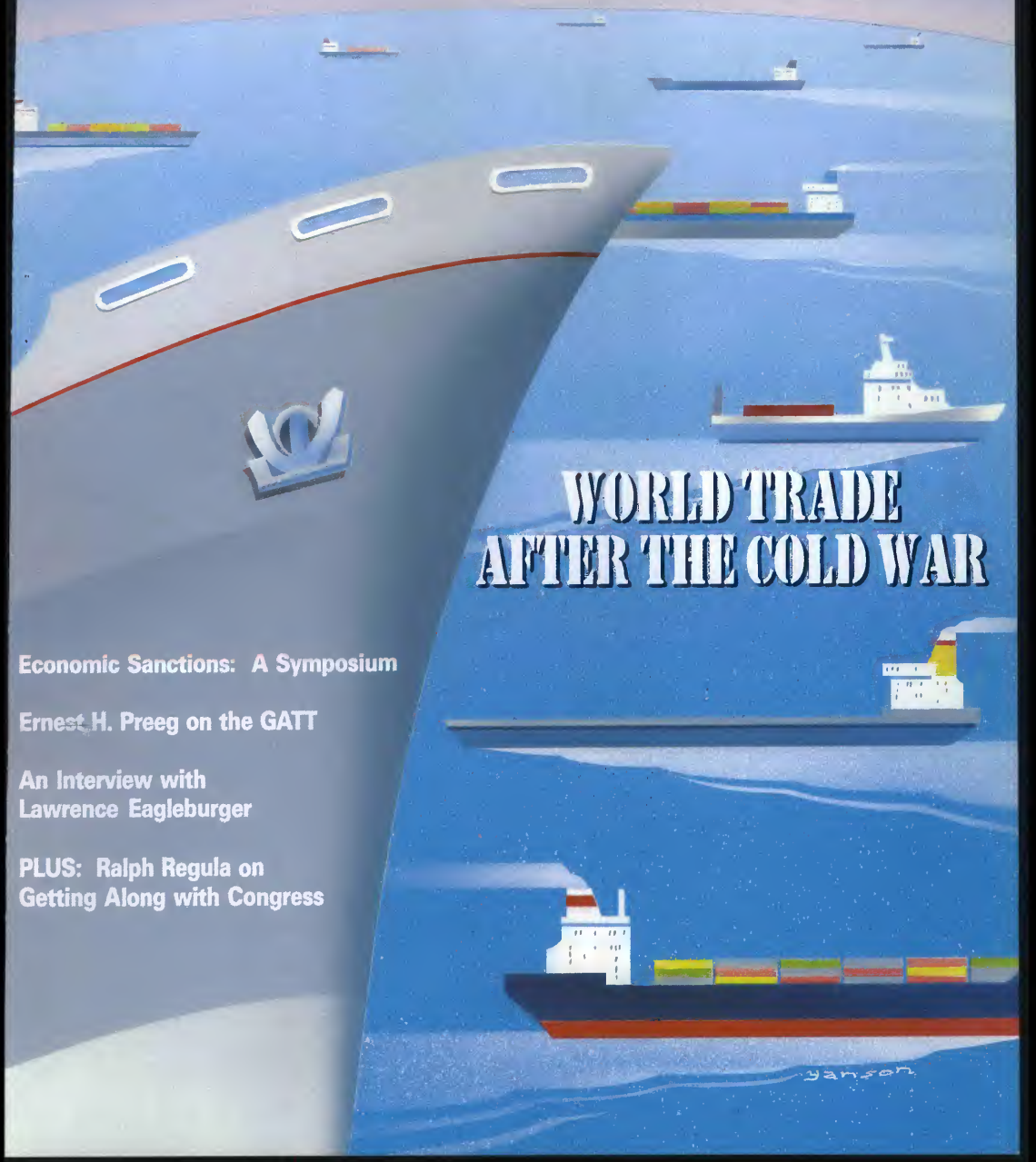
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AFSA Views

Calling Up Our Own Reserves

No one doubts the value of efforts to build the foreign affairs constituency, but we need to review frequently whether AFSA is making the best use of very finite resources and reserves in the process. Assessing our program to organize conferences and recruit business firms as "international associates" figured high on the agenda of the AFSA board's retreat in September. Our next major effort in this program is a conference on November 13 and 14 about the Uruguay Round. Both President Bush and Secretary Baker have the event penciled in on their calendars. We will put the program in the "achievements column" if this conference is as successful as we hope and if we can reach our goal of bringing up our "international associate" membership to 75 (i.e., doubling our current list) in 1990.

The board also felt strongly that AFSA should reflect on the 1989-1990 sea changes in international affairs. How should we organize for the conduct of diplomacy in these new circumstances? At this point we don't have any answers; we're still groping to frame the questions. But all agree that we should consult the best minds in rethinking the durable structure that George Marshall and Dean Acheson erected 45 years ago. A provocative speaker series is proposed (see page 60); we plan to synthesize the sessions and produce a report with some action proposals. We can do the job even better if our applications for foundation funding for this project are fruitful.

We began this effort (and our retreat) with a seminar drawing together senior management, academic, legislative, and business commentators on September 7. The discussion was off the record, but some valuable general ideas emerged: the State Department operates "flat out" all the time. It has no personnel reserves for emergencies and is probably unique among federal agencies in this regard, although USIA and AID have similar problems.

Nevertheless, it would be unrealistic to expect substantial budget increases, even without today's severe austerity. Our needs are known, but our constituency is not mobilized, our legislative lobbying is inexpert, and U.S. foreign affairs agencies are no more immune than those in other countries to an apparent trend toward decentralization of their functions (i.e., to defense, energy, or commerce agencies, etc.). Practically speaking, any structural change would have to start from the premise that the $5-6 billion now being spent to staff and operate the government's foreign affairs agencies is probably a constant.

One alternative to the current state of affairs would be to recoup once divested operations like information programs and commercial support into a central foreign affairs agency. Another would be to shed all operations, including visas, and turn State into an ivory tower brain trust for the president, supplanting the NSC. Recommendations for significant changes in either direction would be most credible if they came from outside the government, perhaps from a study commission that would be appointed by Congress.

Although the seminar was inconclusive on most points, one AFSA idea that everyone seems to like is the formation of a Foreign Service reserve corps. The initial idea would be simply to dignify and to consolidate all the various "when actually employed" arrangements that Foreign Service retirees now have with individual bureaus. Eventually, we would like to see the corps expanded to all Foreign Service agencies, conceivably even to include Americans with no government experience, but with the requisite skills. State Department leadership has now endorsed our proposal, and the director general is developing a plan to implement it. A Foreign Service reserve isn't going to create any new resources where none exist, but it should help to put the ones we have to better avail.

—Ted Wilkinson

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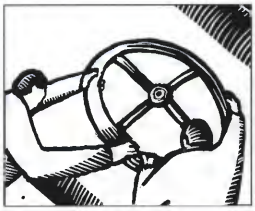
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COVER:

The end of the Cold War suggests new configurations in world trade. Washington artist John Michael Yanson did the cover illustration for the JOURNAL.



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Letters

History with integrity

To the Foreign Service Journal:

The undersigned are staff members of the Office of Historical Documents Review (HDR) who have been involved in declassification reviews of the series Foreign Relations of the United States (FRUS). We are retired senior FSOs and have served in positions ranging from ambassador to the direction of regional bureaus. A number of us have academic credentials and experience as well. Our current mission is to declassify the historical record to the maximum extent possible, and we take pride in the key role we have played since 1985 in accelerating release of record numbers of FRUS volumes.

We have read Professor Warren Cohen's article "Gaps in the Historical Record" *(see August Journal, page 27)* and share fully his goal of producing a credible documentary record within a reasonable time after the events have transpired. We also appreciate the high regard he expresses for the Foreign Service, as well as the credit he gives those serving in HDR for their assistance in intervening with others to assure that as much relevant information as possible sees the light of day in the FRUS.

There are, however, some aspects in Professor Cohen's account of his experiences with the Historical Advisory Committee with which we would take issue. It is clear that given the government's responsibility for protecting classified information, acknowledged by Professor Cohen, and the historians' desire to know everything, there can be no solution to the declassification question that will be completely satisfactory from the historians' point of view.

Cohen's argument for greater access by the committee rests in part on an assertion that previously the members had been permitted to see the documents selected for inclusion in the FRUS prior to publication, including the material withheld for security reasons. The Historical Office informs us that on one or two occasions before 1980 some material was shared with committee members, but that this was not a formally established procedure. Since 1980 the committee has never been given regular access to deleted classified material. That is the department's policy and reflects the position of bureaus responsible for the conduct of our relations with other nations. Those in the department responsible for reviewing the material selected for the FRUS were not unmindful of the committee's desire to be reassured concerning the completeness of the record. In 1985, therefore, we initiated briefings of the committee on recently completed volumes. In these briefings the committee members were able to query the officers who had worked on the volumes in question concerning the criteria used in decisions on material to be withheld. The briefers were able to give them a good idea of the amount and nature of this material. Our impression has been that these briefings were well received by the committee. It must be said here that, for documents whose content lies exclusively within the purview of the Department of State, only a minuscule percentage of information usually has been withheld.

Professor Cohen also argues that greater access was necessary for his committee to protect the integrity of the FRUS volumes and to verify their accuracy. But that basic responsibility can only be assumed by the department. Only the department's official historians see all the files from which documents are selected; and selection is critical to integrity and accuracy. At the other end of the process these historians are responsible for determining whether or not each compilation, as it emerges from the declassification process, meets the publication principles set forth in each preface. Appropriately, the assistant secretary for public affairs has the final say in whether or not a volume should be released; and an appeals procedure, reaching up to the under secretary for political affairs, is available if PA believes the principles governing publication have been violated. For these reasons the Advisory Committee's charter, last approved in 1988, says nothing about protecting integrity or verifying accuracy. In fact, there is not a single mention of declassification.

Professor Cohen acknowledges that the major problem does not lie within the State Department. All agencies must deal with information that is protected by special laws and regulations (e.g. intelligence, nuclear weapons). For some, such as CIA and Defense, these regulations impose special restraints on what they can release, and the department cannot compel them to interpret the regulations under which they operate in a particular manner. An additional constraint on the kinds of material that can be released arises from the fact that some documents that would be desirable to publish in the FRUS were furnished to the U.S. in confidence by foreign governments. In some cases these governments do not wish to see their documents made public. Obviously, we must respect those wishes.

The undersigned wish it clearly understood that we are wholeheartedly committed to the proposition that the public record of the formulation of our foreign policy and the conduct of our relations with other nations must be as open and detailed as possible. Given the realities of the situation, what alternatives are available? Clearly the present situation has gotten out of hand. The legislation that has been introduced in the Senate Foreign Relations Committee would pose serious legal, operational, security and resource problems for the government; and the time and effort drained over a decade of sparring need to be devoted instead to restoring the flagging acceleration program to produce a better and more timely FRUS series. Since we appear to share a common goal, we believe a system would work best in which each group contributes what it is best equipped to contribute: the department's historians, their exper-

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tise in compiling and editing the volumes and ensuring their comprehensiveness; the declassifiers, their skills and experience in facilitating release of the maximum amount of information possible consistent with the laws and regulations; and advisory committee members, their unique knowledge as representative users from a variety of perspectives, in advising on major substantive questions such as the kinds of issues that should be given priority in the FRUS of the future. In our view this would best ensure a timely, comprehensive and credible series.

Signatories:
Charles C. Flowerree
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Sidney Sober

To the Foreign Service Journal:

Just as I was beginning to think that the State Department bureaucracy might arrest its slow slide toward irrelevance, evidence to the contrary comes along in history Professor Warren I. Cohen's account of how hidebound concepts of censorship are crippling institutional effectiveness in Foggy Bottom.

Although I majored in history during an academic furlough from 22 years in the Foreign Service, I claim no expertise in this discipline. But one does not have to be an expert to recognize that the department's rebuttal, which the Journal also printed, one written by V. Kim Hoggard, senior deputy assistant secretary at the Bureau of Public Affairs, was weak enough to constitute a plea of *nolo contendere.*

Ms. Hoggard promised measures in the future that "can result in the withholding of sensitive material that does not distort the historical record." No record can remain undistorted when sensitive material is withheld from historians by bureaucrats overly concerned with "security." They are doing the president, his secretary of state, and others dedicated to effective analysis of foreign affairs no favors by bowdlerizing the official accounts of past years.

Isn't it about time for a healthy injection of glasnost? As a first step, let's restore the integrity and credibility of the Foreign Relations of the United States series and insure that there are no more instances of such blatantly dishonest reporting as evidenced in the volume titled *Iran 1952-1954.*

Richard Patrick Wilson
USIA, retired
Mobile, Alabama

What about a retiree?

To the Foreign Service Journal:

I can sympathize with the singles *(see Kitty Thuermer, August FSJ, page 16)* who feel they have been discriminated against because of their marital status. I once lost a DCM assignment because I was separated. The ambassador, who had approached me thinking I was still living in wedded bliss, regretfully informed me that his wife absolutely had to be able to count on the DCM's wife in connection with her many community activities.

I have an idea for the single female FSOs who would like a partner but find it difficult to locate an appropriate one. There are many retired FSOs, divorcees or widowers, who are well short of being over the hill. The Washington area is well-stocked with retirees of all descriptions. Marry an older man? I can see the eyebrows shooting up. Well, it's an option. Think about it.

J. Edgar Williams
Carrboro, North Carolina

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FSJ, November 1980

We have only relatively recently moved into a phase of restoration and reconstruction or, in the case of many societies, of basic nation building. It has been the beginning of a new relationship of sovereign equality between nations North and South. But it has also been a traumatic experience for both former imperial powers and their former colonial dependencies, a love-hate relationship too charged, too complex and dynamic to be fully understood. The working basis of aid from the North and development in the South has not helped. This too has been essentially an impossible relation to sustain for any length of time because it involved new relations of subjection—of teacher and student, of donor or recipient, of superiority and inferiority; both sides have hated it, striving, each in his own way, to make it less demeaning whether as donor or recipient . . .It was a relationship that was bound to break down and did it in 1973 when U.S. support for Israel in the Yom Kippur War triggered an Arab oil embargo leading to the quadrupling of oil prices by the year's end. It also lead, within a few months time, to the historic Sixth Special Session of the UN General Assembly in April 1974 and the Third World-sponsored Declaration on the Establishment of a New International Economic Order. This declaration marked the beginning of a southern campaign to break out of the old subordinate relationship, to change the international economic system which, they believed, kept them in continued subordination despite the achievement of political liberty.

North-South: Negotiating Survival
by Robert K. Olson

FSJ, November 1965

Washington has an oversupply of those winsome little rogues who bring their transistors on public buses and pluck out such things as Beatle songs, such temporary masterpieces as "Sugar Pie, Honey Bunch," to say nothing of "Wipe Out" and unctuous commercials until their fellow passengers become completely unhinged.

Let the fellow passengers brace themselves for good news. The Washington Metropolitan Area Commission has banned the use of transistors on public buses.

Washington Letter

FSJ, November 1940

Today it is not necessary to convince Congress that the United States' foreign representatives need adequate funds to carry out their functions properly and profitably. It is recognized at the State Department, even emphasized, that the political parsimony with which the Department had once to contend is given way to notable improvement in the situation of the Untied States' diplomatic corps.

. . . Though, today, happily, the story is no longer one of "diplomacy in rags," it is still one of diplomacy often in patches. But nowadays the average citizen rather than the Congressman needs the talking-to on this matter, say the gentlemen behind the white shutter-like doors that open off the almost too venerable corridors of the State Department building.

The Wide Horizons
by Carlyle W. Morgan



Everard S. Taylor

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Clippings

Bush's foreign policy vise

THE LOS ANGELES TIMES, SEPTEMBER 18, 1990
BY DAVID LAUTER

The abrupt firing Monday of Air Force Chief of Staff Michael J. Dugan for discussing possible wartime tactics against Iraq dispelled any doubts that President Bush maintains an extraordinarily tight grip over policy and power inside his administration.

Unlike previous high-ranking military officers who were sacked, Gen. Dugan did not get into trouble by opposing a presidential policy. The policy he outlined—bombing raids aimed at "decapitating" Iraq's leadership—is fairly standard Air Force doctrine.

Instead, Dugan's sin was forgetting that in the Bush Administration, only a handful of officials are allowed to talk about sensitive matters in public.

"There are only five people who make decisions—the President, Scowcroft, Powell, Cheney, and Baker," said one White House official.

Forgotten sentinels

THE NEW YORK TIMES, SEPTEMBER 25, 1990
EDITORIAL

President Bush has inadvertently slighted the U.S. Foreign Service. In his September 11 speech to Congress, Mr. Bush spoke generously and at length about "our brave servicemen and women" in the Persian Gulf. But he failed even to mention the brave men and women serving as diplomats in Baghdad and Kuwait, the hazardous cockpits of the conflict. It does not belittle the sacrifices of uniformed Americans to note that Foreign Service officers are in more immediate peril.

More of these civilian officers have been killed in the line of duty than all the generals and admirals who have died in combat since World War II. The names of these diplomats are honored on plaques in the State Department lobby. In 1955 there were 75 names. Since then, 90 more career diplomats have been killed, most victims of terrorism.

Americans treat the Foreign Service shabbily. Congress routinely slashes State Department budgets, since diplomacy has no domestic constituency. Salaries are kept low and training programs starved of funds by legislators. Presidents treat ambassadorial posts as booty for chums and contributors.

Perversely, career diplomats go unrecognized and unrewarded even as their skills are required for new problems, from narcotics and pollution to vanishing rain forests. Neglect of the Foreign Service is ignominious in normal times, but incomprehensible in crisis. American diplomats in Kuwait are captives in a combat zone; embassy defenders rely on a swimming pool for drinking water. Their courage calls for a salute; at the first opportunity, Mr. Bush should make full amends.

Grapes of wrath?

THE WASHINGTON POST, SEPTEMBER 18, 1990, BY JACK ANDERSON AND DALE VAN ATTA

American consumers forgot about the Chilean grape poisoning last year almost as soon as the U.S. government announced it was again safe to eat the fruit. But in Chile, the bad taste of the cyanide scare lingers.

How could the U.S. Food and Drug Administration, acting on an anonymous threat, have found two poisoned grapes among 6 million cases of fruit after searching for less than a day? In the minds of more and more Chileans, the answer is that the FDA botched the grape tests and Chile lost millions of dollars in fruit sales as a result.

A few Chileans have reached a more sinister conclusion: that the U.S. government concocted the scare to intimidate Augusto Pinochet, the Chile's dictator, and remind him how dependent he was on the United States.

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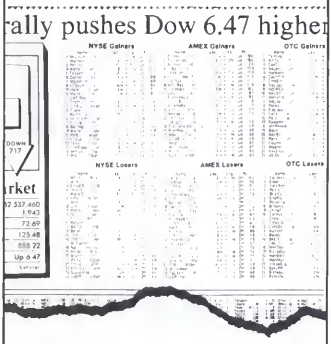
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Clippings

investigating the FDA's conduct in the Chilean grape incident. But the Chilean Exporters Association did its own probe. The exporters concluded, based on research done at labs including one at the University of California at Davis, that someone accidentally or deliberately injected the grapes with cyanide at an FDA lab in Philadelphia.

Homeward bound, in tears

THE WASHINGTON POST, SEPTEMBER 18, 1990

BY JANE FRIEDMAN

In February this year, unconscious of the possible consequences, my husband and I and two children, a 1-year-old girl and a 4-year-old boy, moved to the United States after five years in Egypt. . . . Four days after we arrived, I hauled my son, Adam, into the emergency room of Fairfax Hospital. He had pneumonia and it was only the beginning of a long and difficult adjustment period during which he had four asthma attacks and seemed to be constantly grieving. Only weeks ago, he remarked that he has two mothers. One, our Egyptian housekeeper, is still in Cairo.

