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COVER: *A Kenyan farmer plants rows of crops by hand. Our two-part look at the contrast between U.S. wealth and global poverty begins on page 14. Photo courtesy Agency for International Development.*

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Microfilm copies of current as well as of back issues of the *Foreign Service Journal* are available through the University Microfilm Library Services, Ann Arbor, Michigan 48106, under a contract signed October 30, 1967.

Membership in the American Foreign Service Association is open to the professionals in foreign affairs overseas or in Washington, as well as to persons having an active interest in, or close association with, foreign affairs. Membership dues are: Active Members—Dues range from $52 to $104 annually. Retired Active Members—Dues are $40 annually for members with incomes over $20,000; $25 annually for less than $20,000. Associate Members—Dues are $25 annually. All dues payments include $7.50 allocation for the *Journal* and Association News, per AFSA Bylaws.

Subscription to the *Journal*: one year (11 issues), $7.50; two years, $12.00. For subscriptions going abroad, except Canada, add $1.00 annually.

Second-class postage paid at Washington, D.C. and at additional post office.

American Foreign Service Association, 1981. 2101 E Street, N.W., Washington, D.C. 20037. Telephone (202) 338-4045.

December 1981. Volume 58, No. 11. ISSN 0015-7279.

LETTERS

Tangible Memorial In Tangier

Unlike some professional branches of the United States government, our Service has few tangible memorials to mark its achievements. Except for occasional media crisis attention, such as that given to the hostages in Teheran, the Foreign Service has been wrapped in virtual anonymity during its long and distinguished history. But in 1975, when the Peace Corps in Morocco moved out of the old American Legation building in the Medina of Tangier, many Foreign Service colleagues became interested in preserving this oldest official United States property abroad as a permanent monument to the Service.

From 1821 to 1956 the Legation building in Tangier housed the American presence in the Kingdom of Morocco, first as a Consulate, then a Legation, and finally as a Consulate General following Moroccan independence. A stone building given to the United States by the Sultan of Morocco, probably of 17th century Portuguese origin, it grew into a varied complex before the turn of the century and emerged as one architectural entity of great beauty under Maxwell Blake, U.S. minister in the 1920s.

While no one building could constitute a comprehensive representation of the Foreign Service, the Tangier legation comes close. It was the location, for example, in renegotiating the 1786 Treaty of Peace and Friendship with Morocco, a treaty which remains in effect today as the oldest in our history. During the Barbary Wars and well into the 19th century it played major roles in protecting American shipping and commerce in the region and through the Straits of Gibraltar. Thanks to the foresight and persistence of American Consul Jesse MacNath in Tangier, the Cape Spartel Lighthouse Convention took effect in 1867 as the first multilateral effort in his-

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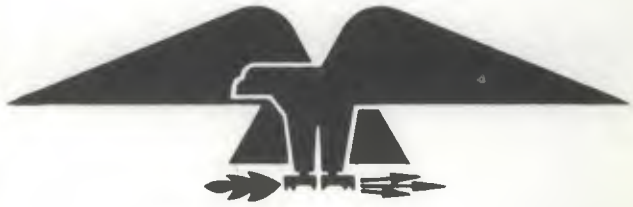

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tory to finance and operate a project for a common interest. Later, the mission became involved in the long struggle over colonizing Africa which continued until World War I. It was in this effort that the United States first began exerting its influence as a world power. In World War II, the mission played an essential role in the planning of "Operation Torch," the 1942 landings in North Africa which, in turn, made possible the Allied re-entry into Europe. And in the postwar period it played a central role in our support for the Moroccan struggle to regain independence.

The Legation's conversion to a permanent monument began in 1975 with the planning of an exhibition on July 4, 1976, as part of the Bicentennial celebrations. The United States Information Agency gave a substantial grant for this purpose. This, combined with contributions and volunteer do-it-yourself restoration by American officials, enabled the exhibition to open on schedule. Meanwhile in Washington, a group of Foreign Service officers formed a public, non-profit corporation, the Tangier American Legation Museum Society (TALMS), which received tax-exempt status from the IRS. In 1977 TALMS leased the Legation building from the State Department's Foreign Buildings office and began operating it as the American Legation Institute, Tangier.

With its fifth anniversary at hand, TALMS has established a solid base for the future. Not only has this unique landmark been preserved, but it has also been used for seminars and conferences and has provided facilities for research and educational activities. Its library contains both rare and more readily available books on the area as well as the principal documents on Moroccan-American diplomatic relations. Thanks to donations of several art collections, both ancient and modern, the Institute's museum is steadily growing. TALMS is eager to expand these resources and increase the use of the Institute.

While contributors have been generous in supporting special activities, funds for the Institute's daily operations remain limited. On behalf of the Board of Directors of TALMS, I ask the members of the Foreign Service to join us in this worthy endeavor by subscribing to a $10 annual membership. Contributions over and above membership fees are fully tax-deductible and would be greatly welcome. Subscriptions and contributions may be sent to TALMS at 3282 N Street, N.W., Washington D.C. 20007. With all our help an enduring monument to the Service to which we are dedicated will be achieved.

ROBERT ANDERSON
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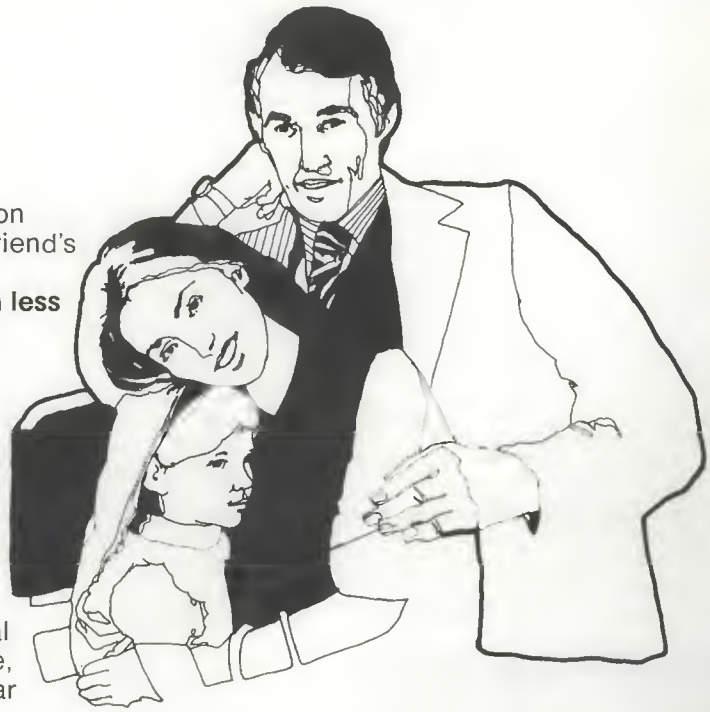

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BOOK REVIEWS

Dayan's Legacy

BREAKTHROUGH: *A Personal Account of the Egypt-Israel Peace Negotiations, by Moshe Dayan. Alfred A. Knopf, 1981. $15.*

Breakthrough, by the late Israeli foreign minister, is the fascinating story of the secret diplomacy that paved the way for the March 1979 Camp David accords between Israel and Egypt. In this book Dayan gives his personal account of how the negotiations unfolded, from his secret meeting in September 1977 with Egyptian Deputy Premier Hassan Tuhami and the late Egyptian President Anwar Sadat's epic-making visit to Israel in November 1977, to President Carter's hard-won success in March 1979 in finally working out an agreement which both countries could accept.

The book is hard to put down, even though the author gives detailed summations of the conflicting positions that separated the United States, Israel, and Egypt and how these evolved over the course of the negotiations. Dayan interjects into what otherwise might have been dry passages his personal observations of the individuals involved. We see President Carter refusing to permit the talks to collapse, Dayan observing "his obdurate persistence. He was like a bulldog whose teeth were fastened on his victim." And while Dayan considered Secretary of State Cyrus Vance to be "a man of integrity," National Security Adviser Zbigniew Brzezinski struck him as adopting a "highly tendentious" approach in seeking by "apparently innocent questioning to get us to commit ourselves to positions which we had consistently rejected."

Dayan makes clear the great obstacles that stood in the way of reaching a peace settlement and how significant an achievement it was. Not only was President Sadat isolated by other Arab states, but Israel pledged to relinquish the strategically important oil fields and defenses in the Sinai and rely upon the good intentions and survivabili-

ty of Sadat. Without the repeated interventions of President Carter to produce a compromise, the negotiations would have failed on numerous occasions.

The only flaw in *Breakthrough* is its subjective nature. Dayan makes no effort to write other than a personal narrative, and some extraneous sections are included, such as long descriptions of his interest in collecting ancient artifacts and his reaction upon being told that he would have to undergo an operation for an intestinal cancer. While not the definitive work on the peace negotiations, this book is must reading for the specialist and highly recommended for any official about to embark on arduous negotiations.

—BENSON L. GRAYSON

Transformation of a Party

A HISTORY OF THE ROMANIAN COMMUNIST PARTY, *by Robert R. King. Hoover Institution Press, 1980.*

This most competent analysis of the Romanian party's political and organizational development is one of a series of volumes on the world's ruling communist parties. The book's strength lies in its grasp of the party's transformation from an alien group directed by the Soviets to an autonomous authoritarian organization striving to cloak itself in a nationalist culture.

King's approach demonstrates why Stalin depended on party leaders from Romania's national minorities as tools for the initial consolidation of power. Romanian antipathies toward the Soviets were so strong and the party was so weak that the Soviets only had confidence in those —such as the minorities—that had to depend on them. The flood of members who joined for opportunistic reasons also helped establish Soviet control and later, once that power was firm, could be pruned.

From the outset it was clear that there was a schism between communists returning in the wake of Soviet occupation and resident political leaders. Suspicion and varied perceptions of goals erupted into early purges of locally trained leaders by those supported and indoctrinated by Moscow. On Soviet orders, purging was intensified after the Tito-Stalin rift in 1948 and again after the 1956 Hungarian revolt. Some escaped, including the eventual leader, Gheorghiu-Dej.

See Story On Page 16B

The search for support drove the Romanian party, much like its Soviet senior, to seek to enmesh itself in the country's cultural traditions and to proclaim a national identity wherever feasible. Despite the crucial roles of King Michael and the traditional parties in the wartime coup d'etat that expedited the Soviet occupation, the communist party later distorted history to accord itself the main role. In reality, the party's role had, by general prearrangement, been confined to providing a communist civilian guard for the wartime leaders arrested by the king.

To give a portion of the public a greater stake in the party's future, the authorities attempted to diversify participation, until today one adult in five is a party member. After Dej died in 1965, Ceausescu fought off rivals for supreme authority. The use of nationalist symbols and gestures was intensified as a counterpoint to the reality of Soviet hegemony. At the same time, Ceausescu tempered the Kremlin's misgivings by assiduously applying the most orthodox of communist practices at home.

Romania's relations with Moscow have been unique. Although a Warsaw Pact member, it has not permitted joint maneuvers on its soil. Even though it is a Comecon member, it successfully resisted Khrushchev's plan for a central economic directorate. When Moscow ordered a break with China, Romania refused and sought to preserve its maneuverability by acting as a mediator. Ceausescu denounced the Soviet invasion of Czechoslovakia, and mobilized his armed forces in case his regime too should be attacked. The Romanian view on Bessarabia, retaken by the Soviet Union after World War II, has even been cautiously revived by historians, and Russian language requirements have been dropped from schools. At every discreet opportunity the party has sought important economic ties with the West and the nonaligned states, and especially with the most notable dissident from the Soviet East European bloc, Yugoslavia.

In the ebb and flow of Romanian relations with the Soviets, Bucharest has been careful not to exceed whatever would be deemed the limit by a vexed Moscow. In turn, the latter can emphasize the Romanian minorities theme as one provocative check on the independence of the regime. Although popular support rises for Ceausescu whenever strains with the Soviets increase, his domestic policies have made him somewhat vulnerable. Calls to sacrifice do not help the mishandled economy, while his widespread nepotism is notorious. Still, the party has a solid organization and no present political rivals, unlike the Polish party. (Understandably the situation in Warsaw greatly worries Bucharest.) In all, this is an excellent study of a national communism that, despite its provocative stance toward the U.S.S.R., must maintain its basic client status in order to survive.

—ROY M. MELBOURNE

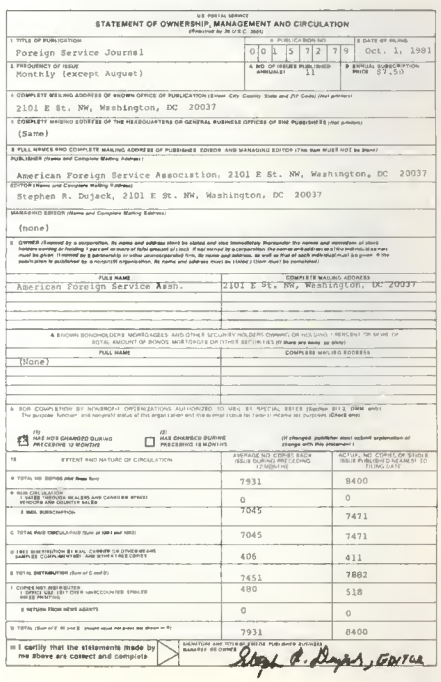
An Atlantic Trilogy

NATO AFTER THIRTY YEARS, *by Lawrence S. Kaplan and Robert W. Clawson (Eds.). Scholarly Resources Press, 1981, $18.*

CREATING THE ENTANGLING ALLIANCE: THE ORIGINS OF NATO, *by Timothy Ireland. Greenwood Press, 1981. $20.*

NATO: THE NEXT THIRTY YEARS, *by Kenneth A. Myers (Ed.). Westview Press, 1980. $23.*

The remarkable fact about NATO is that 36 years after World War II it endures. NATO endures as both a military organization and a political alliance. It endures not only because of common interests and attitudes



STATEMENT OF OWNERSHIP, MANAGEMENT AND CIRCULATION

1. TITLE OF PUBLICATION: Foreign Service Journal
2. PUBLICATION NO.: 0 0 1 5 7 2 7 9
3. DATE OF FILING: Oct. 1, 1981
4. FREQUENCY OF ISSUE: Monthly (except August)
5. NO. OF ISSUES PUBLISHED ANNUALLY: 11
6. ANNUAL SUBSCRIPTION PRICE: $7.50
7. COMPLETE MAILING ADDRESS OF KNOWN OFFICE OF PUBLICATION: 2101 E St. NW, Washington, DC 20037
8. COMPLETE MAILING ADDRESS OF THE HEADQUARTERS OR GENERAL BUSINESS OFFICES OF THE PUBLISHERS: (Same)
9. FULL NAMES AND COMPLETE MAILING ADDRESS OF PUBLISHER, EDITOR, AND MANAGING EDITOR
PUBLISHER: American Foreign Service Association, 2101 E St. NW, Washington, DC 20037
EDITOR: Stephen R. Dujack, 2101 E St. NW, Washington, DC 20037
MANAGING EDITOR: (none)
10. OWNER

FULL NAME	COMPLETE MAILING ADDRESS
American Foreign Service Assn.	2101 E St. NW, Washington, DC 20037

11. KNOWN BONDHOLDERS, MORTGAGEES, AND OTHER SECURITY HOLDERS OWNING OR HOLDING 1 PERCENT OR MORE OF TOTAL AMOUNT OF BONDS, MORTGAGES OR OTHER SECURITIES

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13. EXTENT AND NATURE OF CIRCULATION	AVERAGE NO. COPIES EACH ISSUE DURING PRECEDING 12 MONTHS	ACTUAL NO. COPIES OF SINGLE ISSUE PUBLISHED NEAREST TO FILING DATE
A. TOTAL NO. COPIES (Net Press Run)	7931	8400
B. PAID CIRCULATION: 1. SALES THROUGH DEALERS AND CARRIERS, STREET VENDORS AND COUNTER SALES	0	0
2. MAIL SUBSCRIPTION	7045	7471
C. TOTAL PAID CIRCULATION (Sum of 15B(1) and 15B(2))	7045	7471
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F. COPIES NOT DISTRIBUTED: 1. OFFICE USE, LEFT OVER, UNACCOUNTED, SPOILED AFTER PRINTING	480	518
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between Europe and the United States but because it is, despite frequent differences, an arrangement more tolerable than any feasible alternative.

