

# FOREIGN AFFAIRS

MARCH/APRIL 1996



## The Information Edge

*A technological revolution is transforming the nature of power. And the United States is clearly in the lead. Essays by Joseph Nye & William Owens and Eliot Cohen*

Mickey Kantor's Cant

MARC LEVINSON

Asia's Empty Gas Tank

KENT E. CALDER

South Africa's Economic Woes

R. STEPHEN BRENT

---

STANLEY HOFFMANN *in* DEFENSE OF MOTHER TERESA

BOUTROS BOUTROS-GHALI *on* A NEW MANDATE

MICHAEL LIND *on* AMERICAN EXCEPTIONALISM

AMERICAN BUSINESS *and* CUBA'S FUTURE

---

\$7.95 IN USA • \$10.50 IN CANADA

LICENSED TO UNZ.ORG  
ELECTRONIC REPRODUCTION PROHIBITED



Cargo Vessels

Bangladesh

30 March  
0800 hrs



### **SOME SEE STRANDED SHIPS. WE SEE IDLE ASSEMBLY LINES**

If AIG helps protect you against risk better than others, it's because we understand more kinds of risk. Threats to a healthy bottom line can come from many directions. The key to global risk management is a partner that sees beyond the obvious.

What AIG offers is expertise not only in insurance, but in managing total marketplace risk, garnered during 75 years of international operation.

With offices in approximately 130 countries and jurisdictions throughout the world, AIG has an unmatched knowledge of local conditions and regulations.



## **VOLATILE COMMODITY MARKETS AND SHAREHOLDER LAWSUITS.**

In fact, AIG is the only worldwide insurance and financial organization with a broad range of customized services that are designed to manage all your business risks and preserve shareholder value. Services like economic assessment, loss control and engineering, and political risk coverage. And we've got the top financial ratings to back us up. So we'll be there when you need us. And possibly

**AIG**

**WORLD LEADERS IN INSURANCE AND FINANCIAL SERVICES**

American International Group, Inc., Dept. A, 70 Pine Street, New York, NY 10270.

For Years We've Envied Each Other's Capabilities  
From Afar.

© 1996 Chemical Banking Corporation and The Chase Manhattan Corporation.



# FOREIGN AFFAIRS



MARCH / APRIL 1996  
VOLUME 75, NUMBER 2

## Comments

- Kantor's Cant *Marc Levinson* 2  
Trade Representative Mickey Kantor's tough talk may have won concessions abroad. But the administration has failed to conquer the greatest threat to open trade: protectionist sentiment at home.
- Affording Foreign Policy *Joshua Muravchik* 8  
The foreign policy share of U.S. spending—defense, aid, and diplomacy—has been halved since 1962, shifting mostly to entitlements. Now, in a shortsighted grab for a peace dividend, Washington risks beggaring security.
- Eyes on Cuba *Pamela S. Falk* 14  
American businessmen are daydreaming of Havana, lobbying harder for an end to the embargo against Cuba and grouching over business missed on the island. In navigating a thicket of laws, they have started a trickle of commerce, but do not expect a gush until well after the presidential election.

## Essays

- America's Information Edge  
*Joseph S. Nye, Jr., and William A. Owens* 20  
The American century, far from being over, is on the way. The information revolution, which capsized the Soviet Union and propelled Japan to eminence, has altered the equation of national power. America leads the world in the new technologies. Its emerging military systems can thwart any threat. On the "soft-power" side, it projects its ideals and other countries follow. To prevent an information race, America must share its lead; to preserve its reputation, it must keep its house in order.

[1]

## Table of Contents

- A Revolution in Warfare** *Eliot A. Cohen* 37  
The tools and techniques for waging war never stand still, but these are the early days of a revolution in military affairs as momentous as those wrought by the railroad and the airplane. This newest transformation is a consequence of developments in civilian society including the information revolution and postindustrial capitalism. Its satellite imagery and smart bombs will change the forms of combat and armies. Personnel and politics, as always, will be as crucial as technology.
- Asia's Empty Tank** *Kent E. Calder* 55  
China has become an oil importer, Japan is a leading one, and South Korea is yet worse off. All are anxious about where the energy to fuel their powerhouse economies will come from. This newly significant insecurity exacerbates strains ranging from Chinese territorial disputes to the North Korean nuclear program to fears the region will draw too close to Iraq and Iran. Meanwhile, there are reserves down there, but the region needs enormous assistance in tapping them. The United States and Japan, as Pacific powers, should help assure energy for Asia.
- Somalia and the Future of Humanitarian Intervention**  
*Walter Clarke and Jeffrey Herbst* 70  
The intervention in Somalia was not an abject failure; an estimated 100,000 lives were saved. But its mismanagement should be an object lesson for peacekeepers in Bosnia and on other such missions. No large intervention, military or humanitarian, can remain neutral or assuredly brief in a strife-torn failed state. Nation-building, the rebuilding of a state's basic civil institutions, is required in fashioning a self-sustaining body politic out of anarchy. In the future, the United States, the United Nations, and other intervenors should be able to declare a state "bankrupt" and go in to restore civic order and foster reconciliation.
- Global Leadership After the Cold War** *Boutros Boutros-Ghali* 86  
The United Nations has stepped forward to meet the challenges of a world simultaneously fragmenting and going global. The world body has led the way in defining human rights, assisting states as they grope toward democracy and the market, calling attention to ignored conflicts, and cooperating with nongovernmental organizations. But it cannot fulfill its destiny unless its members provide it with the funds and resources it needs. A strong and independent secretary-general is the key to the U.N.'s future.
- Cuba's Long Reform** *Wayne S. Smith* 99  
Fidel Castro is not on the way out anytime soon. In fact, he may be the best guarantor of Cuba's peaceful transition to a market-oriented economy and more democratic government. A good analogy is with Spanish autocrat Francisco Franco. Like Franco, Castro allied himself with the losing side in the grand sweep of history, but he has slowly reintegrated his nation with the world by pushing tourism, seeking foreign investment, gradually liberalizing the political system, and expanding civil liberties. Castro has more support in Cuba than many in the West think, and the United States should begin a phaseout of its embargo tied to Cuba's economic and political performance.



## Table of Contents

- Tough Road to Prosperity** *R. Stephen Brent* 113  
South Africa's political miracle may not be followed by an economic one. Despite its claims of superiority to black governments to the north, the National Party pursued economic policies like most African countries'—import substitution, a wasteful public sector—leading to staggering black unemployment. Only slow private sector growth can lift the black majority out of poverty. But the National Unity government, while avoiding the worst populist temptations, must win citizens over to structural adjustment with gains in education, infrastructure investment, and affirmative action. Of those given little, much is asked.

## Reviews

- Nations Without Borders** *Myron Weiner* 128  
Regardless of discrimination, workers from certain cultures have prospered wherever they migrated, according to Thomas Sowell. But immigration, once a source of skills and diversity, is now a means of exporting social problems.
- The American Creed** *Michael Lind* 135  
Seymour Martin Lipset explains why the United States is exceptional. Michael J. Sandel blames its individualistic tradition for the country's ills and says America should return to the New England town square. But it isn't exceptional, and it shouldn't return.
- Recent Books on International Relations** 140  
Francis Fukuyama on Conor Cruise O'Brien; G. John Ikenberry on Fukuyama; David C. Hendrickson on James Baker; Stanley Hoffmann on Albert Speer; Kenneth Maxwell on the Chicago boys; Robert Legvold on Andrei Grachev.
- In Defense of Mother Teresa** *Stanley Hoffmann* 172  
Foreign policy should shape a world in which citizens feel not only physically safe but morally secure. Michael Mandelbaum and Bill Clinton are both wrong.
- Letters to the Editor** 176  
Angelo M. Codevilla rails against Washington's ways; two MIT researchers turn to the Pentagon for inspiration in slimming the overstuffed defense budget; Takashi Akutsu elucidates Japanese trepidation about Ozawa; and more.

---

*The articles in Foreign Affairs do not represent any consensus of beliefs. We do not expect that readers will sympathize with all the sentiments they find here, for some of our writers will flatly disagree with others; but we hold that while keeping clear of mere vagaries Foreign Affairs can do more to inform American public opinion by a broad hospitality to divergent ideas than it can by identifying itself with one school. We do not accept responsibility for the views expressed in any article, signed or unsigned, that appears in these pages. What we do accept is the responsibility for giving them a chance to appear.*

THE EDITORS

FOREIGN AFFAIRS · March/April 1996

[III]

# FOREIGN AFFAIRS

JAMES F. HOGE, JR. *Editor*  
FAREED ZAKARIA *Managing Editor*

JOSEPH SAXON O'KEEFE, ALICE H. G. PHILLIPS *Associate Editors*  
JACOB KRAMER *Assistant Editor*

ROSEMARY HARTMAN *Assistant to the Editor*  
DEBORAH MILLAN *Assistant to the Managing Editor*  
AMY ROWE *Copy Editor*  
RONALD R. KREBS *Intern*  
ANNA PAPATHEODOROU *Editorial Assistant*

## *Book Review Editors*

ELIOT A. COHEN, RICHARD N. COOPER, FRANCIS FUKUYAMA,  
GAIL M. GERHART, DAVID C. HENDRICKSON, STANLEY HOFFMANN,  
ROBERT LEGVOLD, KENNETH MAXWELL, WILLIAM B. QUANDT, DONALD ZAGORIA

## *Publisher*

DAVID KELLOGG *Publisher*  
DAWN M. ALBANO *Circulation Director*  
CYNTHIA R. VOUGHT *Promotion Coordinator*  
DAVID HILMER *Advertising Manager*  
ANDREW B. DAVIES *Assistant Account Executive*  
ELIZABETH E. HUCKER *Assistant to the Publisher*  
ANNE O'BRIEN *Circulation Assistant*  
CAROL J. SCHAPIRO *Advertising Assistant*

## *Board of Advisers*

GARRICK UTLEY *Chairman*  
FOUAD AJAMI, MICHAEL R. BESCHLOSS, ROBERT F. ERBURU, JOHN LEWIS GADDIS,  
RITA E. HAUSER, JIM HOAGLAND, KAREN ELLIOTT HOUSE, CHARLAYNE HUNTER-  
GAULT, JEANE J. KIRKPATRICK, DONALD F. MCHENRY, RODNEY W. NICHOLS,  
FELIX ROHATYN, ELISABETH SIFTON, THEODORE C. SORENSEN, PAUL WOLFOWITZ

MANUSCRIPTS SHOULD BE SENT TO: 58 East 68th Street, New York, NY 10021. The Editors will consider all manuscripts received, but assume no responsibility regarding them, and will only return materials accompanied by appropriate postage. Facsimiles will not be accepted as final submissions.

SUBSCRIPTIONS: Price for subscriptions, U.S., \$44.00, Canada \$54.00, other countries via air \$79.00 per year. To subscribe, write *Foreign Affairs*, P.O. Box 420235, Palm Coast, FL 32142-0235. To resolve subscription problems, call (800) 829-5539.

Replacement copies are available to subscribers at no charge until the next issue is published.

Thereafter, back issues are \$10.00 each. GST number R127686483.

ADVERTISING: For rates and schedules contact the Advertising Manager, (212) 734-0400.

*Foreign Affairs* is a member of The Leadership Network. Contact Fox Associates, New York, NY, (212) 725-2106. FAX: (212) 779-1928.

*Foreign Affairs* is a member of the Audit Bureau of Circulations and the Magazine Publishers of America.

REPRINTS AND PERMISSIONS: Write *Foreign Affairs*, Reader Services, 58 East 68th Street, New York, NY 10021. FAX: (212) 861-2759.

PRINTED IN THE UNITED STATES OF AMERICA

*Foreign Affairs* is published six times annually. © 1996 Council on Foreign Relations, Inc.