Although psychiatrists say there is no scientific data on how American expatriate children adapt when they return to the United States, doctors say some children can expect severe problems that range from physical illness to depression, grief and a feeling of alienation from American society.

The findings, based on the unquantified observations of health care professionals, contradict the common wisdom that a return to one's native land is no chore at all.

No butts

THE WASHINGTON POST, SEPTEMBER 9, 1990

BY SARAH BOOTH CONROY

Has the peace pipe vanished forever from the State Department? Nobody seems to know.

A new three-year no-smoking agreement between the American Foreign Service Association and the Department of State has been signed but not yet implemented. But the policy—to go into effect as soon as the official orders can be printed up and sent around—says guests, foreign or domestic, can no longer smoke in the State Department's eighth and seventh floor reception rooms. This includes the Treaty Room, which was paid for by donations from seven tobacco companies.

Nobody at State—though most go up in smoke at the thought of being quoted on the subject—thinks the agreement means what it says.

"Think what would happen," said Ted Wilkinson, president of AFSA, "if, say, the Iraqi foreign minister, cigarette on his lips, comes into the Diplomatic Reception rooms to sign an agreement to pull out of Kuwait. And some State Department official says, 'You'll have to put out your cigarette, Mr. Minister.'"

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DIPLOMATS AND TRADE:

An Interview with Lawrence Eagleburger

On the eve of the GATT's Uruguay Round, the FOREIGN SERVICE JOURNAL *asked Deputy Secretary Lawrence Eagleburger to reflect on the perceived decline of U.S. economic power, how differing political and economic goals can be reconciled, and the Foreign Service's role in promoting U.S. exports. The deputy secretary spoke with Teresita Schaffer, deputy asssistant secretary for Near Eastern and South Asian Affairs. A transcript of the interview follows, edited for length.*

Teresita Schaffer: We have read your November 30 speech on the importance of exports. As an econ officer, this is something I grew up on. But I wanted to pursue a bit some of the thoughts you articulated there, and to start by picking up the statement you made that the U.S. has to adjust to a situation in which we no longer hold the dominant economic position in the world.

How do you think changing trends and the distribution of economic power have affected our strategic outlook on our overall view of the world?

Deputy Secretary Eagleburger: In the first place, they haven't affected them enough yet.

It ought to be obvious to everybody that the period in which all of us have grown up and lived with of U.S. economic, military, political—you name it—dominance is, in fact, over, or is in the process of ending. It is, in my judgment, far healthier in terms of both the United States and global stability to have a better balance. But the Japanese and the Germans, to cite just two examples—really the Japanese and the European Community—clearly have far greater economic clout than they used to.

It isn't half so much that the United States is diminished in its economic power. It is that others have grown. Inevitably that is going to require a recognition on our part that we have to be far more competitive internationally. It also means we have to recognize that our ability to dominate events and to throw resources at problems is going to be increasingly limited.

It means as well—and this is the toughest part of the issue—that the Japanese and the European Community that are, in fact, substantially stronger economically, as responsible world powers, are going to have to start acting far more responsibly than they have in the past. Indeed, with their economic strength comes responsibility.

I would argue strenuously that the one thing the U.S. can take credit for in the post-war period, when we were economically and politically dominant—at least within the West—was that we had a sense of responsibility. We used our strength essentially for the good. We played a major role in bringing the countries that are now our competitors into a position of strength. It is damn well time that some of those who benefited from 50 years of American leadership recognize that they need to accept, in the same spirit we did, a far greater sense of responsibility for global stability.

I don't think we recognize as much as we will have to the changing circumstances.

We must use resources more carefully. We have to get more for every dollar we spend.

We also have to recognize that we're going to have to be prepared to share the decision-making on a whole host of issues that we have largely dominated in the past. But most important of all—and this is where the U.S. remains absolutely essential to global stability—it is only the United States that can at this stage, at least, lead some of those other growing economic powers to accept and play their role of responsibility in the way in which they ought to.

A classic case is the Gulf crisis.

SCHAFFER: You anticipated my next question. Can you elaborate a bit more on this concept of the responsible role that economic growth is going to thrust on the Europeans, the Japanese?

EAGLEBURGER: Sure. But take this case right now where, clearly, no other country in the world could have mounted this sort of military response in the Gulf.

At the same time, it is very clear that the response we have generated is terribly expensive and it is also very clear that our ability to affect events in the Gulf is going to have a major impact—a beneficial impact—on the economies of a whole host of other countries, not

least of which is Japan. All of these countries would have to face, as would we, substantially increased oil prices, at a minimum, if Saddam Hussein succeeded.

Although we have had to take the major share of the military burden, we shouldn't have to pay for it. At least, we shouldn't have to pay for it all.

So, in a way, what you saw with the Brady-Baker trips to try to generate financial support is, I think, in microcosm, an example of the kinds of things that are going to become more common in the years ahead; namely, that as long as the United States is the only real superpower, it's going to have to be counted upon to provide the military muscle when necessary to maintain stability. It ought to be a community effort in terms of assuming some of the costs of maintaining that stability. That's just one example.

The president is absolutely right, that what we're seeing is the beginning of a new security system. I don't mean that it's going to look the way it does in the Gulf right now, but it does mean that it's going to have to be a far more common and joint effort than it has been in the past.

SCHAFFER: How is our political system likely to cope with the need for a shared decision-making which, goes with this idea of sharing the costs?

EAGLEBURGER: It's going to be tough. It's one of the things that's going to be toughest for us, I think, to accommodate to, in two directions.

One, we're used to being able to make decisions and having them stick. On the other hand, those who are going to have a greater role in the decision-making process are used to not having to make decisions. We see time and again how difficult it is for some of these newly wealthy, powerful entities to find ways to adapt to the fact of their new wealth and influence in terms of their ability to make decisions that match their responsibilities. That's going to take some time.



PHOTOGRAPHS BY JULIA T. SCHIEKEN

We have the opposite side of the coin, in a way, in the U.S., namely, we are going to have to recognize that these partners have to be taken into account in more institutionalized ways. I think we're trying hard to accommodate to that.

Our own domestic political system is going to have to accommodate to it, as well. That's tougher. I can't give you any magic formula for it.

SCHAFFER: Shifting slightly to another aspect of this, you said that one of the things we will have to do is to be more competitive.

What is the U.S. government's role in export promotion? How do you distinguish, if you can distinguish, between our job and that of the company that has decided it's in the export business and is trying to move ahead?

EAGLEBURGER: I think you can distinguish because no matter what we do as a government—or as the State Department, or Foreign Service or the Commerce Department, or whatever—if American business itself is not prepared to meet the minimum conditions necessary to compete, we can't do it for them.

So I would start by saying the primary responsibility has to rest with American business. These are all cliches you've heard a million times. If you're going to sell in the Japanese market, you better have some people who know how to speak Japanese and know something about Japanese culture. The product has to be a good quality product. So all of those things are obvious and necessary before we could help.

There are two parts to your question, as far as I'm concerned, with regard to what we do as an institution and what the U.S. government does.

As far as the U.S. government is concerned, there is, first of all, the "level playing field." There are still any number of activities by the governments of those countries to which we ought to be exporting more that are just not right. We're going to have to be much tougher on that.

That, I have to say, is going to run contrary to a whole tendency in the past to try—because we had other fish to fry internationally—to take the edge off of that. We're going to have to get tougher, but I don't mean that we've got to go to a trade war every time. We must be more conscious of those kinds of problems and do what we can to help support business.

Secondly, I think, frankly, we are going to have to look at increasing the role of the Export-Import Bank. This, by the way, is a personal view. It is not necessarily anybody else's view, but we're going to have to try to find ways to help finance exports. And most fundamentally, we're simply going to have to be prepared, as a government, and as institutions of the U.S. government, to become more actively engaged in trying to help American businessmen

abroad when they need it.

That leads to my next point, which is our role—the State Department's role. I hope we are over the issue of fighting with the Commerce Department about who does and who does not have authority over the Foreign Commercial Service. If FCS is in the Commerce Department, we ought to forget that as an issue and accept it and make it work. The State Department ought to be doing everything it can to help the Commerce Department; and the Commerce Department and the people abroad in the field have got to understand how the ambassador runs his embassy. I don't think those are hard issues to come to grips with.

What I think is important—in this sense, if it sounds critical of the State Department and the Foreign Service, so be it. We have basically as an institution spent the better part of 50 years principally being concerned about political and military issues because those were the questions that most faced most Foreign Service officers. That focus is going to have to shift.

If you were in the economic section and in this business yourself, the tendency has been that it's not the glamorous part of the Foreign Service. That's going to change. We have got to do more in this building to make it clear to the institution that promotion of U.S. economic interests abroad is at least as important as any other activity of the Foreign Service establishment and, indeed, the promotion possibilities are to some degree more clearly related to political and military issues than they have been in the past.

Now, that is what I call "changing the culture." It ain't easy to change cultures. Let me add that the Foreign Commercial Service and the Department of Commerce have to find ways to better integrate their process and ours. We have to provide educational and training opportunities for those people. We have to provide reciprocal assignment opportunities for FSOs and FCS officers which enhance promotion prospects for both.

The long and short of what I'm





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saying is that it is also necessary that, while we in the State Department have to think about how we change our cultural approach to these kinds of questions, the Commerce Department has to recognize that their people are going to have to be expert, ready to work hard—just as hard as we have to be ready to work—and we and Commerce need to sit down together, as we are already doing in fact, and try to figure out ways to make the system better integrated than it has been in the past.

SCHAFFER: I'd like to pick up a couple of the points you just mentioned and start perhaps with the concept of needing to be tougher.

Are we looking at a world in which legislating bilateral remedies for our trade problems is a permanent feature of the landscape? And how does that fit in with the kind of multilateral trade world that we tried to create after World War II?

EAGLEBURGER: I think the fundamental basis on which we have to operate is that we want a multilateral trading world. We've got to do everything we can to set common rules of behavior on as broad a basis as is possible, but I don't think that's enough.

So what I am really saying to you is that I think there is also for some time to come—far into the future as I can see—a need for being in a position to deal with some of these issues bilaterally. I recognize that that can lead to contradictions with the first principle. It is therefore never going to be easy to settle, but I do not think we can walk away from the fact that we are going to have to deal with a lot of these issues bilaterally.

A multilateral system is by no means so perfect, so insulated from, for example, subsidies to Airbus or protection of a product such as rice, which we could sell Japan cheaper than they can grow it. There is no way we can avoid bilateral remedies as well, and we're going to have to pursue them.

I can't give you a formula other than to say, as we pursue the bilateral course, we are going to have think about its impact on the multilateral system. But it does seem to me that in the coming years the economic factor in our decisions as to when to weigh in and how to weigh in has to be given more weight than it has in the past.

SCHAFFER: The other theme that you've developed was the need for the department's culture to place greater weight on economic factors.

Do you think that we need to move more toward a system in which officers who have had a political track will need to do some time in economic work and vice versa? Are there those kinds of institutional devices we need to develop.

EAGLEBURGER: Yes. There's that. There is the need, as I said before, to look at the promotion system in terms of who gets promoted; look at the system of ambassadorial appointments in terms of the backgrounds of those who get nominated from the Service; look at the degree to which economic officers in each of the bureaus have access to the assistant secretary, and the assistant secretary's knowledge of or ability to draw on the expertise of economic officers.

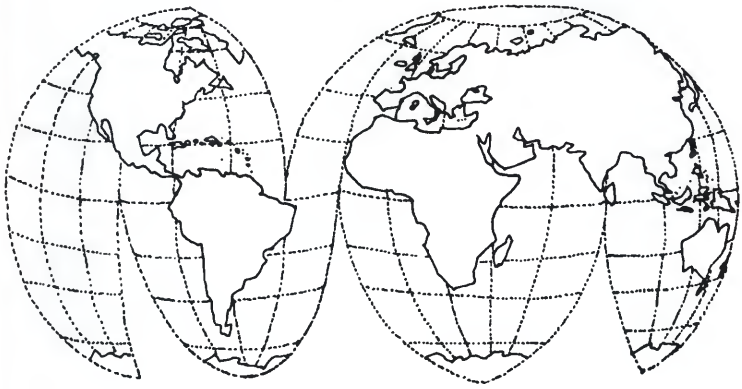
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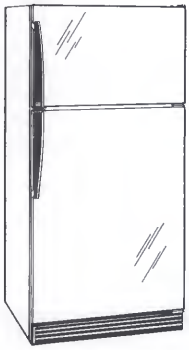
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nently the business of the State Department—which I think they should be—we have to be able to demonstrate to those agencies not directly involved in foreign policy but directly involved in trade, finance, and so forth, that our expertise is as strong and as capable as theirs, and that we have an ability to bring foreign policy factors into the mix in ways that nobody else can.

SCHAFFER: In your November 30 speech, you referred to the U.S.-Canada Free Trade Agreement as a model. What's it a model for? How does this more regional or bilateral approach to the world mesh with the multilateral system?

EAGLEBURGER: Good question. Obviously, we're looking for more. We're now sitting down to start talking with the Mexicans. The president's proposal of looking toward some sort of free trade arrangements for the hemisphere would indicate that this administration, I think absolutely rightly, is looking toward broadening the kind of experience we have with the Canadian case.

I do not think those need to be looked upon as alternatives to a multilateral trading system that increasingly opens up world markets to free and unfettered competition. I do think you have to look at them as—let me almost say "steps in a process." If indeed we can manage to work out arrangements with the various countries I've talked about, for example, that lead toward some sort of free trade arrangement, that doesn't mean that we've put down our pen and that's the end of the effort.

It does mean that this can be seen as a step in the direction of opening up worldwide free trade. I don't think it needs to be viewed as contradictory. And, you know, the GATT has recognized the validity of regional arrangements, if they can be arrived at within the context that permits at the same time the operation of a worldwide system.

That is not to say I think the United States is going to go out and look for free trade arrangements with every country around the world. I do say, however, that I think it's fairly clear this administration is aiming at moving beyond simply the Canadian example.

SCHAFFER: I think we have been assuming that we're operating within a world of static or declining aid budgets. How is this going to affect our foreign relations, and how is it going to relate to our export promotion?

EAGLEBURGER: With regard to the first question, it obviously means that the ability to grant aid as a means of leading countries to make decisions we would like to see them make is not going to be quite as great as it was in the past. It means we're going to have to be better diplomats. It means we're going to have to be more persuasive.

I think it is also fairly clear, however, as statistics would already demonstrate, that there are some other countries around the world that can pick up some of that slack, and indeed certainly ought to. Japan is one, and they have been doing so. It would be far better if we could see those aid efforts done in an untied way, but aid is, I think, going to have to become an increasingly important example of the kind of responsibility I was talking about earlier when I said the Japanese and the European Community need to develop a greater sense of responsibility for global stability.

One of the things that I find very interesting about what we're trying to do in Eastern Europe—and in many ways it's an experiment, and we'll make some mistakes, and we'll learn some lessons—is the new kinds of devices that we're trying to develop to transfer resources and experience and teach some lessons.

The enterprise funds in Poland and Hungary are two examples of where you get some really first-class business talent to run the funds with some money but not necessarily a great deal, and to make their decisions on how that money will be used on the basis of business criteria and with vast experience in the past in a free-market economy.

The ways in which they can develop those funds and use them to encourage the building of free-market economies in Poland and Hungary, for example, are interesting to watch and probably more easily managed than if they were done through a government bureaucracy. Not that I'm complaining about the bureaucracy, but we can't think in the same way, and the constraints on how we operate are somewhat greater.

SCHAFFER: Do you think that the need for improved finance for our exports, which you referred to earlier, is going to lead us to create tighter links between our aid money and U.S. exports, and how do you mesh this with the kind of flexibility you've just been talking about?

EAGLEBURGER: I think that there will be some increased linkage. We've already experimented in one case with putting some aid money into a package to try to get some export promotion for a fairly large project in the Far East.

I don't see anything wrong with that, again if it's kept within bounds, and I don't think it should affect flexibility if we do not look upon aid as the critical element in trying to sell a product abroad, but instead as an additional piece that can be brought into play, on occasion, when you're in close competition and when the American exporter needs an extra bit of help.

But, again, like everything else, you have to do it in moderation. I do not think we have any business getting into the business of simply having the American government finance U.S. exports. I think we ought to be in a position to help when it's a close call.

SCHAFFER: What about high tech exports? It seems to me those may pose another one of those unresolvable dilemmas, and I'd welcome your thoughts on that. On the one hand, we want to promote them, because it's always been a dynamic export sector. On the other hand, we want to prevent a lot of the same ones, because they involve dual-use technology.

EAGLEBURGER: Things are tough all over—those kinds of questions. There will never be a complete answer. Obviously, there are always going to be questionable calls. But I think what is clear is that we are moving toward less restrictions, faster decision-making, and recognizing that the world into which we are moving is going to require that we have a more relaxed—I don't say totally relaxed, but a more relaxed view on high tech transfer.

Obviously, one can hope that as the global situation changes and the Cold War diminishes and disappears, that some of those dangers disappear with it. That makes it easier for us to make decisions on high-tech transfer. It will never be totally free, nor should it be. But the best I can tell you here is I think the reality of the world competitive situation, the reality of the changes in the strategic picture, is making us move toward a less restrictive list, and recognize that we have to make decisions on whether or not to move technology in a much faster way.

And I think American business would by and large say that the efforts that [Under Secretary for International Security Affairs] Reg [Bartholomew] and others have gone through over the course of the last year have begun to make a difference. Internationally, clearly, within COCOM and so forth, there has been some relaxation, and there will be more. It's not a perfect world, but I think it's moving in the right direction.

SCHAFFER: Where is the economic relationship with the Soviet Union headed?

EAGLEBURGER: I don't know.

SCHAFFER: A potentially giant economy that's in a desperate situation.

EAGLEBURGER: I don't know. I think it's clear that the president and the secretary of state are interested in trying to assist the Soviets in learning about how a market economy should be managed, and what it is, and what it takes to make one.

I suspect that over time trade relations between the Soviet Union and the United States and the West in general will increase. I think that is a process very much dependent upon the degree of change in the Soviet Union and how fast that moves, and how readily available to the Soviets is the necessary hard currency to pay for these imports and so forth.

SCHAFFER: What about Eastern Europe? You have the tremendously exciting developments, both politically and economically. To what extent is their lack of foreign exchange going to act as a damper on the potential there?

EAGLEBURGER: Oh, I think lack of foreign exchange is a problem right now. I think there are a lot of other problems that are equally difficult and have to be dealt with, the first of which is how do you build a market economy after 50 years of not having one? How

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do you get competitive, how do you open up opportunities for investment? And that's moving reasonably well in Hungary, Poland, and Czechoslovakia, by the way.

But, again, this is a process that's going to take several years, and it's also going to depend on the degree to which economic pain deriving from reform pinches. We can take the edges off that. We can help, for example, in the process of teaching them what a market economy means, and how you manage an enterprise in a market economy, and all of that we're trying to do.

I, myself, am of the view that the East Europeans—though there will be a couple of tough years—will increasingly find their economies tied into Western Europe and the United States, and I'm reasonably optimistic about where that will go.

SCHAFFER: Can you turn for a moment to Japan? We've talked a lot in general about trade relations, but Japan is kind of in a class by itself.

EAGLEBURGER: It sure is.

SCHAFFER: Are we going to be able to manage that one without a collision between our trade goals and our political goals?

EAGLEBURGER: Yes. I think we're going to run into any number of occasions where the two will be in conflict, and we're going to end up having to sort through particular decisions. I'm certainly not an expert on Japan, but I am of the view that we're seeing the beginnings of some real change in Japan.

I think the Japanese decision to put $4 billion into this Gulf exercise is an example of a growing Japanese recognition of a need to integrate themselves more into the world. I think we're going to see trade practices in Japan take a lot longer to change, but even there, through the SII [Structural Impediments Initiative] exercise and so forth, I think the dialogue is working.

