Sir Percy Cox when they served together in Baghdad.

The omission is particularly surprising since Janet Wallach, in the biography that Furst recommends (*Desert Queen*) quotes several of Bell's candid comments on the political situation in Mesopotamia — comments that seem equally applicable to the situation we face in Iraq today. One example stands out:

"... It's not the immediate war problems here I think of most; it's the problems after the war, and I don't know what sort of hand we shall be able to take in solving them" (*Desert Queen*, p. 183).

Wallach adds her own summary of Gertrude Bell's views, in which substituting "America" for "India" and leaving out "business community" would bring the quote right up to the present:

"... the Sunni nationalists wanted an Arab kingdom; the Shiites wanted an Islamic religious state; the Kurds in the north sought an independent Kurdish entity; the business community that had prospered under the Sultan wanted a return to the Turks. ... The one thing made instantly clear was that no one wanted to be under the tutelage of India" (*Desert Queen*, p. 216).

Some countries — or at least some

administrations — seem not to learn from history and thus appear condemned to repeat it.

Andrew L. Steigman

Ambassador, retired

Bethesda, Md.

Reality and Ideology

Let me try to get this straight. According to our apparently right-wing colleagues Farmer and Burson, the following type of person should not and could not be elected president in contemporary America:

- Anyone who wishes to provide gay partners with equality in and before the law by way of civil union rights and responsibilities.

- Anyone who has ever voted against bloated defense budgets and wasteful, unsuitable weapons systems or has been skeptical of the Pentagon's often skillfully exaggerated threat scenario presentations.

- Anyone who believes that America's post-Taliban security is best served by a robust series of alliances and the full use of diplomacy backed by the threat of force and its use as a last resort.

- Anyone who believes that the pragmatic use of government to assure and promote the general welfare is not well served by choked-off revenues and endless deficits.

- Anyone who believes that moral values have much more to do with education, health care, decent wages, equal opportunities, secure retirement and compassion for his fellow creatures than with abortion or wardrobe malfunctions.

I could go on ad infinitum, but another question comes to mind: Did Reagan win the Cold War alone? Never mind Greece-Turkey, Point IV, the Marshall Plan, the Berlin airlift, NATO, Korea and a containment policy essentially based on the correct assumption that the Soviet system would implode over time. It finally

did so during Reagan's watch. Reagan, to his great credit, dealt effectively with the rise of Gorbachev, despite the opposition from the "necons" of the time (led by Defense Secretary Casper Weinberger, CIA Director William Casey, Richard Perle and company) to Secretary of State George Shultz and the policy of engagement. I like to think that those of us who labored around the world for 40-some postwar years to assure the ultimate triumph of the "Free World" had a bit to do with it all as well.

The administration is clearly moving to embrace all the key points of John Kerry's campaign position: returning policy primacy from Pentagon to State, boosting alliances, seeking United Nations assistance, engaging in multilateral diplomacy. Reality has finally trumped ideology, at least in foreign affairs. We can only cheer that on.

Gunther K. Rosinus

Senior FSO, retired

Potomac, Md.

Consular Days

I agree with many of the observations made by my former consular colleague, Fred Purdy, in his article "The Good Old Days" (*FSJ*, January). On too many occasions, consular officers were not taken seriously enough and merely used as tools in the trenches for meeting and greeting visa applicants. This exercise too often took place far away from the chancery, where the "real" diplomat was providing his daily quota of newspaper clippings.

But I digress. I disagree with the notion that we are somehow "shutting the world out" because we are charging \$100 for a visa application. True, it is a large sum to most, but it certainly will not prevent or inconvenience too many eligible applicants from obtaining a visa to the United

LETTERS

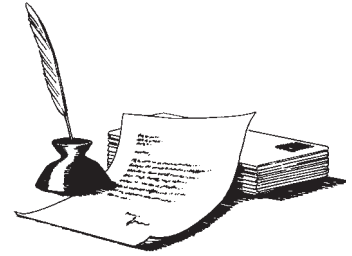


States. Remember that the U.S. dollar exchange rate is our disadvantage, not theirs. Charging this fee may even reduce the tremendous pressures of having consular officers interview up to a thousand visa applicants a day. When many of the applicants are repeaters with only their time to lose, perhaps a high application fee will discourage those who would most likely never be eligible for a visa. Let's look upon the cost of a visa application as a lottery ticket. For some, the investment may prove to be a winner. For the unlucky, if they can afford it and believe that they are truly eligible, they can try again.

As for the supposition that a \$100 fee will discourage visitors from abroad, recent articles in the *Los Angeles Times* indicate otherwise.

Tourism to California this year is expected to surpass all records. As for students and other qualified applicants, the genuine non-immigrant will find a way to get here. Whether the fee is an administrative device or a security deterrent, times have changed since 9/11. We in the U.S. have felt the consequences of less-than-thorough visa interviews. A three-minute confrontation with a nervous applicant is fair to no one. And when a visa is issued under these circumstances to a person who may later fly a jumbo jet into New York towers (with one of my schoolmates aboard no less), one is most likely to opt for different visa measures.

Donald R. Tremblay
FSO, retired
Santa Monica, Calif. ■



Send your letters to:
journal@afsa.org.

*Note that all letters
are subject to editing
for style, format
and length.*

In commemoration of Foreign Service Day in May 2005...

Ron Riddell and his staff in PROMAX Management, Inc. extend our appreciation to our current and former clients for entrusting their homes to us to manage while they serve overseas.

Thank you for your overseas service for America in these difficult times.



**Professional
Property
Management
Services**

Ron Riddell
Owner/Broker

(703) 642-5683



PROMAX REALTORS®
MANAGEMENT, INC.

www.promaxrealtors.com

7007 Kilworth Lane, Springfield VA 22151 USA fax (703) 658-2248 • info@promaxrealtors.com



CYBERNOTES

International Poll Finds China Viewed Positively

Results of a poll released March 5 show that China is viewed as playing a positive role in world affairs by a plurality of respondents in 22 nations — in fact, a more positive role than either Russia or the U.S. But while a majority of respondents welcomed China's increasing economic power in the world, they reacted negatively to the prospect of a significant increase in Chinese military power.

The survey was conducted in December 2004 for the BBC World Service by the international polling firm GlobeScan together with the Program on International Policy Attitudes at the University of Maryland.

A majority or plurality of citizens in 15 of the 22 nations view China as having a mainly positive influence in the world. On average, across all countries polled, almost half, or 48 percent, see China's influence as positive and just 30 percent see it as negative, with another 22 percent noncommittal. In only three countries does a plurality view Chinese influence as negative — Germany (47 percent), the U.S. (46 percent) and Poland (33 percent). In no country did a majority of the public have a negative view of China. Interestingly, young people (ages 18 to 29) worldwide are more prone to view China positively (58 percent, on average).

Even in neighboring Asian nations that have historically been very suspicious of China, views are relatively benign. In India, Indonesia and the Philippines 66 to 70 percent view China positively. South Korea is divid-

ed (49 percent positive, 47 percent negative), and in Japan the majority is noncommittal, while 22 percent say China is having a negative influence on the world and 25 percent say it is positive.

The countries most concerned about the potential growth of Chinese military power are Germany, Australia, Japan, Spain, the U.S. and Italy. One country in which a majority view increased Chinese military power positively is India.

For the complete report on this survey, see www.pipa.org.

IP Telephony: Call Home for Free?

Whether you're posted in Pristina or Pretoria, wouldn't it be great to be able to call home whenever you wanted and talk for as long as you liked for nothing? You can do just that with VoIP, or Voice over Internet Protocol, a revolutionary technology that may eventually replace the traditional phone system entirely. Today, VoIP is beginning to come into its own, not only in government and business but for personal use as well, where world-

wide communication with no or low phone bills is a major attraction.

VoIP can turn a standard Internet connection into a way to place free phone calls. Using free VoIP software that is available for the download to make computer-to-computer phone calls via the Internet, you can bypass the phone company entirely. All you need is a microphone, speakers and a sound card in addition to your Internet connection.

To make calls from your computer to a regular telephone you can sign up with a VoIP service provider such as Vonage, AT&T CallVantage or a number of others. A monthly rate of \$25 or so gets you unlimited calls anywhere in the U.S. and Canada along with generally excellent international rates (for instance, 3 cents per minute to London and Hong Kong, 6 cents to Sao Paulo and Copenhagen, 13 cents to New Delhi and 18 cents to Manila). Also, most VoIP companies include caller ID, call waiting, call transfer, repeat dial, return call and three-way calling in their service plan at no extra charge.

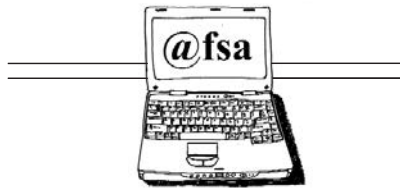
According to a survey by the Pew

50 Years Ago...

The new Foreign Service legislation is an important milestone in the long process of building a career Foreign Service adequate to the country's needs. It includes a number of provisions which rectify financial inequities. ... With the new legislation, we can anticipate that our situation is now to be equalized, insofar as this can be done, with the position of those in public service at home.

— From the Editorial, "Amendments to the Foreign Service Act," *FSJ*, May 1955.





CYBERNOTES

Site of the Month <http://www.donotcall.gov/>

By the end of this year you may begin to receive unsolicited sales calls on your cell phone. With the exception of Verizon, the major wireless phone providers have announced their intention to establish a 411 directory of customers' cell phone numbers beginning in late 2005, according to urbanlegends.about.com. But they are not going to "publish" this directory for public consumption, and say that numbers will be made available only with customer consent, and only via telephone to users who dial directory assistance and pay a fee.

FCC regulations already prohibit telemarketers from calling cell phone numbers using automated dialers, the industry standard today, and providers insist their plan will never give numbers to telemarketers. But a privacy protection bill now in Congress, which would modify the plan to allow 411 callers to be directly connected to requested parties without the latter's phone numbers being given out, has aroused skepticism.

In the event, safe may be better than sorry. To protect your minutes, get your cell phone registered on the national Do Not Call list. It's free and cell phones are included. Your number will be protected for five years. You can call 1 (888) 382-1222 from your cell phone to register. Or, if you prefer, go to <http://www.donotcall.gov>, where you can register up to three numbers.

Internet & American Life Project last February, VoIP's profile is rising rapidly among personal consumers. Pew found that 27 percent of Internet users in the U.S. — or 17 percent of all Americans — have heard of the service and 3 percent have considered adopting VoIP technology in the home (http://www.pewinternet.org/PPF/r/129/report_display.asp). Gartner, Inc., a technology research firm states that at the end of 2003 there were 150,000 VoIP subscribers in the U.S., and predicts this would grow to one million by 2004 and to six million by the end of 2005. Some experts predict that consumer use of VoIP could reach 40 percent of the U.S. market by 2009 (http://www.newmillenniumresearch.org/news/voip_nmrc.pdf).

For more information on this promising technology and what it can do for you, see <http://computer.howstuffworks.com/ip-telephony.htm> or <http://www.tech-faq.com/voip.shtml>.

China: A Growing Footprint on the Net

China has the world's second-largest online population after the U.S. More than 94 million individuals use the Internet regularly for business, education and personal use. And while the government continues efforts to monitor and control China's cyber traffic — most recently a popular university discussion board/chat room was closed to off-campus participants and the posting of prayers and blessings on the death of the pope was

blocked — authorities are also busy developing and using the Internet to push official policy and increase transparency.

From a Web-based petition against Japan's bid for a seat on the United Nations Security Council that by the end of March had more than 16 million signatures, to a gamut of robust and user-friendly Web sites offering news and information from China, Beijing's footprint on the Web is expanding. Here is a sampling of online resources from and about China.

At the official government portal, www.china.org.cn, the China Internet Information Center offers broad access to up-to-date news about China, with searchable texts of government position papers and a wealth of basic information about Chinese history, politics, economics and culture.

ChinaToday.com: A China Information Base provides links to the top news sites, from *Xinhua News* to *China Tech News*, as well as links to international media reports on China (www.chinatoday.com). The site also offers resources on trade and investment, cities and people, culture and art, entertainment, travel and weather in China.

China Military Online, sponsored by *PLA Daily* of the Chinese People's Liberation Army, is an up-to-date window on China's military (<http://english.chinamil.com.cn/>). It provides domestic and international military news and PLA commentaries. The site also features an archive of articles on such diverse military-related topics as "army building," "IT application,"

MARKETPLACE

Go to
www.fsjournal.org
 Click on Marketplace tab
 on the marquee

Bukkehave
www.bukkehave.com

Citigroup
www.citibank.com/pboe

Clements International
www.clements.com

Cort Furniture
www.cort1.com

Diplomatic Auto. Sales
www.diplosales.com

GLIFAA
www.glifaa.org

Harry Jannette International
www.jannetteintl.com

Hawthorn Suites
www.hawthorn.com

Hirshorn Company, The
www.hirshorn.com

Laughlin -- Miller
www.wcanmiller.com

Long & Foster
www.homesdatabase.com/simunek

Oakwood
www.oakwood.com

Promax
www.promaxrealtors.com

Prudential Carruthers/Piekney
www.foreignservicehomes.com

Prudential Carruthers
www.prudentialcarruthers.com

Quality Hotel
www.hotelchoice.com/hotel/va58

Remington
www.remington-dc.com

SDFCU
www.sdfcu.org

WJD Management
www.wjdpm.com

WorldSpace
www.worldspace.com

I'm disappointed that Iraq hasn't turned out better. And that we weren't able to move forward more meaningfully in the Middle East peace process. ... The biggest regret is that we didn't stop 9/11. And then in the wake of 9/11, instead of redoubling what is our traditional export of hope and optimism, we exported our fear and our anger. And presented a very intense and angry face to the world. I regret that a lot.

— Richard Armitage, former Deputy Secretary of State, on the disappointments of the first Bush term, *www.theaustralian.news.com.au*, Jan. 20.

“disaster relief” and “logistics” and special reports on such topics as the recent anti-secession law and the Six-Party Talks with North Korea.

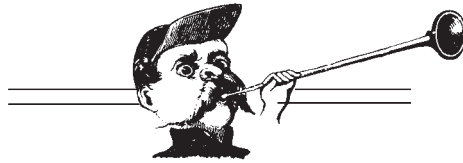
Similarly, the China National Space Administration maintains a user-friendly Web site with news and information on its activities and policies (www.cnsa.gov.cn/main_e.asp).

Also of interest to China-watchers, and potential investors in particular, China's National Bureau of Statistics' Web site presents up-to-date economic data, including the laws and regulations governing the country's preparation of economic accounts and news related to development of the country's statistical system ([\[stats.gov.cn/english\]\(http://stats.gov.cn/english\)\).](http://www.</p>
</div>
<div data-bbox=)

A joint project of the Chinese government and the World Bank, the *China Development Gateway* contains extensive resources, with both news and background in every area of China's economic and social development (www.chinagate.com.cn/english/index.htm). The site also features news and background on World Bank activities in China.

For the Western view on developments in China, the big-name think tanks with China programs offer online reports and commentary. These include the Carnegie Endowment for International Peace (www.carnegieendowment.org/programs/china); the Center for Strategic and International Studies (www.csis.org/china/index.cfm); the Brookings Institution's Center for North Asian Policy Studies (http://www.brookings.edu/fp.cnaps/center_hp.htm); and the Hoover Institution's *China Leadership Monitor* (www.chinaleadershipmonitor.org/about.html), among others.

There are also a number of sites, often interactive, that address aspects of civil society in China. The New York-based *Human Rights in China* is an international nongovernmental organization founded by Chinese scientists and scholars in 1989 with the help of the Open Society Institute. HRIC engages activists, officials and scholars inside and outside of China (www.hrichina.org). *China Digital Times* is a Web site run by the Berkeley China Internet Project at the U.C.-Berkeley Graduate School of Journalism (<http://journalism.berkeley.edu/program/china-internet/>). The project's mission is to explore the impact of the digital communications revolution on China's transition. ■



SPEAKING OUT

Making a Tragic Mistake in Indonesia

BY EDMUND MCWILLIAMS

Is the United States making the same mistakes in its search for partners in the “war on terror” as it did during the Cold War? During that earlier global conflict, the United States pursued alliances with governments, militaries and rebel groups, even those whose policies and activities were in conflict with core American values and the goals we professed to be promoting in our struggle against the Soviet Union. The list of unsavory regimes Washington courted and counted as allies is long and notorious. It includes the merely corrupt, such as the Marcos kleptocracy in the Philippines, as well as some which were savagely brutal, such as Shah Pahlevi’s dictatorship in Iran. And some, such as Indonesia’s despotic Suharto regime, were both corrupt and brutal.

The political costs of these alliances continue to burden U.S. policies and interests today. We see the baggage in fractured societies like the Democratic Republic of the Congo and Haiti, where decades of U.S.-supported misrule have impaired the development of stable, democratic governments. Our interventions have also left legacies of deep resentment among local populations around the world, including Iran, Iraq and much of Central America.

Despite that history, since the 9/11 attacks Washington once again has sought out allies whose corruption, human rights abuses and undemocratic records render them pariahs in the international community. These include the Karimov regime in Uzbek-

Until the Indonesian military ceases to be a rogue institution and a threat to democracy, the U.S. should maintain its ban on IMET assistance.



kistan, which routinely employs torture against opponents; the Musharraf regime in Pakistan, where democratic progress has been thwarted by the president/general; and the Indonesian military, the “Tentara Nasional Indonesia.” In late February, Secretary Rice announced that the U.S. would resume International Military Education and Training assistance to Jakarta, overturning a 14-year congressional ban imposed to protest the TNI’s human rights abuses, operation of criminal “business enterprises” and lack of accountability to civilian authorities.

This action was not a surprise, to be sure. Last year, the Bush administration convinced Congress to adopt new criteria for restoration of IMET assistance that were far looser than the restrictions authored by Sen. Patrick Leahy, D-Vt. Specifically, Congress agreed that restoration of IMET (though not Foreign Military Sales assistance) could be triggered by a State Department certification that

the government of Indonesia and the TNI were rendering “full cooperation” to an FBI investigation of the Aug. 31, 2002, killing of two U.S. citizens and wounding of many more in Timika, West Papua.

Pursuant to that authority, Sec. Rice formally confirmed Indonesian “cooperation” on Feb. 27, 2005. She did so despite the failure of the Indonesian authorities to detain the one person thus far indicted for those crimes by a U.S. grand jury, and despite an eight-month hiatus in the FBI investigation, during which our agents have still not been invited back to Indonesia to resume the case.

A History of Brutality

Even if one accepts claims of Indonesian cooperation at face value, this decision ignores the TNI’s broader record, which remains indefensible. In Southeast Asia, that record is rivaled for sheer brutality only by the murderous Khmer Rouge. From 1965 to 1968 alone, the Indonesian military engineered the slaughter of more than a half-million of its own compatriots, following an alleged “coup” attempt against President Sukarno. Employing a tactic it would resort to again and again, the TNI allied itself with Islamic forces that did much of the actual killing. The Suharto regime, which rose to power as a consequence of the coup and which directed the massive killings, sought to justify them in American eyes by labeling the victims as “communists.”

Following the Indonesian mili-



tary's invasion of East Timor in 1975, an estimated 200,000 East Timorese, one-quarter of the population, died as a consequence of living conditions in TNI-organized relocation camps or as direct victims of Indonesian violence. In remote West Papua, it is estimated that over 100,000 Papuans died in the years following the forced annexation of West Papua under a fraudulent "Act of Free Choice" perpetrated by the Suharto regime in 1969. An April 2004 study by the Allard K. Lowenstein International Human Rights Clinic at Yale Law School concluded that the atrocities in West Papua constituted "crimes against humanity" and may have constituted genocide.

Yet throughout this period, extending from 1965 to the early 1990s, the U.S. military maintained a close relationship with the TNI, providing it with IMET training and arms. Those arms were employed not against foreign foes but against their own people: during the 1970s and 1980s, the TNI frequently bombed villages in East Timor and in West Papua with U.S.-provided OV-10 Broncos. Military offensives, conceived and directed by IMET-trained officers against usually miniscule resistance, caused thousands of additional civilian deaths.

Even with the end of the Cold War, the U.S. embrace of the dictator Suharto and his military continued for a time as if U.S. policy were on autopilot. The relationship endured largely unquestioned until 1991, when the Indonesian military was caught on film by U.S. journalists slaughtering peaceful East Timorese demonstrators. The murder of over 270 East Timorese youth by soldiers bearing U.S.-provided M-16s so shocked the U.S. Congress that it imposed tight restrictions on further military-to-military aid and training.

Ever since Congress cut off such assistance, successive U.S. administrations, with the support of non-governmental organizations that re-

State's own human rights reports document the TNI's human rights abuses and corruption.

ceived strong financial support from U.S. corporations with major interests in Indonesia, have sought to restore military-to-military ties.

Those efforts were accompanied by contentions that the Indonesian military had reformed or was on a reform course. But such claims of Indonesian military reform were refuted in 1999, when, following an overwhelming vote by East Timorese for independence from Indonesia, the TNI and its militia proxies devastated the tiny half-island. United Nations and other international observers were unable to prevent the killing of over 1,000 East Timorese, the forced relocation of over 250,000 more, and the destruction of over 70 percent of East Timor's infrastructure. Six years later, the Indonesian justice system has failed to hold a single military, police or civil official responsible for the mayhem.

That failure to render justice demonstrates that, even when confronted by unanimous international condemnation, the Indonesian military remains unaccountable either to civilian authorities or to world opinion. Moreover, TNI human rights abuses continue to this day. Since mid-2004, it has been conducting military operations in West Papua, forcing thousands of villagers into the forests, where many are dying for lack of food and medicine. A ban on travel to the region by journalists and even West

Papuan senior church leaders has limited international awareness of this tragedy and prevented provision of humanitarian relief.

The recent devastating Indian Ocean tsunami turned international attention to another remote arena where the TNI has conducted a brutal campaign for over 20 years. In Aceh, over 12,000 civilians have fallen victim to these military operations. The State Department's most recent Human Rights Report, like previous editions, notes that most of those civilians died at the hands of the TNI.

What Has Changed?

Sadly, the latest trends recall the worst features of the Suharto period (1965-1998), when critics and dissenters were seldom tolerated, at best, and often met harsher fates. Despite the genuine democratic progress made since Suharto's fall in 1999, critics of the military and anyone else the TNI regards as enemies remain in grave jeopardy.

Reflecting the power of the TNI in "democratic" Indonesia, those critics who meet untimely ends are often the most prominent. In 2001, Theys Eluay, the leading Papuan proponent of Papuan self-determination, was assassinated. In a rare trial for such crimes, his military killers received sentences ranging up to just three-and-one-half years. Army Chief of Staff Ryamazad Ryacudu publicly described the murderers as "heroes."

Last year, the country's leading human rights advocate, Munir, a prominent critic of the TNI, died of arsenic poisoning. (Like many Indonesians, he only used one name.) In 2000, Jafar Siddiq, a U.S. green-card holder who was in Aceh demanding justice for Achenese suffering TNI abuses, was tortured and murdered. Since 2000, 14 prominent human rights advocates have been murdered, and no perpetrators have been prosecuted.



Even more recently, Farid Faquih, a leading anti-corruption campaigner who has targeted military and other government malfeasance, was badly beaten by military officers as he sought to monitor tsunami aid distribution. He was then arrested and is now facing trumped-up charges of theft of the assistance he was monitoring. And the Papuan human rights advocates who supported FBI investigations of the U.S. citizens murdered in 2002 in West Papua are undergoing continuing intimidation by the military.

More generally, the TNI constitutes a threat to the fledgling democratic experiment in Indonesia. The many businesses it operates generate over 70 percent of its budget, freeing it from accountability either to the civilian president (himself a retired general) or the parliament. Much of this income comes from extortion, prostitution rings, drug-running, illegal logging and other exploitation of Indonesia's great natural resources and — as documented in the State Department's latest Human Rights Report and an August 2004 Voice of Australia report — human trafficking. With its great institutional wealth, the TNI maintains a bureaucratic structure that functions as a shadow government, paralleling the civil administration structure from the central level down to sub-districts and even the village level.

For much of the last decade, advocates of closer ties between the Indonesian and American militaries have contended that a warmer U.S. embrace, including training programs and education courses for TNI officers, could expose them to democratic ideals and afford a more professional military perspective. Of course, this ignores the decades of close U.S.-Indonesian military ties extending from the 1960s to the early 1990s, when the Indonesian military committed some of its gravest atrocities

and when a culture of impunity became ingrained. The argument for reform through engagement also ignores the fact that the U.S. Defense Department already maintains extensive ties and channels for assistance with the TNI under the guise of "conferences" and joint operations billed as humanitarian or security-related.

In the post-9/11 era, proponents of restored U.S.-Indonesian military ties have adduced a new argument for restoring IMET funds: however unsavory the Indonesian military may be, we need it as a partner in the war on terrorism. But the TNI has close ties to numerous indigenous fundamentalist Islamic terror groups, including the Front for the Defense of Islam and the Laskar Jihad. It even helped form and train the latter group, which engaged in a savage communal war in the Moluku Islands between 2000 and 2002 that left thousands dead.

So long as the Indonesian military refuses to curb its human rights abuses, submit itself to civilian rule, end corruption and end its sponsorship of terrorist militias, it will remain a rogue institution and a threat to democracy. And until that changes, the longstanding restrictions on military-to-military ties between the United States and Indonesia must remain in place. ■

Edmund McWilliams entered the Foreign Service in 1975, serving in Vientiane, Bangkok, Moscow, Kabul, Islamabad, Managua, Bishkek, Dushanbe, Jakarta (where he was political counselor from 1996 to 1999) and Washington, D.C. He opened the posts in Bishkek and Dushanbe, and was the first chief of mission in each. In 1998, he received AFSA's Christian Herter Award for creative dissent by a senior FSO. Since retiring from the Senior Foreign Service in 2001, he has worked with various U.S. and foreign human rights NGOs as a volunteer.

Moving?

Take AFSA with you!

Change your address online at:
www.afsa.org/comment.cfm

Or send change of address information to:
 AFSA Membership Department
 2101 E Street, NW
 Washington, DC 20037

CHINA'S ECONOMIC GROWTH: SOURCE OF DISORDER?



Jeff Moores

C BEIJING'S RAPID RISE HAS RAISED CONCERNS ABOUT THE RAMIFICATIONS FOR THE REGION AND THE REST OF THE WORLD.

By *ROBERT WANG*

China's economic rise over the past quarter-century is widely acknowledged. Academics may quibble over just how fast the growth has been at different times but most estimates of China's average annual growth of gross domestic product over this period range from 8 to 9 percent, a pace matching, if not exceeding, that of Japan and East Asia's "four dragons" (South Korea, Hong Kong, Taiwan and Singapore) from the 1960s through the 1980s. For a country the size of China, especially with its recent history as a command economy, this growth has indeed been remarkable.

Not surprisingly, China's rapid rise has also raised concerns about its ramifications for the region and the rest of the world. In 2004 alone, China's foreign trade grew by about 35 percent, reaching \$1.15 trillion in combined two-way trade. The U.S. takes about 21 percent of China's exports, and runs a large trade deficit with China. The PRC was the second-largest recipient (after the United States) of foreign direct investment, attracting a total of over \$60 billion last year. China's demand for new energy and raw material sources to fuel its growth has begun to have an impact on the global commodities market. Its foreign exchange reserves ballooned to over \$600 billion by the end of 2004 as a result of robust trade and investment growth as well as widespread speculation on a possible revaluation or appreciation of the Chinese currency. As with Japan during the 1980s, many Americans are beginning to voice concerns about China's growing reserves of U.S. Treasury bonds that "threaten" to increase its leverage over the United States.

As rapid as China's economic growth has been, however, it is important to put it in perspective. We need to remember that its 2004 GDP of \$1.65 trillion is still about one-seventh that of the United States, one-third that of Japan and about the size of the British economy. Its per capita GDP of slightly over \$1,000 is less than one-fortieth that of the United States in nominal terms, and even in terms of purchasing-power parity only about one-eighth. And when we talk about China becoming a global manufacturing center, we should bear in mind that U.S. manufacturing alone (which accounted for about 15 percent of U.S. GDP) produced value greater than the entire Chinese economy last year.

Moreover, the pace of the PRC's growth is likely to slow as its economy matures and its base expands in the years ahead. Beijing also faces an increasingly difficult task in reforming its financial system, with some of its

Robert Wang has been the economic minister-counselor in Beijing since 2002. An FSO since 1984, he previously served in Tokyo, Hong Kong, Shanghai, Singapore and Washington, D.C.

***Remember that China's
GDP of \$1.65 trillion in
2004 is still about one-
seventh that of the United
States, one-third that of
Japan and about the size of
the British economy.***

four state-owned commercial banks still registering non-performing loan ratios above 20 percent (even by Chinese calculations) and a virtually non-existent capital market outside of its banks. Beijing is also working to restructure its relatively inefficient state-owned enterprises that still account for nearly half of its economy, and to alleviate poverty in the countryside, where 200 million people still live on less than one U.S. dollar a day. Environmental degradation — a result of rapid growth — imposes hidden costs of perhaps 8 percent of GDP or higher. Last but not least, the country faces a severe infrastructure and resource constraint, as well as an aging population, as it seeks to sustain its rapid economic growth in the years ahead. So, while acknowledging China's rapid growth, we must be careful not to exaggerate its magnitude and its likely impact on the global economy.

Helping Sustain Asia's Development

The most immediate impact of China's rapid economic growth has been on its Asian neighbors. When Deng Xiaoping jump-started economic reforms in 1979, he not only introduced the market into China but also opened up the country to foreign trade and investment. This essentially helped to build up China as a major link in the regional supply chain — first in low-end manufactured products such as textiles, toys and shoes and then, more recently, in higher-technology electronic and electrical appliance products that are primarily exported to the U.S. and other more developed economies.

In the 1980s, Hong Kong basically moved its manufacturing lock, stock and barrel to the mainland as its own production costs rose, thus accounting for up to 70 percent of foreign direct investment in China. In its wake, Taiwan, Singapore, South Korea and Japan also began moving more of their factories to the Chinese mainland, contributing to steadily increasing FDI. In 2004, these foreign-invested enterprises accounted for nearly 60 percent of its total exports and about 75 percent of its higher-end manufacturing exports to the West.

Thus, while benefiting from increasing FDI inflows, China helped sustain Asia's economic growth by provid-

ing a new source of relatively inexpensive land and labor for the more developed economies in the region. At the same time, as often the last link in this regional supply chain, China expanded as a market for raw material and component products from other countries around the region. In fact, Beijing estimates that the country provides only about 15 to 20 percent of the value added to its processing exports, with the bulk of the value created by imported capital and technology and component parts and services. Meanwhile, China's rapid growth has led to an expanding domestic market that is now estimated to include up to 100 million middle and upper income (those earning above \$7,000 per year) consumers with a growing appetite for agricultural imports and business and tourist travel around the region.

This general phenomenon is reflected in the rapidly expanding trade between China and other Asian economies, especially in terms of the PRC's expanding market. China recently surpassed the United States as the largest trading partner for South Korea and, if trade with Hong Kong were included, for Japan, and as the second-largest partner for Taiwan (after Japan). More broadly, its trade with other East Asian economies more than tripled over the past decade. China registered a combined \$126-billion trade deficit with Taiwan, South Korea, Japan and ASEAN in 2004. Even China's trade with South Asia has begun to grow rapidly, for example, with bilateral trade with India growing by 79 percent in 2004. China's rapid economic growth has thus also helped to sustain and support the region as a whole.

Impact on U.S.-China Trade Relations

China's economic growth has also had a significant impact on U.S.-China trade relations and the U.S. economy. The focus of attention in the United States has primarily been on our rapidly growing bilateral trade deficit with China, which was \$162 billion in 2004 according to U.S. statistics, or around \$80 billion according to PRC statistics. (Note: The main reason for the disparity in these figures involves different ways of calculating the large volume of trade through Hong Kong and China's export processing zones.) The trade deficit has certainly

What is not as commonly known or acknowledged is that China has been, by far, the fastest-growing market for the United States.

caused a great deal of concern on Capitol Hill and in the administration, especially in connection to the loss of manufacturing jobs in the United States.

What is not as commonly known or acknowledged, however, is that China has been, by far, the fastest-growing market for the United States. U.S. Commerce Department data show that exports to China increased by over 80 percent in the three years since Beijing acceded to the World Trade Organization in December 2001. U.S. exports to China grew by 22 percent in 2004, most notably in agricultural, chemicals and higher-technology manufactured products. China has now moved up to become our fifth-largest export market in the world. As such, the main reason for our growing bilateral trade deficit with China is not so much the lack of access to its market as it is the enormous demand of the American consumer for low-priced manufactured goods from Asia, now increasingly being sourced from China.

In contrast, U.S. exports to the rest of our trading partners, including the European Union and Japan, have stayed mostly flat or declined over the past five years. Consequently, our trade deficit with China has actually fallen as a percentage of our global trade deficit since 1997, as the deficit with other economies has grown even faster due to our rising imports and stagnant or declining U.S. exports to those economies. For example, the 2004 U.S. trade deficit with the E.U., Japan, OPEC, Canada and Mexico totaled \$368 billion; significantly, the deficit with each was at a record high (except for Japan, which was the highest since 2000).

Moreover, while our trade deficit with China has risen sharply, our overall trade deficit with East Asia (including China) has increased much more slowly over the past two decades. This is because Japan and the East Asian "dragons" have shifted not only an increasing percentage of their manufacturing base but also their trade surplus with the United States to China. As noted earlier, Beijing registered a trade deficit of \$126 billion with its East Asian neighbors in 2004 while its trade surplus with the United States rose to \$162 billion. Though U.S. imports from China have risen, our imports from the rest of Asia have actually declined as the latter have been exporting more

of their manufactured products to the United States via China. The \$96.7-billion increase in imports from the PRC from 2000 to 2004 was partially offset by a \$23-billion decrease in imports from Japan, Taiwan, South Korea, Singapore and Hong Kong over the same period.