# Comments



REUTERS/ARCHIVE

*Last June U.S. Trade Representative Mickey Kantor and Japan's Ryutaro Hashimoto were at odds over imports of American cars.*

## The Clinton team has pointed U.S. trade policy in the wrong direction.

Kantor's Cant *Marc Levinson* 2

Affording Foreign Policy *Joshua Muravchik* 8

Eyes on Cuba *Pamela S. Falk* 14

# Kantor's Cant

## The Hole in Our Trade Policy

*Marc Levinson*

Brash, hard-nosed, quick-tempered. When Los Angeles lawyer Mickey Kantor became U.S. trade representative in 1993, those adjectives fit him like a well-tailored suit. They were a sign that things would be different in the antebellum building that houses the trade representative's small staff. Bill Clinton had made trade a major issue in his 1992 presidential campaign, and the belief that other countries were getting the best of the United States ran deep in the new administration. Kantor, who had been Clinton's national campaign chair, was given the highly sensitive job of making sure America got a fair shake in world trade.

By most measures Kantor's tenure has been a resounding success. The Clinton administration has not produced a similar record of achievement in any other field, foreign or domestic. On Kantor's watch two major accords to reduce tariffs and trade barriers have come to fruition, the North American Free Trade Agreement (NAFTA) and the 112-nation pact creating the World Trade Organization (WTO). The Clinton-inspired Summit of the Americas in 1994 set a course for a

future free trade pact covering the entire western hemisphere, and the administration helped persuade the Asia-Pacific Economic Cooperation forum to adopt free trade as its goal for the coming decade. In tense negotiations on a host of difficult bilateral issues, Kantor's confrontational tactics have wrung concessions from trading partners and earned Clinton political points at home.

Yet for all Kantor's peripatetic diplomacy, his reign as trade representative cannot be judged favorably on the most important criterion. Protectionist sentiment, normally a sign of bad times, is flourishing among the American people despite a growing economy and a low unemployment rate. Not since the Great Depression, when Congress passed the Smoot-Hawley Tariff Act of 1930, not even during the mid-1980s, when trade deficits ballooned, has opposition to an open international economy been so prevalent. The long-standing pro-trade coalition on Capitol Hill has all but dissolved, and important elements in both parties now dismiss trade liberalization as a major goal of U.S. foreign policy.

---

MARC LEVINSON writes about economics for *Newsweek*.

[ 2 ]



Last year a minor bill authorizing the administration to negotiate a free trade agreement with Chile under fast-track authority—which requires Congress to vote an agreement up or down within 90 days of submission—foundered on the rocks of isolationism, even though Chile enjoys unique popularity among both liberals and conservatives. The protectionist backlash is not of Kantor's making. But rather than douse its flames, he and Clinton have helped fan them, largely by misunderstanding what trade policy can accomplish.

#### THE NEOMERCANTILIST MYTH

Mickey Kantor was no trade expert when he took office. A long-time friend of First Lady Hillary Rodham Clinton, Kantor had made his mark as an entertainment lawyer and Democratic Party fundraiser. His inexperience with the subject was not an inherent handicap. Many previous trade representatives, including Carter administration negotiator Robert S. Strauss and Bush appointee Carla A. Hills, had been chosen for their political contacts and deal-making skill rather than their knowledge of trade law. But as veteran Washington insiders, they understood that they were stepping into a well-established process of striking trade agreements, smoothing trade frictions, and defusing domestic complaints about foreign competition. Kantor, however, fancied himself a revolutionary. In his view, the way things had worked in the past was irrelevant because the process had proved itself inadequate.

The incoming Clinton administration accepted as dogma that U.S. trade policy had failed. "We're weak in the world," Clinton claimed when a 1992 campaign

debate with George Bush and H. Ross Perot turned to the global economy. The proof lay in persistent U.S. trade deficits, particularly with Japan. The purported threat that subsidized and protected foreign competitors posed to American aircraft and electronics companies was another piece of evidence. Trade policy, Clinton asserted, could help U.S. industry become more competitive, providing more high-paying jobs for American workers. Although he understood that trade could generate economic growth and hence pledged to support NAFTA and the General Agreement on Tariffs and Trade (the WTO's predecessor), Clinton had promised in his election manifesto, *Putting People First*, to "stand up for American workers by standing up to countries that don't play by the rules of free and fair trade." Much of the intellectual support for this two-track approach came from the work of economist Laura D'Andrea Tyson, whose book, *Who's Bashing Whom?*, published just before the election, argued that the United States was being victimized by other countries' subsidies and trade barriers and needed to fight back. Tyson became Clinton's chairman of the Council of Economic Advisers and a major player in trade debates.

Kantor enthusiastically embraced Tyson's views. Trade policy under Carla Hills had been "passive," he charged. The United States had been a patsy at the bargaining table, signing anything that seemed like liberalization while gaining little in return. The Clinton administration would pursue a dramatically different policy, one focused on achieving not freer trade but "comparably open markets" in other countries. Openness would be judged not by the text of a for-

mal agreement but by the success of U.S. companies in penetrating the foreign market. In Kantorese, negotiations would be "results-oriented," and the results would have to be "measurable."

Those precepts are dubious. Differences in countries' laws and practices mean that no two markets can ever be comparably open. Even if the United States has an overall trade surplus with a country, exporters of particular products are likely to assert that the other country's regulations and market structure prevent free competition and that the U.S. market is more open. Moreover, the premise underlying the Kantor approach is just a modern formulation of the eighteenth-century mercantilist fallacy that foreign trade has value only insofar as it leads to exports. That misconception gets the trade story backward: imports improve domestic living standards and force U.S. firms to become more productive, while exports represent the American labor, capital, and natural resources devoted to products Americans will not be able to enjoy.

The Clinton administration, transfixed by the idea of a globalizing economy, has dramatically overemphasized the importance of trade to the country's short-term economic health. Kantor has maintained an extraordinarily high profile, and other cabinet members have spent U.S. diplomatic capital promoting American-made power plants and telephone systems abroad. At times the bilateral trade balance seems to have become Washington's most important measure of its relationships with other countries. The fact that trade has relatively little short-term impact on employment and wages has gotten short shrift. That the trade representative's wheeling and dealing is marginal

to America's \$1.2 trillion annual trade flow has been ignored. An open global economy is vital to the country's future prosperity, but that does not mean the U.S. trade representative can deliver good jobs at good wages.

#### EMPTY WORDS, WEAK WILLS

Kantor has carried out his mandate with an intensity that has confused friends and foes alike. Stepped-up U.S. rhetoric was a deliberate policy decision, designed to convince trading partners and American voters that the new administration was serious about bringing down trade barriers. Protracted disputes, such as the decade-old impasse over European subsidies for Airbus jetliners, suddenly escalated when Kantor issued deadlines and threats of sanctions. In March 1993 Kantor abruptly suspended two-year-old negotiations over European Community rules on procurement by state-owned telephone companies, threatening retaliation. Last year he walked away from the first multilateral pact on trade in financial services, an agreement which the United States had originally pushed hard for. Kantor's methods have left many foreign diplomats convinced he is more interested in scoring points with voters than solving problems. Asked in 1994 about his relationship with Kantor, Canadian International Trade Minister Roy MacLaren tersely replied, "What's your next question?"

In principle, there is nothing wrong with taking a hard line in bargaining. Although the practice horrifies free trade purists, the judicious use of threats and sanctions can help break a deadlock. Empty noise, on the other hand, is a poor negotiating tool. Kantor's reluctance to follow through on his threats quickly

stripped them of all value. The European Community ignored his warnings, and Kantor abandoned his attacks on its Airbus policies. South Korea, also a target in 1993 because of alleged impediments to foreign agricultural products, correctly calculated that the United States would not risk destabilizing a key ally in a volatile corner of the world for the sake of selling more chickens.

Nowhere has Kantor's big talk proved more disastrous than in Mexico. NAFTA, which eliminated many tariffs and barriers between Canada, Mexico, and the United States, was initialed during the closing days of the Bush administration. Clinton straddled the fence, supporting the concept but arguing for new provisions that would force Mexico to strengthen its environmental and labor regulations. The details fell to Kantor. In his zeal to meet Clinton's political needs, he forgot that the underlying purpose of NAFTA was not to promote trade but to cement Mexico's economic reforms. Kantor did not articulate clear goals—a risky approach given that there was no precedent for incorporating environmental and labor concerns into a trade pact. As the negotiations became difficult, he repeatedly made tough-sounding statements, oblivious to the fact that the mere hint that the United States might walk away was enough to shake the Mexican government and undermine the very economic confidence that NAFTA was intended to buttress. Kantor's on-again, off-again approach helped weaken Mexican President Carlos Salinas de Gortari during 1993 and fray U.S. domestic support for the agreement, turning congressional ratification from a sure thing into an unnecessarily close call.

Another big test for Kantor's bargaining techniques has been China, whose high trade barriers and large surplus with the United States have become a growing concern in Washington. Kantor has stood in the way of China's accession to the WTO, setting as a condition a sweeping commitment to open the Chinese economy to imports. His office also crafted a novel pact, signed last year, which obligates the Chinese to crack down on patent and copyright violators. But with China, too, his policies have failed. China has not won admission to the WTO, but it also has not made life easier for American exporters. And many U.S. companies still complain about Chinese theft of designs, computer software, and other forms of intellectual property. Despite the 1995 agreement's detailed enforcement provisions, an estimated 256 million pirated compact disks were sold in China last year, and the owners of the factories that produce them are so well entrenched that they forced a music industry antipiracy group to temporarily close its Guangdong office in December.

Kantor seemed to have learned his lesson last spring when, after talks on Japan's barriers to imported cars and auto parts had collapsed, he finally went beyond threats and slapped punitive 100 percent tariffs on Japanese luxury cars. Kantor defined the negotiations that followed as the acid test of his strategy. It was found wanting. In the glare of intense media coverage in Geneva, Kantor issued resolute demands. A "results-oriented" agreement with "measurable" results was his price for canceling the tariffs. The chief Japanese negotiator, Minister of International Trade and Industry Ryutaro Hashimoto, simply said no. Japanese public opinion

was firmly behind him, for Kantor's insistence that Japan set market-share targets for American products allowed the Japanese to portray themselves as the injured free traders. Faced with an intransigent bargaining partner, Kantor retreated. In the end, Japan's only express commitment was to alter its rules for automobile inspections. When Kantor claimed that Hashimoto had pledged to increase the market share of American-made cars and parts by a specified amount, the Japanese brusquely repudiated his assertion. In practical terms the details mattered little, since the combination of a strong yen and the construction of more Japanese-owned car plants in the United States was already winning imports a larger slice of Japan's market. But the diplomatic consequences were significant. The world learned that standing up to Washington on trade can be both a good bargaining strategy and good for the bargainer: Hashimoto's skill at repelling Kantor's attacks bolstered his reputation, helping to make him prime minister in January.

#### TRADING PLACES

Kantor's style and strategies have not effected a major change in international trade.<sup>1</sup> Despite angry words and ruffled feathers, the large trends have continued on course. Trade barriers are still diminishing. Bilateral and regional trade agreements have not supplanted the WTO. An endless array of new issues—research subsidies and differences in national antitrust rules, to name two—has kept trade friction ever present even as the familiar problems of quotas and tariffs fade away.

Most important, international trade is continuing to expand rapidly. Contrary to the carping of Kantor's critics, his aggressiveness has not come close to plunging the world into a trade war. Contrary to the claims of his friends, his tactics have not revolutionized world trade negotiations.