Now let me make a real leap of faith. I think Japanese culture is changing in terms of moving more and more toward a consumer economy, and I think inevitably with that process comes what happened in the United States, which is that consumers want the best product, not necessarily the best Japanese or best American product.



So I think over time, with some patience and with some hard pushing—no question about it—I think we're going to find that that process changes in ways that will make it easier for us. But it's not going to be fast, and it's not going to be easy.

SCHAFFER: In the past, it was commonplace to speak of the developing world, and that has become, I think, quite out of date, since you have different pieces of the developing world. How does this affect us? Are we going to see our relationships with the economically strong as parts of the developing world take on added importance in and of itself? How is this going to relate, for example, to our approach to regional conflicts and to countries which may not be particularly economically strong but which are significant in a regional context?

EAGLEBURGER: You know, that's a question that requires a six-hour answer. You're right. The concept of developing world, period, doesn't really fit any more, because there are so many variations. Having said all of that, there is still some reality to the North/South, developed/developing dimension. One of the issues that weighs on me a lot is the whole question of debt—developing world debt, and how that needs to be dealt with. And we're moving to address this with the Brady Plan and with the president's proposals on Latin America.

And the debt issue is not something that can be dealt with just in terms of the word "debt." It is terribly complicated, as [Treasury] Under Secretary [David] Mulford has taught me, and he's right. It's just terribly complicated. It is difficult, and we can't find one formulation for dealing with all of it, but we're going to have to deal with it.

The "have/have not" issue within the Gulf states right now, within the states of that area, has demonstrated that there are some related political problems, and we're having to face those as we deal with the Gulf crisis at the moment.

There are also environmental questions which can only be dealt with on a global basis and which are going to require sacrifice on the part of both developed and developing nations. These are going to force all of us to be talking in one forum or another—the UN or elsewhere.

But we're going to have to focus our attention on some questions more than on others. One of the dangers we all run into—and I've run into it in the way I've answered your question—is that this is not simply a problem for the United States. And it is again an example of why we in the developed world—and largely I mean by that the U.S., the Japanese and the European Community—are either going to have to learn to deal with these issues cooperatively, or we're not going to be able to deal with them at all, which again leads back to our earlier discussion about the interdependent role of at least the highly developed industrial democracies.

And some form of burden-sharing is going to be necessary. That and 25 cents and an aspirin will get you a cup of coffee, but it's the best I can do. It's a very complicated question, and we run terrible risks if we ignore it. We run terrible risks if we're too simplified in our concept of what the problem is, and we certainly run terrible risks if we think we can deal with this individually rather than collectively.

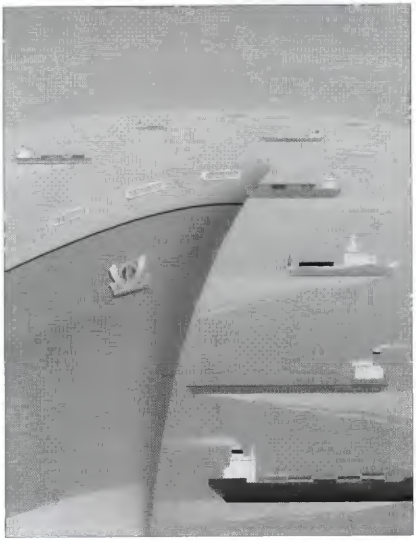
Am I through?

SCHAFFER: Are you out of time?

EAGLEBURGER: Yes. I really am. Are you out of questions?

SCHAFFER: Never. ■

ECONOMIC SANCTIONS
A SYMPOSIUM



In this issue, the JOURNAL has brought together a group of legislators, consultants, academics and other experts to examine the utility of economic sanctions levied against countries whose policies the United States would like to influence. To these eight we posed the questions: have collective sanctions ever worked? Will they ever? What about unilateral sanctions imposed by the U.S. government in the absence of any UN consensus, or forced on a reluctant U.S. government by Congress? We wanted, moreover, to determine whether the case of Iraq signals a new role for economic sanctions in foreign policy, or whether the Iraq crisis is unique. The following comments explore some of these questions.

Economic Sanctions in the 20th Century

Kimberly Ann Elliott

For about six decades after World War I, economic sanctions were a relatively effective foreign policy tool. Since the early 1970s, however, the conventional wisdom that sanctions "never work" has been closer to the mark. The end of the Cold War and U.S.-Soviet cooperation in the Middle East offer only faint hope that sanctions may be restored to their earlier luster.

Of 115 documented sanctions episodes, 90 percent have occurred since the second World War, and three-quarters of those were initiated by the United States. In some instances—particularly situations involving small target countries and relatively modest policy goals—sanctions have helped alter foreign behavior, achieving at least modest success in 34 percent of the 115 cases.

However, the success rate importantly depends on the type of goal sought. Episodes involving destabilization of a target government succeed in half the cases, usually against target countries that are small and shaky, such as Chile toward the end of Salvador Allende's rule. Cases involving modest goals—such as human rights, nuclear nonproliferation, and anti-terrorism—and attempts to disrupt minor military adventures are successful about one-third of the time. Efforts to impair a foreign adversary's military potential, as in the COCOM sanctions against the Soviet Union, or otherwise to change its policies in a major way, for example dismantling apartheid in South Africa, generally fail.

Success has been even more elusive in recent years. Taking the pre-1973 period as a whole, not quite half of the sanctions episodes worldwide succeeded. In the period 1973 to 1989, the success rate fell to just under a quarter. However, this general trend needs to be qualified: the decline in the utility of sanctions can be attributed entirely to U.S. experience. Other countries both reduced reliance on sanctions and improved their record, from 10 successes in 28 attempts prior to 1973 to six of 13 since then. By contrast, after the United States posted a better than .500 average earlier, the success rate has slipped to only 17 percent since 1973. The most obvious reason for this dismal record is the declining U.S. dominance of the world economy, combined with reduced vulnerability of potential targets.

The recent UN sanctions against Iraq have raised the question of whether the post-Cold War world will be more amenable to economic sanctions. Will the UN finally be able to play a significant peacekeeping role in the world, and can sanctions be an effective weapon in that task? Unfortunately, that prospect seems only slightly more likely than before. The source of near unanimity in the Iraq case was widespread fear and loathing of Saddam Hussein, not a newfound commitment to international law with multilateral sanctions as the enforcer. Without that commitment, the "sanctions never work" school is likely to return to the fore.

Kimberly Ann Elliott is co-author with Gary Clyde Hufbauer and Jeffrey J. Schott of Economic Sanctions Reconsidered (Institute for International Economics), on which this comment is based.

A Case by Case Approach

Stephen J. Solarz

Under some circumstances, sanctions can be a useful instrument of U.S. foreign policy, but it is naive to expect sanctions to work in all cases. It seems clear that sanctions played a critical role in leading the South African government to the conclusion that fundamental political change was necessary. Similarly, sanctions seem to have contributed to the Sandinista decision to hold elections in Nicaragua, to the release of our hostages from Iran, and in the case of the Jackson-Vanik amendment, to more liberal Soviet immigration policies.

In other cases, sanctions may be necessary even when they don't hold much promise of producing an immediate change in the policies of the targeted country, in order to express American dismay or to reinforce a policy that has global implications. In the aftermath of the Tiananmen Square massacre, for instance, sanctions provided a useful means of expressing U.S. outrage at the brutality the Chinese government employed against its own citizens.

In deciding whether or not to impose sanctions, we should consider matters on a country-by-country, case-by-case basis. Among the criteria to be considered are what those individuals we wish to help in the targeted country want us to do, whether our friends in the region think sanctions would be useful, and whether other countries will join us in imposing sanctions. Generally speaking, sanctions will always be more effective when multilateral, though there may be situations when we choose to impose them on a unilateral basis, in order to persuade others to follow our lead or to demonstrate extreme concern.

The most significant test of sanctions as a means of inducing a country to respect international norms will come in the case of Iraq. If successful, the sanctions against Iraq will set a useful precedent which can be used to resist aggression elsewhere around the world. But if they fail, the international community may have no other choice but to use force to liquidate the consequences of Iraqi lawlessness.

Representative Stephen J. Solarz (D-NY) chairs the House Asian and Pacific Affairs Subcommittee.

The Power of Principles

Joseph R. Biden Jr.

Economic sanctions are a diplomatic tool with a wide range of uses and effects. While it is logical to look first at the economic impact of sanctions, experience shows that sanctions also further the moral and political interests of the United States.

Economic effectiveness

History suggests that governmental sanctions rarely have a decisive impact if evaluated strictly in economic terms. The sanctioned country can usually find other sources of investment or avenues for trade; it may experience a marginal decline in economic well-being, but the economic viability of the sanctioned country is rarely so threatened that it decides to change its offensive behavior.

Perhaps the most effective sanctions are those imposed by businesses. Either by retrenching from a country beset by injustice and violence, or by pressing the leaders of a given country to undertake reforms, private investors and manufacturers can speak directly to the self-interest of host governments. Such market pressures are, in effect, more powerful than governmental sanctions.

Government actions, however, can catalyze market forces. For if governments, alone or in multilateral fora such as the International Monetary Fund (IMF), cancel plans to offer new credits or delay trade negotiations, businesses will proceed more cautiously and haltingly in the sanctioned country. Since many elements of foreign trade between developed and developing countries involve governmental guarantees or subsidies, the relationship between government sanctions and private business behavior is often direct.

Avoiding 'passive relativism'

The rationale for sanctions should not rest on economics alone, however. The United States contemplates and occasionally employs sanctions, not because we think they will bring a targeted nation to its knees, but rather because we must affirm our identity as a



Illustrations by Randy Lyhus

Government actions can catalyze market forces. For if governments, alone or in multilateral fora such as the IMF cancel plans to offer new credits or delay trade negotiations, businesses will proceed more cautiously and haltingly in the sanctioned country. . . the relationship between government sanctions and private business behavior is often direct.

country that believes in certain principles. We are a world leader, and we want the world to operate as justly and decently as possible, according to recognized standards of human rights and freedom. When a country grossly violates these standards—such as South Africa with its system of apartheid, or China with its slaughter of peaceful demonstrators, or Iraq with its chemical assault on its own citizens and its attack on Kuwait—we should act.

This is not abstract moralism, but rather a self-interested commitment to creating an orderly world. Failure to state and act upon the principles of freedom and justice for which courageous men and women have struggled over the centuries would be to accept a passive relativism that invites more violence and more injustice around the world. In short, the challenge of creating and maintaining a hospitable international order sometimes requires sanctions even when the initial economic effect on the offending country may be modest. Certainly the effect of UN sanctions on Iraq was not immediately visible, but the sanctions were the appropriate and strong reaction of that body to express outrage at Iraq's aggression against Kuwait.

It would be a grave mistake to underestimate the power of principles. By sanctioning a country, we and, we hope, our allies declare that country to be an outcast. Over time, this judgment wears on a society and its leaders; few people welcome the aspersion of sanctions. And so pressure for reform usually builds within the country, among the population at large or among political and economic elites who seek acceptance in the international community. This sometimes subtle effect of sanctions should not be forgotten.

Senator Joseph Biden, Jr. (D-DE) chairs the Senate Judiciary Committee and the Foreign Relations Subcommittee on European Affairs.

The Problem with Sanctions

Howard M. Fish

Sanctions have had a checkered history. The problems with sanctions are threefold.

The first problem is getting a critical mass of countries to agree to sanctions. Participation is often a matter of degree, and the degree is difficult to define. Multilateral agreement to impose sanctions in principle is easier than giving the principle concrete meaning. What may seem to be a critical mass of participants tends to erode when concrete measures must be defined and enforced.

The second problem with sanctions is enforcement. The classical concept of a blockade had merit. It held that a blockade could not be officially invoked unless the blockading (sanctioning) powers demonstrated the capability to enforce the blockade. In today's world, the vast airlift available presents a real enforcement challenge. Moreover, even without the problems of interdicting air transport (airplanes cannot be pulled up for boarding and inspection) there is usually significant seepage through the blockade over both land and sea routes. The seepage is not limited to the physical movement of goods; satellite transmissions, electronic fund transfers, faxes, and video also make isolation of a country difficult.

The third problem arises if sanctions are, in fact, effective. The burden of "success" affects not the leadership or elite but the weakest segments of a society. It is the leadership, the military, and ruling elites that will have priority access to the necessities of life in the isolated nation. Furthermore, and perversely, the leadership can use the sanctions to develop popular support against outside forces. A siege mentality arises under which sacrifice becomes a national venture. The leadership is thus better able to stifle dissent and marshal support for all its policies.

In sum, sanctions are difficult to initiate and enforce, and, if successful, they may have unintended results.

Howard M. Fish is vice president, international, for the LTV Aerospace and Defense Co. (LTVAD). He is a retired lieutenant general of the U.S. Air Force.

The Case for Human Rights Linkage

Holly Burkhalter

In the past year the issue of U.S. sanctions against foreign governments in response to human rights abuses has been at the forefront of disputes between Congress and the executive branch, from Iraq, to China, to El Salvador. In these and other cases, the critical questions for U.S. policy-makers are: how can the United States best promote human rights abroad, and how can human rights interests be squared with other U.S. concerns?

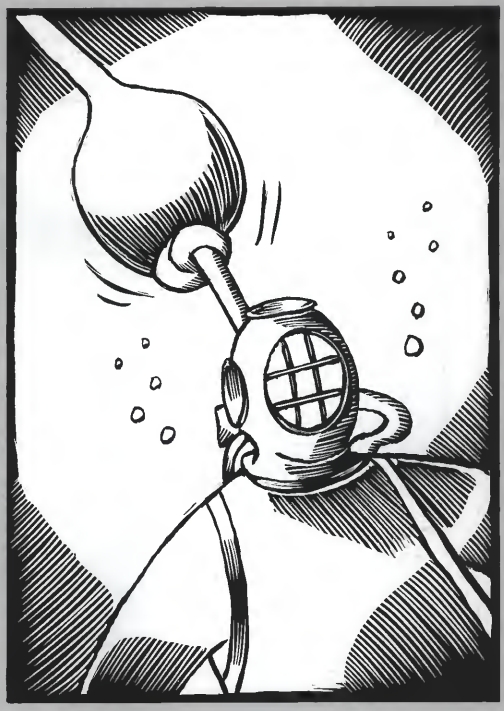
Sanctions, that is, restrictions and prohibitions on military, economic, or diplomatic relations, are warranted when governments commit a "consistent pattern of gross abuses of internationally recognized human rights." This is the language used by the U.S. Congress in several laws that restrict U.S. military and economic assistance to foreign governments. The purpose of sanctions in such circumstances is threefold: 1) to ex-

press revulsion for the abuses; 2) to distance the United States from the abuses and the governments that commit them; 3) to encourage an end to abuses by depriving the abusing governments of desired contacts with the United States, such as aid or diplomatic support.

The key to a successful human rights sanctions policy is that it be accompanied by a clear statement of what the abuses were, why the United States is taking the action that it has chosen, and what the offending government must do for sanctions to be revoked. In this regard, the Reagan Administration's sanctions against Poland following the imposition of martial law in December 1981 are a model of an excellent sanctions policy. The administration's clear identification to the Polish authorities of what steps must be taken for sanctions to be lifted was particularly effective. Following each positive development in Poland, the administration responded by lifting a portion of the sanctions. But some sanctions remained in place until the Polish authorities had responded to virtually all of the United States' human rights concerns.

Contrast the case of Poland with the Bush Administration's policy toward China. President Bush's announcement of some sanctions in the weeks following Tiananmen Square was welcome, though in our view at Human Rights Watch, far stronger measures were warranted. But the biggest disappointment of the Bush Administration's sanctions policy is that the president began undercutting his own measures almost immediately, when no significant human rights improvements had been made by Beijing. For example, the president's ban on military sales was immediately diluted with the sale of Boeing aircraft in July of 1989. And the U. S. policy of opposing all World Bank loans to China was abandoned in January 1990, when the administration began supporting World Bank loans for "basic human needs" projects. And at no time did the president or secretary of State firmly state what the Chinese would have to do for sanctions to be lifted.

People of good will may disagree on the appropriate mix of sanctions to be considered for governments engaged in gross abuses of human rights. Human Rights Watch insists, however, that U.S. human rights laws mean what they say and that at a bare minimum the executive branch should comply with legislative restrictions on bilateral and multilateral assistance. Yet there are few cases where the law is applied properly—and Congress is as much to blame as the executive branch. Nowhere can the failure of human rights law be seen more clearly than in the case of El Salvador. If Congress had insisted on applying Section 502B of the Foreign Assistance Act (which prohibits military assistance to governments engaged in gross violations of human rights) to El Salvador, military assistance to that country would not have been supplied—neither 1980 nor in 1990. It took the slaughter of the country's six leading religious intellectuals for Congress at last to seriously debate for the first time the wisdom of supplying a brutal military with unlimited U.S. assistance.



THE KEY TO A SUCCESSFUL HUMAN RIGHTS SANCTIONS POLICY IS THAT IT BE ACCOMPANIED BY A CLEAR STATEMENT OF WHAT THE ABUSES WERE, WHY THE UNITED STATES IS TAKING THE ACTION THAT IT HAS CHOSEN, AND WHAT THE OFFENDING GOVERNMENT MUST DO FOR SANCTIONS TO BE REVOKED.

The failure of Congress to implement its own human rights laws properly, and the failure of the executive branch to state a human rights policy firmly, and to refrain from lifting sanctions until abuses have ended, are the chief weaknesses of human rights sanctions against China, El Salvador, and other countries where the United States has done little to exert its influence on behalf of human rights.

In some cases, Human Rights Watch advocates going beyond U.S. domestic law to bring sanctions against governments for gross abuses of human rights. In the case of Iraq, for example, legislative restrictions on bilateral assistance and on U.S. votes in the multilateral financial institutions were irrelevant, because Iraq received neither multilateral nor bilateral assistance. Since Iraq did receive significant support from the United States in the form of Export-Import Bank credits and agricultural credits under the commodity credit program, we advocated restricting such assistance, though those programs are not limited by U.S. human rights laws.

There is one particular "sanction" that should always be considered against gross violators of human rights. And that is the "sanction" of public condemnation by the United States. In this regard, Human Rights Watch believes that the executive branch could have gone further in condemning Iraq in international fora such as the UN Human Rights Commission. The Bush Administration was not silent about Iraqi human rights abuses: the Human Rights Bureau presented hard-hitting testimony before Congress. The Bush Administration's policy would have been improved if the Near East Bureau had joined in. And certainly the Bush Administration squandered opportunities to exert pressure on China in the past year. The embarrassing performance of National Security Advisor Brent Scowcroft when he visibly and fulsomely toasted Deng Xiaoping during his December visit to China and appeared to denounce the regime's student opponents was a low moment for human rights.

The State Department's country reports on human rights, which are generally a clear and unbiased portrayal of human rights around the world, are one way to express U.S. concern in a public way. In the cases of Iraq, China, and most other countries the reports were excellent. In a few exceptional cases, however, such as the report on El Salvador, the State Department has pulled its punches in its annual report, thus neglecting an important opportunity to expose human rights problems.

Holly Burkhalter is the Washington director of Human Rights Watch.

Seeking International Consensus

Daniel N. Nelson

Economic sanctions have long been employed to deny the benefits of trade to a state behaving illegally and thereby to cause punitive losses to the well-being of that country. The route of economic sanctions, first by prohibiting the departure of ships from one's own ports if carrying cargo bound for the offending state, i.e., an embargo, is chosen to avoid an immediate resort to warfare.

But economic sanctions are plagued by ambiguities and inefficiency. Unlike military action against the armed forces of another state, economic sanctions invoke the moral ambiguity of harming another state's population; policy-makers and those with guns will not begin to starve if grain shipments are cut off. Further, there is a definitional ambiguity: military action is almost always required to make economic sanctions even somewhat effective, invariably involving a naval blockade. Such military action in addition to an embargo—even if disguised in modern parlance as a "quarantine" or "interdiction"—risks the combat that economic sanctions were meant to avoid.