Is China the Culprit?

Nonetheless, many in the United States continue to focus simplistically on China as the chief culprit behind our increasing global trade deficit. There have been persistent calls in Congress for economic sanctions against Beijing for alleged "currency manipulation" due to its fixed exchange-rate policy. This is in sharp and ironic contrast to our pressure on it to maintain this policy in the late 1990s during the Asian financial crisis. When the rest of the region experienced dramatic currency depreciation, we looked to China to maintain currency stability. Now, we blame it for our global trade deficit. In fact, should Beijing move to a more flexible exchange rate policy as the U.S. administration has encouraged, it is not at

all clear that its currency would appreciate, because China has relatively low interest rates and an essentially balanced trade (its \$30-billion trade surplus represents less than 3 percent of China's total trade in 2004).

Along the same lines, in its 2004 study, the U.S.-China Economic and Security Review Commission estimated that nearly 100,000 jobs would move from the United States to China as a result of production shifts in 2004. More generally, the commission noted that production shifts out of the United States to Mexico, China, India and other Asian countries have seen a major increase in the last three years. The fact is, however, that, given significant wage and cost differentials between the United States and developing countries around the world, the gradual shift of low value-added production to lower-wage countries is to be expected, just as U.S. and other developed countries' industrial sectors continue their strength in higher-end, higher value-added manufacturing. China itself has seen the net loss of nearly 15 million manufacturing jobs since 1995 as a result of state-owned-

The Embassy Plan Overseas Insurance Personal Auto & Contents Coverage

Experience that helps you avoid the pitfalls of a highly complex business. Repeat business that results from providing what's best for the customer not the agent nor the insurance company.

Since 1969, Harry M. Jannette International has provided dependable coverage with U.S. carriers with a financial rating of A+ or higher to thousands of Foreign Service Personnel worldwide. Thus you gain the broadest U.S. terms and conditions and flexible value limits often not available from other insurance carriers.

MAJOR CREDIT CARDS ACCEPTED: SEE OUR WEBSITE APPLICATIONS

Harry M. Jannette International, L.L.C.

8111 LBJ Freeway, Suite 585 Dallas, Texas 75251-1334

Toll Free (800) 256-5141

(972) 783-4915 Fax (972) 783-0545

E-mail: hmjintl@jannetteintl.com www.jannetteintl.com



Your Reliable Choice

- **WORLDWIDE COVERAGE**
Fire, theft, comprehensive and collision protection are available at foreign posts.
- **U.S. AUTO LIABILITY**
Available for short term on home leave, change of assignment, and new auto purchase prior to foreign departure. This coverage must be issued in combination with an "Embassy Plan" policy.
- **FOREIGN LIABILITY**
Contact your post for compliance with local laws, Excess liability limits are available over local liability coverage.
- **PERSONAL COVERAGE**
Household goods and transit, valuable articles, personal liability, life insurance.
- **EMPLOYEE ASSOCIATION INSURANCE**
Employee association insurance including directors and officers.

enterprise reforms that were taken to adjust to the market and international competition.

Both developing and developed economies have had to adjust to globalization. Our singling out China or any particular country is meaningless, because if U.S. production did not shift there, it would have shifted to other developing countries, not back to the United States.

Many in the United States have also voiced concerns about increased Chinese holdings of U.S. Treasury bonds (as many did with respect to Japanese holdings in the 1980s). China had a foreign exchange reserve of over \$600 billion by the end of 2004, with approximately \$190 billion in U.S. government securities. Its holding of U.S. Treasury bonds thus constituted about 5 percent of the U.S. government debt of \$4.5 trillion and 0.7 percent of the total stock of U.S. financial assets of \$33.4 trillion. In comparison, total foreign government holdings of U.S. securities (not including China) come to approximately \$1 trillion, with Japan holding approximately \$715 billion. Hence, to raise alarm bells about Beijing's increasing leverage over the United States (as opposed to thanking China for lending us the money) seems to represent rather stretched and convoluted logic.

Competition for Global Resources

Another major concern often raised in the United States is the likely impact of China's growth on global resources. A recent study by the Washington-based Earth Policy Institute pointed out that the PRC has overtaken the United States as the world's leading consumer of four of the five basic commodities; i.e., grain, meat, coal and steel. Some are warning about China's growing thirst for the fifth of these — oil — even though China's consumption is only one-third that of the United States (6.5 million compared to 20.4 million barrels per day in 2004). The *International Herald Tribune* carried an article on Feb. 19, for example, reporting that India has joined China in a "ravenous thirst for oil that now has the world's two most populous

***China's rise underscores
the need for greater
coordination among major
governments to minimize
volatility while meeting the
needs of both developed and
developing economies.***

nations bidding up energy prices and racing against each other and against global energy companies in an increasingly urgent grab for oil and natural gas fields around the world."

There is no question, of course, that China's rapid economic growth is being reflected in an increased demand for basic commodities as well as other products and services. We have already noted how this phenomenon has provided an expanding market, not only

for Asia but for the United States. In fact, one of our key missions at Embassy Beijing is to encourage the further opening of this market, including that for U.S. agricultural products such as grain and meat. The fact that the PRC would now exceed the United States in the consumption of food and certain energy products should hardly be surprising, as China has over four times the population of the United States.

What should be surprising is that China only barely exceeds the United States in the demand for some of these commodities: the average Chinese consumes only about one-fourth of the food and less than one-tenth of the oil consumed by the average American. Even if China's economic growth continues at the current rate for the next 15 years, in 2020 the average Chinese would only consume half what the average American consumes today.

The dire warnings of China's "ravenous thirst" and "urgent grab" for oil and other commodities are themselves disturbing: it is as if the efforts of a large developing country like China or India to pull its population out of poverty are something less than desirable. Thus far, China is actually nearly self-sufficient in grain, meat, coal and steel. Its oil imports have been growing rapidly and now account for about 40 percent of the country's total oil demand. By comparison, however, China imports less than three million barrels of oil per day, while the E.U. and the United States each import about 10 million barrels and Japan imports about six million barrels per day.

To be sure, if China continues to grow at the present rate, it will eventually stretch its own resources and

must look abroad to meet its growing needs. This will contribute to the tightening of the world market for some of the less plentiful commodities, such as oil, and, if not anticipated, could cause some market volatility in the short term. This underscores the need for greater coordination among major governments to minimize volatility while meeting the needs of both developed and developing economies.

In the long term, however, the global market will adjust to the increased demand of the developing economies, just as it continues to meet the larger and continually growing demand of the United States and other industrial countries. In the case of non-renewable fuels, for example, prices should be expected to rise further, leading to increased conservation efforts and the development of alternative fuel sources. The global community also needs to coordinate efforts to limit the impact of such growth on the environment.

Integrating China into the Global Community

Last but not least, we need to consider the impact of China's rapid economic growth on its own society and its implications for the country's relationship with the rest of the world. As noted earlier, the past 25 years of economic growth have led to the creation of a sizable and growing Chinese middle class that is learning to enjoy life beyond subsistence. This group is better educated and informed and increasingly connected with the global community, whether through the media or through personal and business travel or study abroad. These people will eventually become the political, business and social leaders of China and they have an increasing stake in global stability. As in the case of other recently industrialized Asian societies, this middle class, which now enjoys vastly greater social and personal freedoms, will demand greater accountability on the part of their government in terms of the rule of law and, eventually, demand the right to elect their leaders.

China's economic growth has also tightly bound the

***We need to acknowledge
that a "rising China,"
even if peaceful, is bound
to be a China more
assertive of its own
values and interests.***

country's development to the rest of the world in terms of expanding trade and investment ties. There is no doubt that Deng Xiaoping's decision in 1979 to move toward the market economy model and open up the country was responsible for creating the China we see today. With its accession to the WTO, the Chinese government has begun adopting global rules of trade and Chinese businesses are increasingly adopting global

best practices in their operations. While there is still a substantial distance for China to go in this area, much progress has been made in terms of growing transparency and accountability.

Another key point that should not be lost is that China is moving forward in this direction not only because of its international obligations and foreign pressure but, more importantly, because the Chinese do see it as being in their own interest. As they learn to do business in the global community, they have an increasing stake in a peaceful and stable world, whether it is as a market for their products or a source of imports and investments.

At the same time, however, we need to acknowledge that a "rising China," even if peaceful, is bound to be a nation more assertive of its own values and interests. We are already seeing this in various international fora, whether economic or political. In some cases Beijing may not share our perspectives or interests, so we and others may see its increasing assertiveness as "disruptive." More generally, Beijing's growing power and influence could be seen as a challenge to status-quo powers in Asia (such as Japan) and around the world.

Assuming China's economic growth continues, the world's challenge is to make room for it (as well as India and other developing countries), and to support its further integration into the global community to ensure that the required adjustments in the world order promote stability rather than instability. The alternative of a nuclear-armed PRC beset by economic problems and domestic turmoil would be a far more difficult challenge for the global community. ■

CONGRESSIONAL PRESSURES AND U.S.-CHINA POLICY



Jeff Moores

T AS THE BUSH ADMINISTRATION SEEKS TO MANAGE SINO-AMERICAN RELATIONS, IT WOULD BE WISE TO KEEP IN MIND CONGRESSIONAL SENSITIVITIES.

By ROBERT SUTTER

Today, the Sino-American relationship is arguably in better shape than it has ever been. Frequent high-level visits and communication, convergence on terrorism, weapons proliferation and related issues, and growing economic ties all support stronger U.S.-China cooperation. Yet it also remains more complicated than any other bilateral relationship in American foreign policy. Not the least of these complications is the role of the U.S. Congress in influencing policy toward China.

Proponents of closer ties cite the two countries' ever-growing economic interdependence and greater common

ground on key security and political issues such as the global war on terrorism and North Korea's nuclear weapons program. Conversely, those who are distrustful of the People's Republic of China point to a long list of contentious questions involving security concerns, political values, economic competition and sovereignty questions — most notably, its rapid acquisition of advanced military equipment, largely designed to deter Washington from intervening should China and Taiwan clash. In fact, since the end of the Cold War, China has been the only large power to continue building and buying weapons that could be used against the United States.

Although Washington and Beijing both tend to see their national interests best served by pragmatic cooperation, the background and values of their respective leaderships vividly reflect their very different political systems and experiences. And in an open society like the United States, it is often easy for members of Congress, backed by the media, interest groups and other advocates, to focus on the many glaring differ-

Robert Sutter has been a visiting professor of Asian studies in the School of Foreign Service at Georgetown University since 2001. Prior to that, Dr. Sutter specialized in Asian and Pacific affairs and U.S. foreign policy during a government career spanning 33 years, including a variety of analytical and supervisory positions with the Library of Congress for over 20 years. He has also worked for the Central Intelligence Agency, Department of State, Senate Foreign Relations Committee and the National Intelligence Council.

*Dr. Sutter has held adjunct faculty positions with Georgetown, George Washington and Johns Hopkins Universities and the University of Virginia. He has published 14 books including, most recently, *China's Rise in Asia: Promises and Perils* (Rowman and Littlefield, 2005), numerous articles and several hundred government reports dealing with contemporary East Asian and Pacific countries and their relations with the United States.*

Partisan interests and the influence of constituent groups played a greater role in the U.S.-China policy debate of the 1990s than in the 1970s.

ences in the goals and motives of the two countries.

This is not a new development, to be sure: Domestic factors have often strongly influenced U.S. policy toward the PRC, with Congress serving as the main arena for the policy debate. There were some occasions, notably in the 1960s, when Americans seeking improved relations with China used lobbying and hearings in Congress to promote better U.S.-China ties.

More typical was the pattern seen during the Chinese Civil War following World War II, in the early years of the Cold War, during the normalization of U.S.-PRC relations in the late 1970s and early 1980s and, again, in the decade after the 1989 Tiananmen crackdown. During those periods, Congress reflected a wide range of American interests opposed to, or wary of, the communist leaders of China. Backed by those interests, Congress seriously complicated and constrained U.S. government efforts to develop improved relations with the PRC.

The Capitol Hill Roller Coaster

Given this history, it is important that administration policy-makers with responsibility for managing relations with Beijing take careful account of Congress and how it might influence policy toward China. At a minimum, they need to be aware of the strength of possible resistance emerging from Congress — which has generally been an accurate barometer of overall American domestic opinion — to prevailing administration policy toward the PRC.

For example, there was broad support in Congress for President Nixon's initial opening to Beijing in 1972. But just a few years later, Capitol Hill functioned as a powerful brake on efforts by the Carter administration to loosen ties with Taiwan and move closer to the PRC as a way of pressuring the Soviet Union. Congress went along more smoothly with the subsequent re-evaluation of U.S.-China relations in 1983 conducted by Secretary of State George Shultz, with the assistance of Assistant Secretary of State for East Asian and Pacific Affairs Paul Wolfowitz and Deputy Assistant

Secretary of Defense Richard Armitage. That policy shift lowered the priority of China in U.S. foreign policy and slowed forward movement in Sino-American relations, but did not hinder closer economic and commercial ties over the rest of the 1980s.

Following the Tiananmen Square crackdown and end of the Cold War, Congress sought to drive U.S. policy in directions of sometimes intense opposition to China. President George H.W. Bush exerted extraordinary efforts to preserve basic trade and other relations, and to block more extreme congressional initiatives. While it is not clear that Bush's handling of the issue was a significant factor in his election defeat in 1992, then-Governor William Clinton harshly criticized the president and China throughout the campaign.

Once in office, however, President Clinton exerted little leadership on China policy, and for several years major decisions were played out among competing interests in congressional debates regarding the pros and cons of setting strong conditions on renewing U.S. most-favored-nation trade status for China. Buffeted by strong congressional and domestic pressures, President Clinton twice reversed longstanding U.S. policy — first by delinking MFN renewal from human rights conditions in China in May 1994, and then by granting a visa to Taiwan's president to visit America in May 1995. The latter move sparked a major U.S. military confrontation with Beijing that prompted Clinton to take tight hold of China policy, thereafter pursuing a policy of constructive engagement designed to avoid major downturns and conflict in the relationship. This shift was highly controversial not only with the new, largely pro-Taiwan Republican majority in Congress, but among U.S. media and the wide range of U.S. domestic interests critical of China. It precipitated an intense debate that served as a serious impediment to forward movement and productive U.S. relations with the PRC for the remainder of the decade.

The furor did not subside until President George W. Bush was elected with a policy outlook more in line with congressional wariness of China, and the 9/11 terrorist attacks on America diverted critical U.S. atten-

Barring an unanticipated crisis, Sino-American relations seem likely to continue along the track of pragmatic cooperation over the next few years.

tion from China. Congress notably did not intervene forcefully in the U.S.-China negotiations conducted by the Bush administration following the April 1, 2001, crash between a Chinese jet fighter and a U.S. reconnaissance plane over the South China Sea, the emergency landing of the U.S. plane on China's Hainan Island, China's refusal to release the U.S. crew for 11 days, and its holding of the damaged U.S. aircraft for many weeks. The issue was left

for the Bush administration to resolve, and congressional reaction to the administration's arrangements regarding the crew's release and the subsequent release of the damaged plane was muted.

The Break with Taiwan

There have been two major episodes in which congressional resistance complicated administration policy toward China: the opposition to Carter's 1979 decision to move away from Taiwan and toward the PRC, and anti-PRC sentiment following the 1989 Tiananmen Square massacre. Assessing the determinants of congressional opposition and debate in those periods sheds light on the likelihood of future problems from this quarter for administration policy-makers and suggests options for the executive branch to use in addressing them.

The congressional debate in the late 1970s and early 1980s involved important tangible costs and benefits for the United States. The U.S. strategic posture vis-à-vis the Soviet Union and the future of Taiwan headed the list of the serious issues at stake for the United States. Reflecting deep uncertainty about U.S. power and purpose in world affairs, U.S. administration leaders, backed by some in Congress, were prepared to make major sacrifices (notably, the unprecedented termination of official relations and a defense treaty with a loyal ally), in order to pursue closer relations with China as a way of triangulating against the USSR. But they were strongly resisted by many members of Congress, who either saw the policy as misguided or who found its costs too great.

The fact that the Democratic-controlled Congress

F O C U S

took the lead in modifying the perceived oversights and excesses of the Democratic Carter administration shows that partisan interests played a secondary or relatively unimportant role in the U.S. domestic debate. Even after Congress rewrote and passed the Taiwan Relations Act in April 1979, this pattern persisted: Democratic senators and representatives such as Adlai Stevenson, John Glenn, Richard Stone and George McGovern remained active in resisting the Carter administration's continuing perceived "tilt" toward the PRC, against the USSR and away from Taiwan.

Similarly, domestic interest groups and constituent

***In recent years,
as U.S.-China relations
have improved, some
opponents have resumed
efforts to focus on the
China threat — but
with little success.***

U.S. foreign policy. It also kept significant initiatives secret, placing congressional opponents in a reactive

groups played a role in the debate, but not a decisive one. Instead, the major protagonists argued their cases mainly on policy grounds, acting out of sincere concern about the implications of the proposed policy shift for the triangular U.S.-China-USSR and U.S.-China-Taiwan relationships. In addition, the congressional opposition reflected the historic institutional rivalry between the executive and legislative branches.

The Carter administration made effective use of U.S. constitutional powers that give the executive branch the lead in the making of

The right vehicle ready for delivery to developing countries.

Start out right

If you are to be stationed in a developing country, start out by finding the right transportation solution.

Since 1925, Bukkehave has specialized in providing vehicles and services for customers in developing countries. We have extensive product knowledge and understanding of specific local areas, and based on your specific needs we can advise you in making the right choice of vehicle.

We offer a wide range of products — from passenger cars, project vehicles and pickups to motorcycles. With all vehicles it is possible to order the recommended 1 and 2-year spare parts kits and additional accessories, which can be shipped along with the vehicles.



BUKKEHAVE 
Global Vehicle & Parts Supply since 1925

Bukkehave Inc.
Email: usa@bukkehave.com
www.bukkehave.com

Main Office — Florida
1850 Eller Dr. Suite 402
Fort Lauderdale, FL 33316
Tel: + 1 800 815-3370
Tel: + 1 954 525-9788
Fax: + 1 954 525-9785

Sales Office — Washington area
1800 Diagonal Road, Suite 600
Alexandria, VA 22314
Tel: + 1 703 933-2030
Fax: + 1 703 933-2031

position. U.S. policy ultimately sacrificed official relations with Taiwan and ended the defense treaty with this loyal ally for the sake of the benefits to be derived from official relations with the PRC.

Reacting to Tiananmen Square

Partisan interests and the influence of constituent groups played a greater role in the U.S.-China policy debate of the 1990s, after the Tiananmen crackdown and the end of the Cold War. But major features of the debate were markedly different from the debate in the 1970s and early 1980s.

First of all, policy-makers in the executive branch and Congress shared confidence in American power and influence in the world, especially once the Soviet empire had collapsed — a marked contrast from the strategic uncertainty that underlined the U.S. policy debate in the 1970s and early 1980s.

In contrast to the 1970s, when U.S. officials faced and made major sacrifices in pursuit of U.S. policy toward the PRC, the protagonists in the China policy debate after the Cold War had little inclination to sacrifice tangible U.S. interests for the sake of their preferred stance. Thus, those in Congress, the media and elsewhere in U.S. domestic politics who were vocal in seeking an upgrading in U.S. treatment for Taiwan President Lee Teng-hui, demanding he be granted a visa to visit Cornell University in 1995, largely fell silent when Beijing reacted to the visit with forceful actions in the Taiwan Strait that posed a serious danger of U.S.-Chinese military confrontation. Similarly, the majority of congressional members opposing the annual waiver granting continued most-favored-nation tariff treatment to Chinese imports had no real intention of cutting off bilateral trade. They often explained that they were merely endeavoring to send a signal to the administration and to China over their dissatisfaction with the policies of both governments.

Many politicians and other advocates active in the U.S. domestic debate acted out of partisan or other ulterior motives — a marked contrast to the 1970s, when the

***The Bush administration
shows no signs of backing
away from its demonstrated
record of punishing those
legislators who oppose it on
sensitive issues.***

foreign policy issues themselves seemed to be the prime drivers in the U.S. domestic debate. Heading the list was Bill Clinton, who used the China issue to hammer the first Bush administration — only to reverse course once in office, returning to the engagement policy of his predecessor. The sometimes white-hot rhetoric coming from Republican congressional leaders critical of the Clinton administration's engagement policy had similarly

partisan motives.

Moreover, there was debate over China policy for partisan or other ulterior motives within both political parties at this time. Labor-oriented Democrats used the China issue to discredit the pro-business leanings of the leaders of the Clinton administration, while social conservatives in the Republican Party focused on China's forced abortions and suppression of religious freedom to embarrass those who favored pragmatic economic engagement with China, and to push them to devote more attention to social issues, both abroad and in the United States.

China Debate Trumped by 9/11

Reflecting the fact that there was less serious substantive concern over U.S. policy toward the PRC and Taiwan after the Cold War than during the 1970s and early 1980s, the U.S.-China debate notably subsided during the 1990s whenever the United States faced a serious foreign policy challenge. Thus, the vocal congressional debate over China policy stopped abruptly following the Iraqi invasion of Kuwait in 1990, and Congress remained quiet about China throughout the U.S.-led "Desert Shield" and "Desert Storm" operations. Once the war was over in 1991, the China debate resumed immediately, with many Democrats in Congress and elsewhere seeking to use the China issue to tear down President Bush's then strong standing in U.S. opinion polls regarding his handling of foreign affairs. The 9/11 attacks similarly overshadowed the policy debate, which was then focused on the threat to U.S. interests posed by a rising China. This is true even though some in Congress in the preceding year or two

had gone to the extreme of warning of an impending Chinese military take-over of the Panama Canal.

Barring such unanticipated events as a U.S.-China flare-up over Taiwan or North Korea, severe economic recession in either the United States or China, or major political instability in China, Sino-American relations seem likely to continue along the track of pragmatic cooperation over the next few years. Both governments give a high priority to seeking common ground and playing down differences as they focus on other important priorities. The Bush administration has its hands full with the complications in Iraq and the broader war against terrorism. Chinese leaders wrestle daily with dozens of demonstrations, work stoppages and other manifestations of internal ferment that require constant attention by the Chinese leadership.

In recent years, as U.S.-China relations have improved, some media organs, like the *Washington Times*, some members of Congress and advocacy groups like the U.S.-China Economic and Security Review Commission have resumed efforts to focus on the "China threat." Such efforts have had little effect.

Lobbies at Bay

Similarly, pro-Taiwan groups have pushed for more favorable treatment for Taipei without success. Even when President Bush publicly rebuked Taiwan's president for his pro-independence initiatives in December 2003, pro-Taiwan forces in Congress were able to muster little support for moves to compel a reversal. With the U.S. already engaged in bloody combat in Iraq and preoccupied with the war on terrorism, members of Congress did not want to be in the position of second-guessing the president and commander-in-chief on an issue that could place more U.S. soldiers in harm's way against China's large and possibly determined military resistance. This reluctance was underlined by a prevailing U.S. view that the Bush administration had done a good job in maintaining congressional-backed commitments to Taiwan's security and that the Taiwan president's pro-independence maneuvers were actually undermining

*Those who are
distrustful of the
PRC point to a
long list of contentious
questions on the
bilateral agenda.*

Taiwan's security.

This line of reasoning also means that Congress very likely will strongly back Bush administration opposition to European efforts to end an arms embargo against China. Both Congress and the administration will have little patience with international moves that increase the danger faced by U.S. military personnel already facing death every day in Iraq and in the broader war on terrorism.

It seems clear that with careful monitoring and adjustments, the

Bush administration should be able to sustain its current policy vis-à-vis Beijing even if congressional pressure for change should mount. To be sure, some politicians, backed by some media outlets and interest groups, will continue to oppose the Chinese regime on a host of issues, particularly its human rights record, the threat posed by China's military expansion, and some of its trade and economic practices. This broad opposition will continue to be a drag on forward movement in bilateral relations, but the relatively shallow level of interest in China issues seen over the past decade suggests that congressional opponents will not be prepared to pay the serious costs necessary to pursue those issues forcefully.

Those costs will come from several quarters. An ever stronger and more confident China is becoming more adept at using its growing influence against opponents of its interests, whether in the U.S. Congress or elsewhere. For its part, the Bush administration shows no signs of backing away from its demonstrated record of being more serious than any previous U.S. administration since that of Richard Nixon about punishing those legislators who oppose it on sensitive issues. In addition, congressional preoccupation with Iraq, the war on terrorism and related issues means that the salience of China-related issues likely will remain low, barring a major disturbance involving Beijing.

For all these reasons, members of Congress will find criticism of China less fertile than other fields. Presumably they will therefore leave that turf fallow, at least for the next several years. ■

CHINA'S NEW DIPLOMACY IN ASIA



Jeff Moeres

TA PROACTIVE PRC IS TRANSFORMING INTERNATIONAL RELATIONS THROUGHOUT ASIA. HERE IS A LOOK AT THE FOUR PILLARS OF BEIJING'S NEW REGIONAL POSTURE.

By DAVID SHAMBAUGH

he traditional underpinnings of international relations in Asia are undergoing profound change, and the rise of China is a principal cause. ... China's new regional posture rests on the following four pillars: (1) participation in regional organizations; (2) establishment of strategic partnerships and deepening of bilateral relations; (3) expansion of regional economic ties; and (4) reduction of distrust and anxiety in the security sphere.

With the exception of ASEAN, which was created in 1967, the growth in regional organizations and multilateralism in Asia is a relatively recent development. ... The [regional groups] include ASEAN + 1 (ASEAN and China), ASEAN

+ 3 (ASEAN, China, Japan and South Korea), the Asian Regional Forum, the ASEAN Vision Group, the ASEAN Senior Officials Meeting, the Shanghai Cooperation Organization and the Pacific Basin Economic Council. Despite being limited to East Asian and Pacific Rim states, the Asia-Pacific Economic Cooperation group is the only truly regional intergovernmental organization, while the Asia-Europe Meeting has emerged as something of a counterpart to APEC linking Asia and Europe, and the Forum for East Asia Latin America Cooperation does the same for these two regions. A host of non-governmental "Track Two" groups are also active in the region, most notably the Council on Security Cooperation in the Asia-Pacific, the Northeast Asia Security Cooperation Dialogue and the Shangri-La Dialogue (convened annually by the International Institute of Strategic Studies in Singapore).

China is active in all of these forums and has even launched a regional dialogue composed of business leaders and government officials, the Boao Forum, whose participants meet annually on Hainan Island. Numerous heads of state and more than 1,000 delegates from around the region attended its 2003 and 2004 sessions.

China's increased involvement in these regional organizations and dialogues reflects many factors, particularly China's evolving recognition that these institutions are

neither intrinsically hostile to China nor set on constraining it. To the contrary, China has come to realize that these groupings are open to Chinese perspectives and influence, and may have some utility in constraining the United States in the region. China's increased multilateral involvement also represents the convergence of views about the norms that should govern interstate relations among China, ASEAN and the SCO states. The "ASEAN Way" of consensus building and group decision-making is amenable to China.

Engaging Regional Institutions

Of all the regional organizations mentioned above, China is most deeply involved with ASEAN and the Shanghai Cooperation Organization (which it was instrumental in establishing). As Fu Ying, the former director general of the Department of Asian Affairs in China's Ministry of Foreign Affairs noted, "Taking ASEAN + 3 cooperation and SCO as two focal points, China will make pioneering efforts to set up regional cooperation and push for the establishment of a ... framework conforming to the characteristic of regional diversity."

The SCO, established in June 2001, grew out of the "Shanghai Five" group created by China in 1994. Today the SCO comprises China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan. Reflecting China's instrumental role and influence, a permanent secretariat headquarters has been created in Beijing (largely paid for by China). The organization also has an office, located in Bishkek ... to coordinate its counterterrorism efforts.

From its inception, the SCO, like its predecessor, has focused primarily on nontraditional security threats, particularly terrorism. The Shanghai Five also did much during the mid-1990s to institute military confidence-building and security measures among its member states, such as force reductions and prenotification of exercises, in their border regions. More recently, the SCO has begun to evolve into a broader and more comprehensive organization, reflecting Beijing's goal of building strategic partnerships. At its 2003 annual meeting, the SCO expanded its focus to include economic cooperation. At the meeting, Chinese Premier Wen Jiabao proposed setting up a free-trade zone among member states and reducing non-tariff barriers in a variety of areas. The political interaction among SCO members is also intensive. In addition to the annual summits and frequent bilateral state visits, SCO ministerial-level officials meet and consult on a reg-

David Shambaugh is director of the China Policy Program in the Elliott School of International Affairs and professor of political science and international affairs at The George Washington University. He is also a non-resident senior fellow in the Foreign Policy Studies Program and Center for Northeast Asian Policy at the Brookings Institution in Washington, D.C.

This article is excerpted with permission from "China Engages Asia: Reshaping the Regional Order," International Security, Vol. 29, No. 3 (Winter 2004/05), pp. 64-99. © 2005 by the President and Fellows of Harvard College and the Massachusetts Institute of Technology. Footnotes have been omitted. In his comprehensive piece, the author also examines the antecedents to China's new diplomacy, the implications of China's regional rise for the United States, alternative conceptual models for understanding the new regional dynamics and the implications for the regional order. The article can be read in full at <http://mitpress.mit.edu/catalog/item/default.asp?tid=17534&tttype=6>.

ular basis, and a large number of joint working groups have been established. China and Russia alone have set up 35 such bilateral groups.

Engagement between China and ASEAN is even more impressive. Over the last few years, the two have undertaken a series of steps to broaden and strengthen their relationship, several of which have considerable significance for the international relations of the Asian region. Separate protocols have been concluded between China and ASEAN in the areas of human resource development, public health, information and communication technology, transportation, development assistance, the environment, cultural and academic exchanges, and codevelopment of the Mekong River Basin. At their landmark summit in 2002, China and ASEAN signed four key agreements: the Declaration on Conduct in the South China Sea; the Joint Declaration on Cooperation in the Field of Nontraditional Security Issues; the Framework Agreement on Comprehensive Economic Cooperation; and the Memorandum of Understanding on Agricultural Cooperation.

At their 2003 summit, China formally acceded to ASEAN's Treaty of Amity and Cooperation, becoming the first non-ASEAN state to do so (India subsequently followed suit). This unprecedented step binds China to the core elements of ASEAN's 1967 charter. Together with the Declaration on Conduct in the South China Sea, the ASEAN treaty formally commits China to enforcing the principles of nonaggression and noninterference, as well as a variety of other conflict resolution mechanisms. At the same summit, ASEAN and China signed the Joint Declaration on Strategic Partnership for Peace and Prosperity, which addresses a wide range of political, social, economic and security issues.

At their 2004 summit, Premier Wen put forward two further initiatives: (1) to build upon the 2001 Framework Agreement on Economic Cooperation and Establishment of the China-ASEAN Free Trade Area to create a similar free trade area in East Asia; and (2) to establish an East Asian community (presumably composed only of ASEAN + 3 countries) to discuss political and other issues.

Perhaps the accord of greatest significance is the above-mentioned 2001 Framework Agreement, which was amended at the 2002 summit. This agreement has done much to address concerns among Southeast Asian states about their economies and exports being potentially eclipsed by China's. With total ASEAN-China trade

growing rapidly (from \$45.6 billion in 2002 to \$78.2 billion in 2003), Premier Wen has set \$100 billion as the target for 2005. In addition, he estimates that when the free trade area takes full effect in 2010, its member states will likely have a combined population of 2 billion people and a collective gross domestic product of \$3 trillion. There is little doubt that there are tremendous economic complementarities between China and ASEAN, as well as redundancies, and that trade and investment can be expected to grow healthily in coming years.

Erasing a Painful History

China and ASEAN are forging a productive and lasting relationship that is gradually erasing a history built on widespread suspicion, painful memories, and lingering tensions. China's efforts to improve its ties with ASEAN are not merely part of a larger "charm offensive." They represent, in some cases, fundamental compromises that China has chosen to make in limiting its own sovereign interests for the sake of engagement in multilateral frameworks and pursuit of greater regional interdependence. Neither have the Southeast Asian states entered into these arrangements with eyes closed; they believe that China's rise is inevitable and that the best strategy for ASEAN, to hedge against potentially disruptive or domineering behavior, is to entangle the dragon in as many ways as possible.

China is clearly aware of its difficult history with its Southeast Asian neighbors. For example, in a major [2001] study of post-Cold War ASEAN policy toward China, leading Chinese Southeast Asia experts reflect candidly on China's past interventions in the region and the distrust they bred. The study cites a number of painful legacies that China needs to directly address, including its attempts to export "leftist" ideology to the region during the Cultural Revolution, its support for armed communist insurgencies and coups against established governments, its political manipulation of overseas Chinese (*huaqiao*), and memories of Southeast Asian tributary relations with imperial China.

It also notes the ill will created in the post-Cold War period by China's "uncompromising" stance on the South China Sea and Taiwan issues, the determination to modernize the Chinese military, and the economic challenges that a "South China economic circle" (composed of Southern China, Hong Kong and Taiwan) poses to ASEAN economies. The study correctly notes that to

avoid being drawn into a Chinese sphere of influence, ASEAN is seeking to maintain close ties with the United States, and that most ASEAN states believe that "U.S. predominance is conducive to the regional balance and stability."