Kantor has, however, changed the way in which the United States deals with trade. Since the 1930s, when the Roosevelt administration began to undo the damage caused by the Smoot-Hawley Act's high tariffs, Congress has relied on the White House to defend the national interest in freer trade. The system involves elementary role-playing. Legislators can respond sympathetically to the demands of their business or labor constituents for shelter from imports, confident that the president and his trade officials will keep most of their promises from taking effect. The trade representative can, in turn, use congressional outrage to win concessions from trading partners with a simple good cop-bad cop routine: deal with me, or those irresponsible fools in Congress might pass a law that will make you wish you had. Congressional attacks on the trade representative's weak-kneed diplomacy and administration assaults on Congress for pandering to protectionists are all part of the show.

Kantor and Clinton have played the game differently. Rather than stand against those suspicious of free trade, they have been inclined to join them. The administration's legislative efforts, such as the drive to ensure the ratification of NAFTA and last year's attempt to win fast-track authority for free trade negotiations with

---

<sup>1</sup>For a contrary view from a former administration official, see Jeffrey E. Garten, "Is America Abandoning Multilateral Trade?" *Foreign Affairs*, November/December 1995, pp. 50-62.



Chile, have begun by trying to propitiate critics, not rally supporters. Until only six weeks before the vote on NAFTA, the pact's staunchest congressional backers wondered whether the president was truly committed to the cause. Past presidents could count on the old trade hands in Congress to control key committees, push bills through, and keep their colleagues' protectionist instincts in check. But those old warriors of both parties, like Democratic Representative Dan Rostenkowski of Illinois and Republican Senator John C. Danforth of Missouri, have largely departed. Their replacements have less perspective on and less interest in anything international.

The prospects for the president's proposals, such as an expanded free trade area throughout the western hemisphere, are dim unless Kantor and Clinton offer more consistent leadership and a much firmer message about the importance of an open economy. The administration, unfortunately, often seems not to believe in that message itself. Kantor's initiative in January to establish a new enforcement office within his agency moved it even further toward being a cop on the trade beat rather than a proponent of trade.

The greatest threat to an open international economy at the end of the twentieth century is not Japan or the European Union. It is public opinion. Voters in many countries are now looking inward, more concerned with conserving what they have than with building the world economy of tomorrow. In the United States, the distrust of things foreign—be they trade, immigration, or investment—is apparent in opinion polls and on the presidential campaign trail. Regrettably, Kantor and Clinton have fostered that trend with their rhetoric. By pledging to pursue a

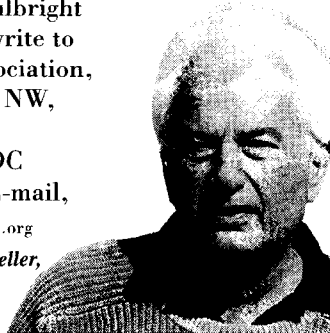
trade policy that would bring good jobs at good wages, the administration promised far more than it was capable of delivering and left voters all the more disenchanted with free trade when it delivered neither. By repeatedly engaging in on-camera brinkmanship over disputes large and small, the Clinton team has strengthened the misimpression that the United States alone favors open markets and that other countries are simply exploiting American naiveté. And by suggesting again and again that other countries' promises cannot be trusted but that the United States always keeps its word, it has reinforced latent public suspicion of trade. If he is to succeed in expanding trade, the U.S. trade representative must focus not on wielding the crowbar abroad but on his most important job: shaping public opinion at home. ☺

**IF YOU HAD A  
FULBRIGHT  
GRANT, WE'RE LOOKING  
FOR YOU. AND THERE'S  
NO CATCH!**

**J**oin the author of *Catch-22* and other Alumni in celebrating the Fulbright Program's 50th anniversary in 1996. If you were a Fulbrighter, call 202-452-6266 and leave your name, address, phone, and Fulbright country. Or write to Fulbright Association, 1130 17th St., NW, Suite 310 (A), Washington, DC 20036-4604; E-mail,

[fulalum@ciesnet.cies.org](mailto:fulalum@ciesnet.cies.org)

*Novelist Joseph Heller,  
Fulbright Scholar  
to England, 1949*



# Affording Foreign Policy

The Problem Is Not Wallet, But Will

*Joshua Muravchik*

In the spring of 1993, Under Secretary of State for Political Affairs Peter Tarnoff explained to a group of reporters that America's quiescent approach to the war in Bosnia would exemplify U.S. foreign policy in the post-Cold War era because "we certainly don't have the money" to tackle many international crises. These remarks were later disavowed by Clinton administration spokesmen, but Tarnoff had done nothing more than voice the conventional wisdom established as soon as the Cold War ended. Most often it is said that the United States no longer has the resources that it once devoted to foreign policy. But how can this be? America is the richest country the world has ever known, and its resources have been expanding.

There is no resource problem; there is a budget problem based on the American public's failure to reconcile its aversion to taxes with its appetite for benefits. Opinion polls consistently show that Americans

prefer Republicans on taxes (to keep them low) and Democrats on benefits (to keep them high). Of course, Americans would rather not admit that federal budget woes arise from greed; better to blame generosity. Thus polls show that when Americans are asked to estimate the share of the budget devoted to foreign aid, the median response is 15 percent. When they are asked to suggest a proper amount, the median is 5 percent. There is a method in this madness: if foreign aid did consume 15 percent and was cut to 5, that would mean cutting the budget by 10 percent, which for now would almost bring it into balance.

Unfortunately, the share actually spent on U.S. foreign aid amounts to less than one percent; zeroing it out would scarcely dent the deficit. Indeed, the elimination of all spending related to foreign policy, even including the entire defense budget, would not balance the U.S. budget for

---

JOSHUA MURAVCHIK is a resident scholar at the American Enterprise Institute. His most recent book, *The Imperative of American Leadership: A Challenge to Neo-Isolationism*, from which this article is adapted, will be published by AEI Press in April.

long—not, that is, if entitlement spending continues on its recent trajectory.

#### THE GREAT MAW

The problem will reach new proportions as the baby boom generation becomes eligible for Social Security and Medicare, starting in 15 years. The Bipartisan Commission on Entitlement and Tax Reform, chaired by Senators Robert Kerrey (D-Neb.) and John Danforth (R-Mo.), calculated that by 2012 spending on entitlements and interest on the debt combined will exceed federal revenues. Some dissenters say that forecast, despite its use of official budget projections, is overly optimistic. It was made before the new Republican majority in Congress, breaking a taboo, began trying to restrain the growth rate of Medicare, Medicaid, and welfare. It was also, however, before the Republican majority began cutting taxes.

The effect of the explosion in entitlements can be readily seen from the historical tables of outlays that accompany the president's fiscal year 1996 budget, which used fiscal year 1962, the first budget year of the Kennedy administration, as a base line. Discretionary spending then made up about two thirds of the budget. Today it makes up about one third. Entitlements, which then were about a quarter of expenditures, today are about half. Interest paid on the debt has grown to about 15 percent annually from about 6 percent.

Among entitlements, the share devoted to means-tested programs—that is,

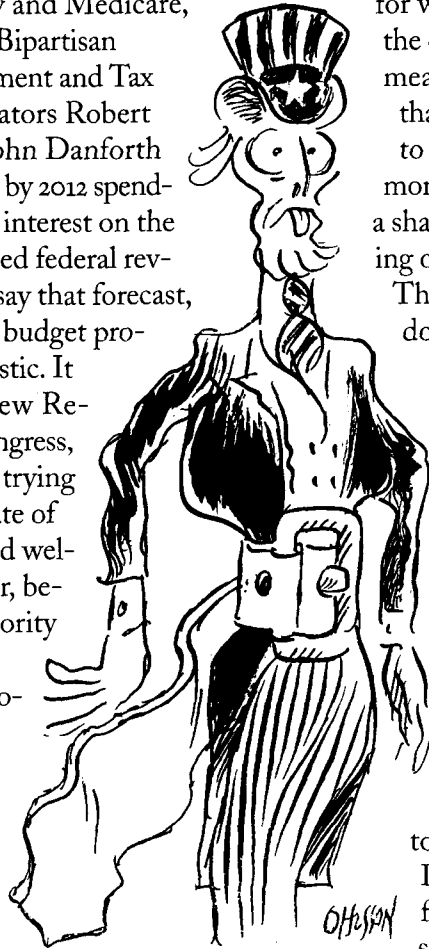
those aimed at the poor—has grown the fastest, more than tripling in this 30-plus year span, while the share spent on Social Security and other entitlements that are not means-tested has almost doubled.

This may help explain the clamor for welfare reform. But despite the different growth rates, non-means-tested entitlements—that is, benefits that go mostly to the middle class—are still more than three times as large a share of entitlements as spending on means-tested ones.

That shows where the budget dollars have ended up. But where have they been

flowing from? The shrinkage in the discretionary share of the budget pie has come entirely at the expense of foreign policy. Foreign policy spending—defense, foreign aid, diplomacy, and other international programs—used to dwarf domestic discretionary spending, but today it is just barely larger. Its share of the budget has fallen by more than half since 1962. Domestic dis-

cretionary spending, in contrast, has ebbed and flowed during this period. Its share climbed during the Kennedy-Johnson and Nixon-Ford years, plateaued under Carter, fell under Reagan, and crept upward under Bush. In real terms, domestic discretionary spending is now somewhat higher than it was in 1962, although the Clinton budget calls for decreases in the years ahead.



The trend of diminishing spending on foreign policy has accelerated since the end of the Cold War. Foreign policy spending absorbed about 10 percent of GDP during the Kennedy years, about 7 percent during the Reagan years, and 4.5 percent in 1994.<sup>1</sup> In 1995 it was scheduled to drop to 4.2 percent and in 1996 to 3.8 percent, with further decreases as far as the projections reach. Since 1989, the year the Soviet empire dissolved, foreign policy spending as a share of GDP has fallen by more than a third. Defense spending in the first five budget years after the Cold War was \$350 billion below the amount projected in the last of the Cold War budgets.

That was the peace dividend, and a whopping one it was. But it came and went virtually unnoticed, sucked into the great maw of entitlements. Further foreign policy cuts are coming. Although criticizing Clinton's defense cuts, the Republican majority has not restored defense spending. It would merely hold defense spending steady, without even matching inflation. At the same time, Republicans in Congress propose to cut the nonmilitary side of foreign policy—diplomacy, foreign aid, broadcasting, and support for international organizations—by one third in nominal dollars, far more once inflation takes its bite. None of these cuts, however, will solve the long-term budget problem. That can only be solved through significant cuts in entitlements, especially those that are not means-tested.

#### THE DAMAGE DONE

While further cuts in foreign policy accounts will not solve the budget problems, they may greatly damage the instruments of American statesmanship. For example, the same week that Russian Prime Minister Viktor Chernomyrdin took himself out of the running for president, thus increasing the chances that extreme nationalists or unrepentant communists will take power in Moscow, the U.S. Senate voted to cut the already shrunken budget of Radio Free Europe/Radio Liberty so deeply that their operations would be crippled and might have to shut down entirely. In countries such as the Czech Republic and Poland, where democratic institutions continue to gain strength, RFE broadcasting has been superseded by domestic news services. In other parts of the former Soviet empire, most importantly Russia itself, a free press is far from established and democracy and freedom hang in the balance. Governments still own most of the media there and often try to control the content of news, while much of the independent media is still learning Western standards of journalistic objectivity. Nonetheless, since the Cold War ended, RFE/RL's budget has dropped by two thirds, to \$75 million from \$225 million, hardly enough to maintain operations suited to the new geopolitical realities. If the Senate's position withstands the current fiscal year's baroque appropriations process, the \$75 million would be cut to \$29 million.

---

<sup>1</sup>By foreign policy spending, I mean that comprised within the federal budget categories entitled "national defense," which includes intelligence, and "international affairs," which consists of direct foreign aid, the conduct of diplomacy, programs for the exchange of academics, students, scientists, and the like, financing of projects in other countries, and the overseas broadcasting, publishing, and informational activities of the U.S. government.