The efficacy of economic sanctions, unless the offending state is highly dependent on international commerce concentrated in one or two products that it must export or import to survive, has also become more questionable. Land and air transport are, almost everywhere, sufficient to reduce the consequences of naval blockades, particularly in the short term. The group of states attempting to impose an embargo must have an absolute and binding consensus about the stringency and duration of the embargo as well; if not, a subsistence level of commerce will be maintained around the edges of international sanctions. Finally, of course, the modern interdependence of economies will mean that any imposition of sanctions will be enormously costly at least to some, and probably all, of the states attempting to apply such coercion against an offending country.

American usage of economic sanctions has rarely produced intended or decisive results. Castro survived decades despite a U.S. embargo because other nations (especially the USSR) subvented the Cuban economy. The USSR itself bought grain elsewhere after President Carter tried to deny corn and wheat from the United States after the Afghan invasion.

United States experiences suggest several important lessons regarding the utility of economic sanctions. First, embargoes without blockades will produce few punitive consequences, particularly on large economies.

By implication, economic sanctions applied because there are no other options available in response to an illegal action (because the offending state is too powerful to accept the risk of a naval "quarantine" or logistically immune from such action to accompany an embargo) will surely be ineffective.

Second, unilateral sanctions are useless, and only a strong, binding international consensus can today sustain effective sanctions against anyone other than the weakest state. The sole consequence of unilateral efforts to punish another state via economic sanctions will be self-imposed loss.

Third, sanctions without strategy will be counterproductive. If sanctions are imposed merely to express indignation, as when an offending state's behavior, although illegal, does not seem to warrant the display of military force or breaking of diplomatic relations, then the sanctions will be perceived as a tactical move to be "waited out," not part of critical long-term goals. The inauguration of binding, multilateral economic sanctions must be envisioned as integral to the strategic interests of nation states advocating and, potentially, enforcing such actions.

Finally, and perhaps most important, the states imposing sanctions must live within the same principles they are trying to enforce. If recent policies of states trying to use coercion against another exhibit parallel or identical breaches of international law, multilateral consensus is unlikely to last, and submission to the embargo and/or blockade will not be quiescent.

Taken together, these observations suggest the problematic environment in which economic sanctions are employed today. Against Iraq, there is now arrayed both a multilaterally imposed embargo and an accompanying naval blockade, both with the United Nations' imprimatur. Military deployments by the United States and others are large enough to be credible deterrents against pre-emptive Iraqi attack. A strategic interest for Europe, Japan, and North America is the oil and gas of the Middle East, and Kuwait in particular, and there can be no question of a lasting interest in seeing that such a valuable resource does not fall into the hands of one malevolent leader. A strategic interest also exists in reinforcing the international principles of the inviolability of frontiers and non-use of force. In all these respects, economic sanctions as a multilateral instrument of coercion for clear strategic interests have a greater chance of success in this case than in many other cases in recent memory.

But there remain the uncertainties and ambiguities of all efforts to impose economic coercion. The sanctions will impose suffering on all of the Iraqi population, especially those who are guiltless. There is, as well, the clear potential for economic instruments, because they must be enforced by military means, to provoke a clash that leads to a wider conflagration. And countries participating in the UN embargo are certain to feel reciprocal economic harm that may, collectively, depress the world economy.

Where the issue of hypocrisy rests is another concern. Western democracies do not invade and annex small neighbors. Yet, there are many acts of Western democracies and their businessmen that raise troublesome questions about who ought to be the world's gendarme.

Economic sanctions will retain a place in the arsenal of means to enforce international law. We should strive, however, to ensure that these coercive measures are imposed out of an international consensus for clear, strategic interests. We should also take care that we and our friends do not compromise our justifications for the use of coercive means in international affairs through actions that the international community would never have condoned.

Daniel N. Nelson is a senior associate at the Carnegie Endowment for International Peace.

Inexorable Pressure: Sanctions Against Iraq

An Interview with Richard Murphy

Ambassador Richard Murphy, senior fellow for the Middle East at the Council on Foreign Relations in New York, believes that the sanctions imposed on Iraq will be highly effective and ultimately will force Iraq's leaders to reassess their gamble in Kuwait. "I'm optimistic about the effect; it's just how quickly the Iraqis will come to the decision that there's an inexorable pressure on their economy," Murphy says.

Since the sanctions became effective in August, Iraq's oil pipelines to Turkey and Saudi Arabia have been cut, which Murphy says will bite deeply into Iraq's economy. "Turkey and Saudi Arabia have the political will to keep the lines closed, which stops 90 percent of oil exports. The U.S. and allied naval blockade interdicts the rest, cutting off about 98 percent of the country's export income." Thus, Iraq will spiral deeper into debt. "The assumption is that Iraqi foreign exchange holdings were not large on the eve of the invasion. I presume they're starting from a low level, and there's no income at all now."



MURPHY

The rapid effect of the sanctions can be attributed both to their focus on a single commodity and to their multilateral character, according to Murphy. In this, they contrast with the sanctions levied against Rhodesia and South

Africa in the early 1960s. "The world is acting with a unity of purpose that didn't apply in Rhodesia or, if you want to go farther back, in Abyssinia in the 1930s [after Italy's invasion]. . . . Unilateral sanctions are worthless. There's always someone who's willing to step into the breach."

The only recent precedent for economic sanctions in the Middle East is the embargo on Iranian oil during the Gulf War: in that case, the oil simply went to other markets. Iran had to sell on the spot market, making terms less attractive and bringing prices down, but ultimately, the oil was sold. Additionally during the war years, "there was pressure to be very careful of what went to combatants. Military equipment was not sold, and 'chemical precursors' were blocked, although without much success, since some 'chemical precursors' are common in pesticides and have many sellers and many buyers. The sanctions helped, but they weren't watertight."

With Iraq, the effect of sanctions was almost immediate. But how long the action will take to register on the minds of Iraq's political leaders is uncertain. "There's an old question of whether nations go bankrupt. They certainly don't go bankrupt as individuals and corporations do; at least, they don't recognize it. It's a question of Saddam's political computer getting all this information and deciding when to change course and how. You can't say it will be on a particular date, but at a certain time the unbearable point will be reached. I'm confident that the clock is running faster against Saddam than against Bush."

Murphy does not believe that means other than the economic sanctions could achieve the goal of forcing Saddam Hussein to the table. "I'm afraid that those who talk of an Arab solution do not have much of an audience, because the Arabs could not forestall the invasion. The capability was there in Arab states to do more." Nor could international opinion be marshaled in advance to curtail the growth in Hussein's military might. "It took the shock of the invasion to rally international opinion. You can get a warm feeling from declaring sanctions in protest against human rights violations, but fewer things are less effective."

"Iraq is the military giant in regional terms that it is today because of sales from Russia and France, in particular. Its financial success can be attributed to funds that came from Saudi Arabia and Kuwait. . . . I would challenge any critic of U.S. policy to say there was a chance of getting either the Soviets or the French in the mid 1980s to stop selling arms. We didn't try to stop them, but that was based on the assessment that it was impossible."

Likewise, Murphy does not accept the charge that the U.S. "tilt" toward Iraq in the Gulf War led the United States to turn a blind eye to the threat from Iraq. "There's considerable exaggeration about what the tilt toward Iraq involved. . . . We did trade with Iraq and did give them some intelligence support, but it's simply not true that there was total support for Iraq."

"Iraq is under leadership that has miscalculated in the past and drastically changed course," for example, by giving up its claim to the Shatt al Arab—which Iran disputes—to relieve pressure from the Iranian border.

"Iraq is not totally inflexible. They made a terrible mistake, and they misjudged world reaction."

Laying Groundwork for Sanctions

Alice H. Amsden

Economic sanctions don't always work, but military interventions don't always work either. Even the United States sometimes loses military interventions, and wars are more deadly and costly than sanctions.

The widening consensus between the United States and Soviet Union increases the chances that sanctions will succeed against third world countries, but for sanctions to supersede wars, "sanctions preparations" must be taken as seriously as war preparations. Instead of arms build-up, countries must invest in sanctions groundwork.

Sanctions against Iraq would be more effective if they had not been preceded by American and Russian opportunistic support of Iraq in its war against Iran, but instead had followed long-range, pro-active multinational planning to withdraw support from any country that aggressively violates human rights. History teaches us that suppression of human rights at home is a precondition for waging war overseas.

"Sanctions preparations" should include "human rights conditionality" on International Monetary Fund (IMF) loans, for example. The current conditionality of "getting the prices right" is probably easier for dictatorships than democracies to honor. Amnesty International's country reports should be used as a check on the World Bank's country reports in determining aid and trade flows.

Strategic resources and the huge income inequalities they generate (between countries and social classes) are increasingly likely to be the cause of global conflict. "Sanctions preparations" in the long run should include massive multilateral investments in research and development to find substitutes for the scarce primary products that underlie both wars and human welfare. These investments could be financed with money otherwise spent on weapons. If cost-effective substitutes for strategic natural resources succeeded in defusing despotic power but threatened poor producers' livelihood, the billions of dollars saved from such substitutes as well as disarmament could be used for economic restructuring.

Alice H. Amsden is professor of economics at the New School for Social Research in New York and the Massachusetts Institute of Technology.

Reckoning Time for the GATT

Ernest H. Preeg

Ministers from about 100 countries will meet in Brussels beginning December 3 to reach final agreement on the Uruguay Round of multilateral trade negotiations under the General Agreement on Tariffs and Trade (GATT). The negotiations were formally launched in September 1986 in Punta del Este, Uruguay, and the initial preparations date back to 1981 to 1982. Thus, this major initiative in commercial diplomacy spans the entire decade of the 1980s, and the outcome at Brussels will establish much of the framework for trade relationships in the 1990s.

The purpose of the round is to reduce trade barriers among all participants and to broaden greatly the mandate of the GATT to cope with the new realities of international trade and investment. The world economy is going through a period of rapid change. A dramatic surge of technological innovation coupled with private sector strategies more and more global in scope have deepened economic dependencies among national economies. International trade, investment, and technology transfer have also become more integrated. The GATT trading system, however, does not have competence to deal with this broader range of policy relationships. The great irony of the late 1980s was that just as the world economy was becoming truly global in scope, the multilateral trading system was losing credibility to deal effectively with trade policy issues.

The Uruguay Round is intended to restore the credibility of the GATT, and the agenda for negotiations agreed at Punta del Este was wide-ranging. The negotiations have been technically complex and contentious throughout. Fifteen negotiating groups were established to deal with separate clusters of issues, but many tactical as well as substantive relationships among the groups have developed. The mid-term ministerial meeting in Montreal in December of 1988 ended in impasse over longstanding U.S.-EC differences as to how to liberalize trade in agricultural products. One or more of the negotiating groups has been meeting almost every week during 1989-90 to complete a vast amount of preparatory analysis and to narrow differences on decision issues.

July 1990 was anticipated to be a critical month for progress in the Uruguay Round. President Bush made trade liberalization for agricultural products his top priority at the Houston summit, and a high-level GATT meeting in Geneva the week of July 23 was to be a key juncture for unblocking negotiations stalled on several issues. In retrospect, however, the Houston summit produced an ambiguous result, and the Geneva meeting was anticlimactic. The July events nevertheless did produce significant results in both a positive and negative sense. The positive result was that the negotiating groups presented clearly defined issue "profiles" as a basis for the four remaining months of negotiation. The most striking result was for agriculture, where the report of group Chairman Aart de Zeeuw, of the Netherlands, specified substantial reductions in export subsidies, import barriers, and trade-distorting domestic support programs. The report was "commended" in Houston and adopted at Geneva as a means to intensify the final negotiations. Similar reports were adopted for the other negotiating groups. This represented a major accomplishment in synthesizing large amounts of technical material and a myriad of country proposals.

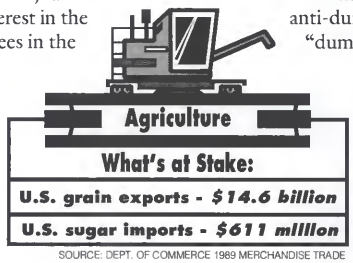
The negative consequence of the July meetings was a widespread assessment that the political will is lacking to make the decisions necessary to achieve a successful outcome by December.

The negative consequence of the July meetings was a widespread assessment that the political will is lacking to make the decisions necessary to achieve a successful outcome by December. The negotiating group reports indicate that almost all key issues remain unresolved. The Geneva meeting simply adopted the reports and pledged to negotiate on a more intensive schedule in the months ahead. Agriculture again is the best example. While EC negotiators agreed to the de Zeeuw proposals as a basis for negotiations, they gave no indication as to how export subsidies and import barriers would be reduced. Any firm commitments to do so would mean change in the fundamental structure of the European Common Agricultural Policy, which the EC had not even begun to consider. Likewise, U.S. actions to reduce internal support prices for dairy products and import barriers on sugar fly in the face of the proposed House Agricultural Committee farm bill for increased

protection and subsidies for U.S. farmers.

The Uruguay Round has thus reached the time of reckoning in terms of difficult political-level decisions that will determine whether or not the outcome is successful. Seven of the most important issues are as follows:

● *Agriculture*—This issue centers on the U.S.-EC relationship, but Japan will also have to open its totally protected rice market. If substantial liberalization is not achieved, major farm exporting countries, such as Australia and Argentina, will lose interest in the round, and the agricultural committees in the U.S. Congress have indicated that they will switch from support to opposition when the final agreement is submitted for congressional approval in the spring of 1991.



SOURCE: DEPT. OF COMMERCE 1989 MERCHANDISE TRADE

● *"New Issues"*—The so-called new issues, namely trade in services, protection of intellectual property, and trade-related investment measures, are currently not included in the GATT mandate and are of particular interest to the United States and other industrialized countries. There is now broad support among negotiators for general framework agreements on services and intellectual property, but what really counts for U.S. exporters are more specific commitments, such as increased market access for particular service industries, agreed standards for intellectual property protection, and prompt dispute settlement mechanisms within the GATT. These specific commitments are being resisted by many developing countries.

● *Import Quotas*—Bilateral import quotas by the United States and Western Europe have proliferated against imports from Japan and the more competitive exporting nations of Asia and Latin America. Quotas pervade such sectors as steel, automobiles, footwear, semiconductors, and consumer electronics. These selective quotas are the antithesis of the GATT multilateral system and have undermined the relevance of the GATT in recent years. The Uruguay Round objective is to revise GATT Article XIX, the so-called "safeguards clause," so that any temporary restrictions are tightly disciplined and subject to multilateral review.



SOURCE: TEXTILES & APPAREL DEPT. OF COMMERCE

● *Textiles MFA*—The textile sector's longstanding multifiber arrangement (MFA) constitutes the most comprehensive set of bilateral import quotas. The Uruguay Round objective is to phase out the MFA, with residual restrictions brought within the revised safeguards clause noted above. Some developing countries have made this a *quid pro quo* for agreement on the issues of services and intellectual property. At the same time, 68 U.S. senators and 271 congressmen recently voted for a textile bill that would make the existing MFA system far more restrictive.

● *Reduction of trade barriers by developing countries*—Many developing countries have very high tariffs and freely apply quotas or other restrictions for vaguely defined balance of payments reasons as condoned by GATT Article XVIII B. Any action by industrialized countries on the preceding quota issues will likely be linked to substantial tariff reductions and sharply curtailed recourse to balance of payments related restrictions by the major developing countries.

● *Anti-dumping procedures*—The use of anti-dumping duties to counter exports "dumped" at less than fair price is fast becoming the preferred vehicle for a quick protectionist fix. Unilateral restrictive actions are most prevalent in the United States and the European Community, but the habit is spreading to developing countries as well. The existing GATT anti-dumping code is ineffective, and the Uruguay Round objective is to adopt more precise and reasonable criteria for anti-dumping actions. The United States and the European Community, however, are resisting any significant changes in existing procedures while seeking broader authority, under GATT, to use antidumping duties to control Japanese and other Asian assembly plant investments that "circumvent" protection against imported products.

● *Section 301*—This controversial provision of the U.S. Trade Act, whereby the United States acts unilaterally to negotiate the elimination of unfair trading practices by others, is a direct or indirect target within several of the above issues, such as a revised safeguards clause and multilateral dispute settlement procedures for trade in services and protection of intellectual property. Restrictions on or elimination of U.S. authority under section 301 would, however, be strongly resisted by many members of the U.S. Congress.

These are the key issues that will be facing ministers in Brussels and which will determine the success or failure of the outcome. A complete breakdown in negotiations is highly unlikely, but success will not be judged simply on the predictably upbeat ministerial statement that will emerge in Brussels. Rather, the judgment of success or failure will be based on the degree to which firm commitments are undertaken by major trading countries and which will have the effect of bringing trade practices, and the resolution of trade disputes, back within the multilateral GATT framework. It will be a judgment made principally by traders in the private sector, who have become more and more accustomed to dealing with trade problems on a bilateral basis, with the active support of their governments. It is the restoration of GATT credibility in very practical terms.

Credible commitments on these and other issues will face strong resistance from vested interests in all capitals and will require a level of political support not clearly evident at this point. The political support needs to be based on an assessment of the outcome.

The immediate trade impact will surely receive close scrutiny by the U.S. Congress. A phaseout of the MFA, restrictions on the use of Section 301, reduction of sugar and dairy support prices, and more circumscribed antidumping procedures will face, in the aggregate, considerable opposition within the Congress. To garner counterbalancing support for the anticipated agreement, the administration is belatedly assembling detailed information on which U.S. export industries, and which congressional districts, would benefit from specific actions by other participants in the round. This exercise is also demonstrating that most of such projected benefits have yet to materialize in terms of firm commitments by other countries.

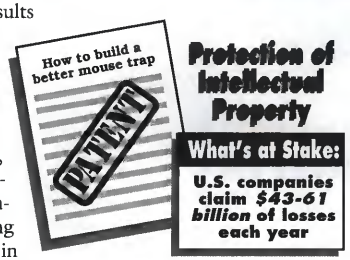


SOURCE: DEPT. OF COMMERCE
SURVEY OF CURRENT BUSINESS JUNE 1990

Beyond 1991

The longer term systemic questions revolve around the role of a strengthened multilateral trading system to further U.S. commercial and foreign policy interests in a rapidly changing world. There is an amazing transformation under way in national economic strategies, from Asia to Latin America to Eastern Europe and the Soviet Union, toward a market-oriented, open trade approach. A reinforced GATT system would provide the multilateral foundation for supporting this transformation, while the inability to achieve significant results in the Uruguay Round would raise questions about a commitment to economic liberalism on a global basis.

The key systemic issue for the trading system in the 1990s, in fact, is the relationship between the multilateral framework for trade, as embodied in the GATT, and the gathering momentum for regional free trade in Europe, North America, and East Asia. About 70 percent of exports by West European countries are now to each other, and this share will grow as the European Community deepens and broadens toward economic union. A U.S.-Canada-Mexico free trade agreement could broaden to include other western hemisphere countries. Deepening trade and investment dependencies within a Japan-centered East Asian economy are being fueled by Japanese economic aid, export credits, and other forms of official finance.



SOURCE: NATIONAL TRADE COMMISSION, 1988

This tripolar orientation of industrial development, particularly for high-technology industries, is a central reality of international trade and investment, with enormous positive potential. It can and should provide the driving force for increased trade, economic growth, and job creation throughout the world. There is also the possibility, however, that the three regions will turn inward and become engaged in mercantilist rivalry, with particularly negative consequences for non-member, smaller economies. A critical factor influencing the direction of the tripolar relationship in the 1990s will be the degree of commitment and constraint imposed by the multilateral trading system, as defined by the outcome of the Brussels meeting in December.