China's expanded engagement with ASEAN and the SCO reveals a key element in Beijing's enhanced regional profile: it has both multilateral and normative dimensions and reflects the convergence of views among states in these organizations about the importance of cooperative security and conflict management. It also reflects an increased appreciation by the Chinese government of the importance of norms and "soft power" in diplomacy. Chinese print media, television, music, food and popular culture are spreading around Asia as never before. So, too, are Chinese tourists fanning out across the region: 800,000 Chinese toured

Long gone are the days of inept and indoctrinated Chinese diplomats cut off from their resident societies.

Thailand in 2002, while more than 600,000 visited Singapore in 2004.

Beijing's growing appreciation of soft-power diplomacy is also evident in China's efforts to popularize Chinese culture throughout the region and to train future generations of intellectuals, technicians and political elites in its universities and technical colleges. China increasingly sees higher education as an instrument of statecraft (as well as a source of foreign exchange). During the 2003 academic year, 77,628 foreign students were seeking advanced degrees in China's universities — approximately 80 percent of whom came from other Asian countries. South Korea sent by far the most students, 35,363, while Japan sent 12,765, Vietnam 3,487, Indonesia 2,563, Thailand 1,554 and Nepal 1,199. In the same year, only 3,693 students from the United States attended Chinese colleges and universities.

WORLDWIDE INSURANCE FOR FOREIGN SERVICE PERSONNEL

PERSONAL PROPERTY ■ AUTO MARINE ■ MARINE TRIP



Underwritten by London Insurers
Join the ranks of our satisfied customers.
Call toll free from anywhere in the United States or write for more information.

Administered by

UNIRISC

2000 N. 14th Street ■ Suite 500

Arlington, VA 22201

Telephone (703) 797-3259

Fax (703) 524-7559

Tollfree (800) 424-9500

COMPETITIVE RATES

- Broad BLANKET coverage now available
- Automatic replacement cost
- Automatic coverage up to 10% of total insured value for new acquisitions
- Foreign comprehensive personal liability

E-mail us at unicover@unirisc.com

AS PREVIOUSLY INSURED THROUGH HTB INSURANCE

The influence of this academic training on future generations of Asian elites will be difficult to measure with any precision, but their experiences while in China will certainly sensitize them to Chinese viewpoints and interests. In addition, they will possess knowledge of the Chinese language, as well as Chinese society, culture, history and politics. Those who enter officialdom may be more accommodating of Chinese interests and demands. They will also share personal connections with former classmates and will move up through professional hierarchies simultaneously.

Strategic Partnerships and Bilateral Ties

China's new diplomatic posture has produced a blizzard of meetings and exchanges among Chinese officials and their counterparts (both civilian and military) in neighboring countries. Summits with heads of state from virtually all of China's neighbors occur annually, and ministerial and subministerial exchanges are commonplace. China is also posting many of its most seasoned diplomats to ambassadorships in key regional capitals, where they are becoming very active and well known in local communities. Lower-ranking Chinese diplomats are fanning out across many Asian countries to attend academic and policy-related seminars, to forge business ties, to cultivate overseas Chinese communities, to provide interviews to local media, and to try to create good will. Long gone are the days of inept and indoctrinated Chinese diplomats cut off from their resident societies. ...

China has also raised its profile in meetings with regional leaders. This new embrace of regional multilateralism was highlighted by China's hosting of the 2001 APEC meeting in Shanghai and the attention given President Hu Jintao at the 2003 APEC meeting in Bangkok. Another example of China's efforts to raise its profile was Beijing's hosting of the Third International Conference of Asian Political Parties on Sept. 3-5, 2004. The meeting, organized by the International Department of the Chinese Communist Party, brought together 350 delegates from 81 political parties in 35 Asian countries, including eight heads of state. On the last day of the conference, the convocation agreed on a 12-point Beijing declaration of principles and areas of cooperation.

China's desire to improve its regional relations is perhaps most clearly demonstrated with regard to three states with which it had minimal interaction (even hostile

relations) not too long ago: South Korea, Vietnam and India.

China and South Korea. In little more than a decade since diplomatic relations were established in 1992, China's relations with the Republic of Korea have been dramatically transformed: the prime ministers of the two countries now hold reciprocal summits every year, ministerial-level officials interact regularly, and even the two militaries increasingly consult and exchange personnel. China is currently South Korea's largest trading partner, while South Korea ranks third in China's trade profile. Trade between the two nations totaled \$63.2 billion in 2003. South Korea is China's fifth largest foreign direct investor. More than a million South Koreans visited China in 2003, while 490,000 Chinese made visits to South Korea. There are currently 60,000 long-term South Korean residents in China. ... Approximately 10,000 South Korean companies operate in China, with many having representative offices in addition to production facilities in the country. Each week 700 flights shuttle back and forth between the two countries. South Korean businessmen regularly fly to China for the day and return by evening. Shipping and communications links are also numerous.

China's strategy for building ties with South Korea has both an economic motive and a strategic dimension. In the early 1990s, Chinese strategists concluded that China would have little leverage in shaping the eventual outcome of the divided Korean Peninsula if it did not enjoy strong ties with South Korea. Improved ties would also offset any potential threat to China from the U.S.-South Korean alliance and presence of U.S. forces on the peninsula. Further, a more robust Chinese-South Korean relationship would blunt any attempt by Japan to gain a stronger foothold on the peninsula. Beijing's strategy has been a net success for Chinese strategic interests; the burgeoning relationship has greatly benefited both countries, and it has become a central element in the evolving balance of power in Northeast Asia. The strong state of bilateral ties has also been a key factor in forging the Six-Party Talks (hosted by China) concerning North Korea's pursuit of nuclear weapons. Beijing and Seoul have converging and closely coordinated positions in the talks.

Despite the overall strength of Chinese-South Korean relations, disagreement over a recent historical interpretation of the ancient kingdom of Koguryo (37 B.C. to A.D. 668) has created some tension. Assertions in 2003 by Chinese historians that the ancient kingdom was part of

China have deeply angered Koreans (in both the North and the South). Seeking to cool the simmering dispute, China dispatched diplomats and Politburo member Jia Qinglin to Seoul in August 2004, where they worked out an agreement to shelve the dispute. Although this agreement has tempered Korean ire for the time being, the imbroglio has raised suspicions among South Korean officials and intellectuals about China's long-term intentions and has dampened the "China fever" that has swept their country in recent years. Despite this incident, the breadth and depth of the Chinese–South Korean relationship make it one of the healthiest and most important in Asia today.

China and Vietnam. China's relations with Vietnam have been similarly transformed, albeit not as dramatically. Since China and Vietnam renormalized diplomatic relations in 1991, state-to-state, party-to-party and military ties have expanded. Meetings between the presidents and general secretaries of the two communist parties are held annually, as are about 100 working visits at the ministerial or vice-ministerial levels. In February 1999 the two governments signed the Agreement on Friendship, Good Neighborliness and Longstanding Stability. During a state visit to Hanoi by former Chinese President Jiang Zemin in February 2002, the two countries agreed to a framework that consists of the following four objectives: (1) to build political exchanges at a variety of levels; (2) to share their experiences regarding economic development; (3) to encourage youth exchanges (China created a 120,000 renminbi [or approximately \$15,000] fund for this purpose); and (4) to strengthen cooperation in international and regional forums.

Sino-Vietnamese economic ties are also improving, although the total volume remains low. Bilateral trade trebled from \$1.1 billion in 1996 to \$3 billion in 2001, and reached \$4.6 billion in 2003. Vietnam exports mainly marine products and oil and gas to China; imports from China include machinery, fertilizers, and consumer durables. China also provides low-interest loans to upgrade Chinese-built factories in Vietnam (mainly iron and steel plants). Altogether, China has invested \$330 million in 320 joint venture projects in Vietnam.

With respect to territorial disputes, tensions have eased

*The breadth and depth
of the Chinese–South Korean
relationship make it one
of the healthiest and most
important in Asia today.*

considerably in recent years. The Chinese and Vietnamese governments signed a treaty on their land border in December 1999 and another in December 2000 on their sea boundary in the Gulf of Tonkin. They have also established a forum to discuss the disputed Paracel and Spratly Islands. Both are signatories to the Code of Conduct on the South China Sea

and the Treaty of Amity and Cooperation, agreed in 2002 between China and ASEAN.

Since relations between the Chinese Communist Party and Vietnamese Communist Party were normalized in 1991, the parties' leaders have met once a year. China's current president and CCP general secretary, Hu Jintao, visited Vietnam twice before assuming his leadership posts at the Sixteenth CCP Congress in 2002. In addition, the VCP External Relations Department and the CCP's International Department have promoted numerous bilateral exchanges, as have the two central party schools.

In recent years Chinese and Vietnamese ministers of defense, as well as lower-level military officials, have also exchanged visits. The People's Liberation Army Chengdu and Guangzhou military region commanders and commanders of adjacent military districts now hold annual meetings with their counterparts, the commanders of Vietnam's first, second and third military regions. Staff college exchanges have also become more common. In 2001, a Chinese naval ship made its first port call to Vietnam. The Chinese and North Vietnamese navies are involved in joint search-and-rescue missions, and they cooperate in cross-border antismuggling operations. Although there is no formal agreement about prior notification of military exercises in the border region, both sides have nonetheless tried to provide such notice. ...

China and India. Perhaps one of the most important, yet least recognized, international events of 2003 was Indian Prime Minister Atal Bihari Vajpayee's state visit to China in June. As the capstone of a decade-long rapprochement, which was briefly interrupted by the political fallout in the aftermath of India's nuclear tests in 1998, the visit symbolized one of the most critical developments in Asian affairs.

At their meeting Prime Minister Vajpayee and Chinese Premier Wen signed the Declaration on Cooperation and

nine protocols on bilateral cooperation, thus fully normalizing Sino-Indian relations. Both leaders pledged that their countries would work together for regional peace and stability. Progress was also made on their long-standing boundary dispute; the two countries codified the Agreement on the Actual Line of Control and pledged to exchange high-level emissaries to negotiate a final settlement of their 34-year quarrel over the disputed territorial boundary. Once the 4,500-kilometer border is fully demarcated, China will have resolved all of its border disputes. As part of the agreement, India reiterated its recognition of Tibet as part of China and promised not to support separatist activities by Tibetan exiles in India. China-India trade, which stood at \$7.6 billion in 2003, is expected to accelerate (between 2002 and 2003 bilateral trade jumped 53.6 percent). The two countries enjoy complementarities in several sectors, including computer software (India) and hardware (China), although they continue to compete in other areas such as textiles and low-end manufactures.

The Sino-Indian summit represented the most recent success in efforts by China to turn one-time adversaries into productive partners. Taken together with China's ongoing efforts to forge a strategic partnership with Russia and to increase bilateral cooperation overall, Beijing's success in building ties with its former adversaries (including South Korea, Vietnam and India) has not only benefited the countries concerned, but has also removed key sources of tension from the Asian region.

Expanding Regional Economic Ties

China's growing engagement with the Asian region is perhaps most evident in the economic domain. According to official Chinese customs statistics, trade between China and the rest of Asia topped \$495 billion in 2003, up 36.5 percent over 2002. During the first eight months of 2004, China's exports and imports continued to climb; exports to its 13 neighbors grew by an average of 42 percent, while imports surged on average 66 percent. ...

Not only is China increasingly trading with its neighbors, and receiving foreign direct investment from them, but it is also beginning to invest more in the region. Approximately 70 percent of China's inbound foreign direct investment originates in Asia. Meanwhile, China's direct investment in other Asian countries (including Hong Kong) reached \$1.5 billion out of a total of \$2.85 billion invested by Chinese companies globally in 2003.

China has also begun to increase its aid and development assistance to other Asia nations — for example, allocating loans of \$150 million for Vietnam, \$400 million for Indonesia, \$200 million for Afghanistan, and \$200 million for Myanmar (Burma) in 2002. In 2003 China earmarked \$300 million in aid for Mongolia. At the end of 2004, Beijing committed \$63 million in humanitarian and reconstruction assistance to (mainly Asian) nations affected by the catastrophic tsunami.

In sum, Chinese trade and direct investment are fast becoming the engine of economic growth in Asia, and this has done much to invigorate several economies in the region, particularly helping to pull Japan out of its decade-long economic slump. Asian countries thus have a huge stake in China's continued economic growth and stability. At the same time, however, some in the region have continuing reservations that China's comparative advantages in labor and capital, combined with the business acumen of Chinese companies and government negotiators, will never permit a level playing field in which smaller Asian countries can compete with China. While Premier Wen describes China as a "friendly elephant" interested only in win-win commercial ties with its neighbors, other Asian nations worry that an elephant, no matter how friendly, will still leave trampled grass in its path.

An Enhanced Regional Security Posture

China's new approach to Asia is also evident in the security sphere. ... China has adopted a unilateral approach toward its military modernization, which is being undertaken without great concern for the interests of its neighbors. China has two primary objectives in this regard: to build and deploy a comprehensively modern military commensurate with its status as a major power; and to develop a range of capabilities with respect to Taiwan. ... [The] military modernization is a large and complex process with multiple dimensions. Nonetheless, two issues continue to be of particular concern to China's neighbors: (1) the development of China's power projection capabilities (and the doctrine that would underlie it), and (2) the potential for the use of force against Taiwan.

The People's Liberation Army does not seem to have made much progress in enhancing its power projection capabilities, nor do these seem to be a priority. No aircraft carrier battle groups are being constructed; few destroyers capable of operating in the open ocean have been built; no military bases are being acquired abroad; train-

ing over water or far from China's shores is minimal; no long-range bombers are being manufactured; and no airborne command and control aircraft have been deployed (although negotiations are under way with Russia to acquire four Beriev A-50 radar planes and, apparently, an indigenous AWACS plane is being flight-tested). Nor is it clear whether the PLA Air Force has mastered in-flight refueling for its fighters, a necessary capability for the projection of sustained airpower, although its J-10 and Su-30MKK fighters are outfitted for this task (the problem, however, is that the PLAAF does not possess adequate tankers and has not yet mastered the complicated aspects of airborne hookups).

Although the PLA Navy has about 60 surface combatants and more than 70 operational submarines, they generally do not operate beyond China's territorial waters. Finally, the PLA has not adopted a doctrine that would guide such a forward force projection capability — the PLA's doctrine of peripheral defense is not one of forward projection. Thus, there is scant, if any, evidence of the PLA developing capabilities to project power beyond China's immediate periphery.

What the PLA has done, and it is of considerable concern to China's neighbors, is to build up a variety of military capabilities for the potential use of force against Taiwan involving a number of different contingencies, including: the deployment of approximately 600 short-range ballistic missiles opposite Taiwan (the PLA's Second Artillery is also modernizing its intermediate- and intercontinental-range missile forces); the deployment of large numbers of attack fighters opposite Taiwan; the buildup of surface ships, submarines, and amphibious landing craft within range of Taiwan; periodic large-scale military exercises around Taiwan; and refusal to forswear the possible use of force against Taiwan. ...

Confidence-Building Measures

To a significant extent, though, China has been able to offset concerns about its buildup against Taiwan with a series of confidence-building measures aimed at the rest of the region. These have come in the form of both bilateral and multilateral measures of four principal types.

China startled other members by introducing a concept paper that included a wide-ranging set of proposals for increasing regional military exchanges.

The first type is bilateral governmental security dialogues with several neighboring countries — Australia, India, Japan, Kazakhstan, Kyrgyzstan, Mongolia, Pakistan, Russia and Thailand. These occur once a year, in alternating capitals, with participation of both civilian foreign ministry and military personnel. China is also involved in a number of unofficial "Track Two" security dialogues, usually undertaken by the China

Institute of International Strategic Studies or the China Foundation for International Strategic Studies, both of which are affiliated with the Second Department of the PLA General Staff.

The second type of engagement involves official military-military exchanges, which China has stepped up in recent years. The PLA currently engages in a number of exchanges with neighboring countries. ... In addition, the PLA Navy has begun to increase its number of regional port calls. A particularly important departure is China's new willingness to engage in bilateral military exercises, breaking its 54-year, self-imposed prohibition on such efforts.

Joint exercises were held in 2003 with India, Kazakhstan and Pakistan (as well as with France and the United Kingdom). The Indian and Pakistani navies undertook joint search-and-rescue exercises off of China's coast; the exercises with Kazakhstan involved cross-border counterterrorism drills. Of even greater importance, China and Russia plan unprecedented, large-scale joint military exercises on Chinese territory in 2005. The exercises will involve ground forces, air forces, command and control units, and possibly strategic missile forces.

The third type of activity is China's increased participation in the Asian Regional Forum, which the Chinese government sees as a potential catalyst for establishing a regional cooperative security community. President Hu recently asserted that China "will give full play to existing multilateral security mechanisms and is ready to set up a security dialogue mechanism with other Asian countries to actively promote confidence-building cooperation in the military field."

At the 2003 ARF Inter-Sessional Group and ARF foreign ministers' meetings, China startled other members

by introducing a concept paper that included a wide-ranging set of proposals for increasing regional military exchanges and establishing an annual security policy conference. The paper indicated that China was prepared to address a range of issues it had previously been unwilling to discuss in a regional forum (e.g., future challenges to regional security; military strategies and doctrines of member states; the revolution in military affairs and defense modernization in the region; the role of regional militaries in nontraditional security matters such as counterterrorism and narcotics interdiction; defense conversion; and civil-military relations).

Quickly realizing the importance of China's proposal, ASEAN acted promptly, formally adopting the initiative at its July 2004 meeting in Jakarta, Indonesia. The unprecedented security policy conference, the highest-level meeting of regional military officers ever within the ARF framework, convened on Nov. 4–6, 2004, in Beijing, and was attended by high-ranking officers from 24 ARF member states and dialogue part-

ners. Chinese security specialists have also floated the idea of forming an East Asian security community, built upon the ARF, which would better institutionalize security dialogues and cooperation among its members. Another idea that is gaining some currency in Beijing is to convert the Six-Party Talks on the North Korean nuclear program into a permanent entity for security cooperation in Northeast Asia.

Fourth, China has gradually increased its military transparency, as demonstrated by its recent publication of several defense white papers. This action comes in part as a response to the consistent urging of ASEAN, Japan and South Korea (as well as several Western governments). Although these white papers fall far short of global standards, or even those of other Asian states, each has progressively offered more information about China's military. The most recent one, published in December 2004, provides much more information than before on PLA doctrine and defense policy, technological innovation and defense industries, domestic defense mobilization, streamlining of military forces, rising concern about Taiwan and the PLA's international cooperation.

On a New Footing

In all of these ways, Beijing's confidence and level of involvement in regional security affairs has grown considerably in the last few years. This does not mean that regional concerns about China's rise have melted away, but they have dissipated considerably. China's promulgation of a new security concept has also enhanced China's image in the region, particularly insofar as it dovetails with ASEAN's own normative approaches to cooperative security and conflict management. The new security concept is premised on the principles of mutual trust, mutual benefit, equality, cooperation and the peaceful resolution of differences. In his 2004 Boao Forum speech, President Hu supplemented these guiding principles by asserting that China "hopes to establish a security relationship and cooperation featuring non-alignment, non-confrontation and non-targeting at any third party."

Taken together, these actions are having a transforming effect on Asia's regional dynamics. For more than a century, China has been largely outside of the regional order — either by design or by circumstance — but now it has found its footing and has reasserted itself in all realms and on all issues. ■



 **D & M AUTO PARTS CORPORATION**
145 WEST JOHN STREET • HICKSVILLE, NY 11801 USA

**SERVING THOSE WHO
SERVE AMERICA**
SINCE 1971

**2005 represents our 35th year helping
to maintain America's fleet of vehicles
throughout the world. All of us at D & M
consider it an honor to have worked with
all of you through these years.**

We are aware of the importance of your official and private vehicles, forklifts, generators, tools and equipment.
We look forward to continuing this service in a professional manner.

We are here to help, just ask!
Gary Vlahov

www.dmauto.com
(516) 822-6662; FAX: (516) 822-5020; E-mail: info@dmauto.com

 **AUTO & TRUCK PARTS**

DEEPENING SINO-AMERICAN TIES AT THE GRASS ROOTS



Jeff Moores

U IMPROVEMENTS IN CHINA'S HUMAN RIGHTS RECORD WILL NOT COME OVERNIGHT FROM THE TOP DOWN, BUT WILL DEVELOP GRADUALLY THROUGH SOCIAL ACTIVISM.

BY CAROL LEE HAMRIN

Under Presidents George W. Bush and Hu Jintao, U.S.-China relations have settled into a pragmatic period of cooperation on many important issues — e.g., counterterrorism and nonproliferation, the Six-Party Korea talks, management of differences over trade, and maintaining stability in the Taiwan Strait. Even Beijing's recent anti-secession law and the U.S.-Japan agreement that Taiwan is a mutual security concern are intended primarily to ward off precipitous moves on Taiwan toward formal independence that might require action. To a great extent, this period of relative calm is due to the Bush administration's preoccupation with Iraq and the Middle East, as well as

the Hu administration's preoccupation with consolidating power and building authority during the drawn-out transition from Jiang Zemin's rule.

At the same time, the two sides have tacitly acknowledged the mutual need to avoid bilateral crises and focus on common interests. Multiplying channels of regular communication and high-level leadership exchanges between political and military counterparts have also helped lessen suspicion and prevent misunderstanding.

The granting of Permanent Normal Trade Relations status to the People's Republic of China in 2001 helped push American domestic and congressional concern about Chinese human rights abuses out of the domestic political limelight. Yet behind the scenes, the U.S. continues to monitor and express concern about rights deficiencies through new mechanisms, including congressional commissions. This "blaming and shaming" approach, focused narrowly on China's lack of political democracy, continues to blind us to major opportunities to promote social progress there.

Instead, to achieve our goals, U.S. policy needs to take full account of dramatic recent changes within Chinese society, and the Beijing government's efforts to adapt to them.

Dr. Carol Lee Hamrin is a Chinese affairs consultant who serves as a senior associate with the Global China Center in Charlottesville, Va., and as a research professor at George Mason University in Fairfax, Va. She became the senior China research specialist at the Department of State, where she served for 25 years, earning the esteemed Secretary of State's Career Achievement Award. In 2003, she received the Center for Public Justice Leadership Award for outstanding public service.

Her publication credits include: God and Caesar in China: Policy Implications of Church-State Tensions (The Brookings Institution Press, 2004), co-edited with Jason Kindopp; Decision-Making in Deng's China: Perspective from Insiders (East Gate Books, M.E. Sharpe, Inc., 1995), co-edited with Suisheng Zhao; and China and the Challenge of the Future: Changing Political Patterns (Westview Press, Inc. 1990). She has also published many journal articles and book chapters, including "The Floating Island: Change of Paradigm on the Taiwan Question," co-written with Zheng Wang, in the May 2004 Journal of Contemporary China.

Joining the Global Society

China's economic reform program has aimed to improve efficiency and sustain rapid growth in order to compete in the global economy. Globalization, in turn, is reshaping China, involving the PRC in a new level of transnational integration in all spheres — with the diffusion of new technologies, especially in communications; an unprecedented rate of socioeconomic change; and the application of international norms.

Given the central dynamic of this process — the spread of individual choice among competing alternatives, as the role of government is downsized — consumer experience in the market of goods and services inevitably leads to a desire to choose among identities, values, lifestyles and political loyalties, as well. The extension of the global economic market thus gives birth to demands for social, cultural and, eventually, political pluralism. Moreover, transnational social and cultural ties bring new resources to social groups and make possible new types of activities. How well, and how quickly, the PRC adapts to these realities is the key variable.

Economic growth in China has already produced a much more pluralistic society. In early 2002, the Chinese Academy of Social Sciences published the first official documentation of this change, providing a portrait of an "embryonic modern social structure" and classifying Chinese society into 10 occupational strata. Workers and farmers — the traditional constituency of the Chinese Communist Party — were placed near the bottom of the social ladder, while the first four strata (state administrators, managers, private business owners and professional personnel) were praised as "representatives of advanced productive forces."

This wholesale transformation under way in the social structure is perhaps the least understood "side effect" of China's economic development, as the country's homogenous rural society becomes a much more diverse urban society. Between 2000 and 2010 alone, 300 million people will have moved to cities of all sizes — the greatest migration in world history. A decade later, it is projected, China will be an urban society (with more than 50 percent of the population living in cities) for the first time. The emerging middle class (per China's official definition, those with assets valued from US\$18,137 to \$36,275) already exceeds 240 million people, and is projected to include more than 500 million people by 2020.

Society Outpaces State Policy

The development of a more pluralistic and open society has spawned a proliferation of Chinese civic nongovernmental institutions, now totaling over three million. However, fewer than half of these nonprofit organizations are registered with the Ministry of Civil Affairs. The rest either are not registered or are registered in other categories, such as business enterprises, in order to avoid the onerous NPO registration process.

These NPOs range from membership-based associations to private clinics and schools, charities and foundations; from consumer groups to chambers of commerce; and advocacy organizations, such as environmental and women's legal aid groups. Affiliate institutions are springing up to do research, train or provide information services for this sector, such as the China NPO Network, which has worked with the Tennessee-based Maclellan Foundation to sponsor training in accountability and discussions of standards for self-discipline within the NPO community.

Some groups are faith-based. Local congregations or religious associations have spawned small-scale social service agencies, such as the Signpost Youth Club affiliated with Ningbo's Catholic Diocese in Zhejiang province. This "virtual" club uses the Internet to promote spiritual formation for younger Catholics (ages 18–30) working and studying in different parts of the province. Another example is the Holy Love Foundation in Chengdu. A young couple, taking pity on idle handicapped youth unable to attend school, registered the foundation in 1992 under a business sponsor. They raised funds to refurbish an old warehouse, turning it into a boarding school. Board members include a government representative from the municipal Bureau of Civil Affairs, which then takes up to 1 percent of donations for overhead.

By contrast, the YMCA/YWCA in China, headquartered in Shanghai with branches in 10 cities, is a state-run NPO with a long pre-1949 history. The Shanghai branch is pioneering a new type of multifunctional community center to provide better services than those available from the government street offices.

*Beijing and
Washington have
tacitly acknowledged
the mutual need to
avoid bilateral crises
and focus on
common interests.*

The competitive pressure from these organizations, especially in the area of humanitarian social services, has affected even China's top-down nonprofits, known officially as "GONGOs" — government-organized nongovernmental organizations. The GONGOs now allow foreign participation and training (in addition to funding). They are learning to develop their own domestic donor bases and, increasingly, strive to promote the interests of their constituencies, not just state goals.

Most Chinese citizens know that governments everywhere are cutting back the welfare state, but until recently, they were unaware of the resulting "associational revolution" that has produced a massive wave of development of nongovernmental organizations worldwide. As part of this global trend, the World Bank is seeking to empower Chinese community organizations in their development projects. These pioneering groups are learning from the vibrant nonprofit sectors in Hong Kong, Taiwan and Singapore. At an international conference on poverty re-education in Beijing in October 2001, NPO organizers offered to act as the "vanguard" in cooperation with international counterparts, as well as with Chinese government and business, in exploring new models for poverty alleviation.

Contention over the Social Contract

During the 1990s, the Chinese Communist Party encouraged citizens to seek material prosperity and enjoy greater personal freedoms — so long as they avoided political challenges to the system. This approach spurred a wave of economic and social entrepreneurialism that boosted private for-profit and nonprofit activity at all levels of society. But it also encouraged the flouting of tax laws and of auditing and registration requirements, and fostered corruption and abuses of power by local government officials exercising newfound discretionary powers.

After the Asian financial crisis of the late 1990s, the Chinese leadership began to pay closer attention to sources of economic fluctuation, growing economic inequities and escalating incidents of mass social



Odette "Mimi" Brock (daughter of Foreign Service parents Odile and Samuel Brock) is the winner of the 2003 AFSA Art Merit Special Commendation and 2003/2004 AFSA Financial Aid Scholarship. A selection of Odette's artwork is shown here. AFSA uses bequests and gifts to the AFSA Scholarship Fund to recognize the achievements and potential of Foreign Service children.

Create a legacy ...

make a
lasting
impression



with a
planned gift



- An individual can establish a named endowment in honor or in memory of a loved one.
- A planned gift can reduce estate taxes.
- A planned gift can create valuable tax benefits.

For more information, please contact Planned Giving Director Lori Dec

TOLL-FREE: (800) 704-2372 ext. 504

PHONE: (202) 944-5504 • FAX: (202) 338-6820 • E-MAIL: dec@afsa.org

All inquiries are held in strict confidence with total respect for privacy. To ensure that exact intentions are carried out, estate-planning documents should be prepared in consultation with an attorney and/or financial advisor.

The AFSA Scholarship Fund bestows merit awards and financial aid scholarships to children of Foreign Service employees.



The Fund for American Diplomacy educates the public on how U.S. diplomacy affects America's national security and economic prosperity.

protest aimed at official corruption and abuse of power. In 2003 China's leaders, planning to cool down what was becoming an overheated economy, announced a shift to a more balanced "people-oriented" development strategy that would promote social development and environmental protection, as well as economic development.

Taking a cue from the new approach, policy advisers began focusing research attention on social concerns such as the public health system, including HIV/AIDS and drug-use prevention (a trend accelerated by the SARS epidemic of two years ago) — and the income disparities and rights abuses of farmers and migrant workers. There is growing recognition within the Chinese government that major socio-economic problems are hampering economic growth and social progress, although there is still little understanding of how NPOs can help address them.

While the goal of creating a "small state, large society" remains official PRC policy today, the central government recently began wielding a mix of old and new control mechanisms to assure political stability and ease the impact of WTO-related economic restructuring. For instance, central and local regulations governing various civic institutions are in a state of perennial revision, as consultations and consensus-building are increasingly required to obtain compliance.

This year, the PRC leadership launched the beginning of research and public discussion of ways to build a "harmonious socialist society," adding this to previous goals of creating a socialist market economy, democratic socialist politics and advanced (presumably socialist) culture. Vice President Zeng Qinghong, speaking at a party seminar in February, emphasized that "fairness and justice [are] the key link" in crafting social policy, and that to consolidate party rule, "it is necessary to adapt to the profound changes in Chinese society." This is particularly true as China's per capita GDP is projected to grow from \$1,000 to \$3,000 by 2020 and "various interest relationships become ever more complex." Zeng also called for exploring both traditional Chinese and international experience in "social con-

***U.S. policy toward the PRC
should expand beyond the
short-term need to counter
human rights abuses, to
supporting long-term social
and cultural progress.***

struction," especially in East Asia and Latin America.

At the most recent National Party Congress in March, the focus was on those issues of greatest concern to the populace, as revealed in a survey on the eve of the session: employment, corruption, unfair distribution and public safety. Delegates stressed that a dynamic concept of society is required because, as Zeng explained, "a harmonious society

is not one without conflict of interests; rather it is a society that has the ability to smooth conflicts of interest." This suggests a willingness at the top to move beyond sterile slogans calling for an unrealistic and static concept of "unity and stability."

As a result of all these conflicting trends, the implicit social contract appears to be a matter of growing contention in China. How the political elite manages its complex and fluid relations with NPOs and other social groups, and how they address the rapidly growing inequalities of wealth and resources (and the social tensions they exacerbate), are probably the most important challenges facing China's leadership.

The International Factor

This may be a prime opportunity for the emerging Chinese nonprofit sector to learn from their international counterparts. Around the world, after all, social organizations, like economic ones, respond increasingly to market and international forces, as well as state policy. Already, over 300 international NGOs, including many headquartered in the U.S., are key players in China's nonprofit sector. All together, these international organizations have made major contributions to China's economic and social development — not just with funding (now in the range of \$200 million per year), but through modeling and practical training in new approaches, as well as practical experience for their Chinese staff.

Exchanges involving cultural, media and political-legal elites date back to the 1980s, when they were pioneered by the Committee on Scholarly Communication with China and the National Committee on U.S.-China Relations. Over the ensuing quarter-centu-

ry, U.S. civic organizations have steadily expanded their China connections. Many educational ties have been established between American and Chinese colleges and universities, including Christian colleges and seminaries, and between professional schools, whether in business, law or medicine. Sister-city and state-provincial exchanges have included leaders of civic organizations as well as businesses.

Major actors include the Asia and Ford Foundations, whose Beijing offices now have annual budgets over \$4 million and \$9 million, respectively. In addition to their 1980s-era work to support educational and professional development, and to help revive the social sciences in China, both foundations are now branching out to support projects in law and governance and to influence (directly and indirectly) government regulatory projects. The Asia Foundation sponsors monthly forums and a networking Web site run by the China NPO Network (<http://www.npo.com.cn/eindex.htm>), supports migrant and worker rights awareness, and has begun support for grass-roots NPOs in the poor interior of the country.

Many international humanitarian NGOs got their start providing relief to areas in China struck by earthquakes and other disasters in the late 1990s. The Salvation Army and World Vision International, along with U.K.-based Oxfam, are the largest international NGOs involved in disaster relief and anti-poverty work. Responding to the government's encouragement of international participation in anti-poverty and development work in western China, which is home to most of the country's poor ethnic minorities, these groups have expanded support for micro-loan projects and holistic community development projects.

There are also international faith-based organizations active in China, some of which renewed earlier mission-era ties to China and work in the poor interior and at the grass-roots level. The ecumenical United Board for Christian Higher Education in Asia focuses on enhancing education for women and ethnic minorities in more isolated tertiary institutions. Service groups affiliated with church-based or denominational organizations, including the Mennonites and the Maryknoll Brothers, tend to work in partnership with official faith-based counterparts, whereas independent "parachurch" agencies find partners in the functional sector responsible for specific projects. For example, thousands of teachers of English

or professional skills have been sent by organizations working jointly with the Foreign Experts Bureau and state educational organs.

U.S. Policy Implications

The complex changes under way at the grass-roots level in China, especially in the roles of indigenous and international nonprofit organizations, merit closer attention in Washington as China enters a period of authoritarian populism and "money politics." It is in our interest to see a healthy society evolve in China. The alternative is growing potential for bilateral friction over religious and other human rights or, worse, massive instability in China affecting the whole region.