Likewise, although the president and congressional leaders have for several years agreed on the value of creating a Radio Free Asia to encourage liberalization in China, Indochina, and North Korea, that project has withered on the vine for want of the \$25 million it would take to launch it. The broadcasting of Voice of America, whose *raison d'être*, unlike that of RFE/RL, was not drastically affected by the end of the Cold War, has also absorbed sharp budget cuts, forcing it to curtail news gathering, reduce its airtime, and eliminate some language services. Even high-priority targets of the post-Cold War era, such as the Islamic world, have felt the effect of the budget ax. The U.S. Information Agency has had to eliminate nearly 900 positions, or about ten percent of its personnel, in the last three years, and another ten percent will be cut this year. The State Department and the National Endowment for Democracy have also been slashed.

The State Department was forced to close 22 of some 275 foreign posts from 1992 through 1994 and schedule 19 more for closing since then, although a few of them have so far been spared. Some of those closed have been in pivotal countries such as Egypt, Turkey, Mexico, Thailand, Nigeria, Venezuela, Brazil, and Indonesia. Moreover, the United States has fallen about \$1.25 billion behind on its U.N. obligations, an amount that constituted more than half of the unpaid obligations of all U.N. members as of the end of 1995. One hardly needs to be an admirer of the United Nations to believe that it is foolish for the United States, the world's richest and most powerful country, to appear a piker.

The lion's share of foreign policy spending goes to defense. But defense is being

shortchanged too. In the last Reagan years, defense spending began to fall. The reductions were accelerated during the early years of the Bush administration and again when the Soviet Union collapsed. As a presidential candidate, Bill Clinton promised further defense reductions of \$60 billion over five years. Once in office, however, Clinton opted for a cut of \$120 billion. After the Republican congressional election victory of 1994 and the airing of worries about the readiness of U.S. forces, Clinton proposed to restore \$25 billion, although the bulk of that was penciled in for the years 1999 and 2000, for which the figures are notional.

While concerns about military readiness have received the most publicity, the drastic economies in the defense budget have been in modernization, the procurement of new weapons and equipment. Procurement has received a diminished share of a diminished defense budget. William Kaufman of the Brookings Institution calculates that while 27 cents out of each defense dollar has gone to procurement in the past, under Clinton that number has fallen to 17 cents. This has been possible because the services have been living off the large inventories stockpiled during the Reagan military buildup. But knowledgeable observers from across the political spectrum agree that the reserve of materiel is now largely exhausted and procurement will have to rise sharply. Under Secretary of Defense Walter Slocombe says that the U.S. military needs to be "recapitalized." But with the total defense budget not projected to increase in real terms, where will the money come from? Procurement accounts can only grow through offsetting reductions in force size (already reduced by a

third), compensation (which is essential to an all-volunteer force), readiness, or research and development.

Stopping the shriveling of the military and peaceful instruments of U.S. foreign policy will probably mean devoting about four to five percent of GDP to them. This, of course, is a lot of money in absolute terms, but it is modest compared with what the United States spent during the Cold War. Throughout the 1950s and 1960s America spent about ten percent of its GDP on foreign policy, and for much of that time it did so without deficits. For example, during the 11-year span from 1947 through 1957 the country ran a cumulative budget surplus of about \$14 billion. The America that made such large sacrifices was much poorer than it is today. The standard of living, measured in constant dollars of per capita income, was about half of what it is now, and the difference showed in various indicators of social well-being. Although Americans worry greatly about education and medical care today, citizens on average now receive several more years of schooling and live several years longer.

#### **DEEP ENOUGH POCKETS**

The argument for relentless reductions in foreign policy spending centers on three rationales: economic health, policy priorities, and global politics. All are fallacious. The argument that America risks decline through excessive defense spending is still heard, although it makes even less economic sense than it did during the height of the Reagan buildup, when it first gained credence. America is 15 to 20 percent better off in per capita income than the next richest countries, so even spending 7 percent of its income on foreign policy, as it

did under Reagan, would leave its per capita income 10 to 15 percent ahead of that of Japan or Germany, whose economies seem to awe so many. That is a margin that the United States could consume or invest, as it saw fit.

Whether the funds spent on defense, foreign aid, or other programs are wasted is subject to political judgment, but there is no reason to believe that foreign policy spending is harmful to the economy. There is no correlation between the economic growth rates of nations and their foreign policy expenditures. The Republic of China, for example, boasts the greatest run of economic growth ever recorded, and it is doing so while laboring under a heavy defense burden. More to the point is the U.S. experience. The quarter century from 1948 to 1973 was something of a golden age of economic growth in America: the annual growth of GNP per capita averaged 2.2 percent in real terms, about one third higher than the growth rate before or since. Yet those years were also the era of America's highest foreign policy spending (except for the war years). Over that quarter century the United States spent roughly ten percent of its GDP on foreign policy. This data is not to suggest that the high rate of foreign policy spending caused the high rate of growth, only that high foreign policy spending is not inherently harmful to the economy.

The argument about priorities claims that America should put foreign policy on the back burner while remedying its domestic problems. The trouble with this argument is that domestic problems are never solved. Most domestic problems reduce to issues of prosperity, where no known amount is considered enough, or race, where incremental increases in

equality and harmony are more likely than any definitive solution.

Admittedly, the more America reduces foreign policy expenditures, the more funds will be available for domestic programs or tax cuts. But can liberals argue that a little more spending will solve domestic problems when many of those problems have grown worse even as spending to combat them has increased? Can conservatives, whose most compelling argument is for renewing moral values, make a coherent case that the nation can achieve moral renewal while renouncing international responsibilities? The United States defeated Nazism, contained the Soviet empire, and lifted Europe and Japan from the ashes at a time when its standard of living was far inferior to today's. How different—and how terrifying—the world would be if the United States had taken the view that it could not shoulder foreign burdens until its domestic problems were solved.

The principal goal of foreign policy is not wealth but safety: the peace dividend, someone has aptly remarked, is peace. But safety from what? The absence of a clear threat, such as Soviet imperialism immediately after World War II, has led to the belittling of foreign policy. Such a circumstance is more like the aftermath of World War I, when the threat was not clear. The Bolsheviks were feared only for the power of their example, not as a force capable of generating an external challenge to America. Nor was Hitler taken seriously until much too late. Where are the threats today? Certainly a potential threat lies in a Russia that reverts to dictatorship and militarism, a China that grows wealthy and imperious without growing free, and an Islamic world that becomes further infected with virulent

extremism and secures weapons of mass destruction. Which of these or other threats will spread? The point is not to guess, but to recognize that the answer is not foreordained and that the United States, the most influential nation, has some capacity to influence the outcome. The hope that future Americans can enjoy the generous measure of security of today is worth paying for. If America fails to do so, it will not be because it lacks the resources—except perhaps the inner resources of foresight, temperance, compassion, and strength. ☪

Visit the *Foreign Affairs* Home Page:

[www.eneews.com/magazines/foreign\\_affairs](http://www.eneews.com/magazines/foreign_affairs)

Browse subject, author, & issue indexes, media advisories, excerpts of books reviewed, a history of the magazine, and much more.  
MORE INFORMATION: [FORAFF@EMAIL.CFR.ORG](mailto:FORAFF@EMAIL.CFR.ORG)

**NOW AVAILABLE FOR CLASSES!**

## **Foreign Affairs AGENDA 1996**

**Educators:** To request your complimentary examination copy, please fax Anne O'Brien at (212)861-2759, or e-mail [ForAff@email.cfr.org](mailto:ForAff@email.cfr.org).

**Bookstores:** Contact FOREIGN AFFAIRS, c/o AIDC, P.O. Box 20, Williston, VT 05495  
Tel (800)360-2377, Fax (802)864-7626

Foreign Affairs AGENDA 1996  
248 pages | ISBN 0-87609-183-4 | \$9.95

# Eyes on Cuba

## U.S. Business and the Embargo

*Pamela S. Falk*

By the end of 1995, the private jet hangar at José Martí International Airport in Havana was already booked well into 1996, and most of the reservations belonged to one of Cuba's rare clienteles: American corporations. Chief executives on familiarization trips and technical analysts on fact-finding missions have been scouting for numerous prominent and curious firms, including General Motors, Sears Roebuck, Avis, Hyatt, ITT Sheraton, Bank of Boston, Gillette, and Radisson Hotels. Increasingly, these firms like what they see of the Cuban economy and grouse openly at what they are being denied by the U.S. embargo. "The embargo is a waste of taxpayer dollars and time," said James E. Perrella, CEO of construction giant Ingersoll-Rand, after a November meeting with Cuban President Fidel Castro. Perrella, recently named chairman of the 500-corporate-member National Foreign Trade Council, is echoed by a growing number of Fortune 500 companies. Dwayne O. Andreas, chairman of Archer Daniels Midland, claims not to "know a

corporate CEO who thinks excluding U.S. business is a good idea, particularly when all of Western Europe is down there. Corporate leaders are lobbying the president and his advisers, as well as key members of Congress, every chance they get." The question is whether American business will be able to organize well enough to go beyond the quiet lobbying efforts of individual corporate leaders and loosen or end the embargo.

### **A TAJ MAHAL FOR HAVANA**

Even owners of some of the largest hotels and resorts in Florida, which is home to many fervently anti-Castro Cuban exiles, are calling for change. Peter Blyth, president of the Radisson Hotel chain, which has more than 4,000 travel agencies worldwide including southern Florida, is ready to invest and frustrated at being blocked. "We've got three hotel sites chosen, a TGI Friday's location in Havana picked, and cruise ships waiting for the green light. There is pent-up demand because [Cuba] is a substantial market

---

PAMELA S. FALK was Staff Director of the U.S. House of Representatives Western Hemisphere Subcommittee. She is writing a book on Cuba and advises companies and individuals about the country.



for American businesses, and most of our colleagues on Wall Street feel the same way." Perrella, Blyth, and Andreas all agree that a business lobby to lift the embargo is in motion. "It's like an avalanche in the snow," says Andreas. "You won't really know its coming until it's on top of you and it's too late. But the lobby is there, and it's gaining steam." Real estate and casino mogul Donald Trump says, "The people of Cuba are the greatest in the world. I'd like to help them rebuild the country and return it to its original splendor. And as soon as the law changes, I am ready to build the Taj Mahal in Havana." At the same time, advocates of a repeal worry that U.S. business may already be too late. Corporate lawyer and veteran Cuba hand Theodore C. Sorenson says, "When all the walls come down, they'll discover their foreign competitors are already there."

Despite the improved prospects for investment, several business groups are still adamantly opposed to doing any U.S. business in Cuba. Tom Cox, executive director of the U.S.-Cuba Business Council, takes a hard line: "It's throwing Castro a lifeline, plain and simple." But Cox says that although the council has a laundry list of preconditions for endorsing investment—establishment of a free-enterprise economy, enforcement of contracts, and protection for and expansion of private property—"Castro leaving the scene is not required." Some of Cox's corporate members are starting to equivocate and break ranks with the council on the embargo issue. One member asked, "Isn't there something between dancing with a dictator and sitting passively by while the Europeans invest? We're corporate America. Why aren't we calling the shots?" President

Clinton's former Treasury secretary, Lloyd Bentsen, recently surprised some observers by voicing strong pro-investment sentiments at a convention in Toronto.

The hard line against doing any business with Cuba under Castro is still orthodox for many influential Cuban exiles. Their activism deters some businessmen, who fear domestic retaliation, but less than in the past. Threats of boycotts or worse by the exile community have diminished; indeed, the embargo is broken most often by exile families sending money to relatives. A spokesman for Radisson Hotels says that it has not received any pressure and that Cuban Americans in Dade County are its best customers. Benetton, the Italian multinational clothing company, did face a protest by Cuban exiles but claims it lasted for a day in front of their Dadeland store and ceased once company officials met with the protesters. "It's a paper tiger," says John Kavulich, president of the U.S.-Cuban Trade and Economic Council. "Buyer-beware cables and boycott threats have produced no major obstacle to free marketeers."