The end of détente seems to have produced, if the number of recent books on NATO is any indication, a renewal of interest in strategic doctrines and in the setting of military priorities with Europe. The merit of the Kaplan/Clawson book is that it includes views by European scholars who attended the conference on NATO at Kent State University in April 1980 on which the book is based. Too often books on NATO, as well as our military-political policies, do not adequately reflect European concerns. The European contributors deal at length with the alliance policies of the smaller European nations as well as NATO's relationship to the European Community, topics that are frequently neglected in this country. The book lacks a conclusion, but implied in many of the contributions is a plea for an expansion of NATO's military role into political and economic areas.

The book by Timothy Ireland, an adjunct assistant professor at the Fletcher School of Law and Diplomacy, deserves a reading by more than those old-timers who will look for their names in the index. At a time of continued Soviet-American rivalry we sometimes forget an area which is clearly documented in this book—the American effort to reconstitute the old international system and to end permanently the threat of German domination of Western Europe by integrating West Germany into a larger Atlantic framework. The resulting complex structure of NATO remains the proud hallmark of postwar U.S. foreign policy. As Ireland notes in his conclusion, the reasons for NATO—security against Soviet policies and the binding of the Federal Republic to a larger European and Atlantic framework—are as valid today as in 1949.

Lastly, the book edited by Kenneth Myers of the Georgetown Institute for Strategic Studies contains the background papers prepared for a major conference on the future of the Atlantic alliance convened in Brussels in September 1979 and chaired by Henry Kissinger and Henri Simonet, the foreign minister of Belgium. The 26 papers are by a

mixture of scholars and public figures whose common denominator seems to be their public prominence. Among the authors are Josef Luns, Giovanni Agnelli, Irving Kristol, Irving Brown, Alexander Haig, Edward Luttwak, and Henry Kissinger, whose tough speech at that time created headlines but which, in retrospect, seems quite similar to the current Reagan catalogue of foreign policy principles. Each reader will pick out the papers that he or she likes; my choices would be those by Martin Hillenbrand on the structural and organizational problems of NATO, by Pierre Hassner on inter-alliance diversities, and by Curt Gasteyger on the somewhat neglected southern flank of the alliance. I do not share the view, implied in some of these papers, that existing institutional mechanisms are proving inadequate to respond effectively to the Soviet threat.

These books document the fact that over the years NATO created a transatlantic communication network not only among policymakers but also among scholars. If this network contributes to increased consultation with our allies on major U.S. foreign policy moves, and to American acceptance of Europe's military and political partnership status, there will be less stridency over alliance military tactics. The American desire for an economically and militarily strong Europe must be accompanied by a willingness to accept the natural consequences of that European strength—a more equal sharing of power and the necessity of keeping our own house in order.

—CHARLES R. FOSTER

A Good Resource

UNITED STATES-IRANIAN RELATIONS, *by Benson Lee Grayson. University Press of America, 1981.*

This compact, short (170 pages) volume traces U.S.-Iranian relations from the earliest contacts with Iran through the end of the hostage crisis. It offers a quick look at the important dates and events, but contains little analysis. Written by a former Foreign Service officer, it is an excellent review of the basics, a good resource book for layman and specialist alike.

—JOHN STEMPEL

The Senior Officer Glut

One of the recurring problems that has affected the Foreign Service for years, which haunts senior officers and which has been addressed sympathetically but without lasting success by the Department, is the periodic "glut" of senior officers.

It is almost traditional that a certain number—some would say a growing number—of senior officers are to be found "walking the corridors." The situation is particularly acute at times when large numbers of ambassadors and DCMs are being changed in the aftermath of a presidential election, but it is never truly resolved.

About 60 members of the Senior Foreign Service are now over-complement, roughly 8 percent of the 750 members of the Senior Foreign Service. What causes this perennial problem?

We believe it is now principally the result of the decreased use of senior officers in a variety of positions both in the Department and elsewhere in the government. For example, we can recall when Dr. Kissinger had 10 to 12 officers on his staff at the NSC. There are none today. We can recall when an equal number worked in Policy Planning. There is one career officer on that staff today. Outside appointees including senior officials from other agencies are in Intelligence and Research, Politico-Military Affairs, and Narcotics. These are areas in which the senior positions were once held by FSOs. If one adds what appears to be a growing number of political ambassadors and the increasing number of ambitious and capable middle-grade officers being placed in senior jobs, the present glut is perfectly explicable. Some years back the high rate of promotion was a key element in this question, but higher retirement rates spurred by the pay cap appear to have brought promotions and retirements into a balance.

It is an unhappy state of affairs for the Service to have a significant number of its most highly qualified officers unemployed. It is demeaning to the officers and wasteful of talent the government should use. We note that the present administration understandably filled the positions in which it found Carter appointees with other appointees. We hope that it will soon find it possible to make greater use of our colleagues in jobs for which we believe they are extraordinarily well prepared and which they filled with distinction only a short time ago. □

The Market

By PETER KAHN

When President Reagan recently urged the poor nations of the world to rely more on "the magic of the marketplace" for their development, and less on aid from industrial countries, his audience might well have been skeptical. This shift in U.S. policy away from aid comes at a time of economic desperation and political uncertainty in much of the Third World. The possibilities for growth through trade and investment are, at least for the moment, very grim.

Speaking on September 30 at the annual meetings of the World Bank and the International Monetary Fund, Reagan reaffirmed U.S. support for these organizations. However, he made it clear that the United States will no longer support as generous an assistance policy as it has in the past. U.S. financial contributions to the multilateral development organizations will be reduced, despite the commitments made by the Carter administration.

Bilateral development aid from the United States has already been seriously affected by the Reagan administration's budget cutbacks. Between the Carter budget request for 1982 and Reagan's September request for 1982, total U.S. bilateral development assistance fell by some 25 percent, to about $2.7 billion. Military assistance, on the other hand, along with the accompanying Economic Support Fund, grew by about 5 percent.

Among the multilateral development banks, the most deeply affected by the new U.S. policy is the International Development Association. This affiliate of the World Bank makes concessional loans to some of the world's poorest countries. The Carter administration had agreed to a U.S. contribution of $3.24 billion over a three-year period. This com-

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Peter Kahn teaches economics at Ohio State University and writes on both economics and politics.

Isn't Magic

mitment has now been spread over four years, reducing the annual U.S. contribution from $1.08 billion to $820 million. But the Reagan administration has been unable to get Congress to fund even this much; it is likely that last year's contribution of $500 million will be repeated. Other IDA contributors have taken their cue from the United States. At the IMF and World Bank meetings, they agreed to time their contributions according to U.S. payments. The result has been an even larger reduction in annual IDA funding. Most ominous for IDA's future, Treasury Undersecretary Beryl Sprinkel hinted that the U.S. might end its contributions when the present commitment expires in 1983.

At U.S. insistence, the IMF and the World Bank agreed at their annual meetings to tighten their lending policies to Third World countries. The requirements of fiscal integrity, known as conditionality, that the IMF imposes on its borrowers are being tightened as the total amount of lending is reduced. There is not much doubt that strict lending policies by the IMF and the World Bank will mean a big loss of funding for the Third World. Private creditors financed about 60 percent of the debt incurred between 1978 and 1980, and foreign governments financed about another 28 percent. But these figures understate the influence of the lending organizations. About 70 percent of the loans issued by private creditors were actually guaranteed by either governments or these lending agencies, and much of the unguaranteed debt was incurred in co-financing arrangements with the development banks. The new World Bank president, A. W. Clausen, has promised to try to stretch his shrinking resources even further through more co-financing, but it is unlikely this will cover the difference.

The United States also had its way regarding Special Drawing Rights. This IMF currency is distributed to member countries in proportion to their contributions to the IMF, the largest shares going to the major industrial countries. Third World countries, for whom SDRs are an important source of hard currency, had hoped to increase the annual issue from SDR 4 billion to SDR 12 billion (about $13.5 billion), while giving a larger share of the annual issue to the poorer countries. The United States not only prevented an increase, it persuaded the IMF to eliminate the coming year's issue in the interest of fighting world inflation. Arguing that the IMF should not become an agency of international aid, the United States was also able to resist any change in the way SDRs are distributed.

Short-Run Losses

It is thus clear that, at least in the short run, Third World countries have lost substantially from the Reagan administration's aid and development policies. In the past, the United States and the other industrial countries found development aid to be a good bargain in promoting exports, maintaining good relations with developing countries, and promoting political stability, in addition to serving humanitarian values. Part of the explanation for this change of heart undoubtedly lies in the budget battle in the United States itself. Treasury Secretary Donald Regan has argued that when the United States is cutting back its domestic spending, "It would be incongruous of us to be developing a rather liberal attitude in foreign aid or our contributions to some of the international institutions. The two have to go in parallel."

Other economic considerations undoubtedly influenced this policy shift. Not mentioned by the administration, but widely discussed in the banking community, is the importance of IMF conditionality. Because the IMF has been able to force fiscal prudence on borrowers, commercial bankers have used the fact of IMF loans as a guarantee of a country's creditworthiness. But this year, the unusually high level of IMF lending was causing many commercial lenders to lose confidence in the meaningfulness of Fund conditionality. A loss of confidence in Third World creditworthiness could have been disastrous. Preserving the ability of the less developed countries to borrow from commercial sources played a role in the decision to tighten lending.

The moratorium on the issue of SDRs is part of Reagan's effort to reduce world inflation. Though not issued by a national government, SDRs are a form of money usable in international transactions. Since administration economists are convinced that growth in the money supply is closely related to inflation, slowing the growth in SDRs would help. Tighter IMF conditionality also could lead countries to slow the growth in their own national currencies.

The most striking factor contributing to the U.S. policy shift, however, was not an economic one, but the conservative ideology of the Reagan administration. This ideology includes a sincere belief in the ability of the free market to promote economic welfare, a belief shared by many of the conservative economists at the IMF and the World Bank. It also includes a belief that redistribution is inherently unjust because it deprives the wealthy of their justly earned rewards and deprives the poor of the incentive to work. In his now-famous memo of January 27, 1981, David Stockman called foreign aid "socialist" and "international welfare," and urged the United States to reduce its annual contributions. Implicitly, this ideology asserts that the only solution to poverty is poverty. Finally, this ideology, with its roots in American populism, sharply differentiates between the interests of Americans and the interests of foreigners. Hence, the basis for this policy shift away from aid is in large part ideological, and is as concerned with a

war against welfare as with a fight against poverty.

However strong these arguments, the developing countries will bear a heavy cost in the short run. Even if these countries take President Reagan's advice and liberalize their economies, and even if that policy works, it could take years for development to make up the difference. Certainly it won't happen overnight. In the time before the magic of the market starts to work, the loss of aid will be deeply felt.

Though much Third World development has come through growth in the private sector, it is overly optimistic to think that private growth can replace aid, particularly for the least developed countries. Growth prospects are especially poor at the moment, and for reasons that are unlikely to be affected by an emphasis on more private sector involvement.

Vast Oil Debts

Developing countries that import oil are now vastly in debt to foreign lenders, and high world interest rates have made the service on this debt a painful burden. This debt arose from the effort to finance large deficits in their trade balances that were created as recession and protectionism in the industrial world lowered export earnings. These deficits continue to mount today. Without foreign loans and grants to finance these enormous deficits, the developing countries will have to squeeze funds from their economies to pay the interest on this external debt. This can be done only by reducing the demand for all goods, including imports. The result would be a serious recession in the developing world at a time when their economies are already very weak. Thus, when President Reagan urges developing nations to count on the free market for development, he is really proposing something less cheerful. The real choice is not aid versus development; it is aid versus recession. The United States has now made that choice for the developing countries.

The round of oil price increases in 1979-80, after the revolution in Iran, was the precipitating event that led to these deficits. By causing a recession in the industrial countries, the oil price increases caused exports from non-oil developing countries to grow less rapidly than before. And the rise in oil prices meant their import bills soared. In effect, the purchasing power of their exports had fallen dramatically in terms of the cost of their imports. By 1980, the trade deficit of non-oil developing countries had reached $82 billion, as compared with $38 billion in 1978. The IMF estimates that the 1981 deficit will exceed $97 billion.

These countries then faced—and still face—a dilemma: either drastically cut their oil imports by recessions that would set back internal economic growth, or finance those deficits by borrowing from abroad. With the opportunity to borrow, and the political pressure at home for growth, the choice has been easy. Long term debt to foreign lenders grew by almost $100 billion between 1978 and 1980. Along with the growth in total debt, there was a shift towards the more expensive private lenders. Private creditors lent about 60 percent of this credit, far more than their usual share.

A coincidence of timing cinched the calamity: World interest rates began their dramatic climb in the late 1970s. By mid-1981, short-term interest rates on Eurodollars had passed 16 percent. With both high interest rates and huge foreign debt, the annual interest cost for developing countries grew at a frightening pace. Between 1978 and 1981 their debt service payments grew by 121 percent to an astounding $96 billion. Debt service alone accounted for over 30 percent of export earnings in 1981.