U.S. policy should expand beyond the short-term need to counter Chinese human rights abuses, to proactively support long-term social and cultural progress. Contrary to popular American expectations, improvements in human rights will not come overnight from the top down, but will develop gradually through grass-roots cultural change and social activism as Chinese citizens begin to defend their own interests, individually and collectively. Future Chinese governments at all levels need ideas and assistance from the outside to deal creatively with problems attending social and cultural pluralization, for which they have only a weak tradition and no experience.

Toward this end, the U.S. government should continue its unilateral initiatives to promote democracy, human rights and rule-of-law programming in China, which provides some of the funding for independent U.S. NGOs working in China. The investment has nearly quadrupled in just four years, from approximately \$5 million in 2002 to \$19 million in 2005. Yet here, too, more explicit attention to exporting civil society is warranted.

Meanwhile, the bilateral agenda could begin discussions of social policy challenges under the impact of globalization. The bilateral rule-of-law initiative could encompass laws affecting religious practices, while labor-management initiatives fit well with discussions of WTO implementation.

Above all, we must revise expectations. The direct role of the U.S. or other governments, or international organizations, in promoting social and cultural change in China is limited. Development aid to China is decreasing as its GDP grows, but the need for modeling and training increases even as funding needs

F O C U S

decrease. And for this, private sector or nongovernmental organizations will be the main outside catalysts for change.

Nonetheless, a positive overall atmosphere for Sino-American relations is critical to the sustained opening-up of Chinese society. Whenever there is a chill in the bilateral atmosphere, nongovernmental social and cultural programs catch cold.

We also need to recognize that the outcome of near-term change will most likely not be the U.S. model of limited government and federalism. Chinese culture still grants the state supreme authority in society, and the country's historical experience and the legal structure are both closer to a continental European model.

U.S. government initiatives should work through international or Asian partnerships whenever possible. Chinese policy is more likely to change when it can be

Economic growth in China has already produced a much more pluralistic society.

perceived as the result of voluntary participation in regional and international activities, rather than as a forced response to bilateral pressure to serve U.S. interests.

The PRC's future will be shaped by strong ties with global Chinese networks based in the U.S., Hong Kong, Taiwan and Singapore. These societies have made the best economic showings in Asia, and the democratic aspirations of the people of Hong Kong and Taiwan provide a pragmatic rationale for mainland reforms that might close the institutional gap in non-economic arenas and thus keep open the possibility of future unification through a convergence of systems and complementarity of cultures.

Outside actors need to think beyond "China" as a single national entity and begin to deal creatively with the reality of varied local situations and the needs of

Get Your Finances In Line With SDFCU Online

You can depend on State Department Federal Credit Union for the ultimate in security and convenience with SDFCU Online banking. This FREE service allows you to access your Credit Union accounts via the Internet anytime, from anywhere in the world. Just go to www.sdfcu.org and click the SDFCU Online logo. You can conduct the following Credit Union business:

- ▶ Transfer funds between accounts
- ▶ View your account history over the last 15 months
- ▶ View and pay your credit card bill online
- ▶ Check current account balances
- ▶ View check images
- ▶ Pay Bills and much more!*

See just how easy SDFCU Online is! Visit us at www.sdfcuonline.org and check out the easy demo!

If you're interested in becoming a member of State Department Federal Credit Union, give our Member Service Center a call at **703-706-5000**, or outside the D.C. Metro area at **800-296-8882**. You can also email us at sdfcu@sdfcu.org.

SDFCU Online puts us at your service, 24 hours a day, seven days a week, whenever you need us the most. Sign up today!

*The Bill Payer service is available at no charge for Capital Club members. Otherwise, there is a low monthly fee of \$3.95 for unlimited transactions.



State
Department
Federal
Credit
Union

F O C U S

local governments. For example, human rights monitors could report on differences in local social conditions, highlighting improvements where possible, using a “praise and blame” approach to fuel competition among local governments to improve their relative reputations and risk-ratings among investors, both businesses and nonprofits.

In sum, U.S. policy requires carrots as well as sticks. Reactive PRC government efforts to “rein in” social organizations could be countered by the sharing of rich U.S. experience with voluntary associations, encouraging proactive problem-solving by the Chinese government in order to boost social development rather than reactive mea-

Outside actors need to think beyond “China” as a single national entity and begin to deal creatively with the reality of varied local situations and the needs of local governments.

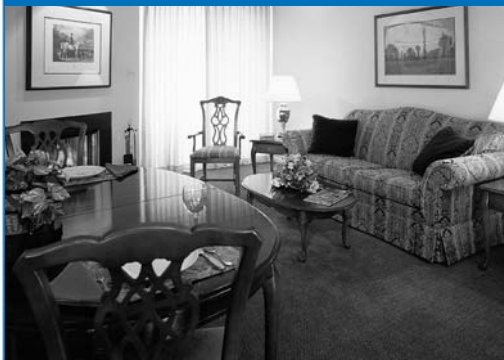
asures to inhibit it. Given that bilateral relations have already moved into such sensitive arenas as legal-judicial exchanges and police training for Olympics security, surely the United States should be able to expand policies further to support the “thick web” of private social and cultural ties that are introducing new ideas and values, institutional experience and techniques that can promote social progress in China. Our previous successes in South Korea and Taiwan are

prime examples of how the U.S. can help build more open and democratic societies in Asia.

If we want people to change, we have to help them do so. ■

THE REMINGTON

Per diem accepted all year round



2 Blocks to Main State Department
Rent by Day, Week, or Month



- One bedroom fully furnished condo
- Deluxe full size kitchens
- Washer/Dryer in unit
- Free private phone line/local calls
- Free cable w/ premium channels
- Free weekly maid service
- Parking available
- Pets accepted

601 24th Street, NW • Suite 102 • Washington, DC 20037

Tel: 202-223-4512 • Fax: 202-452-9541

E-mail: reminc3333@aol.com • www.remington-dc.com

ZHAO ZIYANG: BURIED BUT NOT DEAD



Jeff Moores

O

THE CHINESE LEADER'S REMAINS WERE INTERRED ON JAN. 29, BUT A RECENT BOOK POINTS TO THE UNFINISHED HISTORICAL RECKONING OF TIANANMEN SQUARE.

BY JOSEPH FEWSMITH

On Jan. 29, 2005, the ashes of Zhao Ziyang, the former general secretary of the Chinese Communist Party, were finally laid to rest in the Babaoshan cemetery, west of Beijing. The funeral came nearly two weeks after the late leader's death on Jan. 17, delayed repeatedly as the central party authorities and the family argued over final arrangements, including the evaluation that would be included in the official biography released with his funeral. In the end, the family was accorded higher respect than the officials originally wanted to grant it — Jia Qinglin, the fourth-ranked member of the Politburo Standing Committee and head of the Chinese People's Consultative

Conference, led a group of officials to attend the funeral. But the communist leadership dug in its heels on the evaluation, and the short Xinhua news release stated only that Zhao had “assumed important leading posts on the CCP Central Committee and for the state and made important contributions to the party’s and people’s causes” — without stating what those positions or contributions were. It also repeated the party’s judgment that Zhao had made “serious mistakes” in 1989, when he was ousted from power.

Contrast that grudging statement with the effusive praise given to Zhao’s predecessor as general secretary, Hu Yaobang, upon his death in 1989. Even though Hu had also been stripped of power (in January 1987), he was eulogized as a “long-tested fighter for communism, a great proletarian revolutionary, a great statesman, a prominent political commissar of the people’s army, and an outstanding leader who held important posts in the party for many years.” Even given the CCP’s efforts to downgrade the scale of such funerals, the muted assessment of Zhao stands out.

Zhao Ziyang was last seen in public in the early hours of May 19, 1989, telling student demonstrators in Tiananmen Square to protect themselves. He spent the last 16 years of his life under a type of house arrest that allowed him some visitors, to make some trips around the country and to play golf, but did not allow him to talk with reporters, make public appearances or go to places where he might attract a crowd. By all accounts, he lived in his home only a block off of the busy shopping street of Wangfujing in quiet dignity, not regretting the decisions that he had made that ended his official career.

For years, people had speculated that his passing would trigger the sort of public mourning that followed his predecessor’s death, which set off the massive student demonstrations that ultimately brought down Zhao. It did not, both because of concerted efforts by the CCP and because prosperity and social stability now loom larger in people’s minds than the example of a single leader who preferred giving up power to firing on unarmed civilians. As bitter memories of Tiananmen Square

Joseph Fewsmith is professor of international relations and political science at Boston University. He is the author, most recently, of China since Tiananmen (Cambridge University Press, 2001) and Elite Politics in China (ME Sharpe, 2001).

faded, so, too, did public awareness of his contributions. Many younger people either had never heard of the former party leader or were unclear what had happened in May-June 1989. Even many older people drew the conclusion that Tiananmen showed that reform could only be done incrementally.

Consequently, the 2,000 or so mourners who were finally allowed to pay their final respects to Zhao Ziyang on Jan. 29, 2005 (in a carefully monitored process in which attendees had to pick up passes at a hotel desk), did so peacefully, for the most part, though the police did rough up a few people. But the CCP’s micro-management of the funeral arrangements makes clear that for many Chinese, the late leader is only buried — and far from dead.

Memories of Tiananmen

Ironically, as Zhao neared death, his words appeared in a new book published in Hong Kong in November 2004. Written by senior Xinhua correspondent Yang Jisheng, *Political Struggles in the Age of China’s Reforms* (Zhongguo gaige niandai zhengzhi douzheng, Excellent Culture Press) appends three interviews conducted with Zhao Ziyang in 1995, 1996 and 2000. Although by no means as extensive as *Khrushchev Remembers*, this is surely the first time a CCP leader has chosen to leave his own version of events for future historians (though Zhang Guotao, an early Chinese communist leader, did write a long memoir after he defected to the Kuomintang). These interviews not only challenge the party’s judgment on Tiananmen, but they give many tantalizing hints of life at the top of the CCP and the personalities of party leaders.

Given that they are recorded by one of China’s premier correspondents and that they are verbatim records of Zhao’s words, the interviews’ provenance seems indisputable. It is unlikely that the sort of controversy that has dogged the publication of *The Tiananmen Papers* (Zhang Liang compiler, Andrew J. Nathan and Perry Link, eds., Public Affairs, 2001) will accompany these interviews. They are thus required reading for all students of contemporary China.

Although Zhao is clearly telling his story for history, the tone is remarkably informal and unself-conscious. The book includes long sections that deal with his relations with Hu Yaobang, as well as vignettes that give insights into the personality of “Paramount Leader”

F O C U S

Deng Xiaoping and other leaders. But the most important part of the interviews is Zhao's recounting of events around Tiananmen. He defends his speech to the Fourth Plenary Session of the Thirteenth Central Committee, convened in June 1989 for the express purpose of dealing with Zhao and reorganizing the top leadership, including confirming Jiang Zemin's selection as general secretary. The text of Zhao's remarks was leaked many years ago, but these interviews, being more informal, capture more of the human dynamic and give him a chance to explain his thinking.

Zhao argues that prior to his departure for North Korea on April 23, 1989, there was no obvious disagreement within the CCP leadership on how to deal with the student movement, which was calming down. Premier Li Peng, in accordance with party protocol, saw Zhao off at the train station and asked if he had any instructions. Zhao replied that there were three things: "First, Hu Yaobang's memorial was over, so it was necessary to restore normal order, to resume classes; second, do not exacerbate contradictions, do not use force;

and third, beating, smashing, looting and arson were different matters." Li did not express any dissent and reported Zhao's instructions back to Deng — who, according to Zhao, said to manage things according to Zhao's views (p. 569).

But things did not turn out that way. On the evening of April 24, Li Ximing and Chen Xitong of the Beijing CCP Committee asked to report on the student movement to the Politburo Standing Committee, saying the situation was very serious. In the first (1995) interview contained in the book, Zhao states that prior to his going to North Korea, Li and Chen had not reported to him the activities they now accused the students of. But in the third (2000) interview, Zhao says that Li Ximing gave him a call before he left for North Korea and said things were very serious. Zhao then comments, "Li Ximing was pretty honest; it's just that he was conservative and traditional. Chen Xitong was more diabolical (gui)" (p. 602). In the event, the Politburo Standing Committee held a meeting the night of April 24 and decided that the students were carrying out "anti-party, anti-socialist activities

Studio suite for 2 people, plus rental car for federal government per diem



- ❖ Apartment-style suites with fully equipped kitchens
- ❖ Honor Federal Government per diem 365 days a year
- ❖ Pets accepted. Deposit required
- ❖ Complimentary daily hot buffet breakfast and evening meal Monday through Thursday with beer, wine & soft drinks.
- ❖ Complimentary Shuttle to Van Dorn Metro
- ❖ Free parking
- ❖ Adjacent to Landmark Mall and support services



Reservations (703) 370-1000
www.hawthorn.com

Phone: (703) 370-1000 Fax: (703) 751-1467
420 North Van Dorn Street, Alexandria, VA 22304
E-mail: alexandriasales@capitalhospitality.com



**Earn Hyatt Gold
Passport Points
at Hawthorn**

Convenient to:

- ❖ Ronald Reagan Airport
8 miles
- ❖ Pentagon 5 miles
- ❖ FSI @ the Shultz Center
5 miles
- ❖ Washington, D.C.
8 miles
- ❖ Old Town Alexandria
5 miles

F O C U S

with leadership, organization and a program.” It was this view that they presented to Deng Xiaoping the next day.

When Deng heard the report of Li Peng and Yang Shangkun (Yang was not a member of the Politburo Standing Committee, but was allowed to attend its sessions), the leader, who always adopted a hardline attitude toward student movements, immediately labeled them as “anti-party, anti-socialist turmoil.” Zhao comments that it was Deng’s nature that if he had been presented with a contrary point of view, he would not have been so harsh. “When I went to Deng’s on April 19,” Zhao says, “he completely agreed with my view. But on the 25th, as soon as Li Peng and Yang Shangkun spoke, he [Deng] agreed with their views. This was because this was completely in accord with [Deng’s] long-standing proposal” (p. 602).

The critical turning point came when Li Peng decided to disseminate Deng’s words throughout the party and to write an editorial, which was published on April 26,

1989. This apparently was not in accordance with any institutional procedures, but was within Li’s authority as acting general secretary while Zhao was out of the country. Zhao declares that prior to his departure for North Korea, Li had never discussed these views with him, but this judgment completely changed the Politburo’s previous analysis and direction (p. 603).

Zhao makes very clear that the minutes of the Politburo Standing Committee and Deng’s talk were transmitted to him in North Korea and that he expressed agreement with the latter. Zhao says, “When these documents were transmitted to me, I had to express an opinion. This was the established procedure that had developed in the party over many years, and it was impossible to express a differing viewpoint. I was outside the country and did not understand the circumstances. I also never thought they would be like this” (p. 604). Zhao did not express an opinion about the Politburo Standing Committee’s views, however; nor was he ever sent a text of the April 26 editorial.

Join the *Foreign Service Journal's* Editorial Board!

Active and retired Foreign Service employees (both generalists and specialists) from all foreign affairs agencies are invited to nominate themselves or colleagues to the Editorial Board.

Please note that board members must reside in the Washington area and be able to attend monthly midday meetings at AFSA (over a free lunch!), where they will evaluate manuscripts and weigh in on other matters affecting the Journal's style and substance.

If interested, please get in touch with FSJ editor Steve Honley (e-mail: honley@afsa.org) by June 1.

The Situation Deteriorates

As it turned out, the editorial exacerbated the situation. Once the student movement had been denounced as “anti-party, anti-socialist” turmoil, the stakes were raised; students were right to be concerned that as long as that judgment stood, the party could “settle accounts after the fall harvest” (i.e., students could be arrested or given poor job assignments after the movement died down). So the students mobilized for a major demonstration on April 27, 1989. Yet, although the police were out in force, they did not beat the students. On the contrary, the students broke through the police cordons and marched on to Tiananmen Square.

But this outcome made things even more difficult. University leaders and school party organizations were “crestfallen,” according to Zhao. They worried that “student work,” as it was called, would be even more difficult to do in the future.

When Zhao returned from North Korea on April 29, he found the situation very difficult to deal with. On the

one hand, there was the fact of Deng’s talk and the editorial, and the students’ demand for its retraction. On the other hand, Li Peng and the Beijing CCP Committee refused to back down, saying that the editorial reflected Deng’s words. Zhao comments, in some frustration, “In fact, it was they [the Politburo Standing Committee] who determined the nature [of the student movement] first, and Deng’s talk came after” (p. 572).

Despite this difficult situation, Zhao says that the majority of the Politburo Standing Committee still agreed that they could take steps to gradually ameliorate the situation by not talking about the April 26 editorial anymore. This is what Zhao tried to do in his May 4 address to the Asian Development Bank, which was then meeting in Beijing. Zhao argues that the situation was still difficult — “the students were still uneasy, believing that my talk was empty” — but he argues that “if we had kept on with dialogue and pressed ahead with our work, the situation would have taken a turn for the better” (p. 572).

What would you do

if you had to pay travel costs, even emergency evacuation costs, for members of your family?

Your gay and lesbian colleagues spend an average of \$10,000 of their own money for family members to join them while serving our country overseas.

June is Gay Pride Month. To view our calendar of events and learn more about GLIFAA, please visit our updated website at glifaa.org. For more on benefits not afforded to family members of gay and lesbian colleagues, visit our Family Life page.

GLIFAA
Gays and Lesbians
in Foreign Affairs Agencies

Zhao blames He Dongchang, then head of the education commission, for interrupting this progress. In a talk to university party secretaries, He said, “Zhao Ziyang’s talk is inconsistent with the spirit of the April 26 editorial. Parts of his talk are his personal views.” Zhao comments, “In fact, he negated my Asian Bank talk. I think there was certainly something behind this. He would not have spoken so boldly on his own. . . . When He’s talk was disseminated, they [cadres in the education system] universally felt that my talk did not represent the party center” (p. 572).

Matters reached a critical turning point on May 17, 1989. Having quarreled with Li Peng the previous evening, Zhao wrote to Deng demanding a meeting. Deng notified several people — Li Peng, Yao Yilin, Hu Qili, Qiao Shi and Yang Shangkun — to join the meeting with him and Zhao. (*The Tiananmen Papers* not only lists Bo Yibo as attending this meeting but quotes him as speaking [p. 188]. But according to Zhao Ziyang, Bo was not at the meeting.) As Zhao notes, “Originally it was I who had demanded to talk, but he notified this number of people. Obviously this was not to hear my views” (pp. 575-576).

Zhao argued that implementing martial law would have serious consequences, and it would be difficult for him to do so. Zhao recounts, “Hu Qili also opposed military control. Qiao Shi originally had opposed military control, but at this meeting he approved of it. Yang Shangkun originally opposed military control, but later approved of it. Stauncest [in favor of military control] were Yao [Yilin] and Li [Peng]. In fact, the attitude of these people did not matter. Even if all five people had been opposed, Deng could still have implemented military control. Prior to the meeting in Deng’s home, my view was in the majority — [Hu] Qili, Qiao Shi, [Yang] Shangkun and I were all unanimous. Prior to this [meeting] they and I had all done a lot of work in accordance with this view” (p. 576). But martial law was declared, and Zhao’s career was over.

Unfinished Business

Speaking now from the grave, Zhao does not let the party off easily. He says, “I believed military control would certainly lead to the use of force. . . . But the impact of this on the image of the CCP was just too big. . . . In 1976, on ‘April 5’ [when people protested the Gang of Four by mourning Zhao Enlai], they

only used clubs and workers’ pickets [to clear Tiananmen Square]. The Beijing warlords only killed 10 or so people; in the Dec. 9th movement, Chiang Kai-shek did not dare open fire. Our party has never had this sort of history, so the students did not believe that the PLA would open fire on them. . . . Only Deng could have the resolve to use this type of method” (p. 574).

In evident frustration, Zhao says: “Later there was an explanation, [saying] that suppression was forced [upon the government], that it had no choice. This view is wrong. There were many opportunities to use methods that would not lead to bloodshed. The crux is that our actions were not correct, our orientation was wrong” (p. 574). Zhao continued, “The explanation that there was no choice but to open fire was something that came later. At first it was said that turmoil needed to be suppressed. Later on, it was said that suppression was the only recourse; it was said that the government adopted an attitude of self-restraint. Who was self-restrained? If it had not been for me working in the middle of things, it would have been done like this long before. Li Peng even told foreigners that we had no rubber bullets” (p. 575).

In the end, Zhao asks, “Where were the blackhands? Where was the organization? The leadership? If there had really been an organization and leadership, it would have been easy to deal with. Their leadership was generated at the time, and it even changed on a daily basis” (p. 575).

Returning to the question with which Yang Jisheng had opened their first interview, Zhao explained why he never made a self-criticism. “This was my own choice,” he says. “I was the general secretary, and if I had approved of martial law, even at the last moment, I could have continued as general secretary. If I opposed military control, I had to step down. I understood Deng’s personality. Should I continue as general secretary by adopting harsh measures against the students, or should I step down? I chose the latter.”

Zhao goes on to say: “This situation was not like others; it was not like doing a self-criticism in past movements. In past movements, I have made quite a few self-criticisms. At that time, I thought Chairman Mao was right, and perhaps I was wrong. This includes the Cultural Revolution, when I did a self-criticism like this. This time, I did not see things like this. Of course,

this has something to do with the liberation of thought following the Cultural Revolution. I thought I had made no mistake, so why should I do a self-criticism? As soon as I did a self-criticism, it would be impossible to make clear the reality" (p. 576).

Zhao had one more chance to observe "organizational discipline" at the Fourth Plenum in June. Zhao found himself urged not to speak, or to say a few words of self-criticism. Yao Yilin chaired the meeting, and said to Zhao, "Don't speak, OK?" But Zhao had prepared a draft of a speech, and he insisted on his right to speak. Yao allotted him 15 minutes to talk. Zhao took 20. He noted, "They were very unhappy with my talk." Because of his talk, he lost his position on the Central Committee. The plenary session resumed the next day, and Zhao did not raise his hand in support of the organizational handling of his problem. He told the plenum, "I could vote for not being general secretary, but to say that I split the party and supported turmoil — this I cannot accept" (p. 577).

Mikhail Bulgakov once wrote that "manuscripts don't burn." Zhao Ziyang's remains were interred on Jan. 29, but his words remind us of the unfinished historical reckoning of events 16 years ago. In those 16 years, China's economy has surged and its society has changed profoundly, leading many to believe that the unpleasant events of Tiananmen Square can be buried along with Zhao's ashes.

Perhaps they are right. Certainly there is no great desire in Beijing to carry out political reform at the moment. But the CCP knows that to remain viable, it must change to cope with China's ever-pluralizing society, devise new and more democratic ways of selecting party cadres, and create new institutions. As part of that process, at some point, the conversations about the way the state relates to society, which unfolded in such dramatic fashion 16 years ago, will need to be resumed. And when they are, Zhao's words will be a starting point for rethinking China's contemporary history. ■



This is the only call you'll need to make!

THE CLEAR CHOICE FOR DEPARTMENT OF STATE EMPLOYEES!

Accommodations 4 U is a Free hotel reservation service company specializing in the Washington, DC Area. Allow our experts to do the leg work for you & find the perfect location for you. There is absolutely no cost to you & we will act as your "personal assistant" to find the best hotel or apartment for you.

Featured Properties in DC & VA Offer:

- Studio & One-Bedroom Units, All-Suites, fully equipped kitchens
- Federal Government Per-diem, Sliding Scale Per-diem (1st & 2nd tier), & PCS Per-diem accepted. Monthly rates available also.
- Shuttle to NFATC, close to Metro 
- High Speed Internet Access, Daily Breakfast, & Manager's Reception
- Rent by Day, Week, or Month
- Pet Friendly locations

P.O. Box 319 ■ Conway, SC 29528
vicki@accommodations4u.net
www.accommodations4u.net



843-397-5714
Fax: 843-397-5725

LUXURY SUITES ON AMERICA'S MAIN STREET



Perfect location on Pennsylvania Avenue just a few blocks from the State Department, Historic Georgetown and the White House

- Newly renovated studio and one-bedroom suites with fully equipped kitchens, separate dressing rooms, and quality furnishings.
- Two-line telephones with voice mail, fax, and high-speed internet.
- Oversized desk with full work surface, ergonomic chair and workstation lighting.
- 24-hour front desk, weekly maid service, on-site fitness center, convenience store, and valet laundry service.

Contact the sales office for more information at 202-448-0791 or by email at sales@dcsuites.com

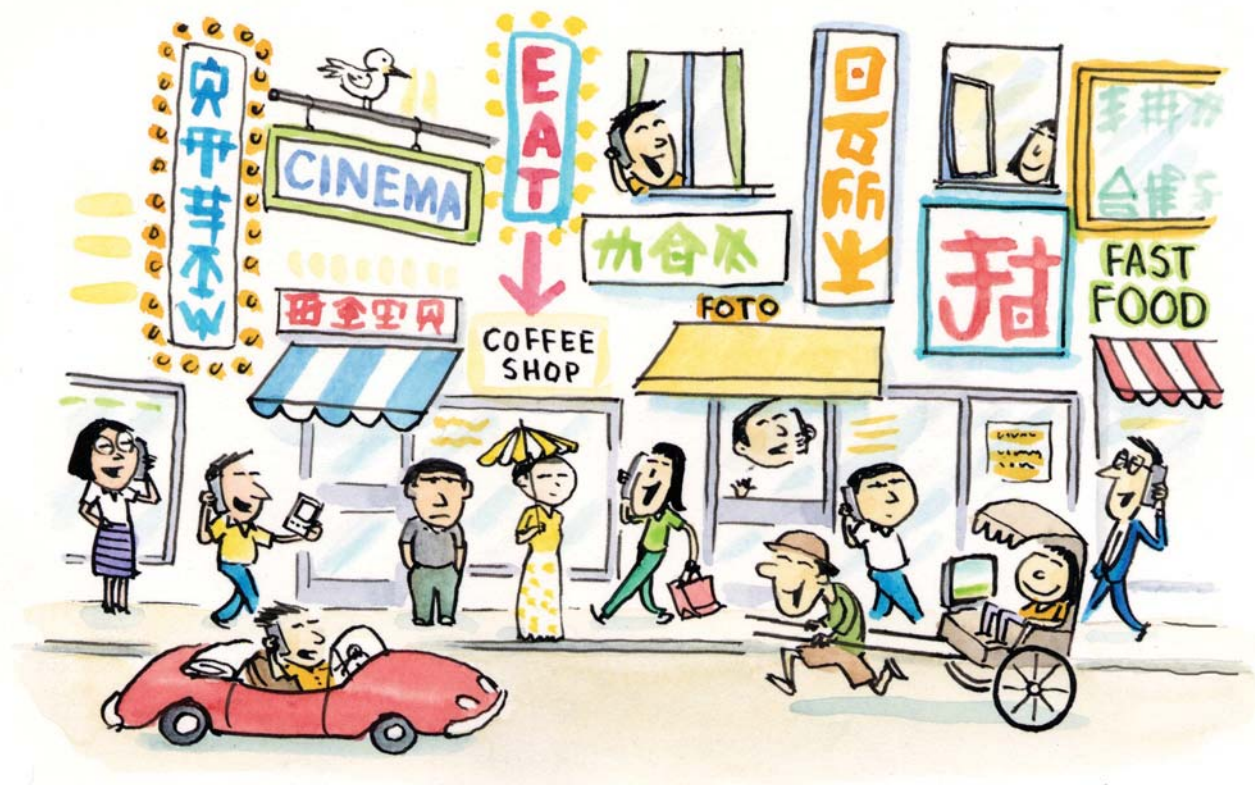
DC Suites

★★★★ at the pennsylvania house

2424 Pennsylvania Avenue, NW • Washington, DC 20037

WWW.DCSUITES.COM

HONG KONG'S SEVEN-YEAR ITCH



Jeff Moores

O

ECONOMIC MALAISE, OUTBREAKS OF DISEASE AND MASS PROTESTS HAVE MARKED HONG KONG'S FIRST YEARS AS PART OF THE PRC.

By HEDA BAYRON

Over the past two years, demands for greater democracy in Hong Kong have grown louder than ever. The current transition in the territory poses an opportunity for Beijing to listen to those demands — but will it?

The March resignation of Chief Executive Tung Chee-hwa, Hong Kong's first post-colonial leader, hardly came as a surprise. As recently as December 2004, Chinese President Hu Jintao publicly exhorted Tung and senior Hong Kong officials to address their shortcomings under the "one country, two systems" principle.

The rebuke showed Beijing's frustration over Hong Kong's failure to live up to expectations as the first showcase of Deng Xiaoping's "one country, two systems" idea. That principle granted Hong Kong (and two years later, the former Portuguese enclave of Macau) a high degree of autonomy. Specifically, it allowed the former British colony to maintain an independent Western-style judiciary and capitalist economy even after reverting to communist China's control in 1997.

China has a lot at stake in the principle's success in Hong Kong. It was to be a model that would be applied in Taiwan's peaceful reunification with the mainland. But Hong Kong's seven-year experience, marked by economic malaise, deadly disease outbreaks and mass protests, has been disappointing for both its residents and for Beijing.

A Time of Troubles ...

To be fair, the misfortunes that befell Hong Kong were mostly beyond anyone's control. Its economic difficulties, for instance, were triggered by the 1997 Asian financial crisis that led to the collapse of its property market and resulted in deflation. But many here say the situation could have been handled better if only Hong Kong had a more effective leader — someone decisive and strong, yet also sensitive to public opinion.

Instead, Hong Kong had Tung Chee-hwa, a Shanghai-born billionaire businessman installed by Beijing. The new leader never connected with his constituents and was widely seen as too cozy with big business. Many residents cried foul when, in 2000, his government unilaterally granted the development of the Cyberport Technology Park without any competitive bidding to a son of Li Ka-shing, the territory's richest man.

The SARS outbreak in 2003 totally unmasked any semblance of competence on the part of Tung's government. Delayed quarantine measures caused the

China has a lot at stake in the success of Hong Kong's "one country, two systems" principle.

disease to spread in the community, killing nearly 200 people, and plunged the territory into a state of fear — crippling its economy. Adding to the people's fury was the government's introduction of an anti-subversion law at the behest of China. The law could have curtailed Hong Kong's prized freedoms.

Hong Kong residents marched in unprecedented numbers in July 2003 and again in July 2004 to demand Tung's resignation. They also called for the direct election of their next chief executive. The protesters achieved neither objective, but the demonstrations made clear to the PRC the degree of popular unhappiness with the way Hong Kong was being governed.

While Tung's resignation opens a new chapter for Hong Kong, it remains unclear whether it will bring changes in Hong Kong's democratic future. The island's residents will likely still not have any say in the selection of their next leader. Only the 800-member, largely pro-Beijing election committee has been granted that privilege. Furthermore, Beijing has already ruled out direct municipal elections for Hong Kong in 2007, when Tung's term would have expired.

... Followed by an Opportunity?

Beijing distrusts Hong Kong's ability to choose a leader who would be loyal to China. Hong Kong, on the other hand, is increasingly resentful of the PRC's monopoly over determining who rules the territory.

Under the terms of Hong Kong's mini-constitution, known as the Basic Law, the chief executive runs the territory's daily operations. Like a CEO, he is responsible for ensuring that all parts of the government are functioning effectively. He has wide latitude to hire and fire subordinates and to approve or reject laws, budgets and petitions.

The Legislative Council acts as the chief executive's balance, with the power to impeach him. (Its members also serve on the committee responsible for selecting the chief executive.) In its present composition, the council is overwhelmingly pro-Beijing, thanks to a majority of appointed legislators; less than half of the council's seats are filled by popular elections in a contest between the pan-democratic alliance and the

Heda Bayron has reported and written on Asian affairs for VOA from its News Center in Hong Kong since 2000.

pro-Beijing political parties.

With not much power in their hands, Hong Kong's political parties want a stake in the chief executive process. They want a more open nomination system instead of the handpicking of the past. The democratic alliance, a minority in the Legislative Council, wants to field a candidate of its own, although the plan is unlikely to succeed because the alliance has few votes within the committee.

Still, the current transition in Hong Kong could be an opportunity for both sides to bridge that gap, albeit gradually. Many were encouraged by the imminent succession to the chief executive position of veteran civil servant Donald Tsang, rather than another billionaire businessman or other figure known mainly for being close to the PRC. However, the fact that he may

Well before Tung Chee-hwa resigned as Hong Kong's chief executive, Beijing had signaled its unhappiness with his tenure.

only serve out the remaining two years of Tung's tenure, rather than receiving a full five-year term in his own right, suggests that Beijing is not yet entirely comfortable with his popularity.

Even though not directly elected to the position, Tsang's selection as chief executive would imply a mandate from the people — a legitimacy — that his predecessor never earned. And if, as many expect, Tsang proves to be a capable leader, that fact would bolster Hong Kong's assertion to Beijing that it could make smart choices on its own.

Possible Reforms

In the meantime, Beijing could also allow changes to the chief executive selection process to encourage greater public participation in the future.

MCG FINANCIAL PLANNING

**Former State Department Employee
Stationed Overseas Understands Unique
Financial Situation of Foreign Service**

Services Include:

Retirement Planning
Tax Preparation and Strategies
Analysis: Insurance and Investments
Lump Sum Retirement Options

MARY CORNELIA GINN

4630 Montgomery Avenue, Suite 220
Bethesda, Maryland 20814
Phone: (301) 951-9160
Fax: (703) 938-2278
E-mail: mcgfin@erols.com

SECURITIES OFFERED THROUGH NATHAN & LEWIS SECURITIES, INC., MEMBER NASD & SIPC. MCG FINANCIAL PLANNING AND NATHAN & LEWIS ARE NOT AFFILIATED ENTITIES.