From the all-or-nothing shouting match of the last 30 years, the debate on doing business with Cuba appears to be shifting to terms and conditions. The underlying question is how much change can occur before Castro leaves power.

#### **A CHANGING SCENE**

Several forces are nudging American business to go public in lobbying against the embargo. Cuba in the last two years has gradually opened its economy to allow the sale of some state-owned companies and eased restrictions on foreign investment. U.S. businesses see European,

Mexican, Canadian, and Japanese firms starting to make serious investments there. American business executives worry that non-U.S. firms may box them out, particularly in industrial and telecommunications areas of the economy. Several U.S. corporations with major claims on property expropriated by the Castro government argue that legislation currently before Congress to tighten the embargo endangers their claims. Lastly, the immigration accords between the U.S. and Cuban governments have cooled the political atmosphere by inhibiting migration and underscoring the fact that, as far as U.S. policy is concerned, Cuba's emigrants are primarily economic refugees.

The initiatives of the Cuban government have raised expectations on Wall Street and in corporate America of short-term profits once the embargo eases or ends, and that has been reflected in accelerated preparations. Cuban economic officials met with over 1,300 U.S. executives and signed some 40 nonbinding letters of intent to do business, including several million-dollar-plus commitments, in 1995 alone. One such commitment by an investment consortium is valued at \$10 billion, according to Kavulovich. Another proposal, put together by a group of 12 hotels, is valued at \$2 billion, according to Cuba's tourism ministry. Some observers, however, deeply discount or dismiss these initiatives because of their nonbinding status.

Even with the embargo, American business has some presence in Cuba. Current U.S. law allows American businesses with special licenses to operate there in telecommunications, publishing, cultural programs, newsgathering, credit card processing for certain transactions, travel

bookings, humanitarian projects, and limited types of medical and pharmaceutical sales. U.S. law also allows American businesses to purchase a noncontrolling minority interest in a foreign company doing business in Cuba, except for cases in which the company has a separate division dedicated solely to Cuban work.

American products can also be found throughout Cuba, particularly in Havana. Coca-Cola is readily available, which was not the case six months ago. California wines have recently appeared at the restaurant of the Hotel Nacional in Havana. These products are for the most part sold through unauthorized distribution networks in Panama and other countries. It is a matter of speculation just how aware of these transactions the parent corporations are. "No one sells that much Coca-Cola to Panama without knowing where it is going," says Julio Ignacio, a Cuban spirits distributor. "It is sold with a wink and a nod."

Meanwhile, the pace of non-U.S. foreign investment in Cuba quickens, despite the country's political risks. Canada's Sherritt International last year issued a \$500 million stock offering to broaden its Cuban holdings in sugar, transportation, communications, and real estate. In three weeks' time, it was fully subscribed. In large part, the investment surge is due to a widespread belief that in the not-too-distant future the United States will loosen or lift the embargo. "We are here for three to five years and we expect to be bought out by the Americans," confided Mario Panunci, whose Italian investment banking firm financed the Fiat dealership in Havana. "We put more money in than we can get out, but who cares? We know you're going to be here soon. The Cubans

want it and American businesses want it. It is just a matter of time."

A concern that looms large for American businesses is whether opportunities for capital investment and market entry will be arbitrarily curtailed by Cuba's government, which is still authoritarian and communist. On several occasions Castro has voiced grudging sentiments about the opening of the Cuban economy. In his December speech to the National Assembly, Castro reiterated his belief that "under capitalism, the interests of the people and the interests of the nation do not coincide. It is only under socialism that the nation's interests and those of the people coincide." Nevertheless, Castro apparently finds some solace in tax levies that assure the state an ample slice of new business profits.

Countering Castro's personal reluctance are pressures from key segments of society, including younger public officials and factions within the military. Although the hemorrhaging of the early post-Soviet years is over, Cubans recognize that their economy is still fragile. Thus official nervousness is constant and focuses on the new need to sustain the confidence of foreign investors. Last year's disastrous sugar harvest—the lowest since pre-revolutionary days—frightened investors and sobered Cubans who had started to believe that the economy was looking up. Record low sugar production has been a problem, and the decrease in sugar production resulted in a trade deficit worse than 1994's.

"Tourism will be our future," Castro declared in his speech. "Nowadays tourism brings in more gross income than sugar." Indeed, tourism is attracting much of the attention from foreign investors; hotels are at 90 percent capacity and higher in Ha-

vana, Varadero, and Santiago de Cuba. The biggest investors in joint ventures with Cubanacán, one of Cuba's tourism agencies, are Spain, the Netherlands, Canada, Colombia, Germany, and Jamaica. Cuba's Ministry of Tourism, while perhaps relying on ventures that could turn Cuba into an overcrowded tourist mecca, projects an increase to 50,000 hotel rooms in the year 2000, from the current 23,000. Whether those goals can be met is debatable, but the island has generated enough interest as a destination to warrant the scheduling of direct flights from Helsinki and Düsseldorf.

#### **STEP BY STEP**

The Cuban government is well aware that the Clinton administration's foreign policy team is predisposed to opening the door slowly, and it has scant expectation that any large steps will occur before the American presidential election of 1996. The Clinton administration is conducting an interagency review, as required by law, of U.S.-Cuba telecommunications policy that will consider allowing U.S. companies to invest in the multibillion-dollar privatization of Cuba's telephone system. A reasonable interpretation of current law could find such a proposal allowable, but the betting is against approval of a sweeping, direct U.S. investment in an election year. Nonetheless, the Mexican company involved in the deal sent lobbyists to Capitol Hill to seek approval for AT&T to become a partner in the venture. Dwayne Andreas, thinks he knows what will happen if Clinton is reelected. "Clinton will certainly move toward lifting the embargo, and the Cubans are counting on it."

The modest liberalization steps that Clinton has taken conform to the objec-

tives of the 1992 Cuban Democracy Act, which include establishing people-to-people contact to promote democratic reform in Cuba. On October 6, the Clinton administration allowed U.S. news bureaus to set up shop in Cuba; authorized Western Union to open offices in Havana, American companies to register patents of their products (for example, Coca-Cola or Kleenex) in Cuba, and U.S. foundations and nongovernmental organizations to establish exchange programs; and expanded the humanitarian relief and family remittances allowed under U.S. law. U.S. government officials privately concede that under the new regulations—particularly those applying to humanitarian donations—American corporations can do a lot to establish a market presence. Last year, for instance, Angel R. Martinez, the president of a Reebok subsidiary and a Cuban-American, delivered 5,000 pairs of donated Reebok sneakers to Cuba through a special license, purchasing some product name recognition along with good will.

Initiatives, even if only preparatory, are bubbling up from other quarters. One such effort is a set of investment guidelines for U.S. corporations, much like the Sullivan principles, which provided a framework for investing in apartheid South Africa. The guidelines were written by two Cuban exiles: Rolando H. Castañeda, an Inter-American Development Bank senior operations officer, and George Plinio Montalván, the former chief economist of the Organization of American States. The guidelines propose fair labor requirements, such as direct hiring of Cubans rather than through a state agency, a 48-hour limit to the work-week, the organization of independent

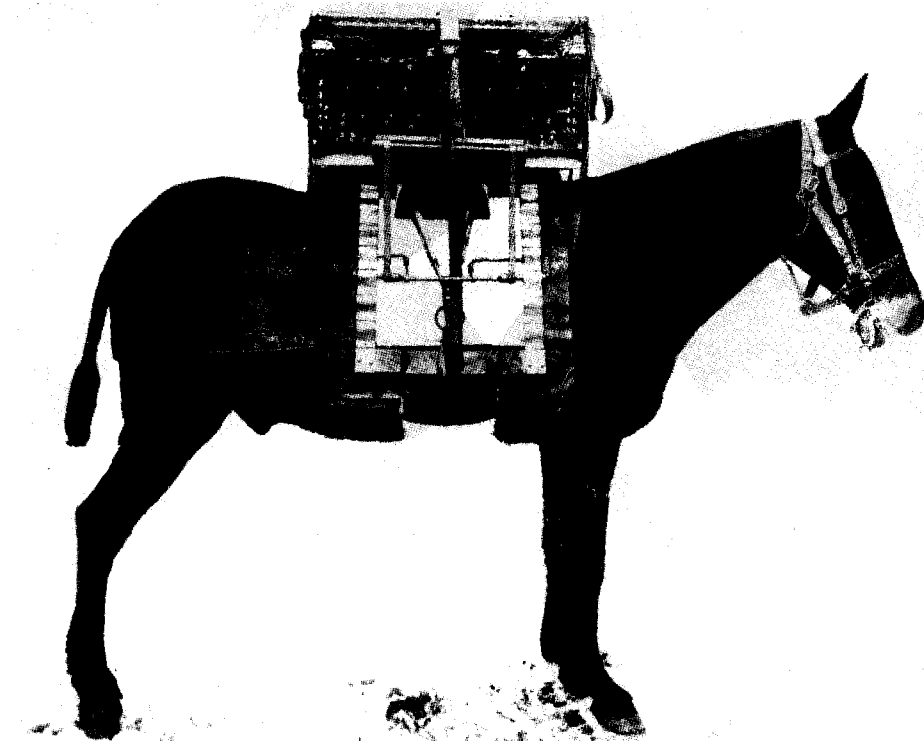
unions, and equal access for Cubans to beaches and restaurants. The authors also proposed to end the U.S.-led ban on Cuba's admission to the International Monetary Fund, provided Cuba implements market-based reforms. They call for the United States to unilaterally lift the ban on the commercial sale of food to Cuba; the rest of the trade embargo would be lifted when Cuba releases its political prisoners and agrees to abide by international human rights conventions. Their proposal for the resolution of claims on expropriated properties is compensation rather than restitution.