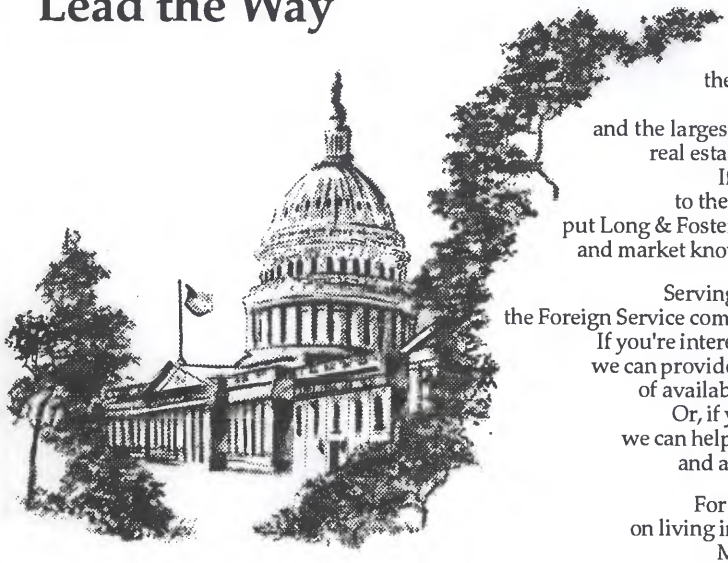
The Brussels meeting is a credible deadline for resolving the Uruguay Round one way or another. A few loose ends could spill over into January, but U.S. legislative authority runs out in May of 1991, and the president must notify the Congress of the agreement by March first in order to proceed under the "fast track" authority: no amendments and an up or down vote within 60 days. The president does have the option, within the 1988 Trade Act, to request a two-year extension of authority from the Congress, but this would put off congressional review of the final Uruguay Round agreement to 1993, into the next administration. Such a request would make U.S. Trade Representative Carla Hills an instantaneous lame duck as far as the Uruguay Round is concerned. In any event, the negotiations have gone on for more than four years, the issues are now clearly posed, and if ministers cannot make the necessary political decisions now, why would they be expected to do so a year or two hence? The die is firmly and rightly cast for Brussels.

Reckoning time for the Uruguay Round means difficult decisions in Washington and other capitals during an exceptionally busy time in world affairs. Immediate developments of momentous consequence, such as in the Persian Gulf and the Soviet Union, tend to crowd the schedule of President Bush and his senior advisors. The longer-term prospects for the United States as a great power, however, will depend largely on the ability to manage the transition from a framework of relationships based on mutual political/security interests to one of mutual political/economic interests. An investment of political capital now for a truly successful Uruguay Round would constitute a significant step forward in this transition.

Ernest H. Preeg holds the William M. Scholl chair in international business at the Center for Strategic and International Studies in Washington, D.C. and is author of **The American Challenge in World Trade** *(1989).*

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Speaking Out

How to Win Friends and Influence Congress

RALPH REGULA

From the Tower of Babel to the success of our 40-year policy to break down the Iron Curtain with information, the power of communication to make change is dramatic. Communication brought about many turnarounds in 1989 and continues to be the *sine qua non* of global change. The role of the Department of State as the chief communicator for U.S. policy will grow exponentially as the world moves toward economic and political competition and away from military. And, as the important role of the department expands in the world of tomorrow, improving the health of the State-congressional partnership becomes more critical.



Just as communication is recognized as an essential component of international relations, it is also essential between departments and branches of government. While very few on the Hill would doubt the professionalism, intelligence, and integrity of our diplomatic corps in its work overseas, many would also counsel to apply that same expertise toward Congress. The relationship between Congress and the State Department has gone through many changes, especially as Congress began asserting its role in the foreign policy process decades ago. More often than not, the relationship has, unfortunately, been antagonistic. The effects of this situation are felt by everyone, complicating compromise between the speaker and the secretary; delaying a decision on the Moscow Embassy while appropriators and management debate security versus cost effectiveness; and spawning distrust among members and their staff of information from the department. Meanwhile, the department overlooks the mundane tasks that engender alliances.

As a member of the appropriations subcommittee that funds the Department of State, I am one of the communicants. Unfortunately, Congress is no more innocent for this situation than the department; all of us are aware of Congress' share of tartuffery and demagoguery. The intent of this article is to impress upon my readers which facets of the relationship can and cannot be changed, what is worth the effort and what is not. This article deals with the real world and leaves to academia the philosophical debates on the Constitution, power-sharing and the role of Congress in foreign policy. So let us begin this discussion with the premise that Congress is a legitimate and important partner in the policy formulation process.

The thrust of the problem is the department's lack of a constituency, a point constantly cited to explain State's claim that we lack understanding. My argument, surprising as it may be, is that this situation can be changed.

When I won a seat to the House of Representatives in 1972, I won a majority of votes of the eligible voters in the 16th district—considerably fewer than the 530,000 people who make up my constituency. Regardless of whether or not they voted for me, or voted period, I am their representative and I work just as hard to assist Democrats as I do Republicans. In fact, it is important to my re-election that voters, without regard to party affiliation, support me.

Although I have a 'natural constituency,' the residents of the 16th district, I never cease trying to build and solidify it. Believe it or not, the State Department has a 'natural constituency,' but one which continuously needs to be built and solidified: its constituency is composed of Congress and itself.

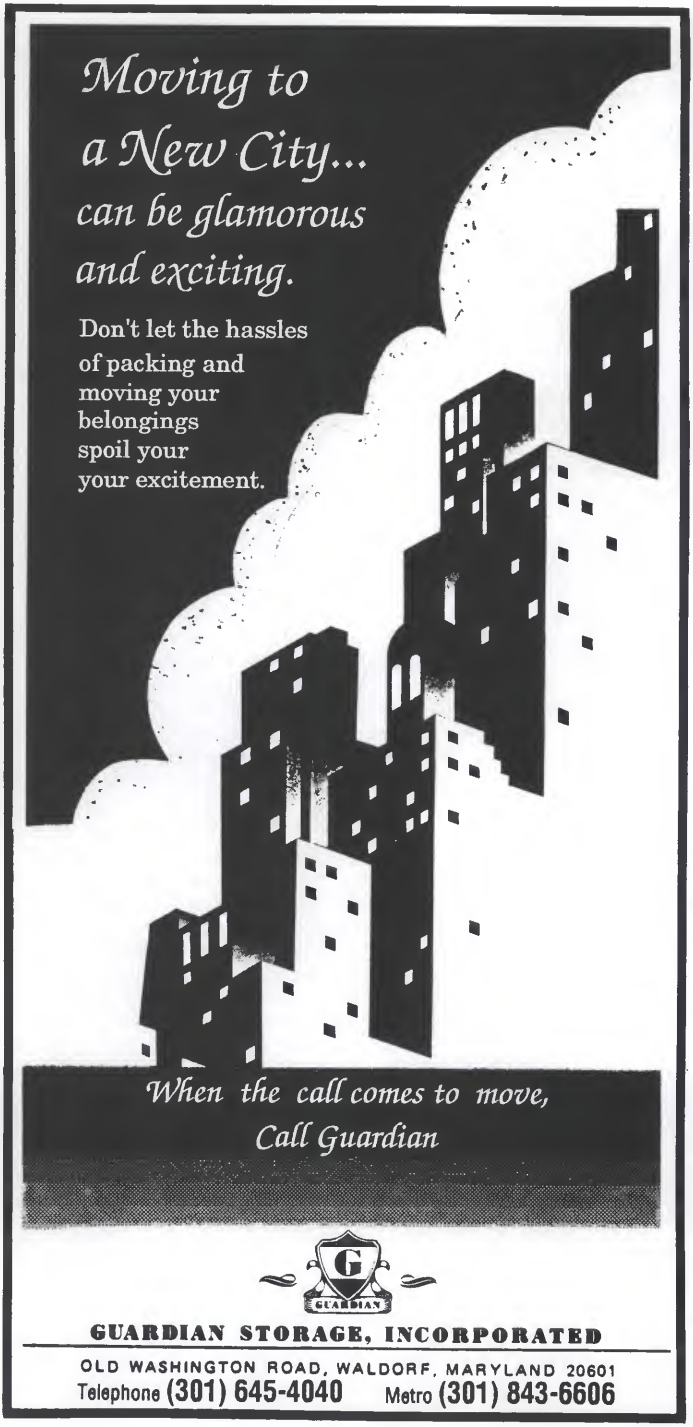
Allow me to begin with the issue of the department as its own constituency. Every department employee, every Foreign Service officer has two senators and one representative in Congress. I would assume that there are Foreign Service officers from my district, although I can't be certain because I've never heard from them.

At the very least, I would urge every Foreign Service officer to write his or her representative and senators. Additionally, during stopovers or tours in Washington, I would suggest requesting an appointment with your representative. I believe most members of Congress would enjoy meeting constituents who are so involved in implementing our country's foreign policy. These meetings should be used as an opportunity to share information regarding events at an officer's last posting or general working conditions. I would be very pleased to know that a constituent of mine just got back from Budapest, Bucharest, or Beijing. It would be a great opportunity for me to learn more about history in the making and for the constituent to learn more about how Congress operates. And it is just as important that contact be made even if an officer's last posting was in a country that receives little media attention. Just because it doesn't make the front page doesn't mean it's unimportant.

Also remember that Hill staff can become valuable allies. Depending on the office or position, they have much authority and know-how. Developing a relationship with staff members is important, because whereas the member may only be able to spend 10 minutes with an appointment as he or she dashes off to a vote, staff members most often can devote more time to the subject at hand.

As for the issue of Congress as a constituency, you may cringe at the

Ralph Regula, Republican representative from Ohio, is a member of the House Appropriations Committee.



very idea, but you've got to play the hand that's dealt you. Let's face it, the State Department will never have a very strong constituency among the general population. For the most part, people think the department just hands out foreign aid money, and we all know how popular foreign aid is. However, Congress does understand the work of the department even though it may not always agree with how it carries it out. There never will, and never should, be complete agreement between State and the Hill. In our constitutional form of government, there is an inherent tension between the unique expertise of foreign policy professionals and the democratic mandate of a broad-based public consensus behind complicated and sometimes emotionally charged issues. But there are ways to establish a working relationship with the Hill based on mutual respect and understanding.

As for the issue of Congress as a constituency, you may cringe at the very idea, but you've got to play the hand that's dealt you. . .

I have often heard it said by the department that it is difficult if not impossible to conduct foreign policy with 535 secretaries of State. This is a legitimate beef. I do not doubt the difficulties involved, but you must also understand that back in my district I am sort of a secretary of State, as well as a secretary of Agriculture, Transportation, Defense, etc. This is particularly true when the president and I are of the same party.

At every town meeting, during every radio show, at every speaking engagement I am expected by my con-

stituents to explain government policy and I am always hopeful that I can defend it. When the National Weather Service proposes to close a weather station in my district, I am looked upon as the director of the National Oceanic and Atmospheric Administration. I am expected to either explain the closure or better yet, to prevent it. When the administration sends high-level delegations to China months after the massacre in Tiananmen Square, my constituents want an explanation. In both cases, unless you have made your case to me explaining the policy decision, I will most likely be reluctant to support it. My opposition will come, not because you did not give me a policy justification, but because I like neither the idea of a weather station closing nor high-level meetings with China so soon after the events of last June. But, the department may have information that convinces me of the need to hold these meetings, which I in turn can use to educate my constituents.

However, while NOAA will be responsive to my concerns, in fact going out of its way to help me, the State Department is slow to respond, especially to members like myself who do not serve on the Foreign Affairs or Intelligence committees. Do I expect Secretary Baker to personally brief every member of Congress? Of course not. But, briefings at the assistant secretary level, deputy assistant secretary level or even chief desk officer for members and/or staff do help us understand the situation and would help the department garner the support it needs.

Let me give you examples for how it should work and how it should not. It is well known that I was uncomfortable with funding the Contras during the mid-1980s, and on several occasions voted against funding. During a period preceding a crucial vote, a high-level State Department team headed by the secretary held meetings with groups of members where they presented all of the administration's arguments in favor of aid.

At the same time, we were able to voice our concerns about the direction of U.S. policy. It was a good exchange. The secretary learned what our limits

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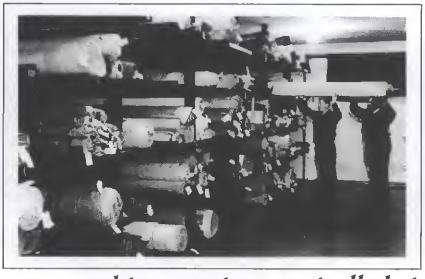
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were in supporting the aid and for the most part gave us assurances that those limits would not be crossed. With those assurances and the strength of his arguments, he turned many members around, including myself, and the aid was approved.

On the other hand, an aid request made last year to the Appropriations Committee was not as adeptly handled. Only two of the Republicans on the committee were briefed, one only the evening before a full committee vote. Imagine our discomfort when a full committee meeting was called the next morning and none of us knew what the package contained, while our Democrat colleagues were fully informed. In fact, only the two informed Republicans spoke on behalf of the administration request while the other side of the aisle carried on a healthy debate among themselves.

When several members complained to State Department representatives present at the meeting, they were told that briefing them was not the department's responsibility. One member was told that the Republican leadership was supposed to brief members—an unappreciated comment as he is a part of the leadership.

Needless to say, that episode did some minor damage to our relationship and, as a rule of thumb, one should not unnecessarily offend the Appropriations Committee. And of course, it helps to know each party's leadership structure. This example should also show that the assumption cannot be made about "natural bases of support." In other words, don't concentrate all your energy on the opposition and ignore the sounds of discontent from what you assumed was your own camp.

Events such as these have given rise to the oft-cited perception of the "intellectual arrogance" of the department. I am certain most Foreign Service officers are offended by the label, as offended as I get when Congress is characterized negatively.

It is unfortunate when perception takes on greater importance than reality, but that is often the case in politics. And just as perception may contradict reality, the stereotypes we form of one another based on our perceptions can be equally deceiving. If one can reject the public's perception of our diplomatic corps as overpaid reception-hopping bureaucrats as well as the public's perception of Congress as overpaid, reception-hopping professional politicians, then we may be able to drop the stereotype of each other. Because in reality neither stereotype is true, but reflects what the public wants to believe.

It is unfortunate when perception takes on greater importance than reality, but that is often the case in politics. . . just as perception may contradict reality, the stereotypes we form of one another based on our perceptions can be equally deceiving.

It is our responsibility to educate the public regarding the full range of our responsibilities. Congress can help the department enhance its public image, especially in an atmosphere of goodwill and amity. Absent that atmosphere, most members do not care about anyone else's image problems but their own. Dropping our own stereotypes of each other will go a long way in developing the proper atmosphere. Just as I must be aware of the public's perception of Congress and what gives rise to it, the department should closely examine the cause of its own image problems on the Hill. The perception of intellectual arrogance exists on two separate but interrelated planes: on a foreign policy formulation level and at a management level regarding how is-

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sues are managed vis-a-vis Congress.

For whatever reasons, it appears that the department is sensitive to congressional criticism of foreign policy initiatives and does very little to prevent such criticism. An initiative is presented, congressional criticism follows—sometimes more harsh than need be—accusations of bad faith multiply and consequently a policy initiative turns into a ping pong ball flying between tournament-aspiring rivals. Department officials appearing before congressional committees become defensive, giving the appearance that of all government policies, foreign policy alone should not be questioned. Members think the department doubts their ability to understand foreign policy, so they dig deeper into the issue to prove their worthiness to participate. If department witnesses would display an openness to listen, a genuine interest in congressional concerns and a sense of humor, much venomous criticism of policy could be allayed. We very well could reach a point where a genuine give and take exists and where foreign policy is no more sacred (notwithstanding legitimate national security issues) than agricultural policy.

In fact, members must have a good working knowledge of international affairs especially since our constituents are interested and organized. They watch the news, they form pressure groups, they lobby, they protest, they sign petitions and they vote. They do all the things that active, aware, informed constituents are supposed to do in our democratic system. Even if I disagree with their position, I still meet with them, answer their mail, exchange information and try to change their position. Sometimes it works, sometimes it doesn't, but they do respect me for maintaining an open and thoughtful relationship with them. The same openness from the department would help me in my job to educate my constituents and when appropriate to try and change their opinion of certain policies.

A second type of perceived arrogance is not wanting to get one's hands dirty in the political process. We have all been in this business long enough to know that regretfully some policies don't stand or fall on their own merits. Proposals need to be managed. Even the most brilliantly conceived policy will not stand without public support.

Rarely is there much prior consultation between State and Congress where the department could address potential concerns and even change some members' opinions. Instead, the department puts itself in a position of reacting to congressional opposition, often announced in front of a TV camera, after which a change of position becomes nearly impossible. Granted there are politicians who will oppose the administration simply to oppose it, but most members genuinely want to develop sound policies regardless of party affiliation. In a great power, elected officials have an obligation to defend a policy they know is right when political expediency makes an opposing position more attractive.

Some policies don't stand or fall on their own merits. Proposals need to be managed. Even the most brilliantly conceived policy will not stand without public support.

Rarely does the department try to solicit congressional support either before, during or sometimes even after a proposal is presented. For most foreign policy initiatives, legislators are the ones most interested and the ones most knowledgeable as to what the public will support. When legislators are brought in at the beginning, a compact is formed whereby everyone has an equal stake in a successful outcome.

It is the department's job to monitor international events and to create sound policies. It is Congress' job to monitor domestic opinion and to create sound policies. Since I believe we agree that foreign policy will not succeed without broad-based public support, it is ill-conceived for the department to omit consultations with the very people who have the best understanding of the limits of public tolerance. Therefore, when information is shared openly, members have a real opportunity to be ahead of the curve and to influence how the public perceives a proposal. In short, an informed member is an asset. As the department knows, the lack of knowledge regarding its mission and the animosity that exists with Congress do it little good during the budget and appropriations process. This will be another tough year. The department cannot sit back and expect that the correctness of its positions or the depth of its responsibilities will shine through. It must take a more active role, just like every other department and agency. It must show Congress that, far from resenting our interference, it welcomes our input.

The department needs to get the word out: where is the best place for staff to get information on a particular country or region; who is the best contact for a member trying to help a constituent with a visa problem during the weekend; what is the best way to express an opinion regarding a policy? And if we are really serious about improving this relationship, then calls need to be answered, civility in conversation needs to reign, and thoughtful responses to input need to be rendered. I never promised it would be easy, but it needs to be done. In a true partnership, communication is the key to success and the right to disagree is respected without rancor or animosity.

Congress is the most democratic branch of the government. It both reflects and influences the public. The democratic process takes a lot of work. As many new foreign leaders are learning, democracy isn't always pretty, but we know it certainly beats the alternative. ■

Books

Playing by the Rules

On the Law of Nations

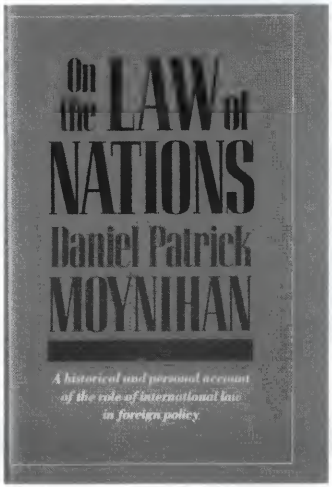
By Daniel Patrick Moynihan, Harvard University Press, 1990, $22.50 hardcover

Reviewed by Charles Maechling Jr.

The United States has traditionally been the most legalistic of major powers in the conduct of its foreign policy. Treaties formed the basis of the young republic, and under the constitution treaties are the supreme law of the land. The United States was the pathfinder in the use of arbitration to settle boundary disputes. It took the lead in drafting the UN charter and the inter-American treaties. It has always set great store on strict observance of the laws of war, rights of neutrals, and sanctity of human and property rights.