Washington's Clear Choice in Corporate Accommodations

Today's business traveler
does have a choice
when it comes to short-term
accommodations

CAS

Corporate Apartment
Specialists, Inc.

- ◆ Rates within federal government per diem
- ◆ Completely furnished apartments
- ◆ Walking distance to Metro
- ◆ Washer/Dryer in unit
- ◆ Pet Friendly
- ◆ Cable TV/Local telephone service included
- ◆ V/MC/Amex/Diners Club accepted
- ◆ All utilities included
- ◆ Maid service available upon request

Location, Location, Location!

Choice neighborhoods of Washington, DC,
Suburban Maryland, Northern Virginia

Toll-Free: 800 914-2802
Tel: 703 979-2830 Fax: 703 979-2813
E-mail: sales@corporateapartments.com
Web: www.corporateapartments.com

Flexcar
SHIFT YOUR THINKING.

F O C U S

Some members of the election committee have suggested expanding the membership of the committee by adding a few hundred randomly selected members of the public to cast their votes alongside the appointed members. Such reforms in the selection process should remain within the central government's comfort zone, yet could form the foundation from which both sides can proceed toward the ultimate goal of one man, one vote in the territory, as stated in the Basic Law.

At the moment, however, it would be unrealistic for Hong Kong to expect full democracy soon and without resistance from Beijing. After all, if China grants full democracy there, it risks similar demands on the mainland. Instability is not something China can afford at a time when it is intent on sustaining its rise as a world

***With not much power
in their hands, Hong
Kong's political parties
want a stake in the
chief executive process.***

power. At the same time, there is no doubt that Hong Kong's democratic future is deeply intertwined with the mainland's own political and economic evolution. The more confident China becomes of its economic and political power, the more it can afford change.

In the short term, Beijing is likely to use its economic muscle to moderate Hong Kong's hunger for democracy. Since taking control in 1997, it has already showered the territory with economic concessions — a free-trade agreement, an increased influx of high-spending Chinese tourists and the introduction of Chinese currency bank deposits — all of which appeal to the city's capitalist instincts. But in the longer term, Hong Kong's restlessness will only settle down if Beijing empowers its people by moving to allowing them to chart their own future. ■

Executive Lodging Alternatives



Interim Accommodations for Corporate and Government Markets

*Apartments,
Townhouses &
Single Family Homes*

"FOR THE EXECUTIVE ON THE MOVE"

✱

finder5@IX.netcom.com

Locations throughout Northern Virginia and D.C.
Units fully furnished, equipped and accessorized

Many "Walk to Metro" locations
Pet Friendly

5105-L Backlick Road, Annandale, Virginia
Tel: (703) 354-4070 Fax: (703) 642-3619

www.suiteamerica.com

HOME TO GOVERNMENT PEOPLE ON THE MOVE

PAGE



Our new website is easier than ever to use. Browse our properties, check out specials, manage your account—whatever you need. You can even book a reservation online, 24 hours a day, 7 days a week. We're always on, always there. It only takes a click of your mouse to find out why we mean it when we say, "there really is a difference."

- Rate within Government Per Diem
- FEMA/PLP approved locations
- Room & Ride packages available
- Completely furnished and accessorized accommodations
- Locations within walking distance to metro
- Washer and dryer in every home
- Local phone, 25" TV, VCR and basic cable included
- No security deposits or exit fees
- Most major credit cards accepted

877-827-8483
703-383-7707



SuiteAmerica
There really is a difference.
National Corporate Housing Services

THE “ONE CHINA” POLICY: TERMS OF ART



Jeff Moores

I PLAYING WITH WORDS HAS BEEN AN ESSENTIAL ELEMENT IN MAINTAINING THE UNEASY PEACE BETWEEN BEIJING AND TAIPEI.

BY STANTON JUE

In dealing with China, *New York Times* foreign affairs columnist Thomas L. Friedman offers three important lessons that Washington should heed:

- Carry a big stick and a big dictionary.
- China-Taiwan relations are inherently unstable.
- Get used to it — it’s going to be this way for a long time.

Friedman’s three rules are indeed astute and deserve our attention. As he suggests, the three parties to the PRC-

F O C U S

Taiwan dispute are all deeply intertwined, so playing with words has been an essential element in maintaining the uneasy peace of the past 33 years.

Take the “one China” principle, a core issue common to numerous documents and statements issued by the United States, the People’s Republic of China and the Republic of China (Taiwan) both before and after the 1979 Taiwan Relations Act codified the current diplomatic arrangements between the U.S. and the ROC. With few exceptions, political leaders in all three capitals have been careful not to define the term precisely or to directly challenge their counterparts’ interpretations of the concept.

Although the origin of the idea of “one China” can be traced as far back as the Qing Dynasty (1644-1911), the first modern use of the term occurs in the Cairo Declaration of 1943, followed by the Potsdam Declaration of 1945. Both documents state that all Chinese territories then occupied by Japan, such as Taiwan and the nearby Pescadore Islands, were to be restored to the Republic of China at the war’s end. In Beijing’s view, of course, the ROC ceased to exist in 1949 when communist forces drove Chiang Kai-shek’s Nationalists off the mainland into exile on Taiwan, leaving the People’s Republic of China as the sole legitimate government of China.

The PRC’s subsequent entry into the Korean War on the side of North Korea, and the deepening of the Cold War, pushed Washington and Taipei even closer together; General Douglas MacArthur memorably described Taiwan as an “unsinkable aircraft carrier.” As political leaders in Washington also grew increasingly wary of China’s future intentions, it became a major target of the U.S. containment strategy in the western Pacific during the 1950s.

To understand how the “one China” principle is intertwined with the vital interests of the U.S., one needs to look back to Henry Kissinger’s secret mission to Beijing in July 1971, when Kissinger told Premier Zhou Enlai that the United States did not seek “a two-Chinas, one-China or one-Taiwan solution, nor an independent Taiwan.” At that time, Zhou already showed a concern

for China’s sovereignty over Taiwan as well as a future Japanese role in the region. He wanted assurances that China’s claim of territorial integrity, including Taiwan, was respected and that Washington would not support any movement that was inconsistent with the concept of one China, even though the nascent independence movement on the island was relatively small and insignificant. According to a National Security Archive report issued on Dec. 11, 2003, we now know that President Richard Nixon assured Chinese leaders in February 1972 that he would indeed work against such an outcome. (These statements were closely held until a mandatory declassification review was completed by the Nixon presidential materials staff in 2003.)

Following President Nixon’s historic visit to China and the signing of the Shanghai Communiqué on Feb. 28, 1972, Sino-American relations warmed steadily. This eventually led to the signing of a joint communiqué establishing diplomatic relations between the People’s Republic of China and the United States on Jan. 1, 1979. Under this agreement, the United States recognizes the PRC as the sole legal government of China, though it maintains cultural, commercial and other unofficial relations between the people of Taiwan and the United States.

To codify those ties, congressional supporters of the ROC enacted the Taiwan Relations Act on April 10, 1979. Under the TRA, the American Institute in Taiwan, a nongovernmental entity, was created to maintain unofficial bilateral ties. Thus, the AIT’s headquarters is located in Rosslyn, Va., not within the Department of State; and to maintain the concept of unofficiality, personnel assigned to the AIT are on loan from the U.S. government for the duration of their assignments (per Section 11 of the TRA). Taiwan also maintains a similar office in the United States, the Taiwan Economic and Cultural Representative Office (originally known as the Coordination Council for North American Affairs), with its head office located in Washington, D.C. Otherwise, however, with a few exceptions, the AIT field office in Taipei functions as a regular U.S. embassy.

The TRA also specifies that “The United States will make available to Taiwan such defense articles and defense services in such quantity as may be necessary to enable Taiwan to maintain a sufficient self-defense capability.” The PRC government has consistently objected to this provision, which it considers to be interference in

Stanton Jue is a retired FSO who served for 30 years, mostly in East Asia and the Pacific. His main professional focus has been Chinese affairs from the Cold War, through normalization of relations, to China’s recent rise as a global economic player.

its internal affairs and inconsistent with the one-China principle. However, it seems to have been mollified by repeated American assurances, such as the testimony of Assistant Secretary of State for East Asian and Pacific Affairs Stanley Roth before the Senate Foreign Relations Committee on March 25, 1999, that “the U.S. has not and will not support any Taiwan independence movement.”

On July 9, 1999, in an interview with the Voice of Germany in Taipei, former Taiwanese President Lee Teng-hui described Taiwan’s relations with China as “special state to state.” Beijing immediately demanded that Lee cease deviating from the “one China” principle, and threatened to use force if necessary to prevent Taiwan from formally separating from China. But however unpopular Lee’s view was on the mainland, it did not lack supporters back in the U.S. Conservative members of Congress lined up to denounce the PRC’s position. Senate Foreign Relations Committee Chairman Jesse Helms, R-N.C., said that “Lee’s statement has presented an opportunity to break free from the anachronistic, Beijing-inspired, one-China policy which has imprisoned U.S. policy for years.” Rep. Benjamin Gilman, R-N.Y., chairman of the House International Relations Committee, warned that unless it protested the PRC’s stance, the U.S. would be conceding that “Beijing is the capital of one China, including Taiwan.”

The U.S.-China Economic and Security Review Commission, created by Congress to monitor China/Taiwan/U.S. relations, issued a report last June calling for a reassessment of the “one China” policy, either to abrogate it altogether or refine it to exclude Taiwan from China because it does not take into account the new realities in Taiwan.

Nevertheless, the “one China” policy is very much alive. President George W. Bush telephoned Chinese President Hu Jintao from Air Force One last July 31 to repeat “U.S. commitment to a one-China policy and non-support for Taiwan’s independence.” During his October 2004 trip to China, Secretary of State Colin Powell told the press in Beijing that “Taiwan does not enjoy sovereignty as a nation.” He told Hong Kong’s Phoenix TV: “There is only one China. Taiwan is not independent. It does not enjoy sovereignty as a nation, and that remains our policy, our firm policy.” This longstanding if quietly held U.S. view, not much different from what Kissinger told Zhou in 1971 or what Clinton said about the “three

noes” in 1998, caused an uproar in Taipei. State Department officials later clarified Powell’s comments as not being a signal of any change in U.S. policy, which is to encourage both sides to resolve their differences peacefully via dialogue.

The Three Pillars

In Beijing’s view, the Shanghai Communiqué of Feb. 28, 1972, the Joint Communiqué on the Establishment of Diplomatic Relations Between the U.S. and the PRC of Jan. 1, 1979, and the U.S.-China Communiqué on Arms Sales of Aug. 17, 1982, form the three pillars underlying the complex political and security interplay among China, Taiwan and the United States. (Supporters of the ROC’s claims would argue that the Taiwan Relations Act deserves to be added to that foundation.)

It is worth noting that in none of the communiqués does the U.S. ever explicitly state its own position on the future of Taiwan. In the Shanghai Communiqué, the U.S. *acknowledges* that “all Chinese on either side of the Taiwan Strait claim that there is but one China and that Taiwan is part of China ... and the U.S. does not challenge that position” (*italics added*). In the opinion of some commentators, that acknowledgement did not mean the U.S. agreed, however; nor did it mean that the U.S. expressed its own position.

In the 1979 Joint Communiqué, the Chinese text changed “*ren shi*” (acknowledge) to “*cheng ren*” (recognize). During the debate on the Taiwan Relations Act in 1979, Sen. Jacob Javits, R-N.Y., noted the difference, and urged that “we not subscribe to the Chinese position on one China either way.” Deputy Secretary of State Warren Christopher assured the senators that “we regard the English text as being the binding text.” Three years later, the Communiqué on Arms Sales repeated that the U.S. has no intention of pursuing a policy of “two Chinas or one China, one Taiwan,” reconfirming earlier promises of the support of a one-China policy.

Testifying before the House International Relations Committee on April 21, 2004, Assistant Secretary of State for East Asian and Pacific Affairs James Kelly delivered a comprehensive explanation of U.S. policy toward Taiwan and China. He emphasized that the U.S. “remains committed to the one-China policy based on the three Joint Communiqués and the Taiwan Relations Act. The U.S. does not support independence for Taiwan or unilateral moves that would change the status quo as we define it.

F O C U S

For Beijing, this means no use of force or threat to use force against Taiwan. For Taipei, it means exercising prudence in managing all aspects of cross-strait relations. For both sides, it means no statements or actions that would unilaterally alter Taiwan's status." During the Q&A period afterward, Kelly was asked to define further the "one China" policy. He admitted, "I cannot very easily define it. I can tell you what it is not. It is not the one-China policy or the one-China principle that Beijing suggests, and it may not be the definition that some would have in Taiwan."

With the passage of time, the concept of "one China" became increasingly scrutinized by scholars in the West, especially since Taiwan has undergone profound transformation from authoritarianism to democracy. Some have openly questioned the application of the one-China concept to Taiwan and even suggested a new framework to redefine the relationship in order to reduce misunderstanding. However, neither the PRC nor the ROC has ever retreated from the notion that Taiwan is part of

China, and its claim of sovereignty over the island is not in dispute. As recently as January 2005, Beijing pulled out Jiang Zemin's "Eight Points Speech," delivered in 1995, to underscore the Chinese position on Taiwan. Key points include: "Adherence to the principle of one China is the basis and premise for peaceful reunification. China's sovereignty and territory must never be allowed to suffer [a] split. We must firmly oppose any words or actions aimed at creating an independent Taiwan and the propositions which are in contravention of the principle of one China."

On March 14, 2005, China's National People's Congress went further, enacting an anti-secession law by a vote of 2,896 to zero. The measure enshrines in law the PRC's determination to prevent "independence forces" from separating Taiwan from China, warning that should peaceful means prove futile in reunification efforts, the government in Beijing "shall employ non-peaceful means and other measures to protect China's sovereignty and territorial integrity ..." (Article 8).

Visit **Staybridge Suites**


Spend your time the way you want.

Do the same with your per diem.

- Free Breakfast Buffet
- Fitness Center
- Laundry
- Sundowner socials

Your per diem goes much farther.
So the next time you travel,
spend some time here at **Staybridge Suites**.
And Make It
Your Place.

Tysons-McLean
6845 Old Dominion Drive
McLean, VA 22101
Phone: 703.448.5400
Fax: 703.506.0001


MAKE IT YOUR PLACE.™

Owned by McLean Hotel LLC and Operated by Grand Duke Hotel, LLC

Need Auto Parts NOW?

State-Side Auto Supply is your world-wide *professional* supplier of auto parts and accessories for all makes and models of automobiles manufactured for the U.S. market.

- We will get you the **correct** part **FAST** – usually in less than 7 days.
- If you are not sure of the exact parts, hardware or accessories you need, call us for assistance and we will help you place your order.
- We accept all Government PO's as well as personal orders, and we give priority attention to urgently needed items.
- No order is too large or too small!



**State-Side
Auto Supply**

211 Southwest Rd., Canterbury, NH USA 03224 • E-mail: stateside1@aol.com
PHONE: 603-783-9361 • FAX: 603-783-0257 Order forms sent on request
We accept VISA and MasterCard **Call Bob Chisholm today**

PHONE OR FAX YOUR ORDER 24 HRS. A DAY, 7 DAYS A WEEK

The Bush administration reportedly counseled Beijing not to undertake such a unilateral measure to poison the atmosphere at a time when cross-strait relations seemed to be improving. Speaking at Sophia University in Tokyo on March 19, Secretary of State Condoleezza Rice said in response: "Our one-China policy is clear and unchanged. We oppose unilateral changes in the status quo, whether by word or deed by either party. Both sides must recognize that neither can solve the problem alone. We urge both sides to continue to expand recent steps toward a more productive relationship. And in the interests of peace and stability we stand by our obligations under the Taiwan Relations Act" And during a brief stopover in Beijing on March 21, Rice told Chinese leaders that the anti-secession law is "not helpful" in reducing cross-strait tensions. She further reiterated the U.S. commitment to the "one China" principle as enunciated in the three joint communiqués, but added that America will also stand by its obligations to Taiwan under the TRA.

For its part, as expected, Taiwan condemned the law as a unilateral provocative act that will further alienate Taiwan from wanting to be united with the mainland. Massive protest demonstrations were staged on the island on March 26.

Six Assurances

Although the Taiwan Relations Act stipulates that the U.S. will provide defensive arms to help Taiwan defend itself in the event of a Chinese armed attack on the island, it contains no reference to any direct U.S. participation in the conflict. The TRA states only that "the president and the Congress shall determine the nature and quantity of ... defense articles and services based solely on their judgment of the needs of Taiwan, in accordance with procedures established by law."

Ever since the law's passage, Beijing has exerted constant pressure on Washington to repeal it as incompatible with the "one China" concept set forth in the previous two joint communiqués. In particular, the PRC vigorously demanded a fixed date for the cessation of American arms sales to Taiwan. According to John Holdridge's book *Cross the Divide* (Rowman and Littlefield, 1997), the Chinese foreign minister explicitly threatened that if the U.S. did not respond with a "date certain," China would downgrade diplomatic relations with the U.S. (as it had already downgraded relations with the Netherlands over the sale of two

submarines to Taiwan). However, U.S. negotiators held firm and rejected the Chinese ultimatum. These discussions ultimately led to the open-ended formulation used in the 1982 Communiqué on Arms Sales.

Not surprisingly, the Taiwanese press directed a heavy stream of editorial invective against the U.S. decision to stop short of explicit guarantees on arms sales to the ROC. In response, Washington eased Taiwan's anxiety somewhat by informally offering the so-called "Six Assurances" in July 1982. The text of these assurances has long been well known, but has never been publicly delineated in U.S. documents. James Lilley, who was the U.S. chief representative in Taipei at the time, comments in his book *China Hands* (Public Affairs, 2004) that the Six Assurances cushioned the anxiety and uneasiness of the Taiwan leadership over the Arms Sales Communiqué. He describes the document as "a personal letter from President Reagan to President Chiang Ching-kuo, in keeping with his warm sentiments for Taiwan."

Testifying before the House International Relations Committee on March 20, 1998, Nat Bellocchi, a former chairman of the American Institute of Taiwan, described the six assurances:

- The U.S. does not agree to set a date certain for ending arms sales to Taiwan;
- It does not agree to engage in prior consultations with Beijing on arms sales to Taiwan;
- The U.S. sees no mediation role for itself in the PRC-ROC dispute;
- It has no plans to seek revision of the Taiwan Relations Act;
- There has been no change in our longstanding position on the issue of sovereignty over Taiwan; and
- The U.S. will not attempt to exert pressure on Taiwan to enter into negotiations with the PRC.

In addition, with regard to Taiwan's future status, the U.S. government has repeatedly and publicly stated that it is a matter for both sides to decide, with our only stipulation being that the resolution must come about through peaceful means.

Given the changes of the past 23 years, some may question whether the assurances are still valid and binding. Secretary of State Colin Powell, testifying before the Senate Foreign Relations Committee on March 8, 2001, said all Six Assurances, including the future status of Taiwan, remain at the heart of U.S. policy toward the Republic of China.

The Three Noes

During his June 1998 summit with President Jiang Zemin in Beijing, President Bill Clinton told the press: "I had a chance to reiterate our Taiwan policy, which is that we don't support independence for Taiwan, or two Chinas, or one Taiwan—one China. And we don't believe that Taiwan should be a member of any organization for which statehood is a requirement. So, I think we have a consistent policy. Our only policy has been that we think it has to be done peacefully..."

Journalist James Mann, in his book *About Face: A History of America's Curious Relationship with China, from Nixon to Clinton* (Alfred A. Knopf, 1998), says that the formulation of the "three noes" can be traced to the promises made by Bill Clinton to Jiang in a personal letter delivered by Secretary of State Warren Christopher at a Brunei meeting in August 1995. This letter, which has never been made public, was intended to assure the Chinese president that the U.S. would oppose Taiwan independence, would not support two Chinas or a one China—one Taiwan formula, and would not support Taiwan's admission to the United Nations.

In many respects, the "three noes" statement is similar to earlier U.S. promises made to China's leaders. But Clinton's formulation made clearer the status of Taiwan and what the U.S. would and would not support, by publicly ruling out any outcome that involved independence for the ROC and membership in any organization for which statehood is required. Accordingly, some in Congress criticized it for supporting Beijing's assertion of sovereignty over Taiwan and heightening the island's anxiety over its future.

Proceed with Caution

The Taiwan Strait remains one of the most likely flash points anywhere in the world today. Fortunately, there have been signs of a deepening understanding by all three parties of the risks conflict would pose, and the need to take even small steps away from the brink. These include the establishment of direct charter flights between China and Taiwan during the recent lunar new year celebration; the cancellation of a military exercise along the Taiwan coast; some progress in the "three links" of direct transportation, communications and trade; ROC President Chen Shui-bian's recent promises not to initiate constitutional reforms touching on politically sensitive issues such as Taiwan's sovereignty

and a name change for the country; and more unequivocal U.S. statements opposing unilateral alteration of the status quo in the area. Despite Beijing's passage of the anti-secession act and other posturings and provocations by both sides, the basic process of reconciliation remains intact.

Yet despite the promise of these tentative steps, it is important to bear in mind that the interests of all three governments remain fundamentally different. Two of them are prosperous democracies, while a different two are nuclear states with global interests. Thus, even when all three countries' policies converge in certain situations, and on specific issues, they don't do so completely or for long.

These competing interests have important implications for U.S. policy, particularly as China departs from the current strategy of domestic development to pursue a proactive, more assertive foreign policy dubbed "peaceful rise." This policy alarms Beijing's neighbors, who fear that its rise may not, in fact, be so peaceful, given the PRC's gigantic economic clout, nuclear status and one-party political system.

Over the long term, it is prudent for Washington to avoid the temptation of getting directly involved in mediation or negotiation between Taipei and Beijing. The oft-repeated U.S. position that "a peaceful resolution of the cross-strait issue is a matter for both sides to decide so long as it is made without coercion" remains valid.

Pres. Bush recently told a questioner: "I am convinced the cross-strait issue can be solved peacefully. It is just going to take some time to do. And we will continue to work to see to it that it [is resolved]." Toward that end, there should not be any illusions or false expectations on our part. Over the next five years, the U.S. must remain vigilant while encouraging the two rivals to build trust. Although there is growing pressure within some circles for a higher level of U.S. engagement in cross-strait relations, there is no urgent need to do so or to micromanage the relationship. Our longstanding policy, based on caution, firmness and balance, as articulated and endorsed by seven administrations, is working, albeit not perfectly. The longer all three governments avoid taking precipitous action that could disrupt the status quo, the brighter the prospects of long-term peace and stability throughout the region. ■

HUGO CHAVEZ: A NEW CASTRO?

THE VENEZUELAN PRESIDENT'S AUTHORITARIAN TENDENCIES
REPRESENT A GROWING CONCERN TO THE BUSH ADMINISTRATION,
WHICH IS SPEAKING OUT MORE ABOUT THE THREAT HE POSES TO THE HEMISPHERE.

BY GEORGE GEDDA

Nobody paid much attention when Hugo Chavez bounded off a plane in Cuba in December 1994 and received a hearty welcome from President Fidel Castro. Chavez had just been released from a Venezuelan prison where he spent more than two years for leading a bloody but unsuccessful military revolt in February 1992 against the elected pro-U.S. government. The cordial reception for Chavez in Havana suggested that Castro saw the Venezuelan army veteran, 28 years his junior, as a man of conviction and daring, the same qualities that had catapulted Castro to power in 1959.

Late 1994 was a grim period for Cuba. The country had been experiencing a catastrophic economic decline following the collapse of its main benefactor, the Soviet Union, three years earlier. At age 35, Cuba's revolution looked spent. But Chavez was still a believer, calling the country "a bastion of dignity in Latin America." He later said, "It's the first time we have come to Cuba physically, but in our dreams we have come an infinity of times." Castro and Chavez seemed to see the world through the same anti-American lens. Castro has always been an extremely acute political analyst. He predicted the demise of Soviet communism well before it happened. In 1994, he perceptively hailed Chavez as a comer.

Fast-forward a decade to Jan. 31, 2005. Chavez, completing six years as Venezuela's elected president, is standing at a podium in Porto Alegre, Brazil, where tens of

thousands of leftists are gathered for a conference. "The imperialist forces are starting to strike against the people of Latin America and the world," Chavez declares. Opposition to America and support for Cuba are staples of Chavez's presidency. Awash in ambition and petrodollars, he has become America's biggest headache in the hemisphere.

Not long ago, a sharp shift to the left in Venezuela would have been unimaginable. The country seemed immune to the kind of political upheavals so common elsewhere in the region. Besides Cuba, there were leftist triumphs in Nicaragua and Chile. At the same time, military rule in the area was common well into the 1980s. Venezuela was one of the few models of democratic stability. It was seen as a privileged Third World country, blessed with abundant oil reserves, greater social mobility than its neighbors and a centrist political tradition that resisted extremism. As Venezuelan experts Miguel Tinker-Salas and Steve Ellner point out in an essay, Venezuela long seemed an exceptionalist country to many observers, not "a likely candidate in Latin America for a sharp shift to the left."

That assessment turned out to be wrong. It soon became clear that Venezuela's pre-Chavez experience mirrored that of a number of other Latin American countries during that period: The democratic form was there, but not the substance.

As Tinker-Salas notes in a separate essay, Venezuela may have been rich in oil but was still a poor country two decades ago. "During the 1980s, the suggestion that the oil economy could uplift broad sectors of the population, or provide an entryway into the middle class, ceased to hold sway among the disenfranchised sectors of society," he writes.

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

“Instead, the widespread perception was that oil only fueled the success of a small privileged sector of society directly associated with the enterprise or its affiliates.”

Former President Jimmy Carter warned in a speech this past January that Latin America’s impoverished millions could turn to “radical and destructive” behavior unless governments do a better job of meeting their needs. He said more than 225 million people in Latin America and the Caribbean are consigned to extreme poverty. And in 2003, Secretary of State Colin Powell said that if democracy does not deliver a better life for Latin Americans, then “it is possible for us to go backward” — meaning a retreat to authoritarian rule. Chavez himself said former Brazilian President Fernando Henrique Cardoso, as he was leaving office, expressed frustration over Brazil’s widespread destitution. Cardoso said, according to Chavez, “I governed Brazil, one of the biggest nations in the world, for eight years, and in all those eight years, Brazil’s economy didn’t stop growing.’ Then he said an amazing thing: ‘Neither did poverty stop growing.’”

In Venezuela, simmering resentment turned into rebellion in February 1989. When President Carlos Andres Perez imposed austerity measures to deal with a declining economy, the response was mass protests that shook his government. Venezuelans were losing their faith in traditional political parties, a point underscored when the Chavez-led coup attempt in 1992 nearly succeeded. People were tired of corruption, human rights violations, exclusionary politics and electoral fraud.

Consider a World Bank assessment of where Venezuela stood in the late 1990s, at roughly the time when Chavez would take office: “(T)he percentage of Venezuelans living in poverty (household income of less than \$2 a day) has increased from 32.2 percent in 1991 to 48.5 percent in 2000. Likewise, the proportion of those living in extreme poverty, below \$1 a day, rose from 11.8 percent to 23.5 percent. This increased poverty is accompanied by a widening inequality gap. Currently, the richest 20 percent of Venezuelans receives 53 percent of all income, while the poorest 20 percent accounts for only a 3-percent share...” A leading Venezuelan intellectual and social critic, the late Arturo Uslar Pietri, once lamented how little ordinary people benefited from what he described as the “15 Marshall Plans” worth of oil revenue the country had received over the years.

Chavez Consolidates Power

Against that backdrop, Chavez won the 1998 presidential elections by a wide margin. He took office in February 1999, a 44-year old black-Indian nationalist who promised clean government and a better deal for the poor. Privately, Chavez assured U.S. diplomats that he was a committed democrat, but the Clinton administration remained wary of this dynamic new figure.

While alienating the middle and upper classes with confrontational policies, Chavez has tackled poverty with a vengeance. He mobilized the armed forces in programs to help the poor, initiated literacy campaigns and provided free education for school dropouts. The government has delivered low-cost food and medical services to poor areas. It has established a new university for the poor. Cuba has provided a huge assist, dispatching upwards of 10,000 health experts, teachers and sports trainers to underserved areas of Venezuela. All of this has brought enormous political benefits for Chavez. Last August, an opposition attempt to oust him through a recall referendum ended with a lopsided victory for the president.

But at the same time, the country has strayed far afield from traditional democratic norms. The Venezuelan Congress, dominated by Chavez loyalists, has approved legislation enabling the government to shut down private media outlets for vaguely defined offenses. The president has authorized the seizure of privately owned farms, part of what he calls “the war against the estates.” He arranged for an enlargement of the Supreme Court from 20 to 32, permitting him to appoint new justices known for loyalty to him. Indeed, the court has named an electoral council that is top-heavy with Chavez supporters. This should bode well for Chavez’s expected re-election run in 2006.

The once powerful opposition to Chavez has turned quiescent, seemingly cowed by legal action planned against some of its leaders. Among them is Maria Corina Machado, of a civic group known as Sumate, which helped organize last year’s referendum to unseat Chavez. She and some allies could face treason charges for having received \$31,000 in U.S. funding for Sumate through a private prodemocracy endowment. Machado says the money was used for nonpartisan voter education projects. The government accuses her of seeking “to destroy the republican nature of the country.”

Robert Zoellick, the new deputy secretary of State, testified at his Senate confirmation hearing in February that

***Bush administration officials
are well aware of the many parallels
between Chavez’s
and Castro’s respective
rises to power.***



Secretary of State
Condoleezza Rice



The American
Foreign
Service
Association
(AFSA)

offers retired American diplomats as expert speakers on the vital role of the U.S. Foreign Service in promoting American interests worldwide. These highly experienced professionals can address key U.S. concerns including:

- Middle East, South Asia, and other regions.
- Global issues including; terrorism, security, trade and economic development, and the environment, etc.

**If you wish to become
an AFSA speaker,
please contact
Tom Switzer:
Tel: 800-704-2372;
ext. 501,
or e-mail:
switzer@afsa.org**

Chavez's anti-democratic activities are reminiscent of former Peruvian President Alberto Fujimori. He described the common strategy of the two: "You win the election, but you do away with your opponents, you do away with the press, you do away with the rule of law, you pack the courts."

For her part, Secretary of State Condoleezza Rice has called Chavez a "negative force" in the region. She says she is "very deeply troubled" by his policies. However, several senators challenged her on this during her confirmation hearings. Sen. Russ Feingold, D-Minn., said the message to Rice was, "Look, maybe there's a chance here to have a real relationship [with Venezuela]." He complained that Rice was "absolutely rigid" in her unwillingness to reach out.

There is little doubt that Chavez has been on America's case ever since taking office. He ran afoul of the Clinton administration in 2000 by becoming the first foreign leader to call on Iraqi President Saddam Hussein since U.N. Security Council sanctions were imposed on Iraq in 1991. After the 9/11 terrorist attacks, Chavez joined Castro in vigorously condemning the crime. But his sympathy morphed quickly into anti-U.S. hostility once the American military began taking aim at the Taliban regime in Afghanistan. Then-U.S. Ambassador to Venezuela Donna Hrinak delivered a personal rebuke to Chavez after he went on national television and showed photographs of the bloodied remains of children killed by the U.S. bombing of Afghanistan.

Chavez later said his message had simply been that one could not fight terrorism with terrorism. But as he would later explain, "The [American] ambassador came to me and demanded, 'You must rectify your position.' I replied: 'You are talking to the president of the Bolivarian

Republic of Venezuela. You are dismissed. When you learn what the job of an ambassador is, you may come back.'"

Parallels with Cuba?

Chavez's close ties to Castro have been a particular concern to the Bush administration, which is well aware that the two men's ascents are remarkably similar in some ways. Both achieved national and international renown through dramatic acts of defiance against the state. Castro led an assault on the Moncada barracks in eastern Cuba in 1953, while Chavez's 1992 bid for power featured attacks on the presidential palace and residence. Both attempts failed. Castro was convicted of rebellion and served two years before being granted early release. Chavez's fate was similar — two years' imprisonment followed by early release.

It took Castro five-and-a-half years after the Moncada assault to shoot his way into power. The time gap for Chavez, using the electoral route, was just under seven years. Both men assured a suspicious Washington of their democratic bona fides but failed to live up to those promises. And each faced a crisis early on in his rule: Castro at the Bay of Pigs in April 1961 and Chavez during a mass protest backed by military dissidents in April 2002. Both leaders survived (Chavez just barely), and were strengthened as a result.

Obviously, there are important differences between the two leaders, as well, quite apart from the contrasting means by which they achieved power. While Castro runs a totalitarian state in which the government dominates the economy and harasses the private entrepreneurs, Venezuela retains many of the trappings of a democratic society and a market-based economy. Newspapers are relatively unrestrained. But Chavez is steadily chipping away at the separation of pow-

ers, democracy's cornerstone. In that sense, he is creating a state that looks more and more like Cuba. Washington obviously is anxious about this trend, but the more than 30 other democracies in the hemisphere have remained silent. None seems eager to take Chavez on.

Castro's ambitions have always extended far beyond Cuba's borders and, likewise, Chavez sees Venezuela as too small a stage. He is attempting to revive the Bolivarian dream of the "true unification" of South America, presumably under Venezuelan leadership. He has also been sending mixed signals about the long-running leftist rebel campaign to topple the government in neighboring Colombia. Chavez insists he is neutral, but his military was discovered in December to have been harboring Rodrigo Granda, a top official of Colombia's FARC rebel group. An outraged Colombian President Alvaro Uribe arranged for Granda to be kidnapped and taken back to Colombia. For his part, Chavez considered the Colombian-sponsored abduction of Granda on Venezuelan turf to be an unwarranted intrusion. Early tensions over the issue have abated but Colombian suspicions about its eastern neighbor run high, fed by, among other things, Venezuela's plan to buy 100,000 rifles from Russia. Colombian officials worry that the weaponry is intended for the FARC.