"The business community is not trying to be insensitive to the heartache of the exile community," says Radisson Hotel's Peter Blyth. "There are other voices out there, among them many Cuban Americans, who are asking us to move things forward because there is a generational change, and the grandparents of the exile community are all elderly." Other executives privately voice similar views, saying that the U.S. business community has been a force for democratic change in other countries in the past. In this case, corporate America will have to work with the exile community to advance its agenda and gain full access to the Cuban market. 🌐

EDITOR'S NOTE: *For an assessment of conditions in Cuba and an analysis of U.S.-Cuban relations, see "Cuba's Long Reform," by Wayne S. Smith in the Essays section of this issue, pp. 99-112.*



# Essays



RETTMANN

*Information warfare: during the Civil War, the U.S. Army outfitted donkeys with wireless telegraph equipment.*

## Information, more than ever, is strategic power, and that is good news for the United States.

America's Information Edge *Joseph S. Nye, Jr., and William A. Owens* 20

A Revolution in Warfare *Eliot A. Cohen* 37

Asia's Empty Tank *Kent E. Calder* 55

Somalia and the Future of Humanitarian Intervention

*Walter Clarke and Jeffrey Herbst* 70

Global Leadership After the Cold War *Boutros Boutros-Ghali* 86

Cuba's Long Reform *Wayne S. Smith* 99

South Africa's Tough Road to Prosperity *R. Stephen Brent* 113

# America's Information Edge

*Joseph S. Nye, Jr., and William A. Owens*

## THE POWER RESOURCE OF THE FUTURE

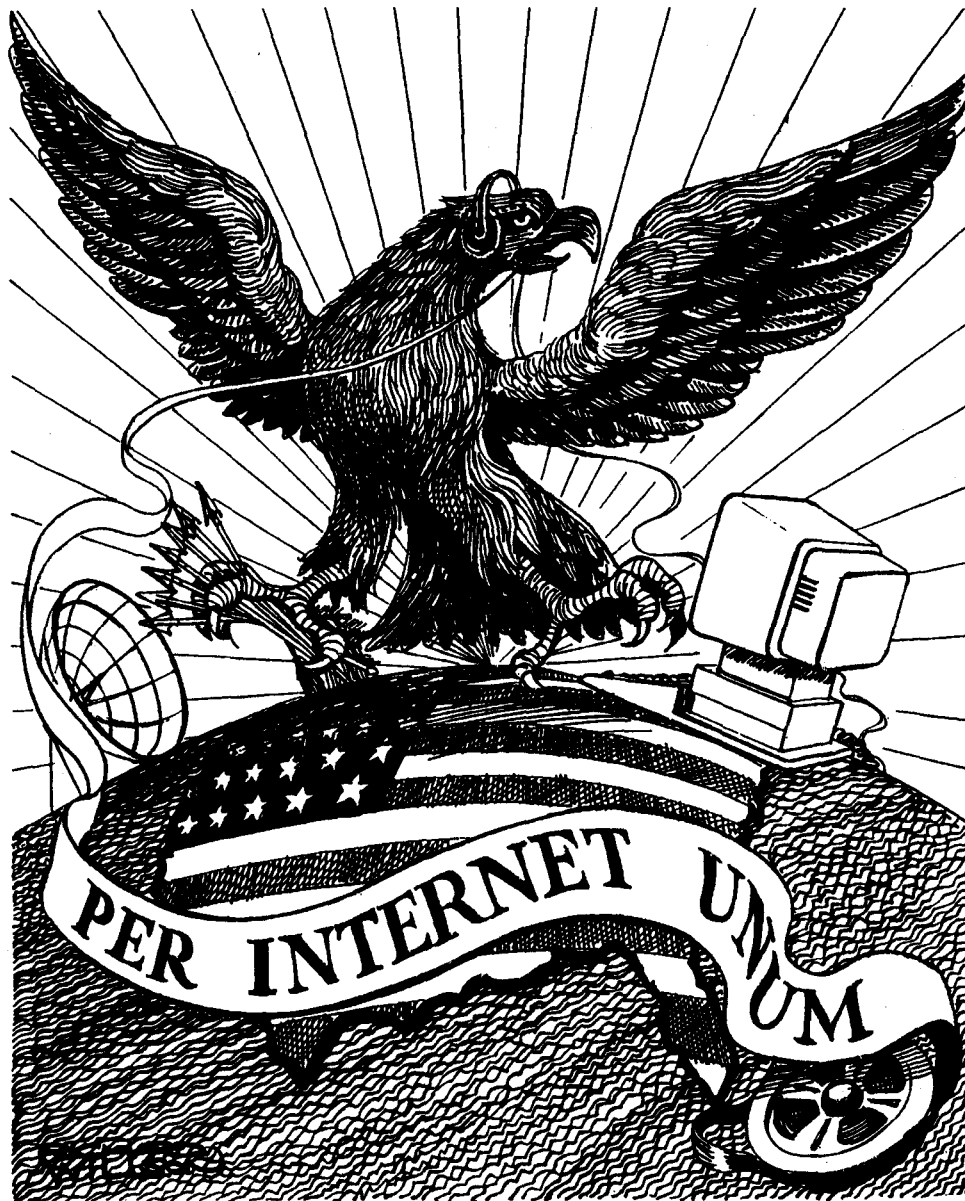
KNOWLEDGE, MORE than ever before, is power. The one country that can best lead the information revolution will be more powerful than any other. For the foreseeable future, that country is the United States. America has apparent strength in military power and economic production. Yet its more subtle comparative advantage is its ability to collect, process, act upon, and disseminate information, an edge that will almost certainly grow over the next decade. This advantage stems from Cold War investments and America's open society, thanks to which it dominates important communications and information processing technologies—space-based surveillance, direct broadcasting, high-speed computers—and has an unparalleled ability to integrate complex information systems.

This information advantage can help deter or defeat traditional military threats at relatively low cost. In a world in which the meaning of containment, the nuclear umbrella, and conventional deterrence have changed, the information advantage can strengthen the intellectual link between U.S. foreign policy and military power and offer new ways of maintaining leadership in alliances and ad hoc coalitions.

The information edge is equally important as a force multiplier of American diplomacy, including “soft power”—the attraction of American democracy and free markets.<sup>1</sup> The United States can use its

---

JOSEPH S. NYE, JR., former Chairman of the National Intelligence Council and Assistant Secretary of Defense for International Affairs in the Clinton administration, is Dean of the John F. Kennedy School of Government at Harvard University. ADMIRAL WILLIAM A. OWENS is former Vice Chairman of the Joint Chiefs of Staff in the Clinton administration.



WILLSON/CARTOONISTS & WRITERS SYNDICATE

<sup>1</sup>“Soft power” is the ability to achieve desired outcomes in international affairs through attraction rather than coercion. It works by convincing others to follow, or getting them to agree to, norms and institutions that produce the desired behavior. Soft power can rest on the appeal of one’s ideas or the ability to set the agenda in ways that shape the preferences of others. If a state can make its power legitimate in the perception of others and establish international institutions that encourage them to channel or limit their activities, it may not need to expend as many of its costly traditional economic or military resources. See Joseph S. Nye, Jr., *Bound to Lead: The Changing Nature of American Power*, BasicBooks, 1990.

information resources to engage China, Russia, and other powerful states in security dialogues to prevent them from becoming hostile. At the same time, its information edge can help prevent states like Iran and Iraq, already hostile, from becoming powerful. Moreover, it can bolster new democracies and communicate directly with those living under undemocratic regimes. This advantage is also important in efforts to prevent and resolve regional conflicts and deal with prominent post-Cold War dangers, including international crime, terrorism, proliferation of weapons of mass destruction, and damage to the global environment.

Yet two conceptual problems prevent the United States from realizing its potential. The first is that outmoded thinking clouds the appreciation of information as power. Traditional measures of military force, gross national product, population, energy, land, and minerals have continued to dominate discussions of the balance of power. These power resources still matter, and American leadership continues to depend on them as well as on the information edge. But these measures failed to anticipate the demise of the Soviet Union, and they are an equally poor means of forecasting for the exercise of American leadership into the next century.

In assessing power in the information age, the importance of technology, education, and institutional flexibility has risen, whereas that of geography, population, and raw materials has fallen. Japan adapted to these changes through growth in the 1980s far better than by pursuing territorial conquest in the 1930s. In neglecting information, traditional measures of the balance of power have failed to anticipate the key developments of the last decade: the Soviet Union's fall, Japan's rise, and the continuing prominence of the United States.

The second conceptual problem has been a failure to grasp the nature of information. It is easy to trace and forecast the growth of capabilities to process and exchange information. The information revolution, for example, clearly is in its formative stages, but one can foresee that the next step will involve the convergence of key technologies, such as digitization, computers, telephones, televisions, and precise global positioning. But to capture the implications of growing information capabilities, particularly the interactions among them, is far more difficult. Information power is also hard to categorize because it cuts across all other military, economic, social,

and political power resources, in some cases diminishing their strength, in others multiplying it.

The United States must adjust its defense and foreign policy strategy to reflect its growing comparative advantage in information resources. Part of this adjustment will entail purging conceptual vestiges. Some of the lingering Cold War inhibitions on sharing intelligence, for example, keep the United States from seizing new opportunities. Some of the adjustment will require innovation in existing institutions. Information agencies need not remain Cold War relics, as some in Congress describe them, but should be used as instruments that can be more powerful, cost effective, and flexible than ever before. Likewise, the artificially sharp distinction between military and political assets has kept the United States from suppressing hate propaganda that has incited ethnic conflicts.

#### MILITARY CAPABILITY AND INFORMATION

THE CHARACTER of U.S. military forces is changing, perhaps much more rapidly than most appreciate, for, driven by the information revolution, a revolution in military affairs is at hand. This American-led revolution stems from advances in several technologies and, more important, from the ability to tie these developments together and build the doctrines, strategies, and tactics that take advantage of their technical potential.

ISR is the acronym for intelligence collection, surveillance, and reconnaissance. Advanced C4I refers to technologies and systems that provide command, control, communications, and computer processing. Perhaps the best-known advance is precision force, thanks to the videotapes of precision-guided munitions used in Operation Desert Storm. The latter is a broader concept than some imagine, for it refers to a general ability to use deadly violence with greater speed, range, and precision.

In part because of past investments, in part serendipitously, the United States leads other nations in each of these areas, and its rate of improvement will increase dramatically over the next decade. Sensors, for example, will give real-time continuous surveillance in all types of weather over large geographical areas. Fusing and processing information—making sense of the vast amount of data that can be gathered—



will give U.S. forces what is called dominant battlespace knowledge, a wide asymmetry between what Americans and opponents know. With that, the United States will be able to prevail militarily, whether the arena

---

Without commensurate risk, the United States will be able to thwart any military action.

is a triple-canopy jungle, an urban area, or similar to Desert Storm. Improvements in command-and-control systems and in other communications technologies—already funded and entering service—posit leaps in the ability to transfer information, imagery, and other data to operating forces in forms that are immediately usable. In short, the United States

is integrating the technical advances of ISR, C4I, and precision force. The emerging result is a system of systems that represents a qualitative change in U.S. military capabilities.

These technologies provide the ability to gather, sort, process, transfer, and display information about highly complex events that occur in wide geographic areas. However, this is important for more than fighting wars. In a rapidly changing world, information about what is occurring becomes a central commodity of international relations, just as the threat and use of military force was seen as the central power resource in an international system overshadowed by the potential clash of superpowers.

There has been an explosion of information. Yet some kinds of information—the accurate, timely, and comprehensible sort—are more valuable than others. Graphic video images of Rwandan refugees fleeing the horror of tribal hatreds may generate worldwide sympathy and demands for action. But precise knowledge of how many refugees are moving where, how, and under what conditions is critical for effective action.

Military information on the disposition, activity, and capabilities of military forces still ranks high in importance because military force is still perceived as the final arbiter of disagreements. More to the point, concerns that military force may be used still figure prominently in what states do.

The growing interdependence of the world does not necessarily establish greater harmony. It does, however, make military force a matter of interest to audiences outside the local theater. The direct use of

military force no longer calls up the specter of escalation to global nuclear holocaust, but it remains a costly and dangerous activity. The Gulf War raised the price of oil worldwide. Russian military operations in Chechnya have influenced the political actions of Muslims from North Africa to Indonesia. The armed conflict in Bosnia colors the character and future of NATO and the United Nations. Military force tears the fabric of new interrelationships and conditions the political and economic behavior of nearly all nations. These considerations suggest a general framework within which the emerging military capabilities of the United States can be linked to its foreign policy.

The concept of deterrence undergirding the emerging American military system of systems envisions a military strong enough to thwart any foreign military action without incurring a commensurate military risk or cost. Those who contemplate a military clash with the United States will have to face the prospect that it will be able to halt and reverse any hostile action, with low risk to U.S. forces.

The United States will not necessarily be able to deter or coerce every adversary. Deterrence and coercion depend on an imbalance of will as well as capabilities, and when a conflict involves interests absolutely vital to an adversary but peripheral to the United States, an opponent may not yield short of a complete American victory in battle. Still, the relationship between willpower and capabilities is reciprocal. Superior battlefield awareness cannot reduce the risk of casualties to zero, but it can keep that risk low enough to maintain the American public's support for the use of force. The ability to inflict high military costs in the early phases of a conflict can undermine an adversary's will, unity, and hope that it can prevail. Because the United States will be able to dominate in battle, it has to be prepared for efforts to test or undermine its resolve off the battlefield with terror and propaganda. But military force can deter the use of those instruments as well.