The last 20 years have seen steady erosion of these principles at the hands of U.S. policy-makers, who have not only discounted international law as a policy factor but actively undermined it in word and deed. The low point was the Reagan administration with its invasion of Grenada, secret war against Nicaragua and mining of Nicaraguan harbors, withdrawal from the compulsory jurisdiction of the World Court, sabotage of the Law of the Sea convention, and disparagement of the United Nations and other international institutions. The Bush Administration did little to restore the balance, before its exemplary reaction to the Iraqi invasion of Kuwait. Even today there is little realization at the highest levels of government of what a priceless asset American legalism was to its moral leadership in world affairs.

In this idiosyncratic but useful and important work, Senator Daniel Patrick Moynihan has tried to restore international law to its rightful place in U.S. policy-making. Not in any sense a treatise or history of the law of nations, it is rather a personal interpretation of



American attitudes to international law since the turn of the century and how these attitudes have been shaped by the real or perceived foreign policy needs of successive presidents. Until the advent of the Reagan administration, Moynihan argues, the United States led the way in promoting worldwide adherence to international norms. But in 1980, Reagan arrived in Washington accompanied by a coterie of embittered intellectuals like Jeane Kirkpatrick, with the same narrow, provincial view of the world as himself. They had only contempt for international law and were ignorant of American diplomatic traditions. For Moynihan, this bigoted rejection of civilized values has not only foreclosed an important avenue for solving international crises but fostered the trend to an imperial presidency at odds with the constitution.

Charles Maechling Jr., an international lawyer, is a guest scholar at the Brookings Institution in Washington, D.C.

Another Look at Kissinger

Henry Kissinger: Doctor of Diplomacy

By Robert D. Schulzinger, Columbia University Press, 1989, $27.95 hardcover

The Nixon-Kissinger Years: The Reshaping of American Foreign Policy

By Richard C. Thornton, Washington Institute Press, 1989, $24.95 hardcover

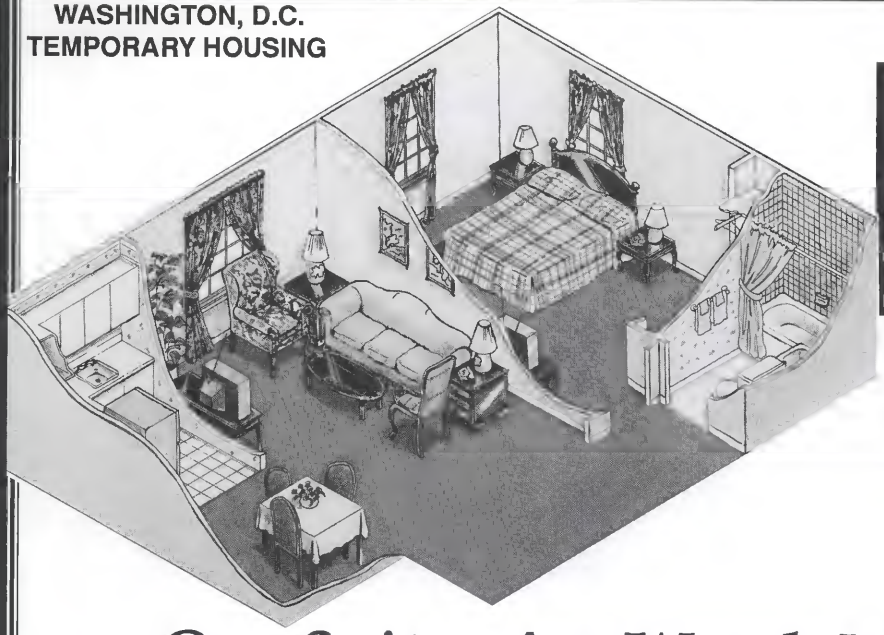
Reviewed by Jerrold Keilson

Henry Kissinger was possibly the most powerful secretary of state in our history, particularly when this position was combined with his role as national security advisor. The Kissinger years came at a time of significant change in U.S. foreign policy; including both the escalation and withdrawal from the war in Vietnam, the establishment of diplomatic relations with Communist China, and a general shift from understanding global politics in bipolar terms to a more multipolar framework. He successfully manipulated the media to enhance his own celebrity. Yet in 1976 he was reviled by some of his own party's presidential candidates, and to this day many politicians condemn the fruits of his policies.

The controversy over Kissinger's place in history is reflected in the way he is treated by historians. To some he is a hero who recognized important global power shifts and moved U.S. foreign policy to retain influence around the world. Others, from both the right and the left, condemn Kissinger for lying, manipulating U.S. foreign policy and the American public, and for dissipating U.S. power and influence.

In *Henry Kissinger: Doctor of Diplomacy*, Robert Schulzinger attempts to delve beyond the rhetoric to answer basic questions: how did Henry

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Books

Kissinger conceive of U.S. foreign policy? Did he implement his vision, and did his policies achieve their objectives? What impact did the new foreign policy have on the United States and the world? And how did Kissinger's personality and the political climate in



which he operated hamper the long-term success of his foreign policy?

In this generally well-balanced book, Schulzinger argues that Kissinger's comprehensive approach to foreign policy was preferable to the more reactive style of many predecessors. For Kissinger, foreign policy was not a Manichean struggle between the United States and the Soviet Union but an intricate dance among a range of partners, including adversarial countries; he was willing to trade political rapprochement with China and the Soviet Union, for example, in return for progress on a settlement in Vietnam and detente. Kissinger also worked to consolidate foreign policy-making in the executive branch, so that he and a few others could execute it without being affected by domestic political concerns.

Schulzinger uses specific foreign policy events to illustrate how Kissinger implemented his vision, focusing on a range of examples that runs from Vietnam and Cambodia, the approach to China, the birth of detente, arms con-

trol, and Mideast shuttle diplomacy to the Vietnam peace settlement, Chile, Pakistan, and Angola. The number of issues that Kissinger dealt with is impressive, as are some of the short-term results. Schulzinger acknowledges that the long-term impact of Kissinger's initiatives also must be evaluated, however, and perhaps not as favorably. The collapse of detente, the failure of the Vietnam peace settlement, the debacle in Chile, and the failure of the Mideast peace process demonstrate how ephemeral success can be.

Throughout the book, Schulzinger depicts Kissinger as a complex man driven to achieve his objectives. He had a large ego, was difficult to work for, and did not protect his subordinates, as illustrated by his authorization of wiretapping. His skills at bureaucratic infighting, self-preservation, and self-promotion also are frequently on display. The end result is a carefully balanced portrait of a man who had a major impact on U.S. foreign policy.

In contrast, Richard Thornton has written a diatribe, portraying Kissinger as a devious and disloyal advisor to Richard Nixon. In *The Nixon-Kissinger Years* Thornton focuses on changes in America's policy of containment and the U.S. loss of hegemony growing out of the failure to decisively fight communism in Vietnam.

Thornton writes that Nixon and Kissinger were working to create a new foreign policy in the aftermath of Vietnam, but that they were working in opposite directions. Nixon was trying to revitalize and recreate containment, whereas Kissinger, his chief foreign policy advisor, was working to create a structure that would accommodate communism. Thornton believes Kissinger's general approach and specific policies were mistaken and unnecessary, and that a more principled foreign policy stand would have better served American interests.

Thornton believes that an intense conflict raged between Nixon and Kissinger, his erstwhile loyal aide, during Nixon's first term over the direction of U.S. foreign policy. It is this conflict between the two that lies at the heart of the book. This thesis results in a peculiar chapter in which Thornton writes that Watergate was a plot concocted by the Eastern establishment of the Republican Party to get Nixon out of office and keep Kissinger in control of foreign policy. According to Thornton, John Mitchell ran Watergate as a sting operation to entrap Nixon. The evidence that Thornton musters for this argument is scant and is not supported by other works on Kissinger. In Roger Morris's 1977 book, *Uncertain Greatness*, Morris makes a strong case that Nixon and Kissinger acted in concert and saw eye-to-eye on most things.

Schulzinger's book is by far the better of the two and worth reading for the balanced perspective it brings to the impact of Henry Kissinger on U.S. foreign policy. Thornton, on the other hand, typifies the vicious, undocumented, and shallow anti-Kissinger screeds.

Jerrold Keilson, a Foreign Service officer for six years, is director of Delphi International Services, an international training consulting firm in Washington, D.C.

Goodbye to All That

The Bloc That Failed: Soviet-East European Relations in Transition

By Charles Gati, Indiana University Press, 1990, $10.95 softcover

From the Finland Station: The Graying of Revolution in the Twentieth Century

By Theodore S. Hamerow, Basic Books, 1990, $24.95 hardcover

Reviewed by Henry E. Mattox

In June 1990, the Journal reviewed no fewer than seven works on the Gorbachev revolution and noted the "avalanche of books" on changed superpower relations. The rush to publish continues. Among this year's bloc books have been *The Shattered Bloc: Behind the Upheavals in Eastern Europe*, by the journalist Elie Abel and *Between the Blocs: Problems and Prospects for Europe's Neutrals and Nonaligned States*, edited by Joseph Kruzel and Michael H. Haltzel.

Now we have *The Bloc That Failed*, in which political scientist Charles Gati surveys the post-World War II Soviet development of satellite states, from Stalin's time to the brief reign of Chernenko. He then devotes one whole section of this useful book to an analysis of the reforms of 1985-88 and a following section to the upheavals of 1989. The bloc that failed—Moscow's empire in Eastern Europe—began to come apart in Poland and continued at a quickened pace throughout the region. The USSR's own moves toward economic reforms and military retrenchment made possible this potentially dangerous process.

From the Finland Station, by historian Theodore S. Hamerow, while obviously pertinent to the failed Eastern bloc, covers much more intellectual ground than any survey of recent events. Professor Hamerow's title derives from Edmund Wilson's *To the Finland Station* (1940), a classic account of European socialism prior to Lenin's arrival at St. Petersburg in 1917. Loaded with statistical data and illustrative examples, *From the Finland Station* treats schematically the several stages, as Hamerow sees them, of the rise and eventual decline of successful revolutionary movements. His case studies come from the 20th century Russian, Chinese, Cuban, and Vietnamese experiences. "Within a generation," he observes, the radical new order "begins to show the same signs of senescense . . . that had characterized the *ancien regime*."

This highly recommended study certainly will take its place in the field with Crane Brinton's *The Anatomy of*

Revolution, to which Hamerow refers. Somewhat curiously, however, nowhere does he cite R.R. Palmer's famed two-volume study, *The Age of the Democratic Revolution* (1959, 1964) or Chalmers A. Johnson's insightful but less well-known *Revolutionary Change* (1966), not even in his otherwise impressive essay on sources.

Henry E. Mattox, a retired Foreign Service officer, is currently a Fulbright lecturer in Nigeria.

Sister Cities

Cities in Crisis: the Urban Challenge in the Americas

Edited by Matthew Edel and Ronald G. Hellman, Bildner Center for Western Hemisphere Studies, City University of New York, 1989, $26.95 hardcover

Reviewed by John J. Crowley Jr.

When the Bildner Center set out to compare urban problems in Latin America with those in the United States, some observers thought the differences would greatly outweigh the similarities. These essays (which were presented in a series of colloquia) show, however, that many problems are common to both ends of the hemisphere. Housing shortages, overborrowing by municipal governments, coordination between cities and suburbs, the role of the mayor, and the participation of local business groups are a few topics of common concern to North and South Americans.

The collection is strengthened by the contributions of several Latin American authors. Thus, the reader will find scholarly studies of urban problems in Mexico City, Sao Paulo, and Buenos Aires, as well as of public health services in Medellín. José Francisco Pena Gomez, former mayor of Santo Domingo (and unsuccessful presidential candidate in recent elections), describes the arduous job of running a municipal government during a period of declining revenues and living standards. No wonder he approvingly quotes Spanish Prime Minister Felipe Gonzalez's remark that "It is more difficult to administer a city than to govern a country."

An American participant covers the New York fiscal crisis and the lessons it may hold for others. Among these are that budget cuts must be well-planned to avoid serious, long-range damage to the capacity to provide municipal services. Also, since there will always be political opposition to any reduction in services, the government must try to balance competing demands. (The author asserts that in recent years, with its widening income and consumption disparities, its visible homelessness, its growing informal economic activity and its deteriorating public services, New York City increasingly resembles a Latin American city).

In presenting this hemispheric view of selected urban problems, the editors have demonstrated that, despite many obvious differences, there is more than enough common ground to justify a fresh and untraditional approach.

John J. Crowley, a retired Foreign Service officer, served as U.S. ambassador to Suriname.

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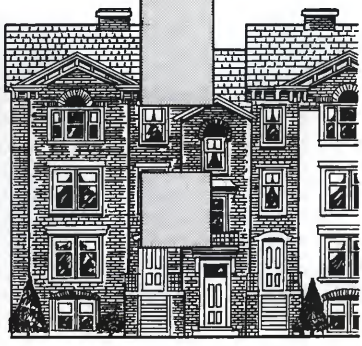
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State's Shifting Responsibilities

History shows the department relinquishing part of its role in foreign policy

This article is adapted from a talk delivered on September 26th at the Foreign Service Club as part of AFSA's luncheon speaker series.

WILLIAM Z. SLANY

The beginning of the post-Cold War era is a time to look forward and see if we can determine the future shape of American foreign relations. Before we undertake this assessment of the future, we might briefly look backward and review the evolution of the State Department's role in the foreign affairs community. The emergence of the American foreign affairs community and the modern Department of State deserves a book-length explanation and documentation. For now, however, I will venture only to hit some of the highest of the high points and skip over much more that is relevant.

Let me put it first in a nutshell. The modern Department of State and the foreign affairs community are strictly post-World War II phenomena. If there was a "golden age" when the department and the Foreign Service dominated foreign affairs policy-making, it was the generation between the two world wars. Franklin Roosevelt invented the foreign affairs community when he created a host of emergency wartime agencies in order to circumvent the State Department. The department had a brief opportunity immediately after World War II to dominate foreign affairs but opted instead to remain a small, traditional foreign relations agency. In the absence of State leadership, Congress created the National Security Council (NSC) and Central Intelligence Agency and gave birth to the modern foreign affairs community, comprising intelligence, economic matters, military affairs, and atomic energy policy. In these Truman years a reorganized, expanded, and modernized State Department assumed the structure that has essentially persisted into the present. Truman was wary of the NSC system and leaned on a preeminent State Department, but Eisenhower and Dulles built up the NSC structure and allowed the State Department to lose ground to other ambitious agencies in the policy wars. The Kennedy-Johnson years were the last great period of search for a mechanism that would assure the leadership of the State Department in foreign affairs.

In the last 20 years major reorganizations of the State Department have been avoided. Ad hoc arrangements have been resorted to in managing the foreign affairs community and the State Department, and the department reorganizations have been confined to the seventh floor. The post-Cold War international scene is more likely to continue and intensify the trends of the past 20 years rather than reverse them.

For the first 150 years of our nation's history, the presidents and their secretaries of State were the foreign affairs decision-makers and policy formulators. They were the foreign affairs community. Various presidents, of course, had significantly different manners of working with their secretaries of state, and the balance of who actually made big decisions tended to move back and forth. And presidents always could—and many did—seek outside advice on important foreign affairs issues rather than rely entirely on their diplomatic advisers.

For its first 100 years or more the department was a relatively tiny agency serving essentially as the support staff for the secretary of State—his attorney, executive secretariat, and his administrative backup. America's entry into the world imperialist scene at the turn of the century began the transformation of the State Department into a truly operational agency of expanding size.

In the period between the two world wars there prevailed a spirit of isolationism. The conventional wisdom of the time was that conducting foreign policy was an elite activity that would not benefit from popular involvement. But the department grew, reaching a force of more than 1,200 persons in 1940 compared with 91 at the beginning of the century. More important, the diplomatic service had been professionalized in the 1920s, the rotation of diplomatic officers from overseas posts into leadership positions into the department was firmly established, and a Foreign Service of more than 850 officers was serving President Roosevelt and Secretary of State Cordell Hull.

New Deal to New State

President Roosevelt had laid the basis for the postwar foreign affairs community with his expansion of the federal government and his resort to New Deal agencies outside the existing governmental structure to carry out new tasks of government. During the war, the president resorted to this technique to circumvent a conservative and tradition-bound State Department by creating a variety of new agencies to administer aspects of the new U.S. presence abroad. These included the

William Z. Slany has served in the State Department since 1956 and has been department historian since 1982. The views expressed here are the author's and not those of the Department of State.

Office of War Information, the Lend-Lease Agency, the Foreign Economic Administration, and the Office of Strategic Services.

After the war, the State Department proved unable and unwilling to digest all these agencies, personnel, and tasks. It could not or would not become a single, all-encompassing foreign affairs agency, largely because the department's traditional leadership was reluctant to have State diverted into so many non-diplomatic activities. The creation of new and powerful agencies such as the CIA and NSC in 1947, USIA in 1952, and the Economic Cooperation Administration in 1948 set the pattern for an expanding foreign affairs community with which the State Department had to contend. It was not just a matter of new agencies. By the 1950s the Treasury, Commerce, and Agriculture departments had also embarked on significant international programs. And, with the armed forces stationed around the world, the joint chiefs of staff became key players in nearly all foreign affairs decisions.

Even with all these competitors assuming responsibilities for much of the U.S. interests abroad, the State Department's mission of conducting foreign policy and protecting and promoting U.S. interests abroad had greatly expanded. The department grew to 7,000 persons, developing a structure capable of administering the assignments and coordinating policy-making over a vast range of overseas interests and involvements. A first wave of reorganizations was carried out in 1944. Overall economic responsibilities were assigned in 1946 to a newly created under secretary of state for economic affairs. A major office was formed to administer occupation responsibilities in Germany, Austria, and Japan.

By 1947 Secretary George C. Marshall carried out a second wave of department reorganization, whose key innovation was to establish the executive secretariat to act as the official point of contact with other departments, agencies, and the White House. Marshall also set up the policy planning staff to formulate the long-range policies and goals.



New State under construction in 1957

Two years later, Secretary Dean Acheson implemented the recommendations made by the Hoover Commission on the organization of the executive branch of the United States government. In a major department reorganization, the policy divisions were elevated in 1949 to the level of bureaus for inter-American affairs, Far Eastern affairs, European affairs, Near Eastern and African affairs, international organization affairs, and congressional relations. By the end of his first year in office in 1949, Acheson had a reconstituted management team consisting of an under secretary of State; two deputy under secretaries; and 10 assistant secretaries in charge of the then major regional geographic bureaus and functional responsibilities. By 1950 the Foreign Service modernized under the 1946 Foreign Service Act. With these reorganizations in the immediate post-war years, the State Department took on the basic shape it has had ever since.

During World War II and the first year or so thereafter, foreign affairs policy coordination was confined to the formula "State-War-Navy." In 1947, Congress established the NSC, stemming in large measure from reaction to Roosevelt's strong and highly personal diplomacy. Many of the president's decisions, particularly at Yalta in 1945, came under close congressional scrutiny and serious popular criticism. As a result, the legislature attempted to superimpose on the executive branch a mechanism for formal discussion and inter-agency cooperation on important issues of national security.

Initially, President Truman's reaction to the NSC was less than enthusiastic. He saw it as encroachment by Congress on executive privilege, and he feared that the military was being given undue weight in international affairs. Truman did not attend the early NSC meetings. However, the outbreak of the Korean war in June 1950 thrust Truman into crisis, and thereafter he regularly presided at council sessions. From this time, the NSC began to take on an expanding responsibility for high-level crisis management.