Chavez seems most comfortable not with fellow Latin American democrats but with leaders, often half a world away, who rule with a heavy hand. Besides Cuba, a partial list of his overseas stops in recent months includes Iran, Russia, Libya and China. A trade deal with Beijing will permit Chinese access to oil fields in Venezuela and investment in new refineries. To sweeten the deal, Venezuela, the world's fifth-largest oil exporter, has also offered to supply

brand new luxury high rise · government rate offerings · fully appointed one and two bedroom furnished apartments · elegant contemporary furniture · fully equipped kitchens · luxury towels and linens · soft, firm or hypoallergenic pillow selection · digital premium cable and high speed internet · sony wega tv and dvd · sony cd stereo · bosch washer and dryer · spa services · fitness center · business center with computer workstations and conference facility · weekday club breakfast with starbucks coffees · afternoon tazo teas · on-site management, maintenance, housekeeping and concierge services · metro within two blocks

live better



korman communities luxury corporate suites

washington dc : 1710 h street nw
arlington : 880 north pollard street
866.korman.4 (866.567.6264)
kormancommunities.com

NY NJ PA DE DC NC

Calling All FS Authors!

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



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

Susan Maitra, **Foreign Service Journal**
2101 E Street, NW, Washington, DC 20037

Deadline for submissions is Sept. 1.

120,000 barrels of fuel oil a month to China.

At present, Caracas sells about 60 percent of its output to the United States. In effect, American petrodollars are financing Chavez's revolution. On occasion, there is talk of Venezuela suspending oil exports to the United States for perceived U.S. misdeeds but analysts say that is unlikely because the American market is the only one that makes sense for Venezuela because of its size and easy geographic access.

The 2002 Coup Attempt

The events of April 2002 in Caracas were among the most dramatic in Latin America during the past half-century. Widespread anti-Chavez protests erupted on Thursday, April 11. Gunfire left at least 18 dead and many more wounded, although it was not clear how many casualties each side was responsible for. Dissident military leaders seized Chavez and took him to a military base near the coast. It was officially announced that Chavez had resigned and that Pedro Carmona, a businessman, had been named interim president.

In a statement issued on April 12, the morning after Chavez was detained, the State Department said the president had resigned and, before doing so, fired his vice president and Cabinet. It asserted that his ouster was the result of his provocations, a reference to the violence that occurred during the demonstrations, and added that the new government was planning to hold elections in six months. The statement conspicuously failed to indicate any concern about the unconstitutional outcome. It was not until the evening of April 13, just hours before Chavez returned to power, that the United States condemned the coup, joining other members of the Organization of American States in a strongly-worded resolution.

Arturo Valenzuela, a top State

Department aide during the Clinton administration, said he was appalled by the seeming U.S. acceptance of the coup. In an opinion piece written after Chavez was reinstated, Valenzuela warned: "The United States now risks losing much of the considerable moral and political leadership it had rightly won over the last decade as the nations of the Americas sought to establish the fundamental principle that the problems of democracy are solved in democracy, not through resorting to unconstitutional means."

Privately, State Department officials had been doubting Chavez's commitment to democracy starting well before the events of April 2002. To these and other officials, his actions resurrected the old question of how to deal with an undemocratic leader who is elected democratically. Some would argue that removing him would be a subversion of democracy; others say that leaving him in power would lead to the same result. Based partly on the hemispheric Democratic Charter, which took effect in September 2001, the official U.S. policy was to support institutional status quo in Venezuela. But on that climactic day in April 2002, there was a clear impression in Washington and in Latin American capitals that Chavez's enemies had forced him out, the first unconstitutional change of government in a major hemispheric country in 26 years. This conclusion was reflected in the State Department statement of April 12.

That impression was reinforced on that same day in a statement by George Folsom, the president of the pro-democracy International Republican Institute. (The IRI is a government-funded GOP affiliate, with a Democratic counterpart, that seeks to promote democracy overseas through nonpartisan programs promoting voter education and other democratic building blocks.) Folsom hailed the efforts of the Venezuelan people to

restore democracy to the country. He referred to Chavez not as "president" but as "lieutenant colonel," his last rank before he was captured after leading the 1992 rebellion. Folsom further declared that the Venezuelan people "rose up to defend their democracy as a result of systematic repression by Chavez."

Carl Gershman, president of the National Endowment for Democracy, which oversees the IRI, sent a letter to Folsom after Chavez's reinstatement saying he was "greatly disturbed" by his comments. He said Chavez's attempted removal through unconstitutional means "was understandably seen by many democrats in the hemisphere as a blow to democracy in Venezuela."

The Carmona government, of course, was short-lived. Chavez's supporters took to the streets to demand his return to office. Intimidated, the coup-makers backed off and, somewhat miraculously, a chastened Chavez was back in power less than three days after his disappearance.

Made in Washington?

The U.S. role — or lack of it — in the coup attempt has been debated ever since. Washington denied any involvement and a State Department Inspector General's report, completed in July 2002, found "no evidence to suggest that the department or Embassy Caracas planned, participated in or encouraged the overthrow of President Chavez."

Given the long history of American intervention in its hemispheric "backyard" (e.g., Panama, the Dominican Republic, Grenada and Guatemala), Washington's denials have been greeted with widespread skepticism. In recent years, though, the United States has acted decisively to defend elected governments faced with possible ouster due to an internal uprising. It has helped preserve constitutional order in Guatemala and Ecuador, and

also used force to restore an elected Haitian government that had been deposed in a military coup. But in the Venezuelan case, the United States was slow to condemn Chavez's ouster. This reflected either confusion about what was happening in Caracas or contentment over the prospect of a Chavez-free future for Venezuela, or both.

The confusion was understandable. Hours after Chavez's resignation, the highest-ranking military officer in the country went on television to confirm that the president had resigned, only to be contradicted by Chavez's attorney general.

The 2002 report of the State Department's Office of the Inspector General found that U.S. Ambassador Charles Shapiro and embassy officials "repeatedly stressed U.S. opposition to undemocratic and unconstitutional moves against President Chavez." Shapiro served notice that, if invited, he would not attend Carmona's inauguration and, when asked by a Venezuelan military opposition leader to facilitate Chavez's departure from the country, Shapiro declined. The ambassador also warned Carmona against dissolving the Supreme Court and the National Assembly, advice that was ignored. By the time Carmona reconsidered, it was too late. The pro-Chavez forces, the OIG report noted, were already setting in motion the chain of events that would lead to restoration of his presidency.

Still, the report leaves room for doubt about whether Chavez's opponents in Venezuela really believed Washington's stated policy of opposing Chavez's ouster. It allows for the possibility that Chavez's enemies would have sought his ouster no matter what the U.S. said or did. Given the long list of U.S. grievances against Chavez, "it is certainly possible that some of those who sought to remove Chavez did so reckoning that Wash-

ington would shed no tears over his ouster," the report notes.

Furthermore, it continues, "the weight of embassy contacts fell heavily on the side of the opposition. Aside from meetings with the president himself, and key ministers, there appears to have been limited outreach to others inside and outside government who supported President Chavez." The report also points out that embassy officials only occasionally spelled out to the president's opponents "the consequences of failure to take the United States at its word that we were opposed to the use of undemocratic and unconstitutional means to oust Chavez."

At a minimum, it is clear that Chavez does not believe Washington's assertions of non-involvement, repeatedly blaming the U.S. for the attempt to oust him. He says the United States was responsible not only for the April coup attempt, but

also for a strike by oil workers eight months later that was designed to force Chavez out. Citing those actions, he has called 2002 "the year of imperialism."

Lately, after keeping a low public profile, the United States has begun stepping up criticism of Chavez, provoked by his moves in recent months to neutralize or eliminate potential threats to his rule.

Deputy Secretary of State Robert Zoellick foreshadowed a possible U.S. strategy for dealing with Chavez when, in February, he called on Latin Americans to join with the United States to combat "creeping authoritarianism" in the region. He suggested that the hemisphere, through institutional changes, has done a good job of protecting elected governments against military takeovers. He said it now needs measures to curb elected authoritarians — pointing to Chavez as Exhibit A. ■

Let us know what you think ...

You are invited to
share your reactions,
positive and negative,
each month in the
Letters section.

The briefer and more focused your letter,
the more likely we will print it in full.

Write us at:

journal@afsa.org.



DEPLETED URANIUM MUNITIONS: A NEW WMD

THE UNITED STATES SHOULD LEAD THE INTERNATIONAL COMMUNITY TO
RESPONSIBLE GLOBAL CONTROL OF DEPLETED URANIUM MUNITIONS.

BY FRANCIS XAVIER CUNNINGHAM

Americans are proud of the fact that the United States has traditionally been a leader in protecting the global environment from the damage that can result from mankind's activities. The Montreal Protocol for the control of fluorocarbons is an excellent example of our concern for global environmental stewardship, and what we have been able to do about it. In the 1980s, prompted by data from satellite-borne instruments and upper atmosphere sampling, scientists warned of the appearance of holes, or gaps, in the earth's atmospheric ozone layer. Since the ozone layer provides attenuation of the ultraviolet radiation reaching the earth from the sun, damage to it could eventually result in extremely serious worldwide human, plant and animal damage. We began intensive research that suggested fluorocarbons, generated on earth from aerosol sprays, were among the main culprits. (Subsequent research has clarified the chemical mechanisms by which fluorocarbons react in the upper atmosphere to destroy the ozone layer.)

In response, the State Department led a consortium of scientists, environmental NGOs, industrial players (DuPont, the world's major supplier of the fluorocarbon chemicals, strongly supported the initiative in an impres-

Francis Xavier Cunningham is a chemist (emeritus member, American Chemical Society), a former solid propulsion rocket scientist (Thiokol) and a retired Foreign Service officer. As an FSO he served in Brussels, Manila and Cairo and also had assignments in the Intelligence & Research Bureau and a detail to NASA headquarters.

sive display of corporate environmental responsibility) and concerned countries, in working through the United Nations to develop and bring into effect the precedent-setting treaty to protect the Earth — the Montreal Protocol on Substances That Deplete the Ozone Layer. This was a momentous achievement in multilateral diplomacy. It marked the first time that the nations of the earth, regardless of their political, religious or cultural history, joined together in giving up a small part of their national sovereignty to combat a common environmental threat. (It is a matter of great satisfaction to the framers of the Montreal Protocol that scientists now believe that, as a result of global control of fluorocarbons, they can detect evidence of repair to previously damaged portions of the global ozone layer.)

Similarly, we have tried hard to control and inhibit the proliferation of chemical, biological and nuclear weapons of mass destruction through treaties on nuclear proliferation, chemical and biological weapons, and ballistic missile range and accuracy. The history of WMD control shows that, although our intentions were good, and the treaty framework was the best we knew at the time, the results of our efforts have been thwarted at various times and by various countries. But this should only encourage us to increase our efforts to control WMDs and their delivery vehicles.

In particular, we must now confront the unintended environmental effects of a new weapon of mass destruction: the use of depleted uranium in so-called "kinetic energy" munitions. These weapons have potentially global effects when used by the military; in addition (unbelievably), depleted uranium munitions are now available

to anyone who can pay for them. This is an issue that cries out for global control — for a “Montreal Protocol” for the control of DU munitions.

A Quick Chemistry Lesson

Our military has replaced lead with depleted uranium in some of its armaments (30-mm ammunition on aircraft; 120-mm cannons on tanks). It made the switch because uranium offers an exponentially greater destructive capability than does lead, giving our troops a vital edge. We can all agree that our troops must have every advantage that will give them victory and survival in the hell of war. But an unintended effect of this modernization is the introduction of an extremely serious environmental hazard into combat, posing a serious dilemma for our country and for the world.

Because the uranium used in these munitions is depleted of the highly radioactive U-235 isotope, the hazard is not radioactivity. In fact, there are comparable amounts of radiation in our environment at all times, including in our food and water. Furthermore, our bodies have mechanisms for repairing damage done by low-level radiation. Rather, the hazard is due to the fact that uranium is a persistently toxic chemical element, just like lead and mercury.

Natural uranium is made up of three isotopes: mostly U-238 (99.3 percent); U-235 (0.7 percent); and U-234 (0.005 percent). The U-235 isotope is important for power reactor or weapon use, and is extracted from natural uranium, typically by gas centrifugation. The remaining uranium, depleted of its 235 isotope, is referred to as depleted uranium. DU is primarily a waste product, but it does have some uses, such as shielding for medical devices, because it absorbs radiation well. There are more than 500,000 tons of waste DU stored at our enrichment sites.

DU was developed for use in high-density, high-energy projectiles. Its density is about 1.8 times that of lead, a hardness that penetrates armor that would cause lead to splatter. When it penetrates armor, its extremely high momentum (almost twice that of lead) is dissipated in a tremendous energy release that causes very high temperatures and vaporizes the uranium. Thus, when DU projectiles hit their target they go right through it, burst into

flame and completely destroy the target. This effect differs from that of lead-based projectiles, in which the momentum is insufficient to burn and vaporize the lead.

When DU penetrators pierce metal or other hard objects, they burn (via extremely rapid oxidation) at a rate almost approaching that of a detonation. The result is a micron-particle-size uranium oxide aerosol that is easily inhaled and can possibly enter the fine alveoli of the lung. (Passing into the fine alveoli is a prelude to direct injection into the blood stream.) If an aircraft strafes a target with hundreds of rounds of DU (which would require just a few seconds of holding the trigger), there could be hundreds of pounds of DU going up in smoke. The particles are so small they could remain suspended in the air for a long time, or travel in the wind for long distances, perhaps even between continents.

This may be the scenario that prevailed in southern Iraq in 1991. There is no way of knowing how much DU aerosol our troops, Saddam Hussein’s troops and Iraqi civilians were exposed to. The Persian Gulf War saw the first use of DU munitions in combat, but the same munitions were later used in Bosnia and Kosovo.

Inhaled or ingested DU will have the same effects on the human body that heavy metals, such as lead and mercury, do, including kidney damage and neurological damage. But DU is potentially much worse than those chemicals, because uranium binds well to DNA; in fact, it is used to prepare DNA for electron microscope viewing because DNA by itself does not show up well. We now know that uranium will cause mutations and breakage in DNA, which can lead to cancer. Mutations and breakage in sperm and egg cells can lead to an unviable fetus that can spontaneously abort, or may survive to be born with severe deformities. Laboratory studies show this happening in animals.

A New Security Threat

DU weapons add a new dimension to armaments. They not only destroy the enemy, but they can come back and kill the victor, as well as noncombatants and future generations. Incredibly, DU munitions are now available commercially for non-military use: at least one U.S. company produces 50-mm DU-coated sniper rifles with a range of two miles and the ability to cut through armored vehicles, for \$7,000 each.

The 1990 Montreal Protocol for the control of fluorocarbons would be an excellent model for an international agreement governing DU munitions.

Look for the
**Schools
Supplement**

in the June 2005
*Foreign Service
Journal*

The Schools
Supplement
includes
the
Schools-
at-a-Glance
charts and
relevant
articles for
Foreign Service
families looking
for Foreign
Service-friendly
schools.

The Supplement also
features information
about boarding,
private and military
schools seeking
Foreign Service
students.

[www.afsa.org/ads/
school/index.cfm](http://www.afsa.org/ads/school/index.cfm)

*Incredibly, these
weapons are already
available commercially.*

There are reports that this weapon has already been used in assassinations overseas, and that at least 25 were bought by Osama bin Laden. California has now banned possession of this weapon, citing the danger of its falling into the hands of terrorists. Hopefully, other states and the federal government will quickly follow California's suit.

In order to control DU munitions worldwide, we could design and bring into force an international protocol, or convention, as was done to combat the fluorocarbon threat to the global environment. Progress toward such a convention must entail several phases, not necessarily sequential. And we can begin development of our own governmental regulatory framework to take control of DU stockpiles, to limit DU armament manufacture, and ensure our own responsible use of DU munitions.

Although much strong evidence already exists in the technical literature, a rigorous and extensive risk assessment should be made of DU as an environmental contaminant in air, soil and water. The assessment must recognize and attempt to answer the questions that will be raised by devil's advocates or by just plain unbelievers:

- Although most organic pollutants break down over time, metals naturally persist in a system. True, but can't bioaccumulation play an important part in hazard assessment? After all, many organisms

have adaptive responses for eliminating or sequestering metals; indeed, some metals are essential nutrients at low levels.

- Can the oxidative state of a metal, which can change depending on environmental conditions, determine its toxicity?
- Can the solubility of a metal also affect its toxicity?

National authorities characteristically take decades to conclude that there is a clear cause-and-effect relationship between disease and human exposure to a particular chemical — to realize that coal should not be burned without pollution controls and lead should not be added to gasoline. But there is an urgency to this issue that demands we begin to respond to the threat now. In essence, DU munitions should be treated like other chemical weapons of mass destruction, but DU's toxic properties remain as hazards for a much longer time and can be passed on to future generations. Fortunately, there seems to be a growing public perception that DU is indeed toxic to humans, and that its use in munitions must be strictly controlled.

Responsible Stewardship

We expect the U.S. military to act quickly and decisively in devising solutions to threats to our national security. So we generally do not require it to do environmental impact studies, or publish its intentions in the Federal Register and call for comment, before employing more efficient, more destructive tactics, equipment and munitions. And as described above, replacing lead armor with depleted uranium already affords our troops additional protection and has saved lives.

Nonetheless, a short-term combat initiative, even if successful in a specific context, may turn out to have longer-lasting and unintended,

DU weapons add a new dimension to armaments. They not only destroy the enemy, but they can come back and kill the victor.

but extremely negative, consequences. Our use of Agent Orange in Vietnam is a case in point. We had no way of knowing in the 1960s that a cohort of the next generation of Vietnamese people would either be aborted, or born with severe deformities, as a result of their parents' earlier exposure to Agent Orange. And many of our own soldiers have suffered similar side effects from exposure to that chemical.

The fact that depleted uranium munitions are a hybrid between a traditional WMD and an environmental pollutant complicates matters. It may require us to evaluate some of our national security priorities. But the U.S. must still move to control our own DU munitions through a governmental regulatory framework if we are to provide credible international leadership. This public policy question should be addressed by our nation's decision-makers and lawmakers, based on input from a wide variety of sources. The Departments of Defense and Homeland Security, the National Security Agency, the Environmental Protection Agency, the National Science Foundation and others must all weigh in on it and state their concerns.

Scientists tell us that the earth has

WWW.COLEAD.ORG

Get Involved!

Support Constructive American Engagement in World Affairs

Support funding for Diplomacy, Foreign Aid, the Peace Corps, and International Organizations:



- Write to your Congressman or Senator
- Work with the foreign affairs community and COLEAD member organizations
- Advance American diplomacy

The Coalition for American Leadership Abroad (COLEAD)

Attention: Harry Blaney

2101 E St. NW, Washington, DC 20037

Tel: (202) 944-5519 E-mail: colead@afsa.org



Over 35,000 copies sold ...

Inside a U.S. Embassy, published by AFSA, takes readers inside embassies in over 50 countries, providing detailed descriptions of Foreign Service jobs and first-hand accounts of diplomacy in action.

Order your copies today!
Go to www.afsa.org/inside
or call (847) 364-1222.
Quantity discounts available.

A time of service...a time of need

Help for Seniors May Be Just a Phone Call Away—



The Senior Living Foundation may be able to help you or someone you know. Some examples of assistance are:

- ◆ Home Health Care
- ◆ Adult Day Care & Respite Care
- ◆ Prescription Drug Copayments
- ◆ Transportation to Medical Appointments
- ◆ Durable Medical Equipment

For more information, please contact the



**SENIOR LIVING FOUNDATION
OF THE AMERICAN FOREIGN SERVICE**
1716 N Street, NW ♦ Washington, DC 20036-2902
PHONE: (202) 887-8170 ♦ FAX: (202) 872-9320
E-MAIL: info@slfoundation.org ♦ WEB SITE: www.slfoundation.org

SPONSORED BY THE AMERICAN FOREIGN SERVICE PROTECTIVE ASSOCIATION

The use of depleted uranium in weapons has introduced an extremely serious environmental hazard into combat, posing a serious dilemma for our country and for the world.

now entered the “Anthropocene Age,” because the impact of human activities is comparable to that of nature itself on the global environment. Consider the linkage of the Sahara Desert and the Amazon Basin. Saharan dust, carried by the wind across the Atlantic Ocean, has fertilized the Amazon Basin for thousands of years. This is one reason the Amazon Basin teems with life. But computer models now tell us that as global warming continues, it will cause forests in the Amazon to die back, while the Sahara will become greener, reducing the amount of dust it produces and exacerbating the climatic stress on the Amazon. This suggests that one day the relationship between the Sahara and the Amazon may be reversed.

Mindful of this responsibility, the United States should lead the international community to responsible global control of DU munitions, which are a serious potential global environmental threat to all mankind. Our human heritage requires no less of us. ■

**Grand Opening:
The Market at Columbia Plaza**



COLUMBIA PLAZA APARTMENTS

Capital Living With Comfort and Convenience



Utilities Included
Complimentary Voice Mail
Courtyard Style Plaza
Polished Hardwood Floors
Private Balconies
Huge Walk-in Closets

24 Hour Front Desk
Garage Parking Available
Controlled Access
Potomac River Views
Minutes to Fine Dining
Newly Renovated Kitchens

**Beautiful and Spacious:
Available Immediately**

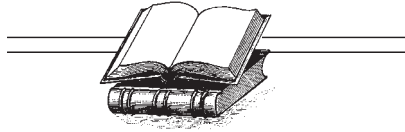
Efficiency	\$ 1,100 - \$ 1,250
1 Bedroom	1,425 - 1,700
2 Bedroom	2,100 - 2,700

2400 Virginia Ave., N.W.
Washington, D.C., 20037
Tel: (202) 293-2000
E-mail: leasingoffice@columbiaplaza.net

Office Hours: Mon. - Fri. 8:00 AM-5:30 PM
Sat 10:00 AM-4:00 PM



Directly across the street from Main State, minutes to Kennedy Center and Georgetown



BOOKS

Entering the Family Business

Overworld: The Life and Times of a Reluctant Spy

Larry J. Kolb, Riverhead Books, 2004, \$25.95, hardcover, 466 pages.

REVIEWED BY
WILLIAM A. MARJENHOFF

If Larry Kolb were not a real person reminiscing about his experiences in covert operations, one might imagine he had stepped out from the pages of an Eric Ambler novel. *Overworld: The Life and Times of a Reluctant Spy* seems modeled on Ambler's successful prose formula of drawing an unwitting Everyman into a web of international espionage and intrigue.

Yet while possessed of ample measures of innocence and naiveté, Kolb was, in truth, no ordinary bystander swept up in the secret war of clandestine operations. His father, a high-ranking U.S. intelligence officer, and his father's colleagues gave him early instruction in the covert arts. Some of those lessons will be familiar to Foreign Service readers as basic political tradecraft — e.g., taking flowers to the wives of contacts, learning rudimentary language skills in host countries, wearing “quiet clothes.” Kolb also discusses the effective communication of useful information up the chain of command, especially taking the time to write less. But other lessons Kolb learned later might well benefit FS readers, such as how to

Some of the lessons Kolb learned might well benefit FS readers, such as how to have a secure conversation and how to elicit data from interlocutors.



have a secure conversation and how to elicit data from interlocutors. Asking the opinions of contacts, and drawing little pieces of people's stories out of them is not only good manners — it's a subtle form of interrogation to collect useful information.

Despite his background, Kolb spurned the CIA's first efforts to recruit him, opting instead for a career in business and, eventually, life among the jet set. He founded one of the first adventure travel agencies, had a tempestuous one-year marriage to golfer Jan Stephenson, the Anna Kornikova of her day, and became an agent and publicist for Muhammad Ali. On a secret mission sanctioned by Vice President Bush, Kolb accompanied Ali to Lebanon in 1985 to seek the release of American hostages Benjamin Weir, Peter Kilburn, Lawrence Jenco, Jeremy Levin and William Buckley.

Through his association with Ali, Kolb met and befriended a wide variety of international luminaries. He

became a confidant of Saudi middleman and “financial high-wire artist” Adnan Khashoggi and married Khashoggi's adopted daughter. The company he kept and the family into which he married solidified Kolb's bona fides as an insider with enormous potential as a clandestine operative.

Meanwhile, CIA co-founder Miles Copeland launched another effort to recruit Kolb into the secret world Copeland had helped create, and this time, Kolb was receptive. Kolb became Copeland's right-hand man, his eyes and ears (and sometimes mouthpiece) throughout much of the Middle East, Asia and Latin America. The two even collaborated on several white papers for the Reagan and Bush Sr. administrations, including one that fused Khashoggi's proposal of a “Marshall Plan” for the Middle East with Reagan's Mideast peace plan.

Technically, Kolb was a business associate of Copeland. But he could never be absolutely certain for whom he was working at any given time, or even on which project, in the “overworld” — his father's term for the realm of shadowy figures-behind-the-figureheads who secretly shape events.

Much of his fascinating narrative is devoted to the “St. Kitts Affair,” in which Kolb, with the blessings of Copeland and Khashoggi, became enmeshed in an attempt to help his friend Rajiv Gandhi seek re-election. The convoluted intrigue surrounding his involvement landed him in serious trouble with the Indian judiciary, trouble from which he is only now



emerging. Hiding out in a Florida safe house for several years did, however, give Kolb the time and introspective leisure to pen these memoirs of his life so far. Readers interested in the world of espionage and covert statecraft will be most grateful despite a frustrating vagueness about dates and other details.

Overworld is a page-turner extraordinary, so it is no surprise that Hollywood producer Mark Canton has bought the film rights to the book. But don't wait for the film. It could not possibly rivet your attention as much as Kolb's own narrative.

Bill Marjenhoff, an FSO since 1998, is currently a program analysis officer in the Office of Strategic and Performance Planning. He is an avid reader of mysteries and espionage fiction and non-fiction.

True or Farce?

Florence of Arabia

Christopher Buckley, Random House, 2004, \$24.95, hardcover, 253 pages.

REVIEWED BY DAVID CASAVIS

We have all experienced periods when the paperwork is piled too high, the bureaucracy is too stifling, and it takes all our energy just to keep a bad situation from getting worse. At those times, and especially for those folks in the NEA Bureau, I suggest escaping to the world of *Florence of Arabia*. It's a farce, but it works because it is (only just) believable.

The characters, while broadly drawn, are readily identifiable. Florence Farfeletti, an NEA desk officer, covers the kingdom of Wasabia (Saudi Arabia) and the emirate of Mutter (Qatar). Her colleague George Phish

The image of a fed-up officer choking his DAS by the neck chain of his own badge may be a high point of the novel for some FS readers.

is a "desk-limpet" who has managed to stay in Washington his entire career except for one posting in Ottawa. And their boss Charles Duckett, an NEA deputy assistant secretary who peers at them "over his glasses with the custard pugnacity of a life bureaucrat," only cares about securing his pending ambassadorship.

Prompted by an unlikely incident, Florence — who has personal as well as professional reasons for disliking gender inequality in the region — comes up with an audacious proposal to foment female emancipation in the Middle East. She sends her scheme directly to the Secretary of State, cc's Duckett and expects to be separated from the Foreign Service for her action.

Instead, her proposal catches the covert eye of a shadowy figure with seemingly unlimited funding and influence. But before agreeing to travel to Mutter to oversee the plan's implementation, Florence forces the operative to jump through hoops so demanding that overworked officers will cheer her on. She eventually starts an Arabic-language television station targeted to women which, predictably, stirs up a hornets' nest. And that's only the beginning of the fantastical plot which, while always absorbing, sometimes becomes quite convoluted.

Fortunately, Christopher Buckley (son of commentator and novelist William F. Buckley) is blessed with his father's ability to keep his cast of characters from spinning completely out of control. He also has a dry style and knack for understatement that work well.

Buckley does diverge from the story to provide us with a spirited chase scene; after all, books in search of a movie deal, as this one assuredly is, need a good chase. But for a State Department reader, the image of a fed-up officer choking his DAS by the neck chain of his own badge is probably action enough.

A word of warning: This book is politically incorrect, sometimes to the point of viciousness. It depicts our Muslim allies as pompous, ignorant, greedy and arrogant, and splatters generous portions of egg on French faces. But Buckley does not spare his fellow Americans, either, whether in or outside the Foreign Service. At one point George, the stay-at-home officer, says to a K Street lobbyist: "Every time I think about going into the private sector, you open your mouth, and my drab, colorless existence and niggardly paycheck suddenly seem noble."

And, when Florence is captured and her people call for help, we get another classic: "What's State doing? What they do best. Nothing. Just a few cables ..."

In short, this is a great book to curl up with after a difficult day or to take with you to the beach. Just be careful if you are going to read it around Washington; you might even want to remove the cover. Being seen with it might not be the most diplomatic move you could make. ■

David Casavis, a frequent contributor to the Journal, works for the Department of Homeland Security.

REAL ESTATE

Look for the
2004 Tax Guide

in the February 2005
Foreign Service Journal

Read about the latest
federal and state tax
provisions affecting
the Foreign Service in
the February 2005
AFSA News

Also available online at
www.afsa.org/taxguide.cfm

www.afsa.org/taxguide.cfm



Property Management for Foreign Service Officers
For exceptional management of your Southern Virginia home,
ask for the company we like!

We provide great service,
regular communication and
unique online access to your monthly statements.

Call or email for our free Resident Reference Manual.

Lindsay Peake

Regional Sales & Operations Center

Erin Sandquist

Leasing and Marketing Director (College Park & Clarks)

(703) 448-8212

Lindsayl@peakeinc.com

www.peakeinc.com



1070 Elm Street, Suite 300, McLean, VA 22101

When Experience Counts ...



William "Kip" Laughlin
CRP, CIPS, CRIL, GRI

Since 1950, thousands of Foreign Service families in Virginia, Maryland, and the Nation's Capital have placed their trust in us to lease and manage their homes.

- More than \$100 million managed and leased annually
- Comprehensive client references and a menu of complete services available

Laughlin Management Corporation

P.O. Drawer 550, 1319 Vincent Place, McLean, VA 22101-0550

Tel: 703 356 6598 Fax: 703 448 0657 E-mail: laughlinpm@aol.com

REAL ESTATE

Hagner, Ridgway & Jackson

Leasing and Management
of Fine Residential Properties



SERVING
Washington, D.C.
Maryland
and
Virginia



7315 Wisconsin Avenue
Suite 603 East
Bethesda, MD 20814
Tel: (301) 968-2090
Fax: (301) 968-2089
E-mail: Bmurphy@Hagner.com



WASHINGTON
MANAGEMENT
SERVICES

MID PLEASURES AND PALACES THO WE MAY ROAM,
BE IT EVER SO HUMBLE, THERE'S NO PLACE LIKE HOME.

John Bunyan, Pilgrim's Progress, 1658 • From the opera, Clari, the Maid of Milan

At Washington Management we:

- Carefully screen tenants
- Meticulously look after your home
- Exclusively service residential properties in Maryland, Virginia, and D.C.
- Personally attend to every detail, and
- Give you peace of mind

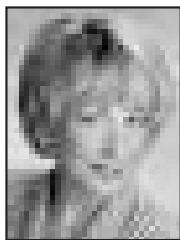
2015 Q Street, N.W.
Washington, D.C. 20009
phone 202/462-7212
fax 202/332-0798
e-mail wms@wmsdc.com
www.wmsdc.com

Sales, Leasing and Property Management Stuart and Maury Inc. Realtors

1031 Tax deferred exchange specialists

- Hands on management for over 45 years
- We're not huge, we're selective, we care
- Personalized guidance for all your real estate needs
- Monthly computerized statements
- Proven, Reliable Contractors

Call Susan Bader, Real Estate Investment Specialist,
for more information



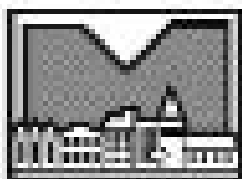
Office: (301) 654-3200
Fax: (301) 656-6182
E-mail: susanbader@stuartandmaury.com
4833 Bethesda Ave.
Suite 200 Bethesda, MD 20814
www.susanbader.com
Visit our web site for references

Moving?

TELL AFSA
with AFSA

AFSA Membership Department
2701 E Street, NW
Washington, DC 20007

REAL ESTATE



McGrath Real Estate Services

The Foreign Service
Specialists since 1978

The American Service Overseas (ASO) program is a
division of the U.S. Agency for Global Employment, with offices
in 120 countries around the world.

- + Real Estate Property Management
- + Real Estate Sales

Have an issue with your ASO property? We
have the staff and resources to solve your problem.

As a result of all of us at McGrath, we stand with your
family for the success you undertake to protect the
interests of your ASO abroad. We will do it all for you.

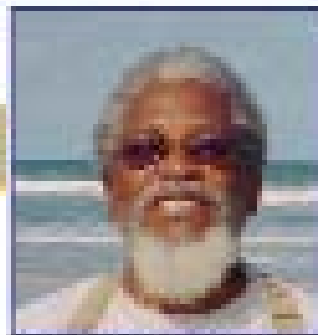
Call us today at McGrath or visit our website at
www.McGrathRealEstate.com



1540 Woodloch Forest, Suite 100, Houston, TX 77057
Phone: (713) 234-1200 Fax: (713) 234-1240
Email: McGrath@McGrathRealEstate.com

Weichert Realtors

Colony Agency



Jeremiah K. Parsons

REALTOR® Sales Associate

Notary Public

Contract Signing Agent

1475 Palm Lakes Pkwy, NW, Suite 102
Palm Coast, FL 32137

Phone: (706) 445-8000

Office: (386) 446-1701

Toll-Free: (877) 274-1221

Fax: (386) 446-4000

Web site: Weichert.com

E-mail: jparsons@colony.com

Independently owned and operated

WJD Management



A big hit.



likewise.