#### THE INFORMATION UMBRELLA

THE INFORMATION technologies driving America's emerging military capabilities may change classic deterrence theory. Threatening to use military force is not something Americans will do automatically

or easily and has always had some undesirable side effects. In an era in which soft power increasingly influences international affairs, threats and the image of arrogance and belligerence that tends to go with them undercut an image of reason, democracy, and open dialogue.

America's emerging military capabilities—particularly those that provide much more real-time understanding of what is taking place in a large geographical area—can help blunt this paradox. They offer, for example, far greater pre-crisis transparency. If the United States is willing to share this transparency, it will be better able to build opposing coalitions before aggression has occurred. But the effect may be more general, for all nations now operate in an ambiguous world, a context that is not entirely benign or soothing.

In this setting, the emerging U.S. capabilities suggest leverage with friends similar to what extended nuclear deterrence once offered. The nuclear umbrella provided a cooperative structure, linking the United States in a mutually beneficial way to a wide range of friends, allies, and neutral nations. It was a logical response to the central issue of international relations—the threat of Soviet aggression. Now the central issue is ambiguity about the type and degree of threats, and the basis for cooperation is the capacity to clarify and cut through that ambiguity.

The set of fuzzy guidelines and meanings the Cold War once provided has been replaced by a deeper ambiguity regarding international events. Because nearly all nations viewed the international system through Cold War lenses, they shared much the same understanding. To nations throughout the world, the character and complexities of a civil war in the Balkans would have been far less important than the fact of disruption there because the event itself could have triggered a military confrontation between NATO and the Warsaw Pact. Details on the clashes between Chinese and Soviet border guards did not really matter; what counted was that a split had appeared in one of the world's great coalitions. Now the details of events seem to count more. With the organizing framework of the Cold War gone, the implications are harder to categorize, and all nations want to know more about what is happening and why to help them decide how much it matters and what they should do about it. Coalition leadership for the foreseeable future will proceed less from the military capacity to crush

any opponent and more from the ability quickly to reduce the ambiguity of violent situations, to respond flexibly, and to use force, where necessary, with precision and accuracy.

The core of these capabilities—dominant situational knowledge—is fungible and divisible. The United States can share all or part of its knowledge with whomever it chooses. Sharing would empower recipients to make better decisions in a less-than-benign world, and should they decide to fight, they could achieve the same kind of military dominance as the United States.

These capabilities point to what might be called an information umbrella. Like extended nuclear deterrence, they could form the foundation for a mutually beneficial relationship. The United States would provide situational awareness, particularly regarding military matters of interest to other nations. Other nations, because they could share this information about an event or crisis, would be more inclined to work with the United States.

The beginnings of such a relationship already exist. They were born in the Falklands conflict and are being developed today in the Balkans. At present, the United States provides the bulk of the situational awareness available to the Implementation Force, the U.N. Protection Force, NATO members, and other nations involved in or concerned with the conflict there. It is possible to envision a similar central information role for the United States in other crises or potential military confrontations, from clarifying developments in the Spratly Islands to cutting through the ambiguity and confusion surrounding humanitarian operations in Cambodia and Rwanda. Accurate, real-time, situational awareness is the key to reaching agreement within coalitions on what to do and is essential to the effective use of military forces, whatever their roles and missions. As its capacity to provide this kind of information increases, America will increasingly be viewed as the natural coalition leader, not just because it happens to be the strongest but because it can provide the most important input for good decisions and effective action for other coalition members. Just as nuclear dominance was the key to coalition leadership in the old era, information dominance will be the key in the information age.

All this implies selectively sharing U.S. dominant battlespace knowledge, advanced C4I, and precision force. Old-era thinking might recoil

from such a prospect, and it would have to overcome long-established prejudices against being open and generous with what might broadly be called intelligence. In the past, two presumptions supported this reluctance: first, that providing too much of the best information risked disclosing and perhaps even losing the sources and methods used in obtaining it, and second, that sharing information would disclose what the United States did not know and reduce its status as a superpower.

These assumptions are now even more questionable than before. The United States is no longer in a zero-sum game that makes any disclosure of capabilities a potential loss for itself and a gain for an

---

If it does not share its  
information lead, the  
United States will  
encourage competitors.

implacable opponent. The character of this growing prowess is different. For one thing, the disparity between the United States and other nations is quite marked. U.S. investment in ISR—particularly the high-leverage space-based aspects of this set of systems—exceeds that of all other nations combined, and America leads by a considerable margin in C4I and precision force as well. It has already begun, systematically, to assemble the new system of systems and is well down the revolutionary path, while most nations have not yet even realized a revolution in military affairs is under way.

Some other nations could match what the United States will achieve, albeit not as early. The revolution is driven by technologies available worldwide. Digitization, computer processing, precise global positioning, and systems integration—the technological bases on which the rest of the new capabilities depend—are available to any nation with the money and the will to use them systematically to improve military capabilities. Exploiting these technologies can be expensive. But more important, there is no particular incentive for those nations to seek the system of systems the United States is building—so long as they believe they are not threatened by it. This is the emerging symbiosis among nations, for whether another nation decides to make a race out of the information revolution depends on how the United States uses its lead. If America does not share its knowledge, it will add incentives to match it. Selectively sharing these abilities is therefore not only the route of coalition leadership but the key to maintaining U.S. military superiority.



THE SOFT SIDE OF INFORMATION POWER

THE INFORMATION age has revolutionized not only military affairs but the instruments of soft power and the opportunities to apply them. One of the ironies of the twentieth century is that Marxist theorists, as well as their critics, such as George Orwell, correctly noted that technological developments can profoundly shape societies and governments, but both groups misconstrued how. Technological and economic change have for the most part proved to be pluralizing forces conducive to the formation of free markets rather than repressive forces enhancing centralized power.

One of the driving factors in the remarkable change in the Soviet Union was that Mikhail Gorbachev and other Soviet leaders understood that the Soviet economy could not advance from the extensive, or industrial, to the intensive, or postindustrial, stage of development unless they loosened constraints on everything from computers to xerox machines—technologies that can also disseminate diverse political ideas. China tried to resist this tide, attempting to limit the use of fax machines after the 1989 Tiananmen Square massacre, in which they were a key means of communication between protesters and the outside world, but the effort failed. Now not only fax machines but satellite dishes have proliferated in China, and the government itself has begun wiring Internet connections and plans to install the equivalent of an entire Baby Bell's worth of telephone lines each year.

This new political and technological landscape is ready-made for the United States to capitalize on its formidable tools of soft power, to project the appeal of its ideals, ideology, culture, economic model, and social and political institutions, and to take advantage of its international business and telecommunications networks. American popular culture, with its libertarian and egalitarian currents, dominates film, television, and electronic communications. American higher education draws some 450,000 foreign students each year. Not all aspects of American culture are attractive, of course, particularly to conservative Muslims. Nonetheless, American leadership in the information revolution has generally increased global awareness of and openness to American ideas and values.

In this information-rich environment, those responsible for four vital tasks can draw on America's comparative advantage in information and soft power resources. These tasks are aiding democratic transitions in the remaining communist and authoritarian states, preventing backsliding in new and fragile democracies, preempting and resolving regional conflicts, and addressing the threats of terrorism, international crime, proliferation of weapons of mass destruction, and damage to the global environment. Each requires close coordination of the military and diplomatic components of America's foreign policy.

*Engaging Undemocratic States and Aiding Democratic Transitions*

Numerous undemocratic regimes survived the Cold War, including not only communist states such as China and Cuba but a variety of

---

The new landscape waits for the United States to project its ideals, culture, and institutions.

unelected governments formed by authoritarians or dominant social, ethnic, religious, or familial groups. Ominously, some of these governments have attempted to acquire nuclear weapons, among them Libya, Iran, Iraq, and North Korea. U.S. policies toward these countries are tailored to their respective circumstances and international behavior.

The United States should continue selectively to engage those states, such as China, that show promise of joining the international community, while working to contain those regimes, like Iraq's, that offer no such hope. Whether seeking to engage or isolate undemocratic regimes, in every case the United States should engage the people, keeping them informed on world events and helping them prepare to build democratic market societies when the opportunity arises.

Organizations such as the U.S. Information Agency are vital to the task of aiding democratic transitions. Again China is instructive. USIA's international broadcasting arm, the Voice of America, has in the last few years become the primary news source for 60 percent of the educated Chinese. America's increasing technical ability to communicate with the public in foreign countries, literally over the heads of their rulers via satellite, provides a great opportunity to foster democracy. It is ironic to find Congress debating whether to dismantle USIA just when its potential is greatly expanding.

*Protecting New Democracies*

Democratic states have emerged from the communist Soviet bloc and authoritarian regimes in other regions, such as Latin America, where for the first time every country but Cuba has an elected government. A major task for the United States is preventing their reversion to authoritarianism. Protecting and enlarging the community of market democracies serves U.S. security, political, and economic interests. Capitalist democracies are better trading partners and rarely fight one another.

An important program here is the International Military Education and Training program. Begun in the 1950s, IMET has trained more than half a million high-level foreign officers in American military methods and democratic civil-military relations. With the end of the Cold War, the program has been expanded to deal with the needs of new democracies and emphasizes training civilians to oversee military organizations and budgets. With an annual budget less than \$50 million, IMET is quite cost-effective. Two similar Defense Department efforts are the Marshall Center in Garmisch, Germany, and the Asia-Pacific Center for Security Studies in Hawaii, which train both military and civilian students and promote contacts among the parliaments, executives, and military organizations of new democracies.

*Preventing and Resolving Regional Conflicts*

Communal conflicts, or conflicts over competing ethnic, religious, or national identities, often escalate as a result of propaganda campaigns by demagogic leaders, particularly those who want to divert attention from their own failings, establish their nationalist credentials, or seize power. Yet in developing countries, telephones, television, and other forms of telecommunication are rapidly growing, creating an opening for information campaigns by USIA and other agencies to undermine the artificial resolve and unity created by ethno-nationalist propaganda. At times, U.S. military technology may be used to suppress or jam broadcasts that incite violence, while USIA can provide unbiased reportage and expose false reports. U.S. air strikes on Serb communications facilities, for example, had the added benefit of making the transmission of Serbian propaganda more difficult.

The negotiation of the Bosnian peace agreement at Dayton, Ohio, last fall illustrated a diplomatic dimension of information power. The United States succeeded in getting an agreement where for years other negotiating parties had failed in part because of its superior information assets. The ability to monitor the actions of all parties in the field helped provide confidence that the agreement could be verified, while detailed maps of Bosnia reduced potential misunderstandings. The American-designed three-dimensional virtual reality maps also undoubtedly helped the negotiating parties in drawing cease-fire lines and resolving whether vehicles traveling various roads could be targeted with direct-fire weapons, and generally demonstrated the capacity of U.S. troops to understand the terrain in Bosnia as well as or better than any of the local military groups.

Information campaigns to expose propaganda earlier in the Rwandan conflict might have mitigated the tragedy. Rwanda has only 14,000 phones but some 500,000 radios. A few simple measures, such as suppressing extremist Hutu radio broadcasts that called for attacks on civilians, or broadcasting Voice of America (VOA) reports that exposed the true actions and goals of those who sought to hijack the government and incite genocide, might have contained or averted the killing.

Such cases point to the need for closer coordination between the USIA and the Department of Defense in identifying hateful radio or television transmissions that are inciting violence and in taking steps to suppress them and provide better information. In some instances the United States might share intelligence with parties to a dispute to reassure them that the other side is not preparing an offensive or cheating on arms control or other agreements.