Clearly, painful choices face both sides in this complex situation. The developed world risks the enormous amount of capital it has loaned unless some effort is made to restrain the growth in borrowing. The developing countries, forced now to choose between growing debt and serious recession, are again making the more comfortable choice of debt.

There is an alternative policy that could avoid this dilemma. A policy consistent with past IMF behavior would allow a slower rate of internal adjustment while letting the Third World cover its debts until conditions for adjustment are less ominous. The current high interest rates and the recession in the industrial countries make this a particularly bad time for the rest of the world to try to contract its debt. Lower interest rates would encourage more investment in the Third World, while reducing the burden of debt service. And an economic recovery in the industrial world would provide a market for Third World exports.

Third World countries do, of course, have another choice: to follow the Reagan administration's advice by trying to earn their way out. Greater exports, greater production, and foreign investment are ways to acquire foreign exchange. Don't contract demand, Reagan seems to be saying; rely on the magic of the supply side. This advice is not completely empty. Some developing countries have done extremely well through free market policies. As a long-run strategy, there is a strong case to be made for the market. Still, Reagan's advice is a poor substitute for the aid it replaces, for at least two reasons.

First, there is no reason to view aid as a substitute for private sector development. In fact, the two work well together. Some of the countries that conservatives like to cite as free market success stories, like Taiwan, South Korea, and even Japan, were once recipients of U.S. aid, and lots of it. Reagan's advice is probably based on an analogy with domestic welfare programs, which, some argue, provide recipients with incentives to take life easy. Development aid just does not work that way. Aid is usually channeled to specific projects such as infrastructure. It is completely unrelated to the income levels or behavior of individuals, and so there is no reason for such aid to hurt individual incentive. Ideology is showing once again; it seems that if poverty is a spur to hard work, then more poverty is even more so. By such logic, destitution is the path to riches.

Short-Run Disaster

Second, and more importantly, private sector development is a long-run solution irrelevant to the looming short-run disaster. Whatever Third World governments do, private sector growth can do little to ease the adjustment process. The reasons have much to do with the state of the industrial countries' economies.

Exports from the Third World are strongly tied to economic activity in the industrial countries, simply because those countries are the main export market. Exports from the

Association News

Cunningham, Stempel Named to Journal Editorial Board

Foreign Service Officers Francis X. Cunningham (left) and John D. Stempel were named to vacant seats on the *Foreign Service Journal* Editorial Board. Their appointments bring to seven the number of board members. All board terms run for a period of three years.

Frank has been in the Foreign Service since 1974, when he ended a 21-year career in industrial chemistry. He received a bachelor's in chemistry from Brooklyn College and an M.B.A. from the University of Delaware. From 1974-76 he served in Brussels, from 1976-78 in Manila, and since 1978 he has been in the department as an international relations officer for science and technology in the Bureau of International Organizations Affairs. He has had two articles published this year in the *Journal*.

John returns to the board, having served as its chairman in 1971-72. He received a bachelor's from Princeton University, and a master's and doctorate in political science from the University of California, Berkeley. After entering the Foreign Service, he served in Bujumbura, Conakry, Lusaka, and, from 1975 to June 1979, in Teheran. He has held many posts in the department and currently is director of the Operations Center. He is the author of the book *Inside the Iranian Revolution*, published last month by Indiana University Press. Two chapters from that book were adapted for publication in the November issue of the *Journal*.

AFSA Statement on Ambassadors Gets Wide Play

The Association issued a press release September 30 expressing concern about the Reagan administration's record on ambassadorial appointments (see text, adjacent). The statement called attention to the qualifications and high number of non-careerists appointed thus far. It also questioned whether the administration policy was in keeping with the intent of the Foreign Service Act of 1980.

When asked to comment on the release at a noon briefing, the Department's spokesman expressed the official view that the statistics provided by AFSA were somewhat misleading because they did not look at those instances where a hold-over ambassador was still in place. Using slightly different statistics, the spokesman concluded that the ratio of career to non-career ambassadors was within the range of previous administrations'. AFSA stands by its statistics.

The AFSA statement gained considerable media interest. The *Washington Post* printed a story on the Association's position and the *Wall Street Journal* published an editorial. AFSA President Charles S. Whitehouse gave interviews to ABC Radio, the *Des Moines Register*, and other media.

The Association believes that it has accomplished its purpose of initiating a public discussion of this issue. It will continue to follow up in its discussions with department officials and other concerned parties.

AFSA Protests Appointment of Non-Career DCM

In accord with its long-held position that political appointments should not be made below the level of ambassador or deputy assistant secretary, the Association has protested the naming of a non-career deputy chief of mission to the Office of European Economic Cooperation. The objection to the appointment was expressed in a letter from AFSA President Charles S. Whitehouse to Richard Kennedy, undersecretary of state for management.

"AFSA's objection to this appointment does not reflect upon [the candidate] personally," Whitehouse wrote. "It is based upon the fact that this position is being filled with a candidate from outside the career Foreign Service while there are presently within the Service a number of officers eminently well-qualified to discharge this assignment."

The letter concluded by urging Secretary Kennedy to reconsider the assignment and to name a career officer to the position.

Text of Statement

On October 13, 1981, the American Foreign Service Association issued the following statement regarding ambassadorial appointments by the Reagan administration:

Since assuming office, President Reagan has nominated 75 ambassadors to head diplomatic missions. Of these, 34, or 45 percent, have been from outside the ranks of the career Foreign Service. If sustained, this proportion would mark the greatest use of non-career officers since World War II.

Notwithstanding Section 304 (a)(3) of the Foreign Service Act of 1980, which states that contributions to political campaigns should not be a factor in the appointment of an individual as chief of mission, it is obvious that the selection of political ambassadors continues to be a reward for party loyalty and campaign participation.

Section 304 of the Foreign Service Act further states that "positions as chief of mission should normally be accorded to career members of the Service, though circumstances will warrant appointments from time to time of qualified individuals who are not career members of the Service."

The Foreign Service has long welcomed the assignment of non-career individuals of real distinction such as Ambassadors George Bush, Ellsworth Bunker, Douglas Dillon, David Bruce, Mike Mansfield, and in this administration, Arthur Burns and Maxwell Rabb. It is disappointing, however, to see that almost half of this administration's ambassadorial appointments are non-career envoys, the vast majority of whom are relatively undistinguished as public figures. Inevitably such appointments lower the respect of foreign countries for the United States and make a mockery of the careful selection and long and varied experience which professional career officers bring to senior assignments within the Service.

AFSA Urges End to Federal Pay Cap

AFSA, in cooperation with the Senior Executives Association and the member organizations of the Federal Interprofessional Forum, has been working hard to have the present $50,112.50 cap on federal salaries lifted during the current session of Congress.

Prospects appeared favorable when Senator Ted Stevens (R.-Alaska) attached a rider to the continuing resolution making provision for lifting the cap. The continuing resolution was required by October 1 to keep the financial wheels of government turning in the absence of specific appropriations bills. This measure, which would have raised the cap to $57,500, passed the Senate but was stricken from the bill in the House-Senate conference.

At this writing, another effort is being made to attach a similar rider to the next continuing resolution, on which the deadline is November 20. In coordination with other federal employee groups, AFSA is contacting members of the House and Senate, strongly urging favorable action on this measure. We are pointing out that since 1977 the salaries of senior federal officials have risen only 5.5 percent, while the CPI has gone up 54 percent. Further, after the 4.8 percent increase effective October 1 for all federal employees (other than those already at the cap), more than 1,400 State Foreign Service employees, or 15 percent of all FS grades, are blocked at the current pay ceiling. Result: in some offices as many as three levels of supervisory personnel receive the same salary.

By the time this issue of the *Journal* appears in print, this matter will have been decided by the Congress. If the pay cap has not yet been lifted, it will not be due to any lack of effort on the part of AFSA and other cooperating organizations. Any move to bring about an upward adjustment in federal salaries, whether it be those of members of Congress or of senior federal executives, obviously has significant political implications. If a lifting of the current pay cap is voted down, this clearly will be due to political considerations, since the facts conclusively show that action to raise the cap, measured solely in terms of the national interest, is long overdue.

New State ID Cards For FS Retirees

State's Office of Security has advised AFSA that the ID passes previously issued to retired Foreign Service personnel will no longer be valid for entry into the department building after December 1, 1981.

All retirees who wish to receive a valid new pass may make arrangements by applying in person to the Office of Security, Division of Domestic Operations, Room 3811, Main State.

AFSA Membership To Receive Special Squash Privileges

Until next September, all Association members may play squash at the Capitol Hill Squash Club without paying the $60 annual club membership fee, as a result of a special arrangement worked out between the club and the Association. AFSA members are also entitled to use the changing rooms, showers, and saunas before and after playing squash. All persons using the courts, however, will still have to pay the standard hourly court charges. Lockers can be rented.

The club is an extremely attractive facility offering memberships for Nautilus fitness equipment and exercise classes, in addition to squash. The AFSA-CHSC plan entitles AFSA members to use only the squash facilities. Association members who wish to take advantage of the free squash memberships should present their AFSA cards at the club, which will issue its own identification card. The plan may be renewed beyond next September if both parties find it beneficial.

Squash players desiring to use the Capitol Hill Squash Club should call for reservations at 547-2255. The club is located at 214 D St., S.E., one block from the Capitol South Metro Station and just minutes from the Department of State.

AAFSW Print Show Opening Honors State Bicentennial

The Association of American Foreign Service Women cosponsored the opening of a print exhibition at the National Museum of American Art on October 1, yet another event in AAFSW's year-long observation of the bicentennial of the State Department and the Foreign Service. Scores of members of the Foreign Service were treated to a special preview of the show, which covers the work of American artists from the colonial era to the present. The exhibition will run through January 17, 1982.

"The AAFSW wanted to do something in honor of the founding of the department," exhibition curator Janet Flint told the *Journal*. "The historical span of the show made it singularly appropriate." The earliest impression is a 1734 engraving by Pierre Fourdinier entitled *A View of Savannah as it stood the 29th of March*. The latest is a 1977 color lithograph and serigraph by the noted contemporary artist Frank Stella called *Steller's Albatross*.

Smithsonian curator Janet Flint (right) shows print of early Washington to (from left) AAFSW's Jane Griffin, Leslie Dorman, and President Patricia Ryan. Print is on sale at Housing Office.

Bookfair '81 Sales Top $60,000

Bookfair '81 Cochairmen Joan Kirkpatrick (left) and Joann Dikeos ready some of 100,000 books for sale.

By the time Bookfair '81 had concluded its weeklong run at the State Department in October, nearly every book—well over 100,000—had been sold, as well as a considerable collection of art objects and collectibles. The coffers of the Association of American Foreign Service Women were bulging with near record proceeds, all of which will benefit the AAFSW/AFSA scholarship fund and various community projects. Sales topped $60,000. It was the 21st annual event.

In the last-minute scramble before the fair's pre-opening Family Night, Bookfair Co-chairmen JoAnne Dikeos and Joan Kirkpatrick were seen aiding dozens of volunteers stacking books on the scores of shelves neatly divided into categories for the shopper (see picture). Categories included mysteries, science, fiction, children's books, foreign affairs, law—nearly everything in the wide scope of interest of the professional foreign affairs community, whose generous donations of books made the project possible.

The collection of books comprised more than 50 languages and included two copies autographed by presidents: Dwight Eisenhower's *Crusade in Europe* and Richard Nixon's *Six Crises*. The AAFSW is already collecting books for its 22nd fair. Contributions are tax deductible, and they will be picked up if the donor calls 223-5796.

Agreement Reached On New Per-Diem Regulations

Revised regulations, simplifying calculation of per-diem and subsistence payments for extended periods of temporary duty in the United States, have been worked out by AFSA and management officials of the foreign affairs agencies. The most important revisions include, for State and the Foreign Agricultural Service, payment of 100 percent of the maximum per-diem rate for the initial 30 days of temporary duty. In the past, a flat rate of $23 for meals and miscellaneous expenses was paid, plus the average lodging cost.

For ICA and AID employees, the new regulations provide for reimbursement at a daily rate of $23 for meals and miscellaneous expenses plus the *actual* cost of lodging (not to exceed the maximum per-diem rate for the location) for the first 30 days.

For the 31st through the 120th day of TDY, all employees will receive 50 percent of the current maximum per-diem rate. Previously, daily reimbursement was at the rate of 50 percent of the average cost of lodging, plus $8.75.

If a temporary assignment is expected to exceed 120 days, regulations call for the regular assignment of the employee to that location, with appropriate provision for movement of effects and travel of dependents. Accordingly, in the past, per diem in excess of 120 days was not authorized. The revised regulations, however, provide for a situation where TDY must unexpectedly be extended beyond the normal maximum duration. For the 121st day and beyond, the employee will be reimbursed at the daily rate of 25 percent of the current maximum per-diem rate.

The regulations pertaining to TDY assignments at high-rate geographical areas in the United States have also been revised.

Write Now For 1981 Tax Guides

Readers interested in knowing more about the provisions of the 1981 tax act may wish to order Prentice-Hall's *Concise Explanation of the Economic Recovery Tax Act of 1981*. Please send a check for $3 per copy to SB-0001-2, Prentice-Hall, Inc., Loose Leaf Services Div., PO Box 511, West Nyack, NY 10995. Please specify publication #16698-3.

The State Department has not been able to pouch copies of the full tax act to interested posts as promised because it has not been published yet. The full text is voluminous and probably will not be out until January 1982. Additionally, detailed IRS guidelines will most likely be unavailable until the middle of the year.

As in the past, the February issue of the *Journal* will feature a pull-out tax section giving important updates before filing time.

ICA Lecture Series To Stress Public Diplomacy in '80s

The ICA Standing Committee agreed at its October meeting to sponsor a series of luncheon lectures on the theme "Public Diplomacy in the '80s." The series, which has been approved by the AFSA Governing Board, will emphasize topics within ICA's areas of responsibility. The periodic lectures will mainly feature well-known outside speakers. The sessions will be held in the Foreign Service Club.

Leonard H. Marks, former director of the old USIA, will open the series on December 9. His topic will be "The New World Information Order: What Does it Mean?" He will treat the practical implications for those government officials who make and explain U.S. foreign policy, as well as the potential impact on American journalists and the public. As secretary of the World Press Freedom Committee, Marks has represented U.S. media organizations at different regional UNESCO meetings at which the topic has been discussed.

The ICA lecture series is intended to stimulate discussion on topics relevant to ICA's mandate and role and to increase awareness within the foreign affairs community as a whole of both the subject matter and AFSA's professional interest. The *Journal* will report on the lecture in its February issue. Both the ICA Standing Committee and the *Journal* welcome readers' comments.

AFSA Rep's Action Results in Favorable GAO Decision

A Foreign Service employee, with the assistance of her AFSA rep, won an eight-year claims battle with the State Department, which had tried to collect payment for alleged excess weight of her household effects.