703-385-3600
www.wjdp.com

Residential Property Management and Leasing Specialists Serving All of Northern Virginia

REAL ESTATE

REGULAR INSPECTIONS ♦ ENJOY PEACE OF MIND ♦
 RENTAL SERVICES ♦ 24 HOUR ON-CALL SUPPORT ♦
 EXCELLENT REFERENCES ♦


Who's taking care of your home while you're away?

No one takes care of your home like we do!

While you're overseas, we'll help you manage your home without the hassles. No panicky messages, just regular reports. No unexpected surprises, just peace of mind.

Property management is our full time business. Let us take care of the details.

The Meyerson Group, Inc.



Call us today!
(301) 657-3210

6923 Fairfax Road ♦ Bethesda, MD 20814
 email: TheMeyersonGroup@aol.com

COORDINATE MAINTENANCE ♦ OVER 24 YEARS EXPERIENCE ♦ REGULAR REPORTS ♦

PROPERTY MANAGEMENT FOR FOREIGN SERVICE OFFICERS ♦

Click on the Journal's Marketplace to find Real Estate!

STEP 1. Click on Foreign Service Journal
 Website: www.fsjournal.org

STEP 2. Click on Marketplace

STEP 3. Click on Real Estate

HOUSES ONLINE!

www.afsa.org/afsa/realstate/index.cfm



Prudential

Caruthers
REALTORS®

FCR Home Services
 FCR Property Management Services

Coming Home? Going Overseas?

Branch Offices
 Virginia
 Alexandria, Vienna, Winchester
 Maryland
 Gaithersburg, Crillon

Residential Property Management and Sales
 Dedicated to Finding and Protecting Your Investment

Serving the Greater Metropolitan Area of Maryland, Virginia, and the District of Columbia

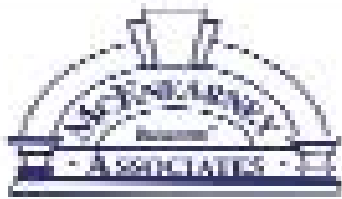
We specialize in the Foreign Service Community

- Proven Marketing Plan
- Effective Cost Management
- Administrative Efficiency
- Careful Tenant Screening
- Scheduled and Bi-Annual Inspections
- Monthly Statements
- Direct Repair to 2244
- Our staff is dedicated in providing the best Property Management Services available
- Over 75 years of excellent Property Management experience

Corporate Office
 301 Maple Ave. W.
 Foggan Rd. Bldg. 11
 Vienna, VA 22186
 Tel: (703) 928-1919
 Toll Free (800) 224-1919
 Fax: (703) 928-1920
afsa@prudentialrealestate.com
 Website: www.prudentialrealestate.com



REAL ESTATE



McEncarney Associates, REALTORS
- Established 1980 -

Serving all of Northern Virginia
and close-in DC/MD Metro area

Real Estate Services:
1-866-700-9090

Email: info@mcencarney.com

Property Management Services:
www.mcencarneypm.com

Email: PM@mcencarney.com

Find properties throughout the U.S. on

www.McEncarney.com

Executive Housing Consultants, Inc.



*Leasing and Management of Exceptional properties
in upper Northwest DC, Chevy Chase, Bethesda,
Potomac, McLean and Great Falls*

7315 Wisconsin Avenue
Suite 603 East
Bethesda, Maryland 20814
(301) 951-4111
Fax: (301) 907-7329
www.executivehousing.com

**When you're far away from home ...
your home is safely in our hands!**

- Professional, proactive approach for over 17 years.
- Well versed in Foreign Service life, its problems, and concerns.
- Experienced and dedicated full time property management staff.
- Customized maintenance and care programs with periodic inspections.
- Electronic statements and direct bank depositing.
- Independent financial and insured vendors with favorable prices.
- Special fee discounts for Foreign Service personnel.



**Professional
Property
Management
Services**

**Don Heddell
DomenoBroker**

(703) 642-5683



PROMAX REALTORS

www.promaxrealtors.com

www.PROMAX, INC.

1000 Northside Lane, Springfield, MA 01104 Tel: (413) 266-0000 - info@promaxrealtors.com

REAL ESTATE

Buying A Home? Selling A Home?

Serving the Metropolitan Area of Virginia, Maryland, and the District of Columbia

Working with an experienced professional is the key to a successful real estate transaction

As a Foreign Service Specialist and a Licensed real estate broker, I know what working is all about! I have been dedicated to helping some of the real estate needs of the Foreign Service Community since 1979.

- Thirty years of US Foreign Service Experience
- Life Member of the NAR's Top Producers' Club
- Top 1% of Realtors Nationwide
- Certified Residential Specialist
- Accredited Buyer Broker
- Property Management, tax-deferred exchanges, re-financing

Call me today 1-703-464-3242 or e-mail me [[pickneyj@earthlink.net] for State Listings in your area of interest, e-mailed to you daily/weekly/monthly



JoAnn Piekney
 REALTOR
 Associate Broker

1000 Clarks Bridge Road
 Fairfax, VA 22031
 Tel: 703-464-3242
 Fax: 703-464-3242
 Email: pickneyj@earthlink.net
 Website: joannpickney.com



Prudential

Carruthers REALTORS®



ADVERTISING INDEX

When contacting one of our advertisers, kindly mention you saw their advertisement in the Foreign Service Journal.

AUTOMOBILES

Bukkehave / 27
 D&M Auto / 38
 Diplomatic
 Automobile / 6
 Martens Volvo / 9
 State-Side Auto
 Supply / 61

FINANCIAL AND TAX SERVICES

Citibank / 2
 MCG Financial
 Planning / 56
 State Department Federal
 Credit Union / 45

HOUSING

Accommodations 4U / 53
 Columbia Plaza / 74
 Corporate Apartment
 Specialists, Inc. / 56

D.C. Suites / 53
 Executive Lodging
 Alternatives / 57
 Hawthorn Suites / 49
 Korman Communities / 67
 Oakwood / Inside front
 cover
 Quality Hotel / 8
 Remington / 46
 Staybridge / 61
 Suite America / 57
 Virginian Suites / 9

INSURANCE

AFSPA / 74
 Clements International /
 1
 Harry Jannette
 International / 21
 The Hirshorn Company /
 Outside back cover
 UNIRISC / 33

MISCELLANEOUS

AFSA Speakers
 Bureau / 66
 COLEAD / 73
 Cort Furniture / 4
 Editorial Board / 50
 Foreign Service Authors
 Roundup / 67
 GLIFAA / 51
 Inside a U.S.
 Embassy / 73
 Legacy / 42
 Marketplace / 14
 WorldSpace / Inside back
 cover

REAL ESTATE & PROPERTY MANAGEMENT

Executive Housing
 Consultants / 81
 Hagner Ridgeway and
 Jackson / 78

Laughlin — Miller / 77
 Long & Foster —
 Simunek / 83
 McEneaney Associates /
 81
 McGrath Real Estate
 Services / 79
 Meyerson Group / 80
 Peake Management,
 Inc. / 77
 Promax / 11, 81
 Property Specialists / 83
 Prudential Carruthers/
 JoAnn Piekney / 82
 Prudential
 Carruthers / 80
 Stuart & Maury / 78
 Weichert — Parson / 79
 WJD Management / 79
 Washington Management
 Services / 78

REAL ESTATE

**Extended Stay Housing
Online!**

*Now includes
information on the
Foreign Service Clause*



Step 1: Go to Marketplace on the Foreign Service Journal's Web site: www.fsjournal.org



Step 2: Click on Extended Stay Housing

www.afsa.org/ads/extstay/index.cfm

Specializing in
**PROPERTY
MANAGEMENT**



Property Specialists, Inc.


A professional and personal service tailored to meet your needs in:

- Property Management
- Sales and Rentals
- Tax-deferred Exchange
- Real Estate Investment Counseling

Our staff includes:

Shelby Austin	Donna Courtney	Patt Seely
Ginny Basak	Sally Duerbeck	Judy Smoot
Joan Bready	Les Glad	Paul Timpane
	John Logtens	

4600-D Lee Highway Arlington, Virginia 22207
(703) 525-7010 (703) 247-3350
E-mail: info@propertyspecialistsinc.com
Web address: propertyspecialistsinc.com
Serving Virginia, Maryland and D.C.



The Simunek Team!

JANIS & RICHARD SIMUNEK, JERRY PROCOPE, & TACHEA HOLMES-MORAN
Virginia, DC, Maryland

Sales, Tax-Deferred Exchanges, Home and Investment Loans, and Property Management

WWW.HOMESDATABASE.COM/SIMUNEK

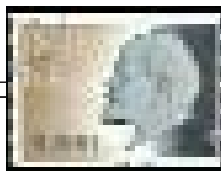
Features the following useful information!

- HOMES PHOTOGALLERY: Enter your criteria and receive daily e-mail updates of all homes just listed for sale including your top 10 favorites!
- MARKET SALES STATISTICS & TRENDS
- HOME-BASED BUSINESS & COMMERCIAL LISTINGS
- TITLE, TRUST, EASEMENTS & ELLIOTT TRUSTS
- SCHOOL INFORMATION & SCORES
- MORTGAGE RATES

4600 Lee Hwy
Arlington, Virginia 22207
703-294-8368

1111 Wisconsin Ave NW
Wash, DC 20007
202-298-4304

simunek@aol.com



REFLECTIONS

Embalming History

BY JAMES B. ANGELL

One bitterly cold morning, I hopped aboard Moscow's gorgeous subway determined to visit Lenin's mausoleum before I had to return to Frankfurt later the same day. After the Kremlin, I noticed barricades and military guards. Then something occurred to me. I approached a cluster of Russian soldiers and presented my diplomatic passport, asking politely if it was possible to visit Vladimir Ilich Lenin (1870-1924). They argued among themselves for a few minutes, then swung a barricade open for me to enter the vastness of an empty Red Square.

On the long walk to the granite mausoleum at the base of the burgundy Kremlin walls, it snowed so hard that the whimsical onion domes of St. Basil's Cathedral soon disappeared from view. There was no sign of life near the tomb, so I braced myself for its closure. At the tomb's darkened entrance, two guards stood rigidly at attention.

I slipped into the mausoleum for a private audience with one of the last century's most controversial figures. I spent 10 minutes viewing the glass-encased Vladimir Ilich from various angles in the glum chamber, musing

James B. Angell is a diplomatic courier officer in Bangkok. He joined the Foreign Service in 1993 and has served in Washington and Frankfurt in addition to a previous tour in Bangkok. His next post is Seoul. The stamp is courtesy of the AAFSW Bookfair "Stamp Corner."

both on the historical ramifications he set in motion and how well the embalmers had preserved him (dark hair still slicked back after 81 years!). A soldier finally broke my meditation by barking orders at me to leave.

On a subsequent trip to Hanoi, I found myself the only Westerner in a long line patiently waiting to visit the embalmed Ho Chi Minh (1890-1969), president of the Democratic Republic of Vietnam and communist leader in the wars against both France and the U.S. A military guard, inspecting the visitors, halted beside me. Suddenly, he cracked a thin cane across my hands, both still buried in my pockets. It was a lightning strike of controlled violence, and to this day I wonder whether it was because of the perceived disrespect I was showing or if it reflected a deeper animosity — that a Westerner (particularly an American) had the temerity to pay homage to the embalmed father of a nation created from the suffering of millions of Vietnamese.

Stinging welts on my hands, and my arms respectfully at my sides, I entered the mausoleum with a group of Vietnamese to pay our respects to the glass-encased leader of the revolution. Ho Chi Minh looked in much better shape than Lenin, but then he's only been embalmed for 36 years!

Most recently I visited Mao Tse-Tung's (1893-1976) mausoleum in Tiananmen Square. Surprisingly, again, I was the only Westerner in line, but unlike in Hanoi, the atmosphere

was festive, as Chinese ran to purchase last-minute flowers. Chairman Mao's mausoleum is less oppressive, mainly because light pours in from the curio shop at the back of the memorial chamber. This, of course, is the irony of Mao's memorial: a market-based tourist shop in the mausoleum of one of communism's greatest leaders. Or is it a subtle reminder of the free market direction the contemporary communist leadership has moved toward?

The striking thing about the glass-encased Mao's appearance is his hair. When did you see a picture of Mao with snow-white hair? If Mao's embalmers dyed his hair the color of Lenin's, he would look like his image on the gaudy curios for sale behind his glass-encased corpse. While I didn't experience a private visit with Mao, at least I didn't get my hands whacked. This was all business.

After 9/11 and the invasions of Afghanistan and Iraq, these three embalmed leaders seem part of a bygone era. They not only symbolize the death of communism, but also the failure of their respective countries to leave the past behind. Perhaps if they buried or cremated these communist vestiges, Russia, China and Vietnam would be less hesitant to continue their move toward a market-based economy. One wonders when their citizens will stop displaying them in glass cases like sleeping beauties awaiting resurrection.

Now, for a visit to Kim Sung-Il's mausoleum! ■

AFSA NEWS

American Foreign Service Association • May 2005

AFSA'S ISSUE NUMBER ONE

The Struggle for Pay Equity

BY SHAWN DORMAN

AFSA has ratcheted up efforts to eliminate the ever-increasing pay disparity between Foreign Service employees serving in Washington and those serving overseas. Service abroad, in often difficult and dangerous posts, should be encouraged, not penalized. The current salary structure does just the opposite.

The Federal Pay Comparability Act of 1990 denies locality pay adjustments for Foreign Service personnel working overseas. As a direct result, overseas salaries of Foreign Service personnel below the OC (counselor) level are now 16 percent lower than those of their Washington-based colleagues. The intelligence community working overseas receives Washington-level pay, while the Foreign Service does not. According to a June 2002 General Accounting Office (now the Government Accountability Office) report, the pay disparity will cause problems for staffing overseas hardship posts, and by 2010, even those serving in 20 percent hardship differential posts will fall behind.

AFSA estimates that the financial penalty for overseas service will cause a Foreign Service employee who entered the Service in 1995 to lose, during a typical 27-year career, \$444,160 in combined pay and retirement savings.

AFSA has been pushing this issue for over five years, and has been increasingly vocal about the problem in recent months. In February, AFSA sent out a two-page hand-out detailing the problem

and calling for pay adjustments to bring the salaries of overseas Foreign Service employees up to the Washington level. The hand-out was sent to over 20 media outlets, which resulted in follow-on interviews with AFSA officials and coverage in numerous publications. Articles on the topic appeared in the *Washington Times*, the *Washington Post*, *Government Executive*, and *Federal Times* and on the "Federal News Radio" talk show.

"This issue gets more and more important as this gap grows wider and wider," AFSA State Vice President Louise Crane said in a March 7 *Federal Times* article. "I think this year we fell on fewer deaf ears than we have fallen on before. There's an understanding it doesn't seem very fair to send someone to a high-priority post [and then ask them to] take a 16-percent pay cut."

AFSA President John Limbert and Louise Crane met with acting Under Secretary for Management John Burnham in February and raised the locality pay issue. Burnham assured them that Secretary Rice is well aware of the issue. John Limbert took the opportunity to raise the locality pay question at Secretary Condoleezza Rice's first town hall meeting with State employees on Jan. 31. The Secretary acknowledged that "it's an extremely important issue."

Although the money for the pay adjustment was taken out of the Fiscal Year 2006 budget by the Office of Management and Budget, AFSA believes



Inside This Issue:

STATE: PERFORMANCE PAY	3
FCS: THOUGHTS ON FCS.....	4
CAREER DEVELOPMENT.....	5
Q&A: RETIREES.....	6
SOCIAL INSECURITY	7
FMM: CHILDREN & THE FS.....	9

there is hope for FY 2007. AFSA has taken every opportunity to let the new team at State know that the pay disparity problem must be resolved. Parity existed prior to the enactment of the 1990 Pay Comparability Act, and must be re-established. This issue remains Issue Number One for AFSA. □

AFSA-DACOR RECEPTION

AFSA Honors Retirees for Service

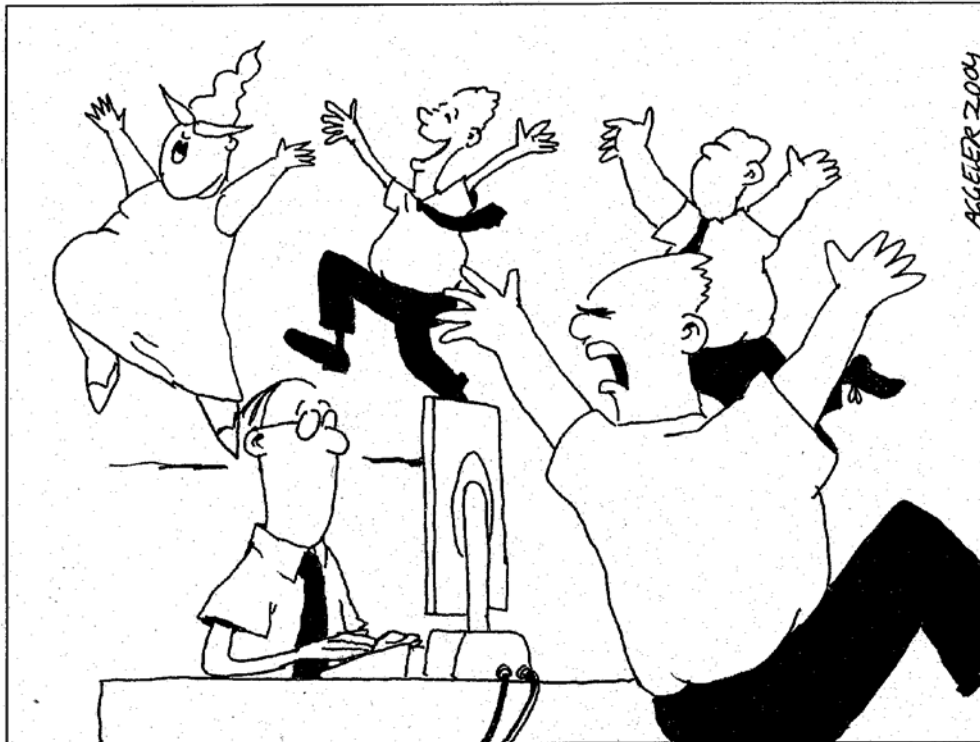
On April 1, AFSA hosted a champagne reception in honor of those retiring from the State Department Foreign Service and Civil Service. AFSA and DACOR (Diplomatic and Consular Officers, Retired) co-host retirement events about three times a year for each job search program graduating class of retiring Foreign Service and Civil Service State Department employees. The receptions provide an opportunity for AFSA to thank new retirees for their years of service.

At the April reception, AFSA President John Limbert thanked the retirees for their valuable contributions and wished them success in their future careers and endeavors. ■



Life in the Foreign Service

■ BY BRIAN AGGELER, FOREIGN SERVICE OFFICER



“Middleton, didn’t you get the memo? The Ambassador has called for the Happy Dance!”

Briefs • Continued on page 3

How to Contact Us:

AFSA HEADQUARTERS:

(202) 338-4045; Fax: (202) 338-6820

STATE DEPARTMENT AFSA OFFICE:

(202) 647-8160; Fax: (202) 647-0265

USAID AFSA OFFICE:

(202) 712-1941; Fax: (202) 216-3710

FCS AFSA OFFICE:

(202) 482-9088; Fax: (202) 482-9087

AFSA WEB SITE:

www.afsa.org

AFSA E-MAIL:

afsa@afsa.org

AFSA NEWS:

afsanews@afsa.org

FSJ:

journal@afsa.org

PRESIDENT:

limbert@afsa.org

STATE VP:

cranelk@state.gov

RETIREE VP:

jones@afsa.org

USAID VP:

warcarter@usaid.gov

FCS VP:

charles.ford@mail.doc.gov

FAS VP:

Laura.Scandurra@usda.gov

AFSA News

Editor Shawn Dorman: dorman@afsa.org

(202) 338-4045 x 503; Fax: (202) 338-8244

On the Web: www.afsa.org/news

Staff:

Executive Director Susan Reardon: reardon@afsa.org

Business Department

Controller Kalpna Simal: srimal@afsa.org

Accounting Assistant Steven Tipton: tipton@afsa.org

Labor Management

General Counsel Sharon Papp: papps@state.gov

Labor Management Attorney Zlatana Badrich: badrichz@state.gov

Labor Management Specialist James Yorke: yorkcj@state.gov

USAID Senior Labor Management Advisor Douglas Broome: dbroome@usaid.gov

USAID Office Manager Asgeir Sigfusson: asigfusson@usaid.gov

Grievance Attorneys Neera Parikh: parikhna@state.gov and

Joe Slotnick: slotnick@state.gov

Office Manager Christine Warren: warrenc@state.gov

Law Clerk Lindsay Kay: kaylb@state.gov

Member Services

Director Janet Hedrick: hedrick@afsa.org

Representative Cory Nishi: nishi@afsa.org

Web site & Database Associate Meijing Shan: shan@afsa.org

Administrative Assistant Ana Lopez: lopez@afsa.org

Outreach Programs

Retiree Liaison Bonnie Brown: brown@afsa.org

Director of Communications Thomas Switzer: switzer@afsa.org

Congressional Affairs Director Ken Nakamura: nakamura@afsa.org

Corporate Relations/Executive Assistant Austin Tracy: tracy@afsa.org

Scholarship Director Lori Dec: dec@afsa.org

Professional Issues Coordinator Barbara Berger: berger@afsa.org

Governing Board:

PRESIDENT: John W. Limbert

STATE VICE PRESIDENT: Louise K. Crane

USAID VICE PRESIDENT: Bill Carter

FCS VICE PRESIDENT: Charles A. Ford

FAS VICE PRESIDENT: Laura Scandurra

RETIREE VICE PRESIDENT: George F. Jones

SECRETARY: F.A. “Tex” Harris

TREASURER: Danny Hall

STATE REPRESENTATIVES: Todd A. Kushner,

Elizabeth Horst, Scot L. Folensbee,

Tulinabo Mushingi, John C. Sullivan,

Jim Wagner

USAID REPRESENTATIVE: Thomas Olson

FCS REPRESENTATIVE: William Crawford

RETIREE REPRESENTATIVES: Gilbert Sheinbaum,

David E. Reuther, Theodore S. Wilkinson, III,

Stanley A. Zuckerman

IBB REPRESENTATIVE: Sheldon Daitch

FAS REPRESENTATIVE: Michael Conlon

AFSA AND THE DG

Preserving the Commitment to Leadership

AFSA President John Limbert and AFSA State Vice President Louise Crane met with Director General Robert W. Pearson on March 25. They asked how he rated the department's commitment to leadership and management — a commitment that was central to Secretary Powell's program and which did so much to improve conditions for Foreign Service members and their families. The DG responded that the department, AFSA and others have done much to make this and other improvements permanent. The real test will be how we maintain these achievements when the system comes under stress, be it from personnel shortages, budget problems or new requirements.

A continuing stress issue is that of staffing unaccompanied posts. Embassy Baghdad is the largest unaccompanied post, with about 125 Foreign Service positions. Worldwide there are 599 positions at 15 unaccompanied posts: two in Europe, four in Africa, and nine in the Middle East. Foreign Service personnel are volunteering for difficult assignments, but, as noted above, the stress of filling so many positions means that maintaining training and other standards will be an ongoing challenge.

AFSA's Voice on the Hill

AFSA is the strongest advocate you have with Congress. AFSA has been outspoken on your behalf for improved embassy security, in-state tuition rights, availability pay for Diplomatic Security agents, capital gains tax exclusions, long-term care insurance and many other key issues.

But AFSA needs your support to continue to make a difference for you and the Foreign Service. Please consider donating to the AFSA Legislative Action Fund. Every dollar counts. Send contributions (payable to AFSA Legislative Action Fund) to: AFSA Legislative Action Fund, P.O. Box 98026, Washington, DC 20090-8026.

Continued on page 5

V.P. VOICE:

STATE ■ BY LOUISE CRANE

Psst! Wanna Get Senior Performance Pay? Don't Take a PD Job Overseas.



I did an analysis of the State Senior Foreign Service employees who received performance pay in 2004 — where they worked and what they did. This was admittedly a very informal analysis (I did it by hand) and most certainly has errors. But here are my conclusions.

It doesn't matter whether you're overseas or not: performance pay was almost evenly split between those on domestic assignments and those overseas. But it does matter where you are overseas and what you are doing. Of the 118 SFS posted abroad who received performance pay, only 11 were serving in non-hardship posts. That's just 9 percent.

AFSA argues that there is serious substantive work being done in the Berlins and Tokyos of this world, but the selection panels didn't see it that way. The panels are responsible for recommending up to 50 percent of the Senior Service for performance pay cash awards, which — now under "pay for performance" — come with additional salary increases as well. It is hard for AFSA to believe that the senior employees in these key capitals were below par.

If you are overseas, you should be a chief of mission or a deputy chief of mission to get performance pay. Ninety-nine of the 118 overseas recipients were. The rest were section heads, of whom only one was a public affairs officer. The Career Development Office reports there is a paucity of bidders on senior level public affairs positions. Could this be why?

If you are a senior looking for a domestic assignment, try to get assigned as either a deputy assistant secretary or an office director in a regional or management bureau (Counter-Terrorism and Consular Affairs are the exceptions) if you want to get that additional increase in your base pay. Don't take any of those diplomat-in-residence slots, be an adviser to a military command, or go on detail to the Hill or another government agency (except to the NSC), because your chances for performance pay for doing so were nil in 2004.

This is important because of what it means for your financial well-being. From 2004 onward, being recommended for performance pay will translate into a higher salary. It's part of the new pay-for-performance system for all members of the Senior Executive and Foreign Service. Before pay for performance, members of the SFS got an automatic annual pay increase based on the automatic pay increase for Congress. This is still true, and in January members received the 2.5 percent increase. However, the up-to-50 percent of the Senior Foreign Service who are recommended for performance pay are now eligible for an additional salary increase, perhaps as much as 2 percent or more on top of the 2.5 percent everyone received. That's a gift that keeps on giving!

AFSA is not arguing that the best performers shouldn't get the extra salary. Our problem is that based on the pattern emerging from the 2004 list, there appears a bias to give it to people with certain titles in certain countries and bureaus. It looks to AFSA like the star performers in the First World, in global issue bureaus and in public diplomacy jobs are getting short shrift.

We have sent the department some suggestions on how to mitigate the unfairness. Our first and most important recommendation is to remind the selection panels that performance pay is based on an employee's contribution to fulfilling the department's mission, not as compensation for sacrifice and hardship. □

Final Thoughts on the Foreign Service at the Commerce Department



I dedicate this column, my last, to some parting thoughts on the one major issue that seemed to color everything Bill Crawford and I worked on these last two years — that is, why, after 25 years, the Foreign Service still has not made a discernible impact at Commerce. Why is it that the 230-plus FCS officers (including 40 in the Senior Foreign Service), representing the department's greatest resource in terms of expertise on overseas markets, have no real opportunity to serve in program and policy positions in Washington as is the case in the other foreign affairs agencies?

Our work on membership issues has made it clear that the Foreign Service has yet to find a comfortable co-existence with the Civil Service culture of the Commerce Department and its International Trade Administration. For example, as I write in early March, the Senior Foreign Service at Commerce/ITA are the only senior executives in

the entire U.S. government that were not given a January 2005 salary adjustment. No reason given. Last year, all foreign affairs agencies except Commerce adjusted SFS pay in April, while Commerce delayed adjustment until June. Again, no reason given.

Most telling was the willingness of Commerce to let the Office of Foreign Service Human Resources shrink to 11 staff, down from an already lean contingent of 19. This occurred despite the fact that Foreign Service personnel (including FSNs) total around 1,200, roughly the same size as the Civil

Service component of Commerce/ITA. Yet they have a Human Resources office well over twice the size of ours, with more senior-graded positions.

Why hasn't the Foreign Service had an impact? I have found that CS management cares about our issues and expresses genuine commitments to fix problems. In the end, though, the officials that care the most appear not to be authorized to resolve problems, while officials with the responsibility are the most removed from direct contact with Foreign Service personnel. Also important is the fact that there are only about six Foreign Service officers in Washington in administrative support positions, with the rest of the FSOs overseas. (The vast majority of Commerce's Foreign Service are exceptional Foreign Service National employees.) One consequence of this neglect is the lack of a human-resource strategy looking to the future. While our budget has more than doubled since the mid-1990s, the number of Foreign Service employees has stayed roughly the same, with administrative overhead increasing to at least a crushing 25 percent of the budget.

What to do? Management should be applauded for recently taking steps to reform the Human Resources Office and to initiate a process to reduce overhead and address work-force planning issues. Most needed is a Secretarial delegation of authority to the director general of USFCS to manage the Foreign Service personnel system directly, as has been done at Agriculture. There could be further efficiencies in contracting selected Foreign Service functions to a larger foreign affairs agency like USAID or State. A way forward does exist, and I urge the new AFSA/FCS team to work closely with CS/ITA management to resolve this long-standing problem. □

Why, after 25 years, has the Foreign Service still not made a discernible impact at Commerce?

Join the *Journal's* Editorial Board!

Active and retired Foreign Service employees (both generalists and specialists) from all foreign affairs agencies are invited to nominate themselves or colleagues for a two-year term on the *Foreign Service Journal* Editorial Board beginning in September. Because of normal turnover and moves abroad, the Board seeks to fill several vacancies this year.

Editorial Board members, who are appointed by the AFSA Governing Board, set the general editorial direction of the *Journal*, in consultation with the editorial staff. Meeting monthly at AFSA

HQ (over a free lunch!), they evaluate submitted manuscripts, decide on future focus topics, and weigh in on other matters affecting the *Journal's* style, substance and process.

Please note that board members must reside in the Washington area and be able to attend monthly mid-day meetings at AFSA throughout their tenure on the board. They should also be able to devote several hours a month to reading articles and considering other *Journal*-related matters.

If interested, please get in touch by June 1 with *FSJ* editor Steve Honley (e-mail: honley@afsa.org), sending some information about yourself (or the colleague you are nominating) and explaining why you are interested in serving on the Board.

For more information, you may also call (202) 944-5511, fax: (202) 338-8244, or write: Editorial Board Search, *Foreign Service Journal*, 2101 E Street NW, Washington, D.C., 20037-2990.



New Career Development Requirements for Generalists

AFSA was closely involved in discussions and consultations during the development of new generalist requirements for crossing the threshold into the Senior Foreign Service. AFSA agrees that these new rules are a necessary step in ensuring the future of the Foreign Service and now looks forward to the department's proposals for specialist career development.

We offer here a summary of the requirements, based on information distributed by State management (see Jan. 19 State cable 11747):

In order to be eligible for consideration for promotion into the Senior Foreign Service, a generalist must demonstrate over the course of his/her career from entry through tenure and up to consideration for promotion at the Senior threshold:

- 1) Operational effectiveness, including a breadth of experience over several regions and functions;
- 2) Leadership and management effectiveness;
- 3) Sustained professional language proficiency; and
- 4) Responsiveness to Service needs.

Examples follow of service that would lead to Service readiness and demonstrated competence in accordance with the four principles. The following are four mandatory requirements:

1) OPERATIONAL EFFECTIVENESS:

A major and minor in regional (or IO) assignments (from entry into service).

2) LEADERSHIP EFFECTIVENESS:

Leadership and management training at each grade.

3) LANGUAGE PROFICIENCY:

One language at 3/3, tested within seven years before opening the window for consideration for promotion into the Senior Foreign Service.

4) SERVICE NEEDS:

Service at a 15-percent or greater hardship/differential/danger pay post (one tour, after tenure).

In addition, depending on the employee's grade and/or tenure status as of Jan. 1, 2005, he/she will be asked to complete either 3, 4, or 5 of the 7 electives listed below:

Operational Effectiveness:

- 1) Professional development (one tour or academic year, cumulatively, after tenure).
- 2) Cross-functional experience or out-of-cone assignment (one year, after tenure).
- 3) Operational/Crisis Response (six months, cumulatively, from entry).

Leadership Effectiveness:

- 4) Significant, substantial supervisory

responsibility (one tour, after tenure).

Language Proficiency:

- 5) One additional language at 3/3 (tested after tenure) OR One FSI-designated "superhard" language at 3/3 (tested after tenure) OR One language at 4/4.

Service Needs:

- 6) Service in an officially designated critical needs position (one tour, after tenure).
- 7) Service at an unaccompanied post (one tour, from entry).

IMPLEMENTATION

Effective Jan. 1, 2005, the program for generalists will be phased in as follows:

- All who are recommended for tenure after Jan. 1, 2005, will be required to fulfill all four of the mandatory requirements and five of the seven electives, i.e., the full program.

- All who are tenured FS-4s or FS-3s will be required to fulfill three of the mandatory requirements and four of the seven elective requirements.

- All who are FS-2s will be required to fulfill two of the four mandatory requirements and three of the seven elective requirements.

- All who are FS-1s will continue to be governed by previous requirements. □

AFSA NEWS BRIEFS

Briefs • Continued from page 3

Keep Envoys in the Loop

On March 4, the *Washington Post* published a letter to the editor from AFSA President John Limbert, responding to a Feb. 24 story in the paper. Here's what he said:

"In their Feb. 24 front-page story, 'Pentagon Seeking Leeway Overseas,' Ann Scott Tyson and Dana Priest high-

lighted a Pentagon counterterrorism plan that would allow Special Operations forces to conduct military operations abroad without concurrence of the U.S. ambassador to whatever country was involved.