Eisenhower-Dulles

The State Department structure set in place by Acheson changed little under President Eisenhower's secretaries of state, John Foster Dulles and Christian A. Herter. Dulles personally domi-

nated policy-making and, as some complained, worked the department "out of his hat." The personal quality of his tenure was emphasized by his extensive foreign travels (700,000 miles) together with his very close personal and policy relationships with the president. Only minor department realignments were carried out. The deputy under secretaries for political affairs and for management were elevated to full under secretary rank. The number of bureaus was increased to 12, as functional groupings of offices headed by assistant secretaries were raised to full-fledged bureau status.

The NSC was built up into a highly structured, formal policy-coordinating center of the emerging foreign affairs community. While the State Department held key positions in this NSC system, the roles and influence of other agencies gained formal status.

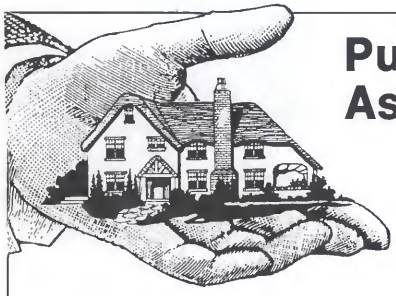
President John F. Kennedy exercised his constitutional responsibilities in foreign affairs to the fullest. Kennedy greatly modified the elaborate Eisenhower NSC system and supplemented it by informal recourse to the advice of close advisers, with an executive committee of a scaled-back NSC, and with a national security adviser who enjoyed great flexibility and latitude to frame issues and coordinate quick responses to international hot spots.

President Lyndon Johnson made an effort to work within a system that gave the State Department the lead role in a more structured approach to crisis management. The center of gravity for high-level policy coordination flowed, however, ineluctably to the White House. A crisis center was established in the White House in 1968 that gave the president and his advisers direct access to all international communications and allowed for far more direct presidential intervention in both the most major and even the more minor pressure points. Events like the war in Vietnam forced the president to turn to his military and intelligence leaders as well as to the Department of State to manage crisis. These arrangements allowed for complete airing of all national interests, but the tendency generally undermined State initiative in the foreign affairs community.

The State Department yielded what remained of its preeminent role in the foreign affairs community in the 1960s. This change did not occur without much soul searching during the decade—a period of much thoughtful attention to strengthening State.

Secretary Rusk's tenure was marked by unprecedented planning for radical changes in the management of foreign affairs. It was apparent early in the Kennedy presidency that the department could not respond to the mounting tempo of crises around the world without some internal modifications. Under Secretary Chester Bowles was a powerful advocate of change in the department, but he fell from favor early in the Kennedy Administration. Thereafter, Kennedy, Johnson, and Rusk established a variety of committees and commissions to investigate measures to improve policy-making and the coordination of American activities overseas.

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changes in the top level of the department, including the creation of a deputy secretary and the designation of senior officials to coordinate military-political affairs. In 1961, former Deputy Under Secretary of State Carlisle Humelsine described the department's problem as "an organizational proliferation and operational complexity that has increased points of interest and work clearance, established what may be duplicated or overlapping functions and reviews, extended the lines of command, and diluted the authority and effectiveness of the regional assistant secretaries of state." Senator Henry Jackson headed a special congressional subcommittee that studied national security machinery and found in November 1961 that "no task was more urgent than improving the effectiveness of the Department of State."

The Humelsine and Jackson reports had significant results. George Ball became Secretary Rusk's under secretary and his true alter ego. Men with the president's confidence were appointed to key department policy-making positions. A Bureau of the Budget special survey in 1962 recommended strengthening the department's foreign economic policy-making function, a change finally completed in 1972 with the creation of the under secretary for economic affairs. Former Secretary of State Herter headed a distinguished Committee on Foreign Affairs Personnel, whose 1962 report to Rusk, entitled "Personnel for the New Diplomacy," provided much of the basis for the extensive administrative and personnel reforms carried out by Deputy Under Secretary for Management William J. Crockett from 1963 through 1967. Armed with the new insights and tools of modern corporate management, Crockett accelerated the pace of internal administrative change, asserted department leadership in the foreign affairs community, and directed the creation of a unified State-USIA foreign affairs personnel system, as well as the country director systems, regional policy paper process, and foreign affairs programming system.

Although President Johnson did not have time to act upon it, his Task Force on Government Organization, headed by businessman Ben H. Heineman, presented a report on "Organization of the Management and Coordination of Foreign Affairs" in October 1967 that pointed to numerous divergences and internal inconsistencies in the formulation and conduct of American foreign policy. The Heineman Task Force recommended that the secretary of State be the president's first adviser on foreign affairs and that a substantial portion of the secretary's workload be shifted to a deputy secretary. The report also urged grouping together several department functional units under the supervision of under secretaries for economic and security affairs. In 1968 the American Foreign Service Association prepared and published its own report, "Toward a Modern Diplomacy," which sought to strengthen the foreign policy role of the career service.

Dulles personally dominated policy-making and, as some complained, worked the department "out of his hat."

Increased pragmatism

While the reform efforts of the 1960s generally failed to achieve any significant lasting results, they testified to a persistent respect for the traditional role of the State Department. The stress and discord arising from the Vietnam war ended efforts to fundamentally reform the State Department. In place of the longstanding consensus on major foreign policy goals there was persistent, sometimes bitter, contentiousness from determined interest groups. Congress intervened in foreign affairs to an unprecedented extent. In the 1970s came a more cautious, pragmatic, step-by-step approach to institutional reform and change. Secretaries William P. Rogers, Henry Kissinger, Cyrus Vance, and Edmund Muskie were generally content with the department's structure, as long as the "seventh floor" staff provided prompt and effective support for the top-level policy-making. Instead of major organizational changes, the political leadership found it more convenient and effective to alter the policy-making chain of command on a case-by-case basis in response to felt needs rather than on any broad programmatic basis. Such reorganizations as did occur were confined to the seventh floor. The long-urged establishment of a deputy secretary of state and several under secretaries by the early 1970s led to the emergence of department "principals" as the secretary of state acquired a collective alter ego.

The spirit of institutional modernization shifted toward making the existing system work better. Significant personnel and management reforms aimed at humanizing the Department of State were tried by Deputy Under Secretary of State William Macomber in the early 1970s. Former Under Secretary of State Robert D. Murphy chaired a congressionally mandated commission on the conduct of foreign policy whose report in 1975 recommended a range of personnel, organizational, and procedural changes.

Department structure continued to expand. The total number of assistant secretaries and bureaus reached nearly 30 in the 1980s with many functional bureaus arising to deal with international programs. State sought to expand its expertise ever further to match the expanding involvement of federal, state, and local governments as well as of the private sector in overseas matters. At the same time, shrinking budgets subjected the department to stringent management streamlining in order to accomplish more with less.

The end of the Cold War is not likely to see a reversal of the current relationship between the foreign affairs community and the Department of State. If anything, the bipolar world and the rivalry with the Soviet Union may have prolonged the special role of the State Department in the expanding foreign affairs community. Multilateral and multi-dimensional issues of the future are more likely to continue the patterns of the last 20 years in spreading foreign affairs decision-making over an ever broader spectrum of agencies and institutions of which State is only one. ■



ILLUSTRATION BY MARGARET SCOTT

The Patras Bathtub

BART N. STEPHENS

"*Crate the tub* for shipment to Greece," I said, writing out a check for $25.

"Greece?" The owner of the plumbing supply store looked at me as if I were indulging in a silly April Fool's joke. We were standing in the middle of a grassy vacant lot behind his Georgetown store, surrounded by dozens of white used bathtubs, basins, and bidets. We were in the plumbing industry's equivalent of the elephant's graveyard.

"My wife and I are stationed in provincial Greece and need a bathtub just like this one." I pointed to the large, wide, claw-footed beauty at our feet, only disfigured by a tiny rust stain. "The U.S. despatch agent will give you shipping instructions," I said.

Who else, I thought, has shipped such a large cast-iron object across the Atlantic and through the Mediterranean, making use of his excess weight allowance? But I should go back to explain this unusual cargo, back to Greece.

What could be more glorious for a young Foreign Service officer and his wife assigned to Athens in 1950 than to live in the Plaka, that old and enchanting section of the capital? The narrow street on which our house stood ran directly into the base of the Acropolis. At that time no stereos blared. Tavernas had not yet proliferated. Tourists did not clog the streets. The air was clear; the light, luminous. Pollution was unknown.

So when we learned the embassy was transferring us to Patras, the largest city of the Peloponnesus, we wondered what could possibly replace our jewel of a house tucked away in a courtyard on Odos Kydathineon.

We soon visited Patras, a port known for the martyred Saint Andrew and its export of currants. It was a five-hour drive from Athens in those days. I inspected the branch office I was to head, and we saw the house reserved for us. We were greatly relieved to discover a delightful, white, two-story, flat-roofed villa on the outskirts of the city, in the village of Mintilogli. The

Bart N. Stephens, who retired from the Foreign Service as a cultural attaché, served in Greece from 1950 to 1954.

house stood scarcely 100 feet from the pebbly shore of the Gulf of Corinth, and behind it grew an orchard of orange trees. The weather was balmy; the skies, blue; our future Greek neighbors, friendly.

Some months later, as we unpacked and settled into our new home with its marble floors, we discovered there were a few drawbacks to our new paradise. There was no telephone. We needed 15 or 20 telephone poles to run a line from the main road to our seaside villa. Each pole cost something on the order of $200, a total of about, if I remember the exchange rate, 6 million drachma. Neither my bank account nor the office's budget had that kind of money. But then, without a phone, impatient embassy officers in Athens would not be making urgent midnight calls.

In the hot summer, when we had first visited our attractive villa, we had given little thought to heating our home. In fact, there was no central heat of any kind, nor, for that matter, any running hot water. We depended on a 40-gallon drum of kerosene, trucked to us once a month from Athens. This precious fluid filled the tanks of our smelly space heaters, our cooking stove, and our temperamental refrigerator. After, I should add, I had wrestled the 300-pound drum onto its trestle. I then drew off the kerosene from a spigot cleverly inserted into the top of the drum.

Rather than subject ourselves to the noxious fumes of the heaters, we often sat with guests at the dining room table in December wearing our overcoats.

We had not given the question of water much thought either. There was running cold water, but we could not drink it. It was brackish and unpalatable. To provide us with potable drinking water the office jeep delivered every morning four or five small barrels filled with cold mountain spring water that gushed out of a roadside pipe.

Our piped house water, good only for flushing toilets and scrubbing floors, came from a tank on the flat roof. In order to replenish the water in the tank I would climb the stairs to the roof and shout in Greek toward the gardener's house in the orange grove, "Andreas! Start the motor!" After a few minutes I would hear the putt-putt of the motor, and soon water rushed from a pipe into the tank.

All these charming little characteristics of our domestic life were bearable. We loved our house. As the Germans say, "No rose without thorns." *(Keine Rose ohne Dornen.)* But there was one more thorn.

Our first day in our new home we had been introduced to our bathtub, or what was designed to be a bathtub. It was made of slabs of marble. There were no gentle curves to accommodate one's back or posterior. It was—how can I describe it? a rectangular box. No, it was like a narrow marble coffin. Once wedged into the tub it was difficult to extricate oneself. Even worse, when the hot water, heated in buckets on the kitchen, kerosene stove, was poured into the tub, the marble seemed to absorb instantly the heat from the water. This peculiarity of the tub was particularly noticeable in January.

We became increasingly dissatisfied with our bathing arrangements. We yearned for a real tub in which we could comfortably soak. We inquired in the city about a suitable, low-cost, secondhand tub. No luck. But success greeted us during home leave at that Georgetown store. There in the empty lot stood the tub of our dreams, and for only $25. Perhaps Clyde's or Mr. Smith's restaurant stands on that spot today.

Three months after our special Washington purchase, four muscular Greek laborers carried the crated tub into our front yard, knocked the crate apart before an audience of village children, and carried it carefully up the stairs to the second floor. Two sides of the marble tub were removed, and the new American import was connected to the drain.

The old tub was like a narrow marble coffin. Once wedged in, it was difficult to extricate oneself.

My wife and I would often take guests upstairs to see the footed tub, and they would express their admiration at its elegance and our ingenuity. There were comments on our probable cleanliness, a tribute to the American Foreign Service and its people.

The tale of the Patras bathtub only needs this brief conclusion. It falls under the heading of "You never go home again."

We had left Patras, and it was 19 years later. We had served at many other posts during that interval. It was time, we decided, to revisit Greece, our first post. The family, now six, drove from Stuttgart into Italy and then reached Greece by way of the Brindisi car ferry. In Athens we were anxious to visit our old home in the Plaka. After several false turns we located it. Surprise. Entrepreneurs had converted our house into a Japanese restaurant.

In Patras my wife and I very much wanted to show the children our other Greek home, our villa by the gulf where we had held evening fourth of July parties on the flat roof and where we had installed the Georgetown bathtub with claw feet. How was the enamel holding up? My Greek friend advised against it when I broached the subject. Your former dwelling, he said, is now a home for the mentally . . . He didn't finish the sentence.

Our hopes were crushed once again, but I must believe that the old tub continues to give service to the residents of that home, or elsewhere in Patras. I cannot believe that it stands abandoned in a grassy Greek field.■

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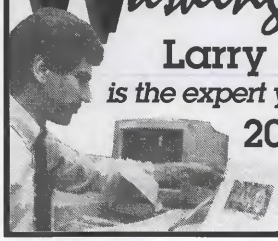
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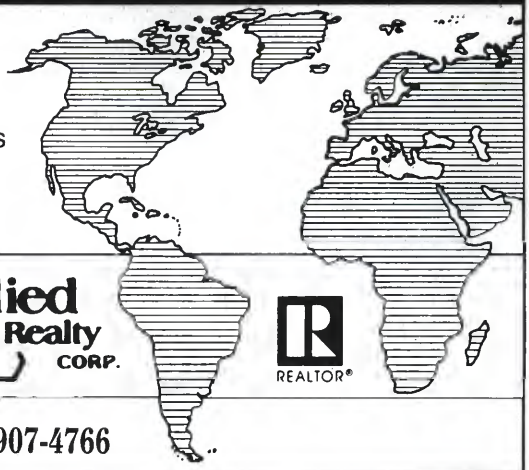
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AFSA ♦ NEWS

U.S. diplomacy after the Cold War

John J. Harter

An AFSA program will focus attention on "A New Diplomacy for a New World Order" in the coming months. The program will feature prominent experts known as challengers of traditional assumptions on U.S. foreign policy.

The purpose of the new emphasis will be to encourage innovative thinking by AFSA members—and others—regarding possible improvements in the formulation and implementation of U.S. foreign policy in light of the virtual dissolution of Communist systems, the apparent demise of the Cold War, the global trend toward democracy, the rising priority of the economic dimension of foreign affairs, the recent invasion of Kuwait by Iraq, and the response of the international community to that crisis.

As the only non-government professional organization representing U.S. career diplomats, AFSA is uniquely qualified to be in the forefront of those considering improvements in the conduct of foreign affairs. In the coming months, AFSA will seek extra-budgetary resources to finance the program's expansion. If additional funds become available, a core staff will be mobilized, special efforts will be made to attract larger audiences, public debates on some relevant issues will be arranged, and other steps will be taken to strengthen the impact of the program.

Dr. William Z. Slany, historian of the Department of State, launched the program on September 26 with an address on "45 Years of Continuity and Change" in the U.S. foreign affairs community (see page 44). Other issues identified for attention in the series include:

- Foreign policy and the "information revolution"
- A congressional view of foreign affairs in a rapidly changing world
- National security after the Cold War
- The role of an embassy in the new era
- Human rights and democracy
- Drugs and international affairs
- International trade in the 1990s
- The Third World and economic development
- The United Nations and other international organizations
- The environment and foreign affairs
- Hostages, terrorism, and the protection of American citizens
- International law
- The media and foreign affairs

We welcome comments from readers.

New proposal for secretaries

The department's long-awaited proposal on secretarial issues was finally made available to AFSA on July 30.

The package consists of four principal components: 1) improved career ladders for Foreign Service and Civil Service secretaries; 2) incentive pay for special skills; 3) better information flow to new hires; and 4) revised promotion precepts.

To improve career ladders for Foreign Service secretaries, the department proposes to band together the seven current Foreign Service grades into four "levels." Promotion rates within these levels would be determined administratively after fulfillment of certain conditions. Promotions into levels II and I would be competitive, although the department says that "virtually all" secretaries would be assured of reaching level II if their work was satisfactory. The department is quick to point out, however, that this banding system cannot be implemented until a comprehensive training program is developed for each level and specific assignment requirements are determined; it will also be necessary to revise existing promotion precepts for secretaries.

The package also recommends a step increase for all secretaries who successfully complete training for positions requiring communicator skills. The department expects to implement this program shortly but claims that it does not have the legal authority to provide compensation for shorthand skills. To improve the amount of information new secretaries receive, various offices will draft "fact sheets." These packets will provide detailed information on matters such as salaries, allowances, benefits, training, and employment conditions.

Because the package proposed by the department is far from complete and does not address many important issues, AFSA has solicited input from the membership and plans to submit a counterproposal to the department. Among the issues not addressed in the department's proposal are the following: the upgrading of positions; the establishment of secondary

skill codes; the possibility of secretarial positions at the FP-2 level; title changes; expanded training opportunities; and inclusion of secretaries in management planning that relates to secretaries.

AFSA's Secretarial Subcommittee met with management in early August to discuss the department's package. Representing the director general's office was Lauralee Peters, deputy assistant secretary for personnel, who stated that with the proposed banding system average time to reach FP-3 would be 24 years rather than the current 35 years.

The department projects that 50 more FP-3 positions would be created over the next several years (compared to the current eight to 10 FP-3 positions). This would have a cascade effect, increasing the number of positions at all levels. Unfortunately, there appears to be some degree of uncertainty about the availability of funding for the department's proposals. AFSA stands committed not only to expanding the scope of the secretarial reform package, but to ensuring that management adheres to and implements any agreements that are reached.

Don't throw them away!

If you haven't yet thrown out your 1990 issues of the FOREIGN SERVICE JOURNAL, don't! We have at least 10 requests from newly subscribing libraries for the entire 1990 volume, and we need additional copies of the January and February 1990 issues to fulfill these requests.

Please write or call the JOURNAL if you can help.

News Briefs

USIA career management changes: After negotiations with AFGE, USIA announced time-in-class and related changes on August 24, modeled on changes agreed to by State and AFSA late in the spring. The USIA rules vary from State's in several respects:

• Middle-grade USIA officers will have the option of changing their "multi-class" time limits from the current 20/22-year limits in classes 3, 2, and 1 to 27 years from the date of their initial appointments as career candidates. The 15-year time-in-class limit remains for any single grade.

• The new senior "multi-class" limit for classes OC and MC will be 12 years (14 years in State). Limited career extensions (LCEs) will be continued.

• The seven-year "window" for promotion from O-1 to OC will be abolished. During negotiations with AFSA, State management took the view that the 1980 Foreign Service Act makes such a "window" mandatory. Clearly USIA's lawyers do not read the act the same way, and AFSA plans to pursue this issue with State management.

Effect of changed selection board timing on promotion opportunities: During negotiations, AFSA was assured that the deferred convening of selection boards (from June 1 to September 1) would not reduce the number of promotion reviews that any Foreign Service officer would receive. The director general made this more explicit in a column in the July Newsletter. If your time-in-class expires between July 1 and September 1, 1990, he wrote, you will still receive a final review for promotion this year. We wrote to say that we had understood this assurance to apply to future years as well, and got an answer that: "We are disinclined to take any firm position without knowing the parameters of any future problems."

We suspect that there are, in fact, very few Foreign Service officers whose time-in-class anniversary dates are in the summer, but please let AFSA's member services department know if yours is. Your promotion opportunities may be affected.

Correcting PARs: Most members will recall having been reminded often how important personnel audit reports (PARs) are for assignment panels and selection boards, and being encouraged to keep them up to date and accurate. In an all-posts cable on January 2, the department promised a forthcoming "open season" during which PARs could be expeditiously updated. A circular instruction on May 17 offered a number of essential options for making the PARs more informative. For instance, the instruction made clear that officers on detail to other agencies could specify their working titles and the overseas posts to which they were assigned.