The trouble started when the employee was transferred from one post to another. The packing company estimated the weight of her effects to be well within her allowance but later changed that amount to nearly twice the weight. The employee protested to no avail through the Committee on Exceptions, and the Department initiated collection procedures.

At this point, the AFSA rep at post, Harrison B. Sherwood, intervened. He wrote to the Comptroller General and requested a GAO decision on the issue. He pointed out that the employee took precautions to assure that her shipment was within the weight allowance, and that the terms of the contract between the government and the moving firm limited the amount which may be charged in case of an underestimate to no more than 7.5 percent of the bill. Moreover, a reweighing at the employee's new post determined that the shipment was considerably lighter than the weight charged by the moving company.

The Comptroller General decided in the employee's favor, stating that no documentary evidence could be found regarding the weight of the shipment, nor was a computation by the department provided. The post had not provided an explanation of the impact of the moving firm's contract prohibiting the billing of more than 7.5 percent over its estimate, and it was felt that irregularities may have occurred.

Justice triumphed—due to the hard work and perseverance of an AFSA rep.

AFSA Negotiates Travel for Children of Separated Parents

Just in time to plan for Christmas visits, AFSA and management finally reached agreement in November on regulations covering government-funded travel for children of divorced or separated parents.

A child living at post with a Foreign Service employee can now travel to the United States or to a third country to visit the other parent. A child residing with a non–Foreign Service parent in the United States or a third country may travel to the other parent's post of assignment.

The most difficult provision to negotiate concerned protections for the child where the employee does not have custody, since such children are not considered Foreign Service dependents. AFSA insisted, however, that for the period of travel and during the visit, they be accorded dependent privileges, and management finally agreed. Accordingly, a diplomatic or official passport—whichever is held by the parent—may be issued, the child will travel on official travel orders (issued at post), and visiting children will have access to all post facilities, including medical facilities.

There are funding restrictions. Travel funds to visit the employee abroad will not be authorized if the employee is receiving an educational or educational-travel allowance for the child, or a separate maintenance allowance for the child for special needs or hardship. Further, travel funds will not be authorized for a child residing at post to visit the other parent if the child regularly attends school in the country in which the other parent resides.

Travel funds are limited by the Foreign Service Act to round-trip travel between the employee's post and first port of entry in the continental United States. Travel will normally not be authorized within 30 days of an employee's arrival at post, transfer, or home leave. "Fly America" requirements can be waived for children under 16 when they could involve risk to an unaccompanied child.

1982 AFSA Elections

The AFSA Elections Committee urges Association members to start thinking now about possible candidates for the five officer positions—president, first and second vice president, secretary and treasurer—and for the three positions for the retired constituency which must be filled in 1982. The deadline for nominations will be early March 1982. More precise instructions and details will be contained in the February 1, 1982, Election Call. This new elections cycle has been established by the recently amended AFSA Bylaws.

Proposed Part-Time Career Program

AFSA is currently negotiating with State's Bureau of Personnel on proposed regulations for a new part-time career employment program. The new rules would cover both foreign and civil service employees and would apply to both domestic and overseas positions. The Association is taking a close look at how these proposals will affect career patterns, and existing agreements and regulations.

The new program is expected to benefit both management and individual employees. For the department, greater flexibility in personnel utilization, increased worker productivity, and lower turnover rates and absenteeism are anticipated. Employees who might take advantage of the program include older workers making a gradual transition to retirement, employees with family responsibilities, students, and the handicapped.

"Part-time career employment" will be regularly scheduled work of between 16 and 32 hours per week. Salary and most benefits will be prorated, based on the number of hours regularly worked.

It is expected that part-time status for Foreign Service employees will be an interim, possibly intermittent, solution to special personal or family circumstances. Part-time employees will compete for promotion on an equal basis with full-time employees and will be subject to selection-out for time in class and substandard performance on the same basis.

Only Foreign Service personnel with career status—those who have satisfactorily completed a probationary or career candidate program—will be eligible for part-time status. It is expected that Foreign Service employees will be able to compete for part-time Civil Service positions and that Civil Service employees with career status who have been accepted into the Foreign Service Excursion Tour Program will be eligible to fill part-time overseas Foreign Service slots. However, as is currently the practice, Foreign Service personnel will be given priority.

Details with regard to which positions will be available to part-time employees and how vacancies will be advertised have yet to be worked out, but among the criteria proposed for consideration in designating positions will be workload, overall mission requirements, potential for improving service to the public, and budgetary considerations.

Authority for the part-time program was provided by legislation passed by Congress in 1978.

non-oil developing countries have grown by about 7 percent since 1979, as compared to the pre-recession increase of about 11 percent in 1978 and an average level above 9 percent in the prior ten years. The decline in export earnings has been compounded as their slower growth has resulted in falling prices for the commodities Third World countries export. In late 1981, the United States seems headed for yet another recession. Third World exports thus face poor prospects for some time.

A slide towards protectionist policies in the industrial countries also threatens Third World exports. The Reagan administration has expressed its own preference for freer trade, but it faces powerful opposition both at home and abroad. The administration yielded to domestic pressure to limit auto imports earlier this year, although it rejected the appeal of the long-overprotected shoe industry. Other industrial countries lack the free trade inhibitions of the United States. Currently, both the European Community and the United States favor tightening the already severe restrictions of the Multi-Fiber Agreement when it is considered for renewal in December 1981. This agreement limits the imports of one of the more successful manufacturing industries in the developing countries—textiles and clothing. A renewal of the MFA will hurt established exporters like Hong Kong, Taiwan, and South Korea, as well as new and poorer competitors like Sri Lanka and some of the African countries.

Agreements like this put us in an embarrassing position. While we urge the developing countries to trade their way out of poverty, we limit their exports when they become too successful. As the recession in the United States proceeds, domestic pressure to limit competition from foreigners will grow. The Reagan administration has shown itself to be subject to pressure on the trade issue. Developing countries are entitled to be skeptical about U.S. rhetoric in support of free markets.

U.S. protectionism also applies to our own exports. The Export-Import Bank, which subsidizes U.S. exports, is to receive all the money it sought in recent budget battles, and more. A budget of $4.6 billion has been approved, with $500 million to be added in 1982 and even more in 1983. At the same time, the United States has put pressure on Third World countries to drop their own export subsidies—pressure applied in the name of free trade. Brazil, for example, acceded to U.S. pressure to eliminate subsidies on exports of goods such as shoes and transportation and electrical machinery.

U.S. export subsidies work against developing countries in several ways. First, they increase U.S. exports to those countries and so further increase their trade deficits. Second, they displace exports from developing countries by offering more attractive terms to customers. And finally, by increasing U.S. foreign exchange earnings, export subsidies artificially raise the value of the dollar. This makes all imports from the United States—subsidized and unsubsidized—more expensive relative to exports from developing countries. Therefore, developing countries can buy fewer imports with their export earnings.

"It is the poorest possible countries that stand to lose the most from U.S. reductions in aid"

Current conditions in financial markets also limit the market prospects of the developing countries. High U.S. interest rates keep direct investment capital out of the Third World because they reduce investment everywhere. Exchange rates have been unusually volatile roughly for the past year, and are likely to continue to be so as countries proceed through the recession at different speeds. This increases the exchange risk that foreign investors bear.

In short, growth prospects look bad for the Third World because growth prospects are bad for everyone. The World Bank forecasts that growth in world trade in the 1980s will be at a 5 to 6 percent annual rate, instead of the 15 percent annual growth rate of the 1970s. Times are likely to be rough all over.

But regardless of prospects for world growth, in some ways the president's advice would still seem hollow. Grouping states into the amorphous category "Third World countries" ignores an important distinction. The countries likely to do best in a market economy are those that have already done well. Those likely to do worst are those with the poorest manufacturing sectors, the least resources, the least developed infrastructures, and the least educated labor force—in other words, the poorest possible countries. It is exactly those countries that stand to lose the most from U.S. reductions in aid.

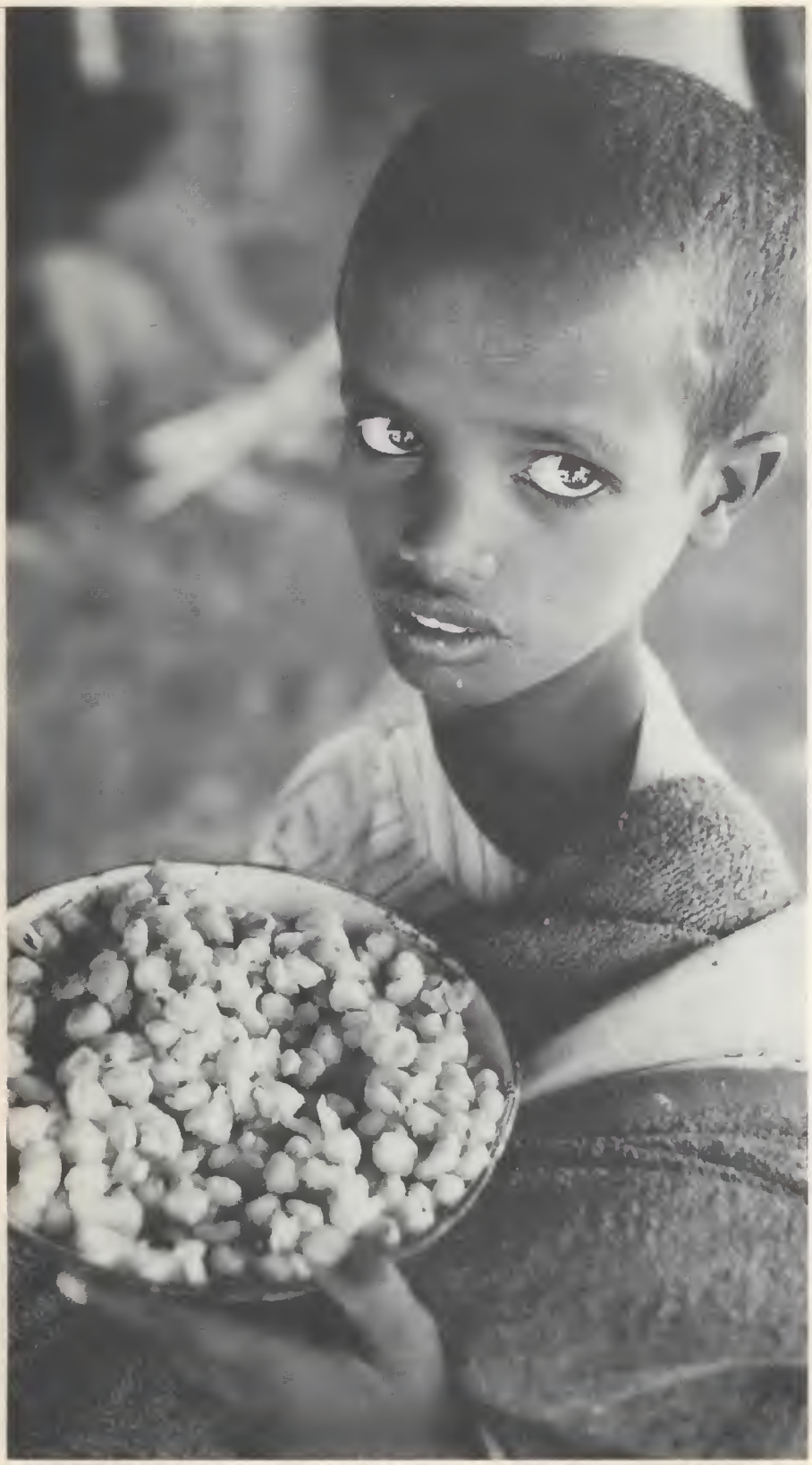
Under the circumstances, friction between Third World countries and the industrial world is almost inevitable. Because of the wealth of the United States; its pre-eminent role within the IMF and World Bank; the conservative ideology of its leaders, the importance of its bankers, investors, and traders to Third World prosperity; its own mildly protectionist policies; and its reputation, deserved or not, in the Third World as a neo-imperialist power, the United States is likely to feel the heat this friction generates.

Many Third World countries feel the United States is using its aid and its influence with the IMF to force free market policies on them. Costa Rica, a country with a large foreign debt and an activist government, is receiving intense pressure from the IMF to restrain government spending and liberalize its economic policies. At the same time, Jamaica, a country with just as serious a balance of payments problem, is led by Edward Seaga, a private enterprise advocate and a favorite of the Reagan administration. Jamaica is being lavished with U.S. and IMF aid that will enable that country to avoid the adjustment policies Costa Rica will clearly have to undergo. Meanwhile, Seaga is making the case for U.S. policy at international meetings of developing countries.

These tensions are likely to be further heightened because the Reagan administration prefers to ignore the most sensitive issue be-

(Continued on page 30)

The Food



By LESTER R. BROWN

There are distinctly visible signs that the food problem could unfold during the Eighties much as the energy crisis did during the Seventies. There are disturbing parallels. The world had come to depend heavily on one region—the Mideast—for oil. Now it has come to depend heavily on one region— North America—for grain. Just as Mideastern oil is being exhausted, so too the mounting pressures of world demand are leading to the depletion of U.S. soils.

World food production doubled during the third quarter of this century, an impressive achievement that has unfortunately led to an excessive rate of soil erosion on at least a fifth—and perhaps as much as a third—of the world's cropland. As a result, the growth in world food production has lost momentum. The burdensome supplies of grain that plagued governments of food-exporting countries during the Fifties and Sixties have disappeared. As food production slowed during the Seventies, the United States returned its idled cropland to production in an effort to regain momentum. Even so, world food supplies tightened and the already slim margin between food production and population growth narrowed further.

In many ways the current food situation is analogous to a military one in which a general sees the tide of battle going against him. He decides to commit all his reserves in an effort to turn things around, but, having done so, discovers that the tide is still running against him. Similarly, U.S. reserves of idled cropland have been thrown into the food battle, but they are insufficient to regain the earlier momentum.

The Past Three Decades

The middle of the twentieth century was a watershed in the evolution of world agriculture. From the beginning of agriculture until mid-century, most of the increases in

Scramble

world food output had come from expanding the area under cultivation. Since then, most of the increases have come from raising yields on existing cropland. Unfortunately, raising yields has led to increasingly energy-intensive agriculture. Virtually all the major techniques available for raising land productivity, such as chemical fertilizers, irrigation, and mechanization, are energy-intensive. In effect, farmers expanded their production by substituting energy for scarce new land.