"This thoroughly bad idea is a sure way to destroy the credibility of the president's personal representative. What would an ambassador say when the local president asked why U.S. forces were operating on the

president's territory?

"I don't know about it' is a one-way ticket to irrelevancy.

"The American Foreign Service Association agrees with the officials cited in the story who said that conducting such operations would be perilous without the oversight of the U.S. ambassador and would set a dangerous precedent that other U.S. agencies might follow."

Briefs • Continued on page 6

Q&A

Retiree Issues

BY BONNIE BROWN,
RETIREE ACTIVITIES COORDINATOR



Social Security: The Windfall Elimination Provision and Government Pension Offset

Q: How are Social Security Benefits calculated?

A: Social Security benefits are based on an employee's average monthly earnings adjusted for inflation. In calculating benefits, the Social Security Administration divides an employee's average earnings into three amounts and multiplies each amount by a different factor. For a worker who turns 62 in 2005, for example, the SSA will multiply the first \$627 of average monthly earnings by 90 percent, the next \$3,152 by 32 percent and the remainder by 15 percent.

Q: What is the Windfall Elimination Provision?

A: The Windfall Elimination Provision is a modification of the Social Security benefits formula. It reduces Social Security benefits for employees who did not pay Social Security taxes during all of their government work years.

Generally, the WEP applies to anyone who receives an annuity based in whole or part on employment not covered by Social Security unless he were eligible to retire by Dec. 31, 1985, or had 30 years of Social Security-covered employment. A modified penalty applies if one has between 20 and 29 years of Social Security covered employment.

Q: How does the WEP formula work?

A: The first factor (the 90-percent factor) is reduced in the modified formula unless an employee has 30 or more years of "substantial" earnings, as defined by the SSA. For those who have worked less than 30 years, the factor is reduced by 5 percent a year for each year of substantial earnings less than 30 years to a floor of 40 percent for 20 or fewer years of substantial earnings. The WEP formula does not apply to survivor benefits.

Q: Is an annuitant who switched from an old retirement system (FSRDS or CSRS) to the new retirement system (FSPS or FERS) subject to the WEP?

A: Yes, if he voluntarily switched to either the FSPS or FERS retirement system and had service prior to Jan. 1, 1984, that was not covered by Social Security.

Q: What is the Government Pension Offset?

A: The Government Pension Offset is an offset that reduces the Social Security benefits of a spouse or survivor who also receives an annuity for work that was not covered by Social Security. The GPO reduces the amount of Social Security spousal or survivor benefits by two-thirds of the amount of the annuity. It does not apply to employees who are under the new FSPS system for at least five years.

Q: Are there any efforts to repeal the offsets in the 109th Congress?

A: Yes, Rep. Buck McKeon, R-Calif., introduced H.R. 147, which has 220 bipartisan cosponsors. And Senator Dianne Feinstein, D-Calif., introduced S. 619, which has eight cosponsors. Approximately 635,000 beneficiaries are subject to the WEP and more than 335,000 beneficiaries are affected by the GPO. The repeals would cost about \$60 billion over a 10-year period. □

AFSANEWSBRIEFS

Briefs • Continued from page 5

Progress on PIT Buyback: Could It Be?

The saga of the PIT buyback legislation continues. In September 2002, the State Authorization Bill included a provision for PIT retirement buyback, and the legislation was passed. This meant that anyone who had worked in a PIT position (part-time, intermit-

tent or temporary appointment) between 1989 and 1998 would be able to "buy back" the retirement coverage that had been denied to them since 1989 when the new federal retirement system, the Federal Employees Retirement System, or FERS, took effect.

AFSA had long fought for this buyback option for Foreign Service family members who had worked in PIT positions, and was encouraged by the

2002 legislation. However, to date no one has been able to benefit from the legislation because the Office of Personnel Management did not issue the needed implementing guidelines and relevant regulations.

AFSA understands that in March, OPM sent draft regulations out for comment by the agencies. This is encouraging news, and we will keep you posted.

Briefs • Continued on page 7

The Last TSP Open Season

Say farewell to the traditional Thrift Savings Plan open seasons. After this open season, running from April through June, the rules will change and you will be able to contribute adjustments to your savings plan at any time of the year. For news on the changes and to alter your current plans, visit the TSP Web site at www.tsp.gov.

In addition, TSP will soon be offering a new fund, the “L Fund,” which will calibrate investments based on various retirement timing scenarios based on the expected year of retirement, such as: 2015, 2020, 2025, etc.

Request for Information on Merian Cooper

FSO Robert Wong is writing a story about Merian C. Cooper, and asks *Journal* readers for any anecdotes they may have about Cooper. Some Foreign Service members may have met him when he was chief of staff to General Chennault in China or when he was chief of staff to General MacArthur during World War II. Any personal memories would be appreciated.

Robert Wong, currently serving in Dhaka, has found that Merian C. Cooper's name is remembered among people in the region when talking about past U.S. actions. You can send input to him at wongre@state.gov.

Briefs • Continued on page 8

Social Insecurity



Throughout the spring and probably beyond, Topic A in Washington will be Social Security. This is of obvious interest to Foreign Service retirees, many of whom either receive or will receive Social Security. It should be of particular interest to those who left the old “FSDRS” retirement system in order to join the new system, with smaller benefits.

Eligibility for Social Security was a key element in the deal we were offered to encourage us to join the new system. If its benefits were now to be reduced, the result of the cost-benefit analysis we made before signing up for the new system could be substantially altered.

However, in presenting his proposals for Social Security reform to Congress, President Bush said there would be no change in the benefits that Social Security annuitants now receive. The administration's proposal would reduce the benefits eventually payable to younger people in order to allow them to invest part of their payroll taxes in stocks and bonds. The argument is that this will ensure both larger benefits — as a result of the active worker's shrewd investments — and a smaller burden on the Social Security trust fund, because it will pay out less in benefits. For a detailed explanation and discussion of the proposals, I refer you to the AFSA retiree Web page, www.afsa.org/rtvppage.cfm. AFSA will continue to update and expand the information on the site.

Opponents of the administration proposals point out that the Social Security trustees say the system is good until 2041 and 2042 — the Congressional Budget Office says 2052 — and that no reduction in benefits would be needed before then. That of course doesn't mean reform isn't needed; everyone seems to agree that some changes will have to be made, either now or later. Analysts outside Congress say there is no alternative to either reducing the level of benefits or raising the age at which benefits begin, or both. Needless to say, neither alternative looks palatable to Congress.

AFSA, including its Social Security recipients on the Governing Board and the staff, will continue to follow the Congressional and public debate over the administration's proposals, and we will keep our members posted. My guess is that whatever the outcome of this year's debate, Social Security will continue to be on the public agenda for a long time to come. □

Eligibility for Social Security was a key element in the deal we were offered to encourage us to join the new system.

AFSA NEWS BRIEFS



Continued from page 6

Retiree Biking for the American Lung Association

Former medical director of the State Department Paul Goff retired from his post-State medical practice in 2000 and now spends much of his time cycling. He lives in Everson, Wash. This summer, he will be cycling across the U.S. as part of a group raising funds for the American Lung Association. The journey will start in Seattle June 27 and end in Washington, D.C., at the Lincoln Memorial on Aug. 13.

In 2004, Goff cycled 3,500 miles. He says his motivation for participating in the coast-to-coast ride for the ALA is



You can find him among the riders on the “support a rider” page.

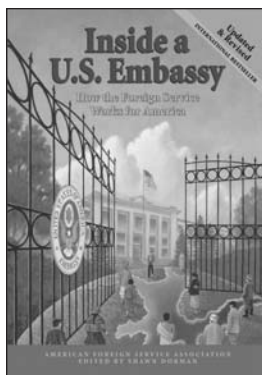
personal. “Having experienced the devastation of cancer in my family and observed it in my oncology practice, I know that prevention is the best approach. It is a fact that malignancies associated with tobacco use include lung, head and neck, esophageal, pancreatic and bladder cancer. The occurrence of these cancers as well as acute and chronic lung problems, heart and vascular disease can be markedly decreased simply by smoking cessation.”

For more information or to support Paul Goff, go to http://www.alaw.org/support_alaw/big_ride/across_america/.

New Comp-Time Regs for USAID

USAID/AFSA wants to alert USAID members that new comp-time regulations have been issued by the agency. The new rules are described in a March 30 Agency Notice. The document is recommended reading and can be found on the USAID Intranet site at: <http://iapp1.usaid.gov/notices>.

Inside a U.S. Embassy for Outreach



The AFSA book *Inside a U.S. Embassy* continues to be popular with embassies and consulates for outreach use. Among posts that have purchased more than 50 copies are Embassy Moscow, Embassy Baghdad, Embassy Madrid, Embassy Panama and Consulate General Jerusalem. We still have copies of the 2003 printing available, which can be purchased at the highly discounted price of only \$5 per copy on orders of 50 or more books (while supplies last). The regular price per book is \$12.95. Other discounts are available for quantity orders of the 2005 revised printing. Go to our

Web site for more information: www.afsa.org/inside.

AFSA is also glad to provide a complimentary copy to anyone who would like to have one for a speaking event or other outreach activity, or to review it for possible course adoption. Write to embassybook@afsa.org. Among the schools that have adopted the book for a course are: Princeton University, Georgetown University, UC Davis and others. You can find the full list of universities on the Web site.

Maryland Retiree Income

AFSA is currently engaged in efforts to exempt Foreign Service retirement income from Maryland state taxation. The Maryland legislature is currently considering a bill that would provide such exemptions for military annuities, and AFSA is working to have Foreign Service retirees included in that bill. If you would like to support these efforts, please visit the AFSA Web site at www.afsa.org/congress/FSRetirementIncome/index.cfm

Briefs • Continued on page 9

FSYF Seeks Program Director

The Foreign Service Youth Foundation, a 501(c.)(3) non-profit organization, is searching for a part-time program director to implement and oversee program events in support of the foundation's mission to serve Foreign Service youth. Program events will be designed and delivered in response to membership needs and interests but will include publishing youth newsletters, outdoor adventure retreats, community service activities and family picnics.

The program director will be called upon to work as needed with other FSYF program directors, volunteers and staff on FSYF programs — including, but not limited to, AWAL (High School), Globe Trotters (middle school) and Diplokids (elementary school) living in the Northern Virginia area. The hours are flexible, but the candidate must be available some weekends and afternoons/evenings. Salary is \$18 to \$25 per hour, for three to seven hours per week.

This is an ideal job for a former Foreign Service youth living in Northern Virginia or a Foreign Service spouse who plans to remain in the U.S. for an extended period. Candidates returning to the Washington area this summer are welcome to apply. For more information or to apply, please contact FSYF Executive Director Melanie Newhouse at fsyf@fsyf.org or call (301) 404-6655. More information about FSYF is at the Web site: www.fsyf.org. □

Children's Resiliency in the Foreign Service

Many parents in the Foreign Service are concerned with how the lifestyle will affect their children. One often hears that Foreign Service children come to depend on their siblings and family units for their social stability, because these families are the only consistency in their lives. Though I have acknowledged this statement over the years, it did not mean a lot to me until recently, when I read an essay written by my 12-year-old son about his 14-year-old brother for a school English assignment:

"Imagine a young man, 14 years of age with red hair and lots of freckles. That's my brother in a nutshell. He was a good friend when I needed him, even if he beat me up sometimes. He has wild hair, big feet, and he's pretty smart. He has blue eyes, a light complexion. He's fairly tall, long fingers, and used to have slight overbite.

"When my family and I were moving around he was often my only friend because we frequently had to move to new places where we didn't know anyone. We often used to play games and such together. When we had been in a country for a while, we might seem a bit farther apart, but that would change when we had to move again.

"We fight pretty often. Usually it's when we are bored in a new house. Often it ends up like us wrestling. We both love computers and he often tries to get me to play a game with him on our network or on one computer with some games. We both annoy each other a lot, often to the point of insanity, especially when we want each other to do something we don't want to do. He used to be a lot

worse to me than he is now. He used to beat me up all the time just for fun. Now he's a lot better. He often tries to help me through tough assignments and tries to get me ready for high school. All in all he is a very good brother and a great friend (most of the time)."

Sometimes, when one is in the thrall of moving and settling into a new culture and home, it is easy to forget that our youngsters are also going through massive changes with each move. New homes, new school cultures, differing city amenities and other changes can be disorienting for any child. It is easy to say that children are resilient and will adapt, but everyone has differing ways of coping with change. In the case of my sons, clearly it

benefited them to have the consistency of one another while adapting to new homes, new schools and new peer groups.

My children and I have now settled back in the States, and I hear from them a great deal of comfort in knowing that they will live in the same house and community for more than two to three years. Yet, as they invest their hearts in our new home, I see that they continue to rely on the skills they developed in the years they spent moving and the strengths of their relationship with one another. It is a joy to see already that their relationship is a keeper that will allow them to turn to one another in times of need and joy. □

Victoria Hess is the former spouse of a Foreign Service officer and now lives with her children in Jackson Hole, Wyo. Andrew was born in Bonn, Germany, and has lived with his family in Bombay, Bethesda, Peshawar, Harare and Bethesda.

When settling into a new culture and home, it is easy to forget that our youngsters are also going through massive changes with each move.

amenities and other changes can be disorienting for any child. It is easy to say that children are resilient and will adapt, but everyone has differing ways of coping with change. In the case of my sons, clearly it

CLASSIFIEDS



LEGAL SERVICES

ATTORNEY WITH 23 years' successful experience SPECIALIZING FULL-TIME IN FS GRIEVANCES will more than double your chance of winning: 30% of grievants win before the Grievance Board; 85% of my clients win. Only a private attorney can adequately develop and present your case, including necessary regs, arcane legal doctrines, precedents and rules. **Call Bridget R. Mugane** at Tel: (202) 387-4383, or (301) 596-0175. E-mail: fsatty@comcast.net **Free initial consultation.**

ATTORNEY

GRIEVANCE ATTORNEY (specializing since 1983). Attorney assists FS officers to correct defective performance appraisals, to reverse improper tenuring and promotion board decisions, secure financial benefits, defend against disciplinary actions and obtain relief from all forms of discrimination. Free Initial Consultation. Call **William T. Ireland, Esq.** Tel: (202) 625-1800. Fax: (202) 625-1616. E-mail: wtireland@vais.net

WILLS/ESTATE PLANNING by attorney who is a former FSO. Have your will reviewed and updated, or new one prepared: No charge for initial consultation.

M. Bruce Hirshorn, Boring & Pilger, P.C. 307 Maple Ave. W, Suite D, Vienna, VA 22180. Tel: (703) 281-2161. Fax: (703) 281-9464. E-mail: mbhirshorn@boringandpilger.com

TAX & FINANCIAL SERVICES

TAX RETURN PREPARATION AND PLANNING from a CPA firm specializing in expatriate taxation. Home of JANE A. BRUNO, author of "The Expat's Guide to U.S. Taxes." Tax return preparation, tax consultation and financial planning. Contact us at: Tel: (954) 452-8813. Fax: (954) 452-8359. E-mail: jabruno@americantaxhelp.com Visit our Web site: www.americantaxhelp.com

FREE TAX CONSULTATION: For overseas personnel. We process returns as received, without delay. Preparation and representation by Enrolled Agents. Federal and all states prepared. Includes "TAX TRAX" unique mini-financial planning review with recommendations. Full planning available. Get the most from your financial dollar! **Financial Forecasts Inc.**, Barry B. De Marr, CFP, EA, 3918 Prosperity Ave. #230, Fairfax, VA 22031 Tel: (703) 289-1167. Fax: (703) 289-1178. E-mail: finfore@aol.com



CITIGROUP

CITIGROUP'S PERSONAL BANKING OVERSEAS offers a variety of financial solutions for individuals that are sent on international assignment. If you work for a corporation, organization or the United States government you may be eligible to open an International Access Account. See ad, p. 2.

- Move your money across international borders.
- Meet your home and host-country financial obligations.
- Acquire and preserve a favorable credit rating while you're away.
- Maintain and grow your financial portfolio.

Go to: www.citigroup.com/pboe

PROFESSIONAL TAX RETURN PREPARATION: Thirty years in public tax practice. Arthur A. Granberg, EA, ATA, ATP. Our charges are \$75 per hour. Most FS returns take 3 to 4 hours. Our office is 100 feet from Virginia Square Metro Station, Tax Matters Associates PC, 3601 North Fairfax Dr., Arlington, VA 22201. Tel: (703) 522-3828. Fax: (703) 522-5726. E-mail: aag8686@aol.com

ATTORNEY, FORMER FOREIGN SERVICE OFFICER: Extensive experience w/ tax problems unique to the Foreign Service. Available for consultation, tax planning, and preparation of returns:

M. Bruce Hirshorn, Boring & Pilger, P.C. 307 Maple Ave. W, Suite D, Vienna, VA 22180. Tel: (703) 281-2161. Fax: (703) 281-9464. E-mail: mbhirshorn@boringandpilger.com

ROLAND S. HEARD, CPA

1091 Chaddwyck Dr.
Athens, GA 30606
Tel/Fax: (706) 769-8976
E-mail: RSHEARDCPA@aol.com

- U.S. income tax services
- Many FS & contractor clients
- Practiced before the IRS
 - Financial planning
- American Institute of CPAs, Member

FIRST CONSULTATION FREE
WWW.ROLANDSHEARDCPA.COM

FINANCIAL ADVISER: Stephen H. Thompson, Legg Mason Wood Walker Inc. Member NYSE, Member SIPC (Retired Foreign Service Officer). Tel: (202) 778-1970 or (800) 792-4411. E-mail: shthompson@leggmason.com

VIRGINIA M. TEST, CPA: Tax service specializing in Foreign Service/overseas contractors. **CONTACT INFO: TEL: (804) 695-2939. FAX: (804) 695-2958.** E-mail: vtest@aol.com

PROPERTY MANAGEMENT

WJD MANAGEMENT IS competitively priced, of course. However, if you are considering hiring a property management firm, don't forget the old saying, "You get what you pay for." All of us at WJD have worked for other property management firms in the past, and we have learned what to do and, more importantly, what *not* to do from our experiences at these companies. We invite you to explore our Web site at www.wjdp.com for more information or call us at (703) 385-3600.

KDH PROPERTIES SERVES the property management needs of clients in the close-in communities of McLean, Falls Church and Arlington. We have over 30 years experience in renting and managing. We are REALTORS and belong to the Northern Virginia Association of Realtors. We manage: single-family homes, townhouses and condo units. We would be honored to serve as your property manager. Our manager has earned and holds the designation of Certified Property Manager. Contact us for more info. Tel: (703) 522-4927.

E-mail: kdhproperties@mris.com
Web site: www.thekdhteam.com

TEMPORARY HOUSING

SHORT-TERM RENTALS TEMPORARY HOUSING

WASHINGTON, D.C. or NFATC TOUR? EXECUTIVE HOUSING CONSULTANTS offers Metropolitan Washington, D.C.'s finest portfolio of short-term, fully-furnished and equipped apartments, townhomes and single-family residences in Maryland, D.C. and Virginia.

In Virginia: "River Place's Finest" is steps to Rosslyn Metro and Georgetown, and 15 minutes on Metro bus or State Department shuttle to NFATC. For more info, please call (301) 951-4111 or visit our Web site: www.executivehousing.com

CLASSIFIEDS



TEMPORARY HOUSING

CORPORATE APARTMENT SPECIALISTS:

Abundant experience working with Foreign Service professionals and the locations to best serve you: Foggy Bottom, Woodley Park, Cleveland Park, Chevy Chase, Rosslyn, Ballston, Pentagon City. Our office is a short walk from NFATC. One-month minimum. All furnishings, housewares, utilities, telephone and cable included. Tel: (703) 979-2830 or (800) 914-2802. Fax: (703) 979-2813. E-mail: sales@corporateapartments.com Web site: www.corporateapartments.com

PIED-A-TERRE PROPERTIES, LTD:

Select from our unique inventory of fully-furnished & tastefully decorated apartments & townhouses all located in D.C.'s best in-town neighborhoods: Dupont, Georgetown, Foggy Bottom & the West End. Two-month minimum. Mother-Daughter Owned and Operated. Tel: (202) 462-0200. Fax: (202) 332-1406. E-mail: info@piedaterrredc.com Web site: www.piedaterrredc.com

FURNISHED LUXURY APARTMENTS:

Short/long-term. Best locations: Dupont Circle, Georgetown. Utilities included. All price ranges/sizes. Parking available. Tel: (202) 296-4989. E-mail: richt@starpower.net

RENT NORTH ARLINGTON:

Two bedroom bungalow with fenced backyard. Walk to East Falls Church Metro. Minutes to downtown Washington, D.C. Available June. E-mail: djakiewd@georgetown.edu

DC/PENN QUARTER/Chinatown: 819 6TH ST, NW. Brand new luxury 1100 sq' two bedroom/two bathroom with fabulous South/West light from huge windows on 4th Floor. All the amenities one would expect, **GARAGE PARKING & THE MOST TALKED ABOUT LOCATION.** Steps to Gallery Place/Chinatown **METRO**, MCI Center, theaters, restaurants, & art galleries. Available immediately. \$4,200 +Utilities. **Short-term or long-term lease available.** Todd Bissey, John Formant RE Tel: (202) 841-7653. Web site: www.bissey.net/ChinaTown.asp

GEORGETOWN QUARTERS:

Exquisite, fully-furnished accommodations in the East End of Georgetown. Short walk to World Bank and State Department. Lower floor of three-level home built in 1803 and renovated in 2003. Private front and rear entrances, eight-foot ceilings, fireplace, marble bathroom with Jacuzzi and shower, granite and stainless steel kitchen, washer and dryer; walk out to tiered rear garden great for entertaining. Street parking and limited car/pick-up sharing with management. Dishes, flatware, towels, linens and light maid service included. Preference for single person or couple. Rate commensurate with housing allowance. Photos available. Contact: Tel: (202) 625-6448. E-mail: rraysol@aol.com. www.EquityFundGroup.com

FURNISHED HOME LEAVE rental.

Three bedroom/three bathroom, pool, Amelia Island, Florida, no preteens, \$1,000/wk, \$3,000/mo. Available April-June. Tel: (904) 556-1370 or (352) 207-0179. E-mail: gchester@usa.net

FURNISHED 10-MONTH RENTAL

Arlington, Va. Nicely updated and furnished 3-4 bedroom/two bathroom. End TH w/fenced patio. Fully-equipped kitchen, W/D. Includes linens/utensils, etc. Just bring your suitcase! In pool/tennis community. 5 minutes to NFATC, State Department, Pentagon. \$2,300/mo. + electric. Available Aug. 1, 2005. Call Corinne Voneiff/Remax Allegiance. Tel: (703) 585-2519. E-mail: corinne.voneiff@mxtalk.com

HOME LEAVE ON MARCO ISLAND,

Florida in a lovely two bedroom/two bathroom condo. Ground-floor unit on a wide canal (fish off your dock!); 5-minute walk to beautiful beach. Condo fully kitted out for all your needs. Just bring your swimsuit. Available on monthly basis. E-mail: nlmanahan@hotmail.com

MORTGAGE

BUYING OR REFINANCING A HOME?

Save money with some of the lowest rates in 40 years. Jeff Stoddard specializes in working with the Foreign Service community overseas and in the U.S. Call today. Tel: (703) 725-2455. E-mail: jeff.stoddard@Americanhm.com

REAL ESTATE

JOANN PIEKNEY/ PRUDENTIAL CAR-

RUTHERS REALTORS: Complete professional dedication to residential sales in Northern Virginia. I provide you with personal attention. Over 23 years' real estate experience and Foreign Service overseas living experience. JOANN PIEKNEY. Tel: (703) 624-1594. Fax: (703) 757-9137. E-mail: jpiekney@yahoo.com Web site: www.foreignservicehomes.com

NORMA V. REYES/WEICHERT, REAL-

TORS®: Residential sales and rentals in Northern Virginia and Washington, D.C. Retired FSO. Confidentiality guaranteed. Free pre-approval financial consultation. Tel: (703) 527-3300. Fax: (703) 522-6838. E-mail: nreyes@weichert.com



WASHINGTON STATE ISLANDS:

Spectacular views, wonderful community, climate, boating, hiking. Access Seattle & Vancouver, B.C. Former FSO Jan Zehner, Windermere Real Estate/Orcas Island. Tel: (800) 842-5770. E-mail: janz@rockisland.com Web site: www.orcashomes.net

LONGBOAT KEY, BRADENTON/

SARASOTA: Area will exceed expectations. Don't miss owning in Florida. Resales, new homes, rental management and vacation rentals. Dynamic, growing company offering personalized professional service. Contact: Sharon E. Oper, Realtor (AFSA member) Wagner Realty. Tel: (941) 387-7199. E-mail: lbk@comcast.net

FLORIDA

NO STATE INCOME TAX enhances gracious living in Sarasota, the cultural capital of Florida's Gulf Coast. Contact former FSO **Paul Byrnes**, Coldwell Banker residential sales specialist, by e-mail: 2byrnes@verizon.net, or **Toll-Free: (877) 924-9001.**

CLASSIFIEDS



VACATION

NORMANDY, FRANCE: Large, comfortable farmhouse near D-Day Beaches for weekly rental. E-mail: lemmonm@aol.com
Web site: www.laporterouge.net

CRESTED BUTTE, COLORADO: Historic mining town turned ski resort. Newly renovated & furnished historic miner's cabin, 3 bedrooms, 2 baths. City center, walk to all shops, restaurants. Great skiing, great summer holidays. Three-day minimum.
Tel: (866) 953-4747.
E-mail: gimmeshelter24@hotmail.com
www.crested-butte-wild-iris-guest-house.com

VACATION IDAHO

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

COAST OF MAINE. Great ocean views in this gingerbread cottage in beautiful Bayside. Spend R&R or home leave on Penobscot Bay, sailing, golfing, kayaking, feasting on lobster and gallery hopping. Three bedroom/two bathroom, cozy fireplace, weekly or monthly May thru Sept.
Tel: (207) 338-5579.
E-mail: maureenstalla@hotmail.com
Web site: www.baysidemaine.com

MASSANUTTEN RESORT HARRISONBURG, Va. available October 7-14, 2005. Sleeps six, hot tub, large living dining room, RecFitness center, tennis, two golf courses, putt-putt, restaurants spectacular mountain view. \$850. Tel: (919) 469-5683 or
E-mail: misuri@earthlink.net

SHOPPING

110 - 220 VOLT STORE MULTI-SYSTEM ELECTRONICS

PAL-SECAM-NTSC TVs,
VCRs, AUDIO, CAMCORDER,
ADAPTOR, TRANSFORMERS,
KITCHEN APPLIANCES

GMS WORLD WIDE PHONES EPORT WORLD ELECTRONICS

1719 Connecticut Ave NW
(Dupont Circle Metro. Btwn. R & S Sts.)
TEL: (202) 232-2244 or (800) 513-3907.

E-mail: export@exportdc.com

URL: www.eportworld.com

DOWNTOWN LOCATION

1030 19TH ST. NW (between K & L Sts.)
Washington, D.C. 20036

TEL: (202) 464-7600.

INQUIRE ABOUT OUR PROMOTIONS
Government & Diplomat discounts

CRAVING GROCERIES FROM HOME!

Visit www.lowesfoodstogo.com. We ship non-perishable groceries to you via the Dulles mail-sorting facility, or your choice of shipping facility. For more information e-mail: lfscustomer@lowesfoods.com

PALESTINIAN EMBROIDERY: Hand-crafted jackets, vests, blouses, pillows, runners, placemats, purses and eyeglass cases.
Tel: (703) 528-2623.
E-mail: info@mashrabiya.com
Web site: www.mashrabiya.com

BOOKS

OLD ASIA/ORIENT BOOKS BOUGHT
Asian rare books. Fax: (212) 316-3408.
E-mail: arbs@erols.com

PLACE A CLASSIFIED AD:

\$1.25/word (10-word min.) First 3 words bolded free, add'l bold text \$2/word, header, box, shading \$10 ea. Deadline: 20th of the month for publication 5 weeks later.

Ad Mgr: Tel: (202) 944-5507.

Fax: (202) 338-6820.

E-mail: miltenger@afsa.org

BUSINESS CARDS

BUSINESS CARDS printed to State Department specifications. 500 cards for as little as \$37.00! Herron Printing & Graphics.
Tel: (301) 990-3100.
E-mail: sales@herronprinting.com

MISCELLANEOUS



SHIPPING

PLANNING TO MOVE OVERSEAS?

Need a rate to ship your car, household goods, or other cargo going abroad? Contact: Joseph T. Quinn. at SEFCO-Export Management Company for rates and advice.
Tel: (718) 268-6233. Fax: (718) 268-0505.
Visit our Web site at www.sefco-export.com

GRADUATE RESEARCH

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

HOUSESITTER WASHINGTON AREA

mature, clean, responsible, educated professional for house sitting. With references. Available immediately. Call: Dan Boland:
Tel: (703) 981-9165.
E-mail: danboland72000@yahoo.com

TUNE INTO HOME

WorldSpace Satellite Radio AFSA Offer

Receive **FREE** activation and 2 months **FREE** Subscription, go to www.WorldSpace.com
Or call: + 44 1843 593 222 or + 971 4299 7003
Use Promotional code FSJ0904



Get the digital benefits of music, news and sports. Features include: live and recorded



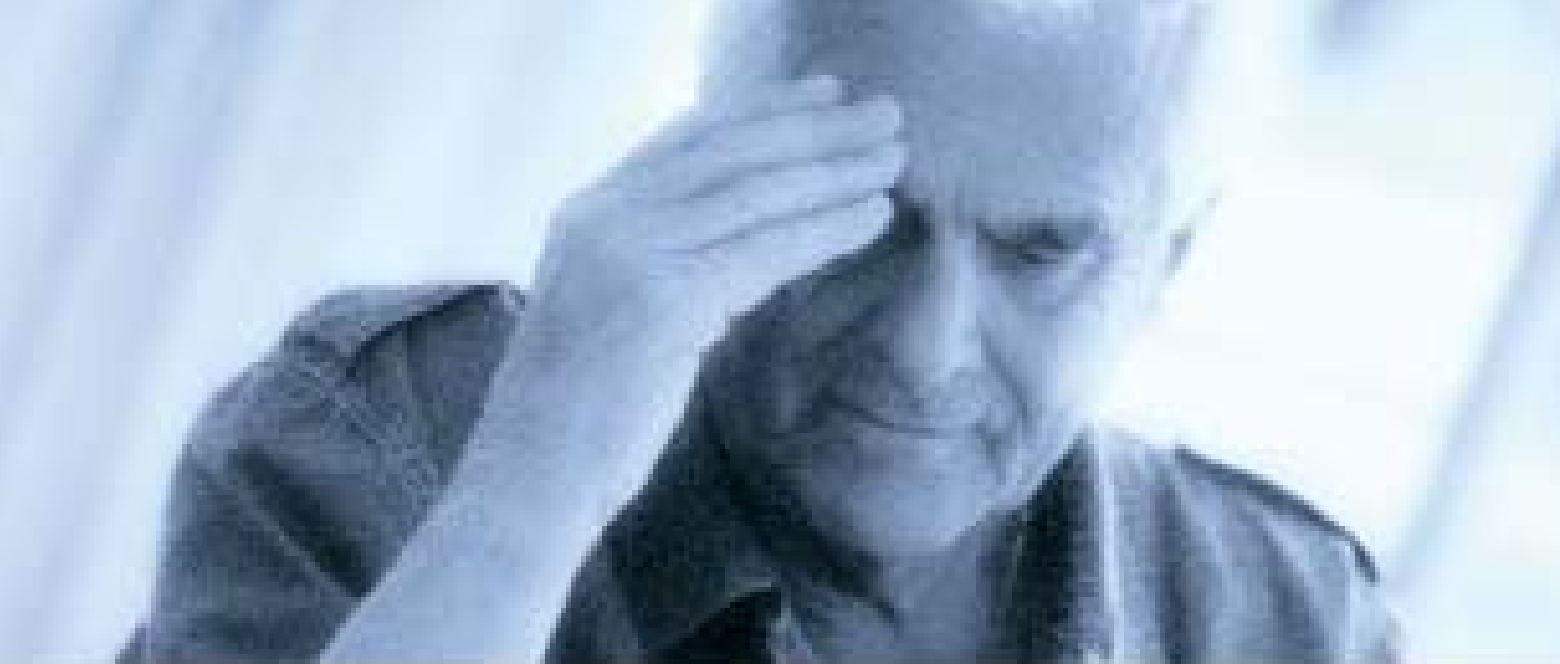
WORLDSPACE

SATELLITE RADIO

TUNE INTO HOME

Receive 2 months FREE activation and 2 months FREE Subscription, go to www.WorldSpace.com or call + 44 1843 593 222 or + 971 4299 7003. Use Promotional code FSJ0904.





What You Need to Know

About the Federal Long Term Care Insurance Program (FLTCIP)

The government is not providing the insurance.
The government is not subsidizing the premiums.
The government is not guaranteeing the benefits.

FLTCIP is a group program. After September 30, 2009,
the premium and benefits may change.

Changes to the bill for 2010's Representatives can help you select
the plan best for you.

AFSA Plans offer an indemnity option, partnership benefit, limited pay option,
reduction of benefits, lower premium and other cost plans for family care fees.
FLTCIP does not.

**If You Are Young (Seventy or Below), Healthy and/or Married,
the Federal Program Is Not Your Best Option.**

Contact The Hirshorn Company or visit Hirshorn.com for information about your best option: the AFSA Long Term Care Plan.

AFSA Desk - The Hirshorn Company

Wycliffe 800.242.8223 | Toronto 416.242.8986 | www.hirshorn.com | afsa@hirshorn.com