Despite these good intentions, the PAR office remains just as backlogged as it ever was, and a number of personnel have run into stone walls trying to get their PARs corrected in accordance with the instructions. If you have a similar experience, please let AFSA member services know, in order to help us build a case to induce management to honor its own PAR commitments.

New AFSA vice president for State



Dick Milton

On September 5 the AFSA board accepted the resignation of George Jones, who served for the past year as vice president for the State Department. Jones was nominated by the White House as ambassador to Guyana and was scheduled for confirmation hearings in the Senate Foreign Relations Committee in the last week of September. His accomplishments at AFSA include landmark labor-management negotiations and skilfull contract arrangements to maintain smooth operations at the Foreign Service Club. The AFSA board expressed sincere regret at his departure.

George Jones was succeeded by Dick Milton, who until this summer was political advisor at the U.S. Space Command in Colorado Springs. Milton is a consular officer whose foreign tours have included Managua, Warsaw, Bangkok, and Guayaquil. He has also served with ACDA and the U.S. Coast Guard and is a former president of the Consular Association. The AFSA board took pleasure in appointing Milton to the State vice presidency through the summer of 1991, when current incumbents will be replaced by winners of next spring's regular AFSA elections.



George F. Jones

State Standing Committee

Pinching pennies

Richard Milton
State Vice President

Appointed by AFSA's board to fill the remaining 10 months of George Jones' term as State vice president, I entered office just as AFSA confronted the threatened government-wide furlough of all employees. State, after first thinking it could delay issuing any furlough notices until at least mid-October, notified AFSA August 29 that it hadbeen directed to issue notices immediately for furloughs to begin as early as October 1.

AFSA was inundated with cables, faxed messages, and telephone calls during the first week of September. Members expressed their outrage that a failure of our political leadership should result in such a mistreatment of employees. Many also asked for clarification of what the furlough entailed and what could be done to obtain relief. After concluding that the furloughs mandated under Gramm-Rudman-Hollings sequestration could probably not be challenged legally, AFSA met with management to negotiate equitable and fair regulations for furlough implementation.

Although an agreement was signed September 5, it became clear almost immediately that the employee rights agreed upon were not really available with respect to the furlough notice that had been issued August 30. State refused to recognize that rights which cannot be exercised are rights denied, so AFSA was forced to seek judicial relief from the inadequate furlough notification. As this is written, AFSA is hoping the budget impasse will be resolved and furloughs made unnecessary.

Assignments: Negotiations have also begun with management for a complete rewrite of 3 FAM 140 (Assignments). The regulations require revision to conform with the Foreign Service Act of 1980, and AFSA plans to improve them as well, particularly provisions involving movement into and out of the medical complement and in regional assignments.

Secretarial issues: Tentative progress was made by the special committee of Foreign Service secretaries when management agreed to modifications in the personnel system and to compensation for communicator skills. There is still a long way from words to deeds, unfortunately (see page 60).

The coming fiscal year will be a difficult one for the Foreign Service. The State Standing Committee will be meeting every week to look after members' interests as State management makes adjustments to adapt to dramatic changes in international affairs while reducing expenditures.

More for less, again?

Journal staff changes

On September 10 AFSA's Executive Committee accepted with regret the resignation for personal reasons of JOURNAL Editor Ann Luppi. Ann Luppi's tenure as JOURNAL editor spanned two years in which members noted continued improvements in style and content of the magaizine and during which regular editions were supplemented by the publication of the bicentennial "American Diplomacy and the Foreign Service" and of a 12th (August) edition in the summer of 1990.

The JOURNAL editorial board has designated Associate Editor Anne Stevenson-Yang to fill the senior editorial position temporarily, pending decisions on a permanent replacement for Ann Luppi.

Member Services

Good news and bad news about the pouch

Chris Bazar
Director of Member Services

A change in diplomatic pouch procedures for users in agencies other than the State Department has raised a number of concerns among AID employees. These have centered around two issues: 1) the requirement that employees utilize a new five-line address for pouch mail, and 2) the possibility of delays resulting from the new procedures.

The good news is that AID has agreed to revise its policy on the five-line address. This was a concern because many commercial establishments (e.g., credit card companies, mail order houses, banks) use computerized data bases that cannot accommodate a five-line address. As a result, AID is now allowing employees to use a three-line alternative.

The bad news is that AFSA was not able to obtain an extension of the "grace period" preceding implementation of the new address format. The new pouch procedures went into effect on September 1, 1990; any mail not using the new address format as of October 1 will be returned to AID for proper processing. Unfortunately, AID did not inform employees of these changes until August 7, making it impossible for many employees to get their addresses changed prior to the October 1 deadline. Any "improperly" addressed AID mail sent subsequent to the deadline will experience only minimal delays, however. Any such mail would first be identified by State and sent back to AID for reprocessing. State assures us that this would take 24 hours at most (and probably considerably less time). AID has promised that all mail will be reprocessed and routed back to State in eight hours or less. The longest delay would then be slightly more than a day.

The guarantee of an eight-hour turnaround for the reprocessing of AID mail is equally applicable to mail being processed for the first time. This should ease the concerns of employees who feared that the new system—under which each agency must sort its own mail before delivery to the new pouch facility at Dulles Airport—would add substantially to transit time. Any delays due to agency-specific sorting should be more than offset by the improvement in pouch service resulting from the opening of the Dulles facility.

A dramatic change in delivery time has already been seen by some JOURNAL readers: a new pre-sorting system instituted in August has already sped delivery by as much as two weeks to certain posts.

AFSA wins health benefit case

Amy MacEachin
Member Services Representative

AFSA recently helped a retired Foreign Service officer obtain a waiver from the Office of Personnel Management in order to continue his coverage under the Federal Employees Health Benefits Program (FEHBP). The department had dropped the employee's FEHBP coverage because he had not been enrolled for the five years of service immediately preceding retirement, which is required under Chapter 89 of title 5 of the U.S. code.

However, AFSA was aware of OPM's authority under Public Law 99-251, which allows for a waiver of the five-year participation requirement. Since it was clear that the department had no intention of reversing its initial decision to drop the officer from the FEHBP coverage upon retirement, AFSA assisted the employee in appealing the decision to OPM.

In this particular case, the employee had voluntarily canceled his FEHBP coverage to enroll under his spouse's insurance plan. Seven months later, the officer re-enrolled under FEHBP. Less than one year after re-enrolling, his time-in-class (TIC) ran out, and he was forced to retire. It was at this point that he was told by the department that he could not carry his FEHBP coverage over into retirement.

To assist the employee in his appeal, AFSA provided evidence to OPM on the nature of the Foreign Service retirement system. AFSA demonstrated that retirement due to the expiration of one's TIC cannot properly be viewed as "voluntary." OPM concluded that the employee's failure to meet the five-year requirement stemmed from matters he could not have foreseen, and he was granted the waiver.

Tax Issues

Official residence expenses

Deborah Leahy
Member Services

The IRS has ruled that employees who receive official residence expenses (ORE) may no longer reduce their reportable income by 5 percent. The ruling, effective October 1, will not disallow the 5 percent reduction for the first nine months of 1990.

The IRS acknowledges that expenses a principal representative incurs in maintaining a suitable official residence that exceed the representative's usual expenses are not taxable.

Unfortunately, the IRS does not consider the 5 percent deduction to entail "unusual" expenses. The IRS contends that the deduction is used to cover ordinary, day-to-day living expenses (e.g. supplies, houseclean-

ing, laundry, and trash removal) regardless of what sort of housing the employee has.

AFSA believes the 1984 IRS decision permitting the 5 percent reduction of income for ORE was correct and that the 1990 decision should be overturned. This could be achieved through legislation, and AFSA has placed this proposal on its legislative agenda, but such a measure will certainly face a long and uncertain route to enactment.

AFSA further recognizes that in addition to the burden of additional taxes, Foreign Service personnel receiving ORE will be faced with a larger salary contribution when 1991 pay raises go into effect. We are currently investigating ways to lessen this burden. One such option would be to propose that management do away with the current percentage-based system and instead adopt fixed charges for the ordinary expense deduction that would not exceed a specified dollar figure. AFSA will keep its members apprised of all developments on this front.

Call for award nominations

An effective Foreign Service demands recognition for excellence. AFSA's board strongly urges you to submit nominations for the 1991 AFSA awards to recognize outstanding performance.

We are especially pleased to announce the establishment of a new annual award for Foreign Service secretaries, in recognition of the important contribution secretaries make to effective operations and the implementation of American foreign policy. Group nominations will be given consideration in an effort to recognize and encourage collective contributions on the part of Foreign Service secretaries.

You may send in a nomination on the form being mailed to all AFSA members or type the nomination following the format below. It should be returned by pouch or internal mail to Awards Committee, AFSA, Room 3644 NS, Department of State or mailed to AFSA, 2101 E Street N.W., Washington, D.C. 20037, no later than January 31, 1991.

Description of awards

Three awards are for Foreign Service officers who have "exhibited extraordinary accomplishment involving initiative, integrity, intellectual courage, and creative dissent."

The Christian A. Herter Award is for members of the Senior Foreign Service and includes $1,000 cash.

The William R. Rivkin Award is for mid-career officers (FS 1-3) and includes $1,000 cash.

The W. Averell Harriman Award is for junior officers (FS 4-6) and includes $2,500 cash.

The new ***Foreign Service Secretary Award*** is for a group of Foreign Service secretaries or an individual secretary who has made a significant contribution to post or office effectiveness and morale beyond the framework of his or her job responsibilities. This additional contribution might include some or all of the following elements:

A. Unusual initiative and leadership in contributing to improved management and morale.

B. Intellectual courage and/or integrity.

C. Outstanding contributions to improving the morale and professionalism of the Foreign Service secretarial corps.

D. A positive and helpful attitude in all matters, on and off the job, which improves post or office efficiency and morale.

E. Serving as a role model for other secretaries.

F. Contributions to the American community through involvement in community activities, for example those of a social, charitable, or cultural nature.

G. Contributions to better relations with the local community, the host government, other embassies, or the private American sector.

This award includes $2,500 cash.

The Avis Bohlen Award is presented by Mrs. W. Averell Harriman in memory of Avis Bohlen (wife of the late Ambassador Charles E. Bohlen) to a member of the family of a Foreign Service employee whose relations with the American and foreign communities at a Foreign Service post have done the most to advance the interests of the United States. This award includes $2,500 cash.

Format for Award Nominations

Please indicate for which award the nomination is made and then provide the following information:

Part I: Biographic Data: name and identification of nominee (grade, agency, position, or relationship to a member of the Foreign Service).

Part II: Name and identification of nominator and description of association with the nominee (limit 250 words).

Part III: Justification for nomination (500-700 words): summary of reasons for nomination. The narrative should discuss the performance and qualities that qualify the nominee for the award, including specific examples of the nominee's accomplishments that meet the criteria.

AFSA Scholarships

When you have an application for an AFSA scholarship under consideration, please touch base with Scholarship Programs Administrator Gail Volk every now and then. Fax, drop a note, or call, but please let her know where you can be reached.

AFSA scholarships are coordinated with college aid. Therefore, applicants and their parents are also strongly urged to keep in contact with the college financial aid office. In the last funding cycle, several colleges delayed applicant's aid awards because of incomplete applications. Those who miss the first cycle of financial aid funding that takes place in most colleges during the spring may miss out on the more favorable aid, such as grants, college work-study, and low-interest loans, leaving only the option of taking out higher-interest loans. Although keeping in touch can be difficult, it pays off.

To receive an application, contact: AFSA Scholarship Programs 2101 E Street N.W. Washington, D.C. 20037 Tel: 202/338-4045, Fax:202/338-6820.

1991-92 APPLICATION AVAILABLE

Eligibility : Dependent students of all Foreign Service personal in State, AID, USIA, Commerce, or Agriculture who are serving or have served abroad.

Merit Awards: For graduation high school students in 1991 only, based on academic merit.

Financial Aid Awards: For full-time undergraduate students in the United States, based on need.

Deadline: Applications must be completed and returned to AFSA before February 15, 1991.

Strength in numbers

Janet L. Hedrick
Director for membership

Even if no furloughs materialize, Foreign Service employees can no longer afford unquestioning faith in "the system" that is supposed to protect them from arbitrary practices. To make sure that all your concerns are heard and understood, all full-time, salaried Foreign Service personnel and all retirees are urged to become members. The voice of Foreign Service needs to be heard both within the administration and in Congress. The closer our membership comes to being universal, the more effective we can be in representing your interests.

AFSA membership brings a host of benefits, including publications, insurance, legal aid, scholarships, and a number of services for retirees. As an AFSA member you will receive the FOREIGN SERVICE JOURNAL monthly and have access to personal property, accident, in- hospital income, and long-term disability insurance at attractive rates. AFSA maintains a legal staff to answer inquiries, represent members in administrative or IG investigations, and file suit against unfair labor practices. Members can also seek assistance from member services staff, who provide grievance representation, voucher and payroll assistance, and regulation interpretation. If you are overseas and need immediate consultations, you can speak with the post representative at one of the 160 active AFSA chapters. The scholarship program awards Foreign Service dependents financial aid and merit scholarships, and AFSA represents the retired community on Capitol Hill, monitoring changes in legislation and sending a bimonthly newsletter. Retired members also receive a directory of retired members, allowing them to keep in touch with Foreign Service colleagues.

As an AFSA member you are part of a vital network of employees who are working to improve the Foreign Service. Consider becoming an AFSA member today. Contact AFSA's membership department at 202/625-7153 or write 2101 E Street NW, Washington, D.C. 20037 for more information.

CALENDAR

November 13-14: AFSA Conference on "New Dimensions in International Trade" to be held at the Mayflower Hotel.

December 6: AFSA's annual meeting , Foreign Service Club

January 31, 1991: Deadline for AFSA Conference on National Implications of State and Local Government Involvement in International Commerce.

February 15, 1991: Deadline for AFSA scholarship applications

April 1991: AFSA conference on Business Opportunities with Mexico

May 3, 1991: Foreign Service Day

May 4, 1991: AFSA Dinner Dance



Hugh Wolff (right) presents a certificate of appreciation to Manlio DeAngelis

Salute to a retiring trustee

Hugh W. Wolff
Insurance Board

Manlio DeAngelis, a founding member of AFSA's Board of Trustees for Insurance Programs, was honored by his fellow trustees at luncheon in the Foreign Service Club September 13 on the occasion of his retirement from the board. Manny was instrumental in establishing the Board of Trustees in 1980 as a specialized body charged by the Governing Board with the management and oversight of AFSA's group insurance programs. In subsequent years he continued to serve as a wise and resourceful member while the board worked to make major improvements in these programs. As a result AFSA members now have access to four insurance programs that are unexcelled in the range of benefits provided and in the relative cost compared with competing programs.

Manny brought to our Board of Trustees a wealth of knowledge and experience in public administration as well as personal familiarity with the management of group insurance for the American Society for Public Administration. For more than 10 years he has been a principal figure on our board, always thoughtful, fair-minded, and imbued with a sincere desire to ensure that the best interests of AFSA's membership are served.

In grateful acknowledgement of his years of dedicated service and his important contributions to AFSA, the Governing Board and the Board of Trustees joined in awarding Manny a certificate of appreciation that was presented to him at the luncheon by Hugh Wolff, chairman of the Board of Trustees.

Improved benefits available for disability insurance

AFSA's new disability income insurance plan is now available with higher monthly benefits payable for longer periods than when this group insurance was first offered a year ago. All members and spouses under 60, including retirees, who are working at least 30 hours a week and have not been hospitalized in six months, may now apply for up to $3,000 in monthly benefits. The initial offering of this insurance was limited to $1,000 a month. Furthermore, members now may choose among different durations of benefits. Plan I provides monthly benefits for up to five years if the disability is due to accident and up to one full year if due to a covered illness. Plan II—not available last year—provides monthly benefits to age 65 for disability due to accident and up to two full years if due to a covered illness. In either case these payments are made only in case of total disability due to sickness or injury or both. Spouses are not eligible for Plan II.

The cost of this insurance is very reasonable, much less than the prevailing rates for comparable coverage purchased on an individual basis. However, with the increase in benefits, applicants are required to provide brief medical histories and may be denied acceptance into the program.

Interested members are urged to write or phone for a brochure and application forms from Albert H. Wohlers & Co., 1440 N. Northwest Highway, Park Ridge, Illinois 60068-1400. Tel: 1/800/323-2106 or 1/708/803-3100 in Illinois.

AFSA annual membership meeting

December 6, 1990 4:45 p.m.
Foreign Service Club
Wine and Cheese
Cash Bar also available

The AFSA membership is invited to the 1990 annual meeting on Thursday, December 6, 1990 in the East-West Conference Room of the AFSA building. The Governing Board and staff will report briefly to you, and members may raise questions about any of AFSA's activities. A cash bar will remain open afterward.

Members may propose and vote on motions and recommend a course of action to the board. Proposed agenda items must be received by AFSA no later than December 1. Please let us know in advance at 647-8160 if you plan to attend.

Trade conference will assess Uruguay Round

AFSA will hold a major conference November 13-14 1990, featuring a point-by-point assessment of the outlook for a successful conclusion of the Uruguay Round of trade negotiations.

The conference will take place about three weeks before the scheduled conclusion of the most sweeping international effort in history to reduce barriers to world trade (see Ernest Preeg, page 29). It will highlight the opinions of negotiators and businessmen on the issues still to be negotiated, the potential for compromise, and the probable bottom line for U.S. negotiators. Six expert panels will consider, respectively:

- Should governments around the world reduce farm subsidies and, if so, how would American imports and exports be affected? This panel, to be chaired by Orville Freeman, will include Dwayne Andreas, chief executive officer of Archer Daniels Midland, and Senator Patrick J. Leahy.
- Would international rules on trade in services improve the outlook for U.S. business? Senior officials of AT&T, Citicorp, Arthur Anderson, and Fluor Corp. will participate in the panel.
- Should the international community adopt new international protections for holders of national copyrights and patents against piracy in other countries, and if so, would U.S. competitiveness in other markets be improved? Former Ambassadors Joseph Greenwald and Nicholas Veliotes as well as Jack Valenti of the Motion Picture Association of America will be featured.
- Should governments agree on the acceptability of specific measures relating to the export and import of investment capital related to trade, and if they do, will the United States benefit? Fred Bergsten will moderate this panel.
- What is the outlook for integrating the Soviet Union, Eastern Europe, and the People's Republic of China into the world trading system, and what will be the resulting new opportunities for U.S. business? Ambassador Alexander Bessmertnykh of the Soviet Union has been invited to discuss this topic.
- How is the world trading system changing, and how should U.S. companies respond to the changes? Ambassador Michael Smith will be among the experts discussing this topic.

A final plenary session, to be moderated by Isaiah Frank, will permit the six panel moderators to explore possible interactions between developments in different areas, looking toward a broad evaluation of new opportunities for U.S. business in the 1990s. The conference has been designed to facilitate open dialogue between participants and panel experts. Ample time has been built into the program for questions and comments from the attendees. It will take place at the Mayflower Hotel in Washington, D.C. The Conference Board of New York is co-sponsoring the conference.

New Dimensions in World Trade

November 13-14, 1990
Mayflower Hotel
Washington, D.C.

To register, send this coupon or a facsimile.

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Registration fees (payable in advance)

CONFERENCE FEE: $475
CONFERENCE AND DINNER FEE: $600

Send to:
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Conference Registrar
845 Third Avenue
New York, N.Y. 10022

AFSA members receive a 50 percent discount, and the conference is free to international associates.

*The dinner on November 13 will be held in the Diplomatic Reception Rooms, Department of State

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A personal message from Arthur E. Morrissette,
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