The century midpoint also marked the beginning of the most explosive increase in world food production in history. Between 1950 and 1971, the world's farmers increased grain production from 631 million metric tons to 1237 million—nearly doubling output in only 21 years. There had never been such a worldwide increase before. There may never be another. In per capita terms, too, this period was one of impressive progress. In 1950, cereal production per person averaged 251 kilograms worldwide. By 1971 it had increased to 330 kilograms, a gain of 32 percent. During this period diets improved measurably in many Third World countries, and consumption of livestock products climbed steadily throughout the industrial world.

Since 1971, however, progress in raising per capita grain output for the world as a whole has slowed to less than half its rate in the Fifties. The increase in total world grain output also has lost momentum. The average annual increase in grain output was 3.1 percent during the Fifties but only 2.8 during the Sixties. It slowed further to 2.3 percent per year during the Seventies despite the return to production of some 50 million acres of cropland idled under U.S. farm programs. (See Table 1.)

As the growth in food production has slowed, its rate in excess of the rate of population growth has narrowed markedly for the world as a whole, falling from 1.2 percent in the Fifties to 0.5 percent during the Seventies. As the worldwide margin narrowed, food production in many countries actually fell behind population growth. In Africa, for instance, the continent-wide growth in food production is now below that of population, leading to a per capita decline of 14 percent during the Seventies.

The End of Food Stability

The remarkable food price stability of the postwar era ended abruptly in 1972 with the massive Soviet wheat purchase. The largest importation of food by any country in history, it signaled the beginning of a new era. The world price of wheat doubled in a matter of months and famine returned to many regions.

Subsequent short world harvests prevented a rebuilding of world food reserves until 1976. Some uncommonly good harvests in the late Seventies allowed the food situation to be stabilized—at best temporarily. But poor 1980 harvests in the Soviet Union and, to a lesser degree, the United States resulted in a drawdown of world food reserves to a near-record low. This tightening of the world food situation is attributable to such factors as the continuous conversion of prime cropland to nonfarm uses, erosion, falling yield response to chemical fertilizers in the agriculturally advanced countries, and the rising energy costs facing farmers everywhere. Whatever the reason, the food output slowdown of the Seventies has led to a degree of food insecurity unprecedented in peacetime.

The preceding analysis of global trends obscures the wide disparities among regions of the world. In more and more countries where grain production has not kept pace with demand, governments have come to rely on the exportable surplus of North America. Unfortunately, the region's capacity to respond to these ever-growing demands is not limitless and may be overwhelmed.

Prior to World War II, all geographic regions except Western Europe exported grain. North America was not the only exporter nor even the leading one. During the late Thirties, for example, Latin American grain exports were nearly double those of North America. Eastern Europe, including the Soviet Union, was exporting five million tons annually, exactly the same as North America. All this has changed beyond recognition. Asia has developed a massive deficit. Africa, Latin America, and Eastern Europe have become food-deficit regions. Consistently importing 20 to 30 million tons, Western Europe has been the only stable element throughout the period.

North America's unchallenged dominance as the global food supplier began in the Forties. The scale of exports expanded gradually during the Fifties and Sixties and, in the Seventies, North American grain exports doubled, as scores of countries began to lose the capacity to feed themselves. (See Table 2.)

Widely varying rates of population growth and levels of agricultural efficiency have transformed international food flows. A comparison of North America and Latin America illustrates the devastating effects of rapid population growth. As recently as 1950, both continents had roughly equal populations, about 165 million. While North America's population growth has tapered off substantially since then, Latin America's has escalated. Several Latin American countries, such as Mexico, Venezuela, Peru, and Brazil, have population growth rates of close to three percent per year. If North America's 1950 population had expanded at that rate, it would have reached 395 million in 1980, rather than the actual 248 million.

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At current individual consumption levels, these additional 147 million people would be struggling to maintain self-sufficiency.

Agricultural mismanagement and inefficiency have plagued many countries in the Third World and the centrally planned economies of Eastern Europe. Historically, the Soviet Union was the breadbasket of Europe. As recently as the late Thirties, the Soviet Union and Eastern Europe still had a yearly regional export surplus of several million tons of grain. Since then, the food balance has slowly shifted, converting the Soviet Union into a food-deficit country.

Moscow's decision in 1972 to offset crop shortfalls through imports rather than by the costly slaughtering of livestock marked the Soviet Union's emergence as a chronically food-deficit country. During the mid-Seventies, grain imports averaged nine million tons per year. Late in the decade, they were averaging some 20 million tons. Despite the U.S. embargo on grain exports following the invasion of Afghanistan, the U.S.S.R. began the new decade by importing 31 million tons in its first year—more than any country in history.

Although the Soviets have inherited a relatively poor piece of agricultural real estate, the more serious problem facing the country and the one it appears least able to cope with is the inefficiency of its agricultural system. The factory-style organization of agriculture in the state farms and Soviet-sized collectives materially weakens the key link between effort and reward for those who work the land. Soviet agricultural collectives and giant state farms do not begin to approach the productivity of the family-farm system that dominates Western European, Japanese, and U.S. agriculture.

The worldwide movement of countries from export to import status is a one-way street, and today more than one hundred countries look to North America for food. The reasons vary, but the tide is strong; no country has gone against it since World War II. Scores of countries have become food importers, but not one significant new exporter has emerged.

Not only are more countries joining the legions of importers, but the degree of reliance on outside supplies is growing. More and more countries, both industrial and developing, actually import more food than they produce. Among the countries that now import over half of their grain supply are Algeria, Belgium, Japan, Lebanon, Libya, Saudi Arabia, Senegal, Switzerland, and Venezuela. Other countries rapidly approaching primary dependence on imported foodstuffs include Costa Rica, Egypt, Portugal, South Korea, and Sri Lanka.

For most countries, the need for imported food is more likely to increase than decrease. It is difficult, for example, to see how the Soviet Union can avoid importing even more grain in the near future. Egypt has little opportunity for expanding its agricultural base and yet its population continues to expand. The International Food Policy Research Institute projects a food deficit for Nigeria by 1990 of at least 17 million tons of grain if recent trends continue. Mexican grain imports are growing by leaps and bounds. Unless it loses a large fraction of its population through illegal migration to the United States, this trend is likely to continue. These are but a few of the scores of countries where future import needs are certain to be far larger than they are today.

The need for imported grain is projected to continue to grow, but the capacity of North America to satisfy this demand is not unlimited. North America has doubled and redoubled its grain exports over the past three decades, but the world should not count on a repeat performance. The disappearance of idled cropland, the growing use of U.S. grain in fuel alcohol distilleries, and the projected decline in irrigated acreage in some states will make it more difficult to sustain the rapid growth in exports.

The unprecedented food security of the post-war years depended in part on two major food reserves: the carryover stocks of grain (held largely by the principal exporters) and cropland idled under farm programs in the United States. Grain carryover stocks—the grain in bins when the new harvest begins—were available for use when needed. Idled U.S. cropland could be brought back into production within a year. Together, grain stocks and cropland reserves provided security for all mankind, a cushion against disaster.

This tranquil period ended suddenly with the secret Soviet grain deal. Reserves fell sharply, and the idled U.S. cropland was returned to production. The whole world was suddenly struggling to make it from one harvest to the next.

Together, the stocks and idled cropland had provided a very effective reserve. As recently as 1970, the combination of stocks of grain and the grain equivalent of idled U.S. cropland amounted to 77 days

TABLE 1. Growth in World Grain Production by Decade, 1950-80.

Decade	Decade Rate	Annual Rate	Per Capita Rate
1950–60	36%	3.1%	1.2%
1960–70	32	2.8	0.8
1970–80	26	2.3	0.5

Source: U.S. Department of Agriculture.

TABLE 2. The Changing Pattern of World Grain Trade.

Region	1934–38	1948–52	1960	1970	1980
			(million metric tons)		
North America	+ 5	+23	+39	+56	+131
Latin America	+ 9	+ 1	0	+ 4	− 10
Western Europe	−24	−22	−25	−30	− 16
East. Europe & USSR	+ 5	0	0	0	− 46
Africa	+ 1	0	− 2	− 5	− 15
Asia	+ 2	− 6	−17	−37	− 63
Australia & N. Z.	+ 3	+ 3	+ 6	+12	+ 19

Plus sign indicates net exports; minus sign, net imports. Source: Food and Agriculture Organization, U.S. Department of Agriculture, and author's estimates.

of world consumption. (See Table 3.) By 1974, this had fallen to only 40 days. By then, grain stocks were barely enough to fill the supply line between the farmer and consumer.

As the world enters the Eighties, it does so with only one of the two traditional reserves, namely, carryover stocks of grain. For the first time in a generation, there is no cropland idled under U.S. farm programs. This cushion for the entire world has disappeared, perhaps permanently. Worse, carryover stocks of grain in 1980 amounted to 40 days of consumption which, except for 1974 and 1975, when weather-induced poor harvests reduced reserves to the same level, marks the lowest level of food security since the years immediately following World War II.

Aside from the decline in stocks, world food insecurity was heightened by the extension of agriculture into marginal rainfall areas, such as that found in the Sahelian zone countries and the "virgin lands" area of the Soviet Union. Although there is little evidence that climatic variability has increased in recent years, man's vulnerability to climatic anomalies is undoubtedly increasing. Meteorologist Kenneth Hare has observed that "the Sahelian drought in Africa, for example, had several predecessors over the previous 500 years. What has changed is the vulnerability of the human economy."

Although the virgin lands are an important food source in the Soviet Union, they are in an area of light and highly variable rainfall, subject to a crop failure in one year out of three. From the time the Soviets first plowed the virgin lands in the mid-Fifties until the early Seventies, these failures had been absorbed internally by reducing consumption. By the early Seventies, however, it was politically more difficult to offset crop shortfalls by belt-tightening. As a result, the Soviets decided to compensate for the 1972 shortfall largely through imports.

The enormous dependence of the entire world on North America for food supplies of course creates a potential for further global food insecurity. Much of the world's wheat is grown in the Great Plains of the United States and Canada. Both countries are affected by the same climatic cycle. When one experiences a crop shortfall due to weather, the other is likely to have a poor harvest too.

Aside from weather, heavy dependence on two countries for exportable grain supplies vests these countries with an extraordinary political lever, if they wish to use it. Both the United States and Canada have demonstrated that they will embargo the export of grain under certain conditions. The United States embargoed grain exports to both the Soviet Union and Poland in the fall of 1975 because of rising domestic grain prices. Canada refused to license wheat exports during the late summer and early fall of 1975 until it could more precisely determine the size of its harvest. In early 1980, the United States again demonstrated that it would use food for political purposes following the Soviet invasion of Afghanistan.

The international community, stripped of its reserves during the period of precariously low levels, 1973–77, was no longer able to respond effectively to crop shortages in poor countries. This period contrasted sharply with the Fifties and the Sixties, when the United States intervened with food-aid shipments wherever famine threatened. For example, after consecutive monsoon failures in India in 1965 and 1966, the United States shipped a fifth of its wheat crop to that country two years in a row to avert famine.

The food scarcity and soaring prices of the Seventies affected all countries, but the brunt of the crisis was borne by the poorest ones. Bangladesh was one of the hardest hit. It suffered two poor harvests during the Seventies. Both times death rates climbed sharply, claiming an estimated 427,000 lives in 1971–72 and 330,000 in 1974–75.

India, too, was hard hit during the Seventies. After a weak monsoon and a poor harvest in 1972, the Indian government discovered that the Soviet Union had tied up most of the world's exportable wheat supplies, leaving little for India to use to offset its poor harvest. Thus, the Indian government sat by helplessly while food consumption fell and death rates climbed. The increase in death rates above the previous year in three of the poorest states—Uttar Pradesh, Bihar, and Orissa—claimed an estimated 829,000 lives.

Hunger also took a grim toll in Africa during the Seventies. A prolonged drought in the Sahelian region brought the deteriorating food situation into sharp focus. The six countries of the Sahelian zone—Senegal, Mauritania, Niger, Upper Volta, Chad, and Mali—all suffered loss of life. No one knows how many died, but Cornell nutritionist Michael Latham testified before Congress that the number of lives lost was probably somewhere between 100,000 and 250,000.

Farther east in Africa, the ecological deterioration of Ethiopia's food system was also brought to light by a drought. This situation eventually claimed 200,000 lives and brought the 47-year reign of Haile Selassie to an end. In Somalia, too, thou-

(Continued on page 29)

TABLE 3. Index of World Food Security, 1960–80.

Year	Reserve Stocks of Grain	Grain Equiv. of Idled U.S. Cropland	Total Reserves	Reserves as Days of World Consumption
		(Million metric tons)		(days)
1960	198	36	234	102
1965	143	70	213	80
1970	165	71	236	77
1971	183	46	229	73
1972	142	78	220	66
1973	147	25	172	51
1974	132	4	136	40
1975	138	3	141	40
1976	192	3	195	55
1977	191	1	192	51
1978	218	21	239	62
1979	191	15	206	51
1980	151	0	151	40

Source: Worldwatch Institute, derived from USDA data.

Caveat Transferee

By MICHAEL A.G. MICHAUD

There is nothing like a transfer to remind one of the financial disadvantages of our profession. The process of moving to the other side of the world is fraught with unexpected and unreimbursed expenses. Even the expected ones are concentrated within the first few months of turmoil and confusion, resulting in overdrawn bank accounts and angry creditors who think the transferee has skipped town.

The least the foreign affairs agencies could do is to try to make this process easier, rather than more difficult. But financing the transfer of a Foreign Serivce family remains a do-it-yourself operation. In many cases, we receive less support from our agencies than do the employees of large corporations. Allowances and reimbursement are not only inadequate but slow, while billing is quick. Present arrangements do not recognize the realities of double-digit inflation. It is time for a few simple changes.

Making Allowances

Over the years, we have won a number of small gains on allowances, thanks in large part to AFSA. But the simple fact remains that the foreign affairs agencies make no effort to spell out to each transferee the allowances and reimbursements to which he or she is entitled. It is almost as if they do not want us to know because that might save them a few dollars. There are other difficulties for the transferee as well. The people who prepare travel advance forms do not bother to explain to the traveler the composition of that advance or what actions are necessary on completion of travel. And the transfer allowance itself is laughably small.

After arrival at post, one may be eligible for a variety of allowances —post differential, post (cost of living) allowance, education allowance, housing allowance, and so on. But our posts often fail to spell out to us exactly the allowances to which we may be entitled. We are simply expected to *know*, through experience, the grapevine, or careful reading of endless foreign-affairs-manual circulars. If we don't know, we lose money that is due us.

As a small step toward fair treatment, I propose that the foreign affairs agencies be *required* to give each transferee a standardized information sheet spelling out all of the allowances to which he or she may be entitled, and the procedures for applying for them. This should be done both for persons leaving Washington for overseas posts, and for people leaving overseas posts for any other destination.

Another small step would be to increase the transfer allowance to a meaningful level. Two hundred dollars really does not cover a family of six.

Paying Up on Time

Former Treasury Secretary William Miller once sent a memo to the chief financial officers of federal agencies, citing a study showing that they were taking 60 to 90 days to process bills submitted by contractors. Miller directed agencies to pay within 30 days.

Officials of the present administration have made similar statements. It is sometimes argued that the government is getting interest-free loans (as it does with income-tax withholding) and is preventing private firms from earning interest on that money. But these officials have not taken notice of the fact that government agencies are equally slow in paying monies due to their own employees. Yet those agencies are quick to demand repayment *from* their employees.

Every transferee prepares a travel voucher after his move, and many find that it takes the government up to two months to reimburse legitmate travel expenses. In the meantime, that is money the employee is doing without, precisely when he or she needs it most. But travel *advances* must be repaid in 30 days, or threatening telegrams arrive.

An employee newly arrived at post may have to wait a very long time to receive the allowances, again depriving the employee of money which is rightly due at the time when he or she needs it most. Budget and fiscal officers sometimes claim they cannot pay these allowances until the employee's payroll records are transferred, though there appears to be disagreement and confusion on this issue. But there is no reason why authorization for pay and allowances cannot be transferred telegraphically within a week after the employee's arrival at post. And there is no excuse for withholding for five months a post differential of, for example, 15 percent of the employee's income, just when he or she is facing the most serious financial burdens while establishing a new residence.

My modest proposal is twofold:

- Government agencies should be *required* to issue reimbursement checks to government employees within 30 days of receipt of a voucher. If issuance is delayed beyond that date, the agency should be required to pay the employee interest on the amount due, at current commercial rates.
- Initial payments on all allowances due to the employee at post should be made within 30 days of arrival. If payment on allowances has not begun by that time, the agency should be liable for interest on the outstanding amount, at current commercial interest rates.

These requirements would motivate government agencies to process vouchers and pay allowances quickly —a motivation they apparently do not feel now. And they would go part of the way toward fair financial treatment of Foreign Service employees. □

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Balancing Indochina

Stability in Southeast Asia Requires Cautious Side-Taking by the U.S.

By PETER A. POOLE

In much of Southeast Asia the conditions for stability and rapid economic growth seem to be falling into place. The Sino-American cold war is abating, if not ending. The Association of Southeast Asian Nations—Indonesia, Malaysia, the Philippines, Singapore, and Thailand—has enjoyed burgeoning trade and investment ties with Japan, Western Europe, and the United States. ASEAN's confidence in its ability to play an active role in the region also seems to be increasing.

There is, however, a dark cloud hanging over the entire Southeast Asian region. Indochina remains trapped in a maze of interrelated problems centering on Vietnam's occupation of Cambodia. The occupation has isolated Vietnam from many important sources of trade and aid. The task of reconstruction has been further complicated by Vietnam's failure to produce sufficient food. The continuing domination of Cambodia has reinforced Hanoi's extreme dependence on Moscow and exacerbated the highly dangerous feud with Peking. Uncertainty as to whether Hanoi intends Indochina to be one country or several has created much tension in the region. Thus the occupation of its neighbor is one of the keys to Vietnam's difficulties and the region's instabilities.

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Since the early 1600s, when the southern migrations of the Thai and Vietnamese people brought them into conflict over Cambodia, peace in Southeast Asia has depended on creating a situation in Cambodia that satisfied, or dissatisfied, her two stronger neighbors equally. Many arrangements were tried, including a system by which the Khmer court paid tribute to both, but no system proved able to halt the erosion of Khmer sovereignty. Eventually, the establishment of a French protectorate, as sought by King Norodom in the 1850s, gave the Khmer people a century of sheltered development.

Tilting Toward China

During the 1950s and 1960s, Prince Norodom Sihanouk urged the major powers to restrain their Thai and Vietnamese clients. But this did not mesh with the globalism of U.S. policymakers. Concerned with anticommunism and counterinsurgency on a world scale, U.S. leaders never envisioned a stable balance of forces within Southeast Asia itself. Since 1979, the United States has tended to tilt toward Peking in the Sino-Soviet conflict, at least as it focused on Southeast Asia. Indeed, some Americans have perceived ASEAN's position as pro-Chinese and anti-Vietnamese, welcoming this as evidence of ASEAN's "maturity."

Is there no way to prevent continual jockeying for influence over Cambodia by the regional powers, with the great powers closely or potentially involved? No doubt, an ideal solution would be one arrived at by the people who are most concerned—the Cambodians.

Last September in Singapore, Prince Norodom Sihanouk and Son Sann, the main noncommunist resistance leaders, ended fifteen years of not working together and signed a joint declaration with Khieu Samphan of the Khmer Communist Party (formerly led by Pol Pot). In this declaration, the three leaders authorized their representatives to pursue the goal of forming a coalition government that would oppose or replace the current pro-Vietnamese regime of Heng Samrin. However, Son Sann made a point of reaffirming his insistence that his group must hold the prime ministership and all important ministries.

There was even less progress at Singapore toward setting up a joint military command; the three Khmer leaders could agree only that "all anti-Vietnamese forces avoid any clashes among themselves." Given the state of relations between the three groups, it is by no means certain that even this limited goal can be achieved. However, if attained, it would be a more useful contribution to stability than stepped-up guerrilla operations against the Vietnamese army, which would only further polarize the area.

Prince Sihanouk told reporters in Singapore that China, not he nor Son Sann, was the driving force behind the anti-Vietnamese declaration, which Sihanouk thought would mainly help the Khmer Communist Party retain its hold on Cambodia's U.N. seat. Sihanouk expressed doubt that either he or Son Sann would be able to share power with the KCP in a coalition government unless its hold on the U.N. seat were in real danger. The KCP gained

the Cambodian seat upon coming to power in 1975, and they have held it with the backing of China, and later ASEAN, despite being driven from power in 1979.

Neither the Singapore declaration nor a more ambitious coalition of anti-Vietnamese Khmer forces (if it were to evolve) by itself is likely to contribute much to the quest for Southeast Asian stability. This would require the establishment of a stable relationship between Vietnam and ASEAN as well as between each of these units and China. A Cambodian government acceptable to all three powers would not remove all sources of friction, but it would be a major step toward peace.

What sort of Khmer regime might help to produce greater stability in Sino-ASEAN-Vietnamese relations? Five characteristics seem to be essential. The government of Cambodia should be one that: neither fosters foreign influence within its borders nor overreacts (as did Pol Pot) to any and all forms of foreign influence; allows its people maximum freedom to practice their culture and to pursue their own economic betterment; attracts rather than repels participation by Cambodians with useful talents; is an active participant in the growing network of Asian and Pacific regional organizations; and recognizes a long-term interest in remaining on good terms with all of its neighbors.

Does either the Vietnamese-backed regime in Phnom Penh or the would-be coalition in Singapore meet any of these criteria? The answer is probably no. But a more useful way of posing the question would be: To what extent is either side trying to meet these criteria?

The pro-Hanoi regime appears to have gained in self-confidence over the past three years. In collaboration with its foreign masters, it has also made some headway toward improving economic conditions in Cambodia. However, this goal is still far from being achieved, and Vietnam's plans for Cambodia remain unknown and perhaps unformulated.

Initially, the Vietnamese invasion in the winter of 1978-79 worsened the already wretched situation of the Khmer people who had survived the 1970-75 war and Pol Pot's butchery. Spring planting was so disrupted by the 1979 struggle that famine was widespread. During 1980, international relief efforts were often hindered by the intransigence of the Vietnamese and their Khmer clients. However, by late 1981, experts who had worked and traveled in Cambodia generally agreed that the country was on the way to being able to feed itself and a great deal of reconstruction had taken place.

Meanwhile, elections for the National Assembly were held in May 1981, and the assembly approved a new government, giving it a somewhat better claim to legitimacy. A congress of the Khmer National United Front for National Salvation (KNUFNS) followed, at which Pen Sovan, previously the second-ranking figure, emerged as the secretary general and dominant personality in the regime. A new communist party was also unveiled as the ruling core within KNUFNS and as a rival to the anti-Vietnamese KCP.

Several key speakers at the congress hinted that the regime's tolerance for private enterprise and blackmarketeering would soon be replaced by collectivization and state trading. There were reports by visiting journalists that these warnings had caused a number of wealthy Cambodians to slip quietly across the border into Thailand. This might well mark the reversal of a tendency that emerged during and after the Vietnamese invasion for a certain number of Cambodian personalities, including some former diplomats, to associate with KNUFNS.

Moving Toward Moscow

Yet some analysts believe that the elections and congress show that Pen Sovan and his pro-Vietnamese colleagues are striving for a greater measure of legitimacy in order to deal directly with the Soviet Union and perhaps other powers on aid questions. This might be viewed as a plus by some elite members in Phnom Penh and some Khmers living abroad. An optimist might therefore conclude that, while the Pen Sovan regime meets none of our five criteria for a stabilizing Khmer regime, it seems to have aspirations that partly coincide with a few.

First, although Pen Sovan can hardly want to remove entirely the Vietnamese influence which put his group in place, he may want both the appearance and the reality of somewhat greater freedom from Vietnam. Second, during its first year or so in power, the Vietnamese-backed regime was far more tolerant than Pol Pot of the traditional cultural values and of a spirit of laissez-faire. This initial tolerance now appears to be changing, particularly on the economic side. However, we have little idea of the regime's stance vis-à-vis Hanoi, which may be demanding rapid collectivization. Moreover, there is no sign yet of a revolutionary crackdown resembling that of Pol Pot. Third, as noted above, the KNUFNS regime initially included a sprinkling of Khmer personalities of some distinction; some arrived with the Vietnamese invaders, and some presumably came later. Since the regime initially allowed private enterpreneurship, some people made money. And since the regime actively seeks international recognition, these names are valued by it. However, it seems likely that the net effect of the 1981 political and economic signals would be to repel more Khmers with useful talents than they would attract. Fourth, the KNUFNS regime has not gained access to many regional or international organizations, but this has not been because of any unwillingness on its part. Often the decisive factor has been the ASEAN states' opposition to seating it in any international forum. Finally, it can hardly be said that the KNUFNS regime has shown any desire to have good relations with its neighbors, except of course Vietnam and Laos.

It is much more difficult to rate the anti-Vietnamese Khmer groups according to these same five criteria. The attitudes of certain groups are in flux, and there is no sign that the three main groups are moving in the same direction. The KCP is no less a client of Peking than KNUFNS is of Hanoi. Sihanouk and Son Sann each have a degree of foreign support, including some from China and perhaps some from France. Because of Pol Pot's savage persecution of middle class Khmers and Buddhists, Son Sann will not enter a coalition dominated by the KCP, and Sihanouk would have great difficulty in doing so. No coalition dominated by the KCP could be trusted to respect the Khmer people's basic human rights.

Since a coalition of the three main anti-Vietnamese groups has yet to be formed, it is impossible to guess how many educated Cambodians might rally to its banner. Son Sann is currently more able to attract the Khmer elite living abroad than

Prince Sihanouk, whose appeal is strongest among the peasant class. The exile KCP regime has made a vigorous and often successful effort to claim the Cambodian seat in international organizations—or at least to deny it to the KNUFNS regime. And if they ever returned to power separately or together, Prince Sihanouk and Son Sann would probably try to be on good terms with all their neighbors. The same is inconceivable in the case of the KCP.

Even a brief analysis of this sort makes it clear that it would be very difficult, though perhaps not impossible, to transform either the pro-Vietnam Khmers or the anti-Vietnam group into a widely acceptable government. For the United States, this task would present some special problems. Since the collapse of the American-supported governments in Phnom Penh and Saigon, the United States has found it difficult to express its aims and interests in Southeast Asia. Having renounced in advance any use of force or anything likely to promote domestic controversy, we might seem to have closed up shop completely. Yet we are still actively involved in many issues with most countries in the region.

It is unrealistic to expect that we will do now what we failed to do during the long Indochina war: devise a policy specifically for the Southeast Asia area and then fit it into our global strategy. We have persuaded ourselves that Southeast Asia is small and esoteric and does not merit this much of our attention. However, it may be possible to develop an approach toward the problems of Southeast Asia once the United States has established broad parameters for policy at the larger regional level of East Asia and the Pacific. Such parameters could help the United States avoid problems at both the regional level and within Southeast Asia that are not foreseen by a policy of global anticommunism. For the United States, such global anticommunism is hardly new, and it does have the merit of being the course of least resistance in forming a domestic consensus on foreign policy, but we must not follow it too literally. Unfortunately, specific political considerations local to Southeast Asia may be dismissed as insufficiently important to warrant forgoing the domestic advantages of continued, vigorous anticommunism. It is more likely that U.S. leaders will recognize the dangers of indulging our anticommunism when faced with the more significant larger regions.

The parameters of a regional policy need not be restrictive. For example, we can make it known that we have not renounced the use of force to protect vital U.S. interests throughout the entire Asian-Pacific region, even if we have no will to use force again in Southeast Asia.

We should also be able to agree that it is not in our interest to throw our weight on the side of either the Soviet Union or China. The Sino-Soviet conflict is, to an important degree, regional. Richard Nixon and Henry Kissinger borrowed a valuable lesson from Japan when they adopted an equidistant posture toward the two communist powers. Their successors may need to remind themselves of the wisdom of that policy. If we arm China, the United States may never regain the power to influence both giants by applying small pressures to each.

Arming Japan

Somewhat similar constraints apply to our partnership with Japan. With only defensive arms, Japan can play a far more useful role in promoting the economic growth and stability of the Asian-Pacific region than could an offensively armed Japan. If Japan rearmed, we might be forced to divide the Asian-Pacific region into spheres of influence to avoid conflict. We should not press Japan to rearm unless we can see in advance how this would affect the existing partnership and our ties with all our other Asian friends and trading partners. Since we cannot begin to answer these questions, we should welcome Japan's miserly defense effort and recognize that our own military deployment in the region will be needed for years.

Neither of these two principles suggests a very active U.S. approach to the political struggle in Southeast Asia. Rather, they indicate the importance of very cautious side-taking, necessarily so as China and the Soviet Union have been so reckless and Japan's vital interests are not as threatened in Southeast Asia as they would be by renewed war in Korea. Insofar as the Southeast Asian conflict is a proxy fight between China and the U.S.S.R., we should avoid siding with either.

The reason Southeast Asia presents special problems for the United States today is that some of our friends are in danger of becoming embroiled in the Sino-Soviet conflict. It is always tempting for the United States to challenge the Soviets in this type of situation. However, the rational choice for the United States is not between tilting toward China or the U.S.S.R. We should either adopt a more aloof posture toward the Vietnam-ASEAN conflict or consider weaning both sides away from China and from the Soviet Union.

To play such a mediating role, the United States would need to be in contact with all interested parties —including Vietnam. Are we ready to accept the principle that recognizing a government in power does not imply approval? In short, are we ready to recognize Hanoi, providing that it abandons its unacceptable demands for some kind of cash payment? A mediator would also have to be acceptable to the various Khmer factions. As in previous efforts to neutralize Laos, bringing the Cambodians together may be more difficult than producing agreement among the external powers.

The advantages to the United States of playing some part in the neutralization of Cambodia are mainly to be found at the Asian-Pacific regional level, although success would also enhance our global image as a peacemaker. We began by noting that the Cambodia problem is one of the darkest clouds hovering over the Asian-Pacific region. By forcing countries to line up with either Moscow or Peking, the Cambodia issue is a clear danger to many states and a blessing to none. Lancing this particular boil might make it possible for the nations of the Pacific to get on with important economic consultations.

The fact that the United States is a Pacific power and vitally interested in the stability of the Asian-Pacific region needs no argument. That trouble in Southeast Asia can undermine the stability of the wider region also seems obvious. It is clear that one of the main sources of trouble at the moment is the lack of a widely acceptable government in Cambodia. What is far less clear, however, is whether some form of neutralization is feasible—and, if so, what part the United State can and will play in the process. □

THE JOURNAL

February 28:

In the summer of 1974, the climate of fear in Buenos Aires got even hotter when terrorists abducted an American consular agent

By ADRIENNE HUEY

When we were posted to the U.S. Embassy in Buenos Aires, Argentina, in 1974, the panic over terrorist activities was at its height. Every day the newspapers were full of stories of foreign businessmen being kidnapped off the streets of the city. The U.S. community in Buenos Aires had dwindled to a handful. The American school was about to go broke for lack of pupils. Travel outside the city was forbidden. Social activities that involved more than six or eight Americans were frowned on.

The few U.S. business executives who remained were living alone in hotels, having sent their families to the States for safety. The executives were under constant threat of assassination and kidnapping. So the exodus continued. The one bright spot was the recent release of a high official of an American-run oil company who had been abducted several years earlier. The ransom paid for his release was said to be over sixteen million dollars. We at the embassy breathed a sigh of relief for his safe return but, at the same time, our already stringent security measures were tightened. The Montoneros and other terrorist groups were trying to embarrass the government of Isabel Peron and to upset the delicate political balance in the country. With all that ransom money, they would surely find it easier to hire the assassins they needed to commit more indignities against foreign embassies, companies, and even their own citizens.

The Montoneros were made up of rag-tag remnants of Eva Peron's "shirtless ones." They were partly responsible for Juan Peron's return from exile two years earlier. But Juan Peron was old and tired, and he was soon dead. His relatively young second wife, forty-five-year-old Isabel, lacked the flaming personality of the long dead Evita, but she knew a good thing when she saw it and promptly had herself declared president of Argentina. The Montoneros wanted her out so that they—Peron's rightful heirs—could rule the country. When Isabel had them outlawed, they merely went underground and continued their terrorist campaign with greater vehemence than ever.

The Montoneros had a cruel disregard for their fellow Argentines. The streets of Buenos Aires echoed daily with the blasts of their bombs. Many innocent people were killed or maimed. The police—who showed no mercy when they captured terrorists—were a special target. A bomb in the police cafeteria killed several men. Our apartment was guarded at night by plain-clothed detectives provided by the government. Some of their friends had died in the cafeteria explosion, and their serious faces were further darkened with sadness.

As consul general, my husband, George, was considered a prime target. The guards at our building watched the comings and goings of all the people in the 18-story building. They got to know the tenants and what guests they might expect. Any strangers who entered the building were questioned.

Besides having the guards in the lobby at night, we were instructed not to accept any packages that were delivered to the door. Neither could we receive flowers or plants. We were cautioned not to open the doors to the outer halls and elevator entries without first identifying the caller. Written instructions were sent from the embassy security section telling us to be on the lookout for suspicious loiterers as we entered or departed the building. We were to keep our car doors locked and the windows rolled up at all times. We were also instructed to inspect the car all around and underneath before driving, in case explosive devices had been attached.

Living with Terror

Thus, we got on with the business of living in terrorist-dominated Argentina. George was driven to and from the embassy offices in an armored car. The glass was a good two inches thick. A man rode shotgun in the front seat with the driver. Several people who were kidnapped or ambushed had been driving to work, when their path was blocked by a "stalled" car. We were all taught how to take evasive action and to try not to let our cars be halted in an unusual fashion. Women trained along with the men, but we were not considered to be in the same danger as our husbands. George and I had worked out a code word that he would use as a signal, if he were abducted. One day it might be necessary for me to verify a message from him in this way. Our code word was OKLAHOMA.

Each of the embassy officials had a two-way radio to use for emergency communications. During the day, ours sat on a table in the master

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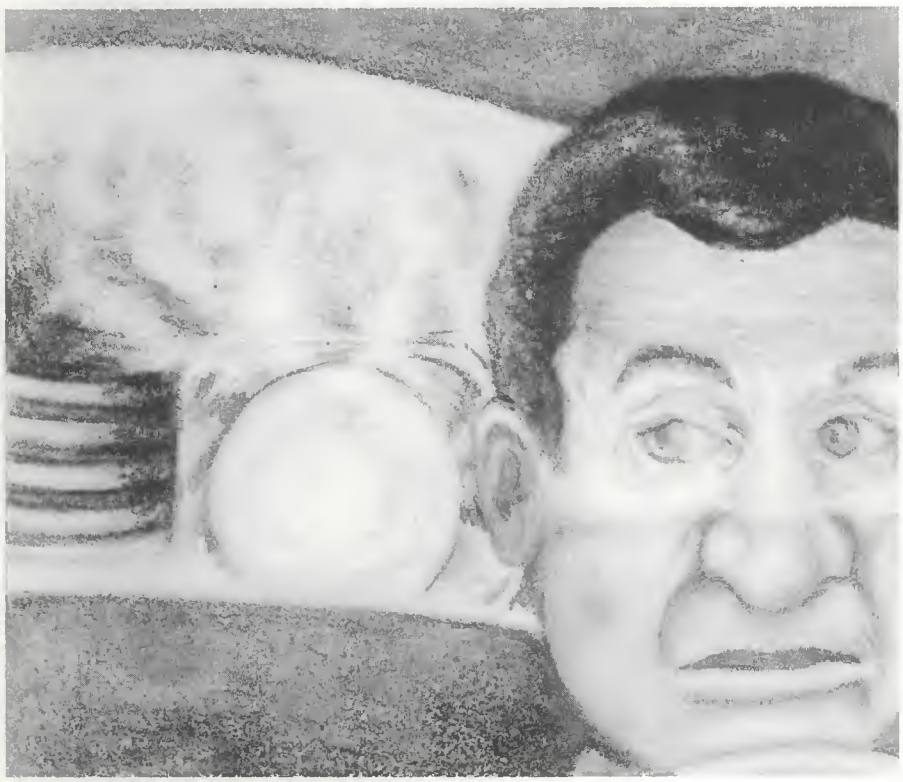
Adrienne Huey was the wife of the late George Owen Huey, who was a member of the Foreign Service for 35 years. They served at posts in Liverpool, New Delhi, Panama, and twice in Buenos Aires. Adrienne Huey's batiks have appeared on the cover of the Foreign Service Journal.

"The Journal" is a new section for articles on diplomatic history and personal accounts by our readers relating to Foreign Service experiences.

Bloody Friday

CARLY DELANEY



bedroom. On weekends it went with us to the few social and diplomatic activities we were allowed to attend. Each officer had a code name; real names were never used. Our code name was RODEO, and once or twice in reporting minor security problems to the embassy, I found it amusing to identify myself as "Mrs. RODEO."

Telephones were known to be bugged, so we were generally cautious in telephone conversations about the most routine matters. Strangely, though, when everything came unglued, it all started with a simple, early morning telephone call. Emergency calls usually started with a chilling buzz of the two-way radio, followed by the tense voice of a Marine guard calling ominously for RODEO to "come in please."

But Bloody Friday began with the simple ringing of the telephone.

I picked up the receiver and heard the frantic voice of Consul Bill Hitchcock scream hysterically: "They've got Egan! They've got Egan!"

Egan, I knew, was John Egan, a consular agent in Cordoba, Argentina's second largest city, some 450 miles northwest of Buenos Aires. I waved George to the phone and hurried to listen on an extension while Bill explained that he had just received an almost incoherent long-distance call from Egan's wife, Cyrila, who said that a gang of four young terrorists had forced their way into the Egan home and dragged John out to a waiting panel truck. She had screamed that they had been without guards for two days, despite many calls to the police.

When George hung up, he raced to the emergency radio to contact the ambassador at his residence with the devastating news. The wheels were set in motion for the most tragic episode of our twenty years in the Foreign Service.

The Hitchcocks had been in Argentina more than four years at that time and were personal friends of the Egans. When John and Cyrila came to Buenos Aires to shop at our little embassy commissary, they stayed with the Hitchcocks. We had met the Egans briefly a few weeks earlier. I remembered John as a jovial man, rotund and balding, wearing steel-framed bifocals. He had worked for an American automobile plant in Cordoba for many years and was married to a lively Boliviana, so when he retired at the age of sixty he stayed in the country he and his wife called home.

Crisis in Cordoba

About the time of Egan's retirement, the consulate in that city was closed for economic reasons, and the U.S. government was looking for someone to act as a consular agent. John Egan seemed to fit the job perfectly and soon had a small office set up in what had once been the front bedroom of his home. It was from that office that he was kidnapped.

The shock of this unexpected event shot through the embassy. George was picked up by the armored car and rushed to the office. There he had further conversations by telephone with the shattered Cyrila, and also with both local and Cordoban police. The embassy's political section began preparing an official protest to be delivered to the Argentine Foreign Office. In all investigations that followed, no one ever came up with an adequate explanation of why the guards had been removed from the Egan home forty-eight hours before he was abducted. The suspicion arose that the police in Cordoba might have been involved.

As the day wore on, the routine activities at the embassy began, the mail pouches were opened and sorted . . . and out fell a letter to the ambassador from John Egan. It had obviously been written hastily by hand several days earlier. John wrote that he had been contacted by guerrillas who wanted him to use his influence to get four of their colleagues released from prison by the Peron government. He ended by

saying that his life had been threatened.

Perhaps things would have been different if the letter had arrived a day earlier. But later developments showed that the imprisoned guerrillas had already been executed by the government and, moreover, that Egan's kidnappers knew this when he was taken.

George was put in charge of the investigation. He and the chief of the security section and another embassy staffer were flown to Cordoba on a U.S. Air Force plane. They were met at the airport by Cordoban police and government officials and were driven straight to the Egan home. George said he found it difficult to reassure the grieving family there was some hope of John's being returned unharmed.

When there seemed to be nothing more he could do, George and the embassy delegation were driven to the central police station. They had no sooner walked into the station when a call came through from a patrol on the outskirts of town saying they had found a body they believed to be that of John Egan. George later said his heart sank, especially when the patrol added that the corpse was wrapped in the flag of the Montoneros.

When the police van arrived at the station with the body, it became George's unpleasant duty to make the identification. The body had a black plastic bag over its head. When it was removed, George could see that the man had been badly beaten and shot once between the eyes. It was John Egan.

An Anonymous Tip

The police said they had received an anonymous tip about the location of the body. George wondered again about the possibility of the police themselves being involved in the abduction.

Though totally shaken by this time, George later told me, he felt he should go immediately back to the Egan home to inform Cyrila of the tragic end to her vigil. He and the other two embassy officers were loaded into a small Volkswagen and driven once again to the Egan house. Though the news was not unexpected, the blow was devastating to Cyrila. The house was soon filled with her wailing.

It was after midnight when the delegation finally headed back to town and a hotel where rooms had been reserved for them. That suite was to serve as communications headquarters with the embassy in Buenos Aires, and most of the funeral arrangements would be made from there. But the day was not to end without one more nerve-shattering experience. As these four rather large men drove away from the Egan home in the minuscule Volkswagen, a panel truck that had obviously been waiting for them pulled out from a dark corner and began following. George said the darkened truck trailed along slowly at first. When the VW picked up speed, the truck did too. Soon they were racing full tilt through the strange, dark streets, the bigger panel truck having no trouble overtaking the small car.

As they passed under occasional street lights, hooded figures were seen in the truck—figures with rifles, which they began to hang out the windows and aim at the VW. The only weapon among the embassy people was a revolver carried by the security officer. He quickly positioned himself to shoot at the tires of the oncoming van, at the same time urging the car's occupants to get down. In later years, George always managed a rueful smile when he told this part of the story. He always had found it difficult to get his 6′ 2″ frame into the VW in the first place, much less find any room to get down.

Just at that moment, the careening cars reached a more populated area. They came to a T-shaped intersection, where a police car seemed to be waiting for them. It pulled out quickly behind the car as it passed and cut off the pursuers. The panel truck then thundered into the intersection, made a screeching two-wheeled turn in the opposite direction, and disappeared into the night. The delegation breathed a sigh of relief. They were escorted politely to their hotel by the police, where they collapsed for a few hours of troubled sleep.

Meanwhile, I was back home in our apartment in Buenos Aires getting regular bulletins from communications operators at the embassy. Each time George had reported to the embassy, he thoughtfully asked them to call to inform me of his progress and safety. I had also spoken with the ambassador's wife, and plans were made for the two of us to accompany the ambassador to Cordoba for the funeral.

To this day I marvel how one can become engrossed with mundane activities during moments of extreme stress. I had just made a startling discovery: I had no black summer dress to wear to the funeral. February is late summer in Argentina and very hot. Quickily I searched out an old pattern and dashed to the shops to buy the appropriate amount of black cloth. I pinned, cut, sewed, and hemmed in a mindless daze until three o'clock Sunday morning. The dress was finally pressed and ready to wear for the next day's ceremony. I crawled into bed thinking I could sleep late, since the plane would not leave for Cordoba until one in the afternoon.

Funeral Under Guard

I was awakened at eight by the telephone. It was the ambassador's wife calling with a message from George. He had forbidden any of us to come to Cordoba. He had told the ambassador of the chase the night before, and he felt the ambassador would be in danger. His main concern at that moment was to get John Egan buried without any further loss of life.

News reports of the funeral service the following week said it was "a simple ceremony amid stiff security measures." George said it was the first funeral he ever attended where everyone was surrounded by guards armed with machine guns.

George and his crew flew home to Buenos Aires Sunday night, leaving a shattered Cyrila in care of her family. The following week, embassies all over Latin America continued to react in stunned horror over the Egan incident. Then Secretary of State Henry Kissinger issued a statement branding the murder as a senseless and despicable crime. A State spokesman said, "This murder should signal to the civilized nations the necessity of concerted and firm action to combat the continuing menace of terrorism."

The day John Egan was killed became known in the press as Bloody Friday. That same day three policemen were slaughtered in Buenos Aires, and the president of the Buenos Aires Supreme Court was kidnapped. The year's toll taken in political violence up to that date, Friday, February 28, 1974, was 56 deaths. □

The Food Scramble

(Continued from page 21)

sands died of severe malnutrition and disease, and many perished after they reached relief camps.

Although grain stocks were partially rebuilt in the late Seventies, the global supply-demand balance remains delicate, as the sensitivity of commodity prices to weather reports indicates. When the balance of supply and demand is so precarious, a poor harvest in a major producing country can set off a wave of global inflation. In poor countries, reduced harvests can have a demographic as well as an economic impact, since rising food prices often push death rates upward.

Toward the Year 2000

The Seventies witnessed the depletion of world food reserves, the repeated restriction of exports by the principal suppliers, record food prices worldwide, and a hunger-induced rise in death rates in at least a dozen countries. As the Eighties begin, the international community must at least prepare for the possibility that the food scramble of recent years is not temporary. The slack appears to have gone out of the world food economy, leaving the entire world in a vulnerable position.

The food prospect must be seen in light of the unmistakable loss of momentum in the growth of world food output during the Seventies. As noted earlier, the margin between food production and population growth for the world as a whole has become precariously thin. The decade-long decline in per capita food production in Africa is the first for any continent in recent times. The future is of particular concern because the forces that led to the loss of momentum during the Seventies are likely to be even stronger during the Eighties. For example, it will be far more difficult to expand the cropland base. Soil erosion, meanwhile, will be taking a toll on productivity.

In much of the world the real cost of producing food is rising at the margin. With most of the easy irrigation projects already completed, new ones will be far more costly. Likewise, land-reclamation projects are becoming more expensive. For the world as a whole, the crop response to the use of additional fertilizer is not nearly as high as it once was. The changing relationship between the energy and food sectors is also affecting the food outlook. Not only do higher oil prices translate into higher food production costs in a world where its production is becoming more energy-intensive, but the competition emerging between the energy and food sectors is also driving food prices upward.

At the moment, there is little solace to be found in new technologies. Although new possibilities—increased photosynthetic efficiency of major crops, for instance, or the development of cereals that fix nitrogen—offer some hope, there is not anything on the drawing board that could lead to quantum jumps in world food output, such as those associated with the expanded postwar use of chemical fertilizer, improved seeds, and irrigation.

As world population approached four billion during the Seventies, food supplies began to tighten. They can be expected to tighten even further if population moves toward five billion at the speed currently projected. In the absence of a sharp drop in birth rates, the world may find it exceedingly difficult to reestablish favorable food trends. Making it from one harvest to the next may become a major preoccupation of governments during the Eighties. The principal cushion remaining in the world food economy is the grain fed to livestock. This grain can be made available for human consumption, but only when prices climb to a starvation-inducing level for much of humanity.

A philosophical debate is beginning to emerge on the wisdom of mining North American soils in order to meet the ever-growing world demand. Many environmentalists and agricultural analysts now argue that it makes little sense to sacrifice a resource that has been a source of economic strength since colonial days merely to buy a few billion barrels of oil. Others contend that the current generation of farmers has no right to engage in the agronomic equivalent of deficit financing, mortgaging the food supply of generations to come. The current trend is fraught with risks both for those whose livelihoods depend on land being productive and for those in countries dependent on food imports that will dry up if the mining of soil continues. Even for the importers, lowering imports to reduce pressure on North American soil resources would be better than losing this source entirely in the long run.

As the food crisis unfolds, the ties between U.S. farm policy and foreign policy should be strengthened. If U.S. soils continue to erode, diminishing the country's agricultural productivity, the loss in foreign policy terms will be a serious one indeed. The doubling of expenditures for soil conservation—now $1 billion—which the Soil Conservation Service estimates is required to stabilize U.S. soil is negligible compared to the cost of the new weapons systems being considered. But it may be infinitely more important, even when viewed solely in narrow political and strategic terms.

From a foreign policy point of view, the unfolding food crisis presents an unparalleled opportunity for the United States. No other country is in the position to exercise world leadership on this issue. There may be some question about who is the leading military power in the world, but none about who is the leading agricultural power. The U.S. has a vast reservoir of agricultural resources that can be mobilized to assist hungry countries. The Department of Agriculture, with its 100,000 employees, represents an enormous pool of agricultural scientists ranging from agronomists to veterinarians. They are backed up by the research/education/agricultural extension complex of land-grant colleges and universities, agricultural experiment stations, and agricultural extension services. The much-maligned agribusiness community, which has played such an important role in recent decades in raising U.S. productivity, also represents a vast reservoir of scientific, management, and marketing skills.

In a world where food is certain to become more and more important, the United States should make agriculture a major component of foreign policy, capitalizing on this unique U.S. asset. Such an effort will require a crash course in agriculture by leading officials, one that leads to an understanding of world as well as U.S. agriculture. The United States is in a rare position to exercise worldwide leadership on the food issue. It is an opportunity that should not be missed. □

Market Isn't Magic

(Continued from page 17)

tween North and South: the global distribution of income. As the Brandt Commission report argued, the gap between rich and poor countries has grown wider than ever. Economic growth, no matter how rapid, is unlikely to affect this disparity. There is also a growing recognition that efforts at development are not trickling down to the poor within each country.

Within a week of President Reagan's speech to the IMF and the World Bank, leaders from developing countries had begun to draw the battle lines. César Varata, finance minister of the Philippines, argued that the new IMF policies were tantamount to "an abandonment of the existing international monetary system." Tanzanian President Julius Nyerere called for a "new Bretton Woods conference" to reform the world monetary system for the benefit of the Third World. The Zimbabwean finance minister, Enos Nkala, may have expressed the feelings of many. Speaking of the American advice to liberalize economic policies, he said, "It's easier for many countries to say, to hell with the Reagan administration."

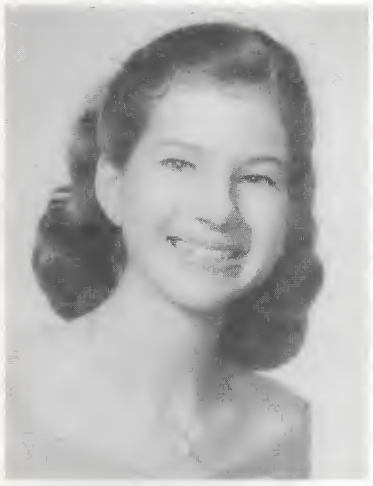
In the near future, and perhaps for much longer, the prosperity or poverty of the developing countries will be determined very much by the success of the Reagan domestic economic plan. If it succeeds and the United States avoids a prolonged recession, developing countries will do relatively well. If it fails, developing countries will face slow growth in exports, greater industrial country protectionism, and prolonged recession. □

FOREIGN SERVICE PEOPLE

1981 Merit Award Prize Essay

As one of the many requirements in the competition to receive AFSA/AAFSW Merit Award scholarships—the 1981 winners of which were announced in the September Journal*—candidates are required to write a personal essay. Along with the rest of their applications, the essays are reviewed by volunteer panels composed of representatives of all the foreign affairs agencies. In a process patterned on the Foreign Service selection boards', Merit Award winners are chosen and the panel chairmen recommend a group of essays for dissemination. We take pride in presenting one of the best below, on the topic "How My Foreign Service Experience Has Been Relevant to My Development."*

My father calculates the length of his Foreign Service career by referring to my age; I was five months old when we arrived at our first post, Yemen, where he would serve as the American embassy medical officer. I spent my nursery school years in Baghdad, Iraq, in a house surrounded by mud walls, with date palms in the backyard. After only a year and a half, the 1967 Arab-Israeli Six Day War broke out and we were immediately evacuated. Since then, I have ridden camels in Afghanistan, visited volcanoes in Indonesia, and now enjoy the beauty of the Philippine Islands.



Ruth Ellen Baker, writer of the 1981 Merit Award Prize Essay presented on this page, is the daughter of John and Marilyn Baker of the State Department. She has lived in Yemen, Iraq, Afghanistan, and the Philippines. A National Merit finalist, Ruth was valedictorian of her high school class. She is now in her freshman year at Yale University.

That the Foreign Service has shaped my life there can be no doubt; that its influence has been a positive one I am also certain. First, living overseas gives one a unique perspective on world happenings. Current events gain added interest when they concern countries one has actually lived in or visited—my family can still only wonder what has happened to our house and friends in Afghanistan. Further, global problems become increasingly relevant when one encounters them personally. It is one thing to read about Third World poverty. It is another to confront it every day. Conditions almost at my doorstep have forced me to face certain uncomfortable realities many Americans are adept at ignoring.

World issues aside, living in a country is the best possible way of learning about it. One gains an intimate understanding of a culture which could never be learned in a classroom. The textbooks never tell you about the flocks of sheep on Kabul streets, the pungent Baghdad bazaars, or the breathtaking beauty of the Philippine rice terraces. Further, the overseas schools I have attended for eight years have provided invaluable contact with other nationalities. Friends from Germany, India, Taiwan, and Finland make "the brotherhood of man" more than a cliché.

Foreign Service life gives one a certain resiliency and independence, an ability to adapt well to new situations. At the same time, it encourages closer family relations. Upon arrival at post, parents and siblings are the only familiar faces around, and even later family members are drawn together by the constant awareness that they are foreigners in a foreign land.

Finally, while my years abroad make me something of a stranger in my own country, they also enable me to evaluate it more objectively. Unlike those who have never left home, I have firsthand knowledge of ways of life other than the American way. It is easier to recognize those aspects of the United States which should change and, more often, to appreciate those things, from peanut butter to free speech, so often taken for granted by her citizens.

My Foreign Service experience has given me a broader understanding of foreign cultures and a special awareness of my responsibilities as an American citizen. Despite the confusion, the culture shock, the pain of pulling up roots—I wouldn't have missed it for the world!

—RUTH ELLEN BAKER

Scholarship Programs 1982-1983

WHO — For dependent children of Foreign Service families who are serving or have served abroad.

HOW — Apply to the AFSA Scholarship Programs Administrator, by letter or phone (202-338-4046) giving FS affiliation and type of scholarship—Merit, Financial Aid, or both.

WHERE — AFSA, 2101 E Street, NW, Washington, D.C. 20037.

WHEN — IMMEDIATELY! All applications must be completed and returned to the AFSA office by February 15, 1982.

Merit Awards are for graduating 1982 high school seniors or juniors, based solely on academic excellence.

Financial Aid Awards are for undergraduate students based solely on need.

Foreign Service personnel in the lower grades are especially encouraged to apply.

CORRECTION: The article on scholarship winners in the September issue of the *Journal* incorrectly listed John Willems as attending Princeton University. In fact, John is attending Brown University.

Deaths

JAMES H. BOUGHTON, a former deputy director of the State Department's office of regional affairs, died on October 12 in New Delhi. He was 60.

Born in Boston, Boughton graduated from Yale University in 1942. After serving in the Army Air Corps, he worked from 1943 to 1955 in the State Department's public affairs office. He then joined the Foreign Service and was assigned as a political officer to Colombo, Ceylon. He later served as deputy director for the Peace Corps' operations in North Africa, the Near East, and South Asia, and later as Peace Corps director in Pakistan. After stints in the Foreign Service Institute and the Army War College, he was named deputy director of State's regional affairs office.

Survivors include his wife, Priscilla Boughton, who is the AID director for India, and five sons by a previous marriage.

CHARLES VAUGHAN FERGUSON JR., a retired Foreign Service officer and former ambassador to Madagascar, died of cardiac arrest on October 3 in Norwich, Conn. He was 66. Born in Schenectady, N.Y., Ferguson graduated from Harvard

College in 1937. After joining the State Department in 1940, he became a political officer in Iran during World War II. He was in charge of State's Iran desk from 1949 to 1952 and later worked in African affairs, serving as acting assistant secretary of state for African affairs from 1961 to 1962. Before retiring to Connecticut, he served as ambassador to Madagascar from 1962 to 1966.

Survivors include a brother and four sisters.

JOHN FARR SIMMONS JR, 44, a Foreign Service officer, died of cancer October 29 at his home in Washington, D.C.

He was the son of the late John Farr Simmons, U.S. chief of protocol in the Truman and Eisenhower administrations.

A native of Washington, Simmons was a graduate of St. Albans School, Princeton University, and the Johns Hopkins School of Advanced International Studies in Bologna, Italy. He served in the American embassies at Damascus, Mexico City, Paris, and London. He was first secretary in the London embassy when he was stricken last February.

He is survived by his mother, two brothers, and a half-sister.

The family suggests that expressions of sympathy be in the form of contributions to St. Albans School, Princeton University, the AFSA Scholarship program, or Hospice Care of Washington.

DIANE TWEED WHITING, a teacher, died on September 15 in La Crosse, Wis. She was 45.

The wife of John Whiting, currently the counselor for political affairs at the U.S. embassy in Santo Domingo, Dominican Republic, she was born in Whitehall, Wisc., and graduated from the University of Wisconsin at La Crosse. She and her husband lived in Argentina, Paraguay, Iceland, the Panama Canal Zone, and the Dominican Republic.

Survivors include her husband, two sons, a daughter, and her mother.

Marriages

MORRIS DRAPER, to Roberta Hornig, on August 15 in Washington, D.C. The groom is deputy assistant secretary of state for Near Eastern and South Asian affairs. The bride, a reporter, was on the national staff of the *Washington Star*. The couple will live in Washington.

JORDAN THOMAS ROGERS, to Eunice M. Middleton, on June 14, in Landisburg, Pa. The groom is a retired Foreign Service officer. The couple will live at 148 Old Ford Drive, Camp Hill, Pa. 17011.

Achievements

RICHARD FUNKHOUSER, a career Foreign Service officer and former ambassador to Gabon, has been named director of the Office of International Activities in the U.S. Environmental Protection Agency. Funkhouser has served as economic counselor in Moscow, political counselor in Paris, and as an energy specialist on State's policy planning staff.

Honors

A marble bust of the late GEORGE HORTON, former consul and consul general to cities in Greece and the Mideast, was recently unveiled in a large public square in Athens, Greece. Horton's translations of the classics and works on folklore gained him the praise of both European and American critics. He also was a successful novelist. The ceremony recognized his efforts and achievements in relief work with refugees "during difficult periods in Greek history."

JOHN W. SHIRLEY was awarded the Edward R. Murrow Award for Excellence in Public Diplomacy on May 31 at Tufts University. Shirley, a career minister since 1980, is now counselor of the International Communication Agency.

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