*Crime, Terrorism, Proliferation, and the Environment*

The fourth task is to focus U.S. information technology on international terrorism, international crime, drug smuggling, proliferation of weapons of mass destruction, and the global environment. The director of the CIA, John M. Deutch, has focused his agency's efforts on the first four of these, while the State Department's new Office of Global Affairs has taken the lead on global environmental issues. Information has always been the best means of preventing and coun-

tering terrorist attacks, and the United States can bring the same kind of information processing capabilities to bear abroad that the FBI used domestically to capture and convict the terrorists who bombed the World Trade Center. On international crime and drug smuggling, various U.S. agencies, including the CIA, FBI, Defense Intelligence Agency, and Department of Defense, have begun working more closely with one another and their foreign counterparts to pool their information and resources. Such efforts can help the United States defeat adversaries on and off the battlefield.

The United States has used its information resources to uncover North Korea's nuclear weapons program and negotiate a detailed agreement for its dismantlement, to discover Russian and Chinese nuclear cooperation with Iran quickly and discourage it, to bolster U.N. inspections of Iraqi nuclear facilities, and to help safeguard enriched uranium supplies throughout the former Soviet republics. And mounting evidence on environmental dangers such as global warming and ozone depletion, much of it gathered and disseminated by American scientists and U.S. government agencies, has helped other states understand these problems and can now begin to point the way to cost-effective remedies.

#### THE MARKET WILL NOT SUFFICE

MANY OF the efforts in these four overarching tasks have been ignored or disdained by some who have clung to narrow Cold War notions of U.S. security and of the roles of various agencies in pursuing it. Some in Congress, for example, have been reluctant to support any defense spending that does not directly involve U.S. combat troops and equipment. However, defense by other means is relatively inexpensive. Programs like the Partnership for Peace, USIA, IMET, the Marshall Center, the Asia-Pacific Center, the military-to-military dialogues sponsored by the U.S. unified command, and the Defense Ministerial of the Americas constitute only a tiny fraction of the defense budget. Although it is impossible to quantify these programs' contributions, we are convinced they are highly cost-effective in serving U.S. security needs. Similarly, USIA's achievements, like those of IMET and other instruments of soft power, should be more



appreciated. USIA's seminal contribution of keeping the idea of democracy alive in the Soviet bloc during the Cold War could be a mere prologue.

Some argue that the slow, diffuse, and subtle process of winning hearts and minds can be met by nongovernmental news organizations. These organizations, as well as the millions of private individuals who communicate with friends and colleagues abroad, have done much to disseminate news and information globally. Yet the U.S. government should not abdicate the agenda-setting function to the media because

---

In Rwanda, Voice of America could have countered extremist Hutu radio broadcasts.

the market and private individuals cannot fulfill all the information needs of American foreign policy. The Voice of America, for example, broadcasts in 48 languages and has an audience tens of millions greater than CNN, which broadcasts only in English. The station's role in China illustrates the problem of market failure: one of the reasons it is the

leading source of news for educated Chinese is that Rupert Murdoch ended his broadcasting of the BBC World Service Television News in China, reportedly to win a commercial concession from the Chinese communist government. In addition, VOA can broadcast in languages such as Serbo-Croatian, which are spoken in a geographic area too small to be more than a commercial niche market but crucial for foreign policy. Nonetheless, current budget cuts could force VOA to drop its broadcasting in as many as 20 languages.

The market will not find a private means to suppress radio broadcasts like those of the perpetrators of genocide in Rwanda. There is no economic incentive for breaking through foreign efforts to jam broadcasts or compiling detailed reports on communal violence in the 30 or so ongoing conflicts that rarely make the front page. Left to itself, the market is likely to continue to have a highly uneven pattern of access to the Internet. Of the 15,000 networks on the global Internet in early 1994, only 42 were in Muslim countries, and 29 of these were in Turkey and Indonesia. In response, USIA and the U.S. Agency for International Development have worked to improve global access to the Internet.

THE COMING AMERICAN CENTURY

THE PREMATURE end of what *Time* magazine founder Henry Luce termed the American century has been declared more than once by disciples of decline. In truth, the 21st century, not the twentieth, will turn out to be the period of America's greatest preeminence. Information is the new coin of the international realm, and the United States is better positioned than any other country to multiply the potency of its hard and soft power resources through information. This does not mean that the United States can act unilaterally, much less coercively, to achieve its international goals. The beauty of information as a power resource is that, while it can enhance the effectiveness of raw military power, it ineluctably democratizes societies. The communist and authoritarian regimes that hoped to maintain their centralized authority while still reaping the economic and military benefits of information technologies discovered they had signed a Faustian bargain.

The United States can increase the effectiveness of its military forces and make the world safe for soft power, America's inherent comparative advantage. Yet a strategy based on America's information advantage and soft power has some prerequisites. The necessary defense technologies and programs, ISR, C4I, and precision force, must be adequately funded. This does not require a bigger defense budget, but it does mean the Defense Department, which is inclined to accelerate and expand these capabilities, should be granted flexibility in setting funding priorities within its budgetary top line. Congressional imposition of programs opposed by the military and civilian leaders in the Defense Department—such as the requirement to buy more B-2 aircraft at a cost of billions of dollars—detract from that flexibility and retard the military leverage that can be gained by completing the revolution in military affairs. Channels to parlay these new military capabilities into alliances and coalitions must be supported: military-to-military contacts, IMET, and the Marshall and Asia-Pacific Centers. Information is often a public good, but it is not a free one. Constraints on the sharing of system-of-systems capabilities and the selective transfer of intelligence, imagery, and the entire range of America's growing ISR capabilities should be loosened.

Diplomatic and public broadcasting channels through which information resources and advantages can be applied must be maintained. The USIA, VOA and other information agencies need adequate funding. The Cold War legislation authorizing the USIA, which has changed little since the early 1950s, draws too sharp a line in barring USIA from disseminating information domestically. For example, while USIA should continue to be prohibited from targeting its programs at domestic audiences, Congress has discouraged USIA even from advertising its Internet sites in journals that reach domestic as well as foreign audiences. Congress should instead actively support USIA's efforts to exploit new technologies, including the agency's new Electronic Media Team, which is working to set up World Wide Web home pages on democratization and the creation and functioning of free markets.

The final and most fundamental requirement is the preservation of the kind of nation that is at the heart of America's soft power appeal. In recent years this most valuable foreign policy asset has been endangered by the growing international perception of America as a society riven by crime, violence, drug abuse, racial tension, family breakdown, fiscal irresponsibility, political gridlock, and increasingly acrimonious political discourse in which extreme points of view make the biggest headlines. America's foreign and domestic policies are inextricably intertwined. A healthy democracy at home, made accessible around the world through modern communications, can foster the enlargement of the peaceful community of democracies, which is ultimately the best guarantee of a secure, free, and prosperous world. 🌐

# A Revolution in Warfare

*Eliot A. Cohen*

## TECHNOLOGY STRIKES AGAIN

FOR ALMOST a decade American defense planners have foreseen an impending revolution in military affairs, sometimes described as the military-technical revolution. Such a transformation would open the way for a fundamental reordering of American defense posture. It might lead, for example, to a drastic shrinking of the military, a casting aside of old forms of organization and creation of new ones, a slashing of current force structure, and the investment of unusually large sums in research and development.

Such a revolution would touch virtually all aspects of the military establishment. Cruise missiles and unmanned aerial vehicles would replace fighter planes and tanks as chess pieces in the game of military power. Today's military organizations—divisions, fleets, and air wings—could disappear or give way to successors that would look very different. And if the forces themselves changed, so too would the people, as new career possibilities, educational requirements, and promotion paths became essential. New elites would gain in importance: "information warriors," for example, might supplant tankers and fighter pilots as groups from which the military establishment draws the bulk of its leaders.

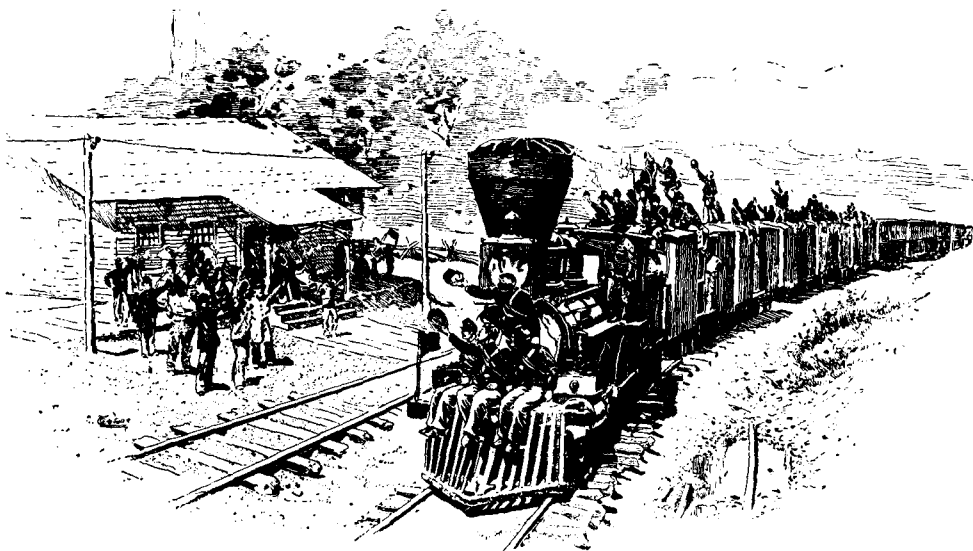
The proponents of this view have turned to history to illustrate—and in some measure to create—their theory of radical change. It is, therefore, proper to ask whether the historical record substantiates their claims.<sup>1</sup>

Most soldiers, in their heart of hearts, would agree with Cyril Falls, a military historian of an older generation, who noted in his

---

ELIOT A. COHEN is Professor of Strategic Studies at the Paul H. Nitze School of Advanced International Studies, The Johns Hopkins University.

[37]



BETTMANN

1953 work *A Hundred Years of War, 1850-1950*:

Observers constantly describe the warfare of their own age as marking a revolutionary breach in the normal progress of methods of warfare. Their selection of their own age ought to put readers and listeners on their guard. . . . It is a fallacy, due to ignorance of technical and tactical military history, to suppose that methods of warfare have not made continuous and, on the whole, fairly even progress.

The cautious military historian (and even more cautious soldier) looks askance at prophets of radical change, although by no means at change itself. Unquestionably, military technology has never stood still. In the eighteenth century, for example, minor improvements in the design and manufacture of gun barrels and carriages, coupled with the standardization of cannon calibers, laid the groundwork for the vastly improved cannonades of the armies of the French Revolution and Empire. At the same time, on closer inspection the apparently rapid rate of change in modern warfare may prove deceptive. Despite the attention the press

---

<sup>1</sup>One of the few essays that does so is Peter Paret, "Revolutions in Warfare: An Earlier Generation of Interpreters," in Bernard Brodie, Michael D. Intriligator, and Roman Kolkowicz, eds., *National Security and International Stability*, Cambridge: Oelgeschlager, Gunn & Hain, 1983, pp. 157-69. See also Andrew F. Krepinevich, "Cavalry to Computer," *The National Interest*, Fall 1994, pp. 30-42.



lavished on “smart” bombs during the 1991 Persian Gulf War, for example, most of the ordnance in that conflict consisted of 1950s-technology unguided bombs dropped by aircraft developed in the 1960s or in some cases 1970s. This being so, whence comes the contention that the United States is undergoing a revolution in military affairs?

THE RUSSIANS SAW IT COMING

BEGINNING IN the early 1980s Soviet observers led by Marshal Nikolai Ogarkov, then chief of the general staff, advanced the notion of an imminent technical revolution that would give conventional weapons a level of effectiveness in the field comparable to that of small tactical nuclear weapons. Armor on the march might find itself detected and attacked by conventional missiles showering self-guided antitank weapons, in an operation conducted from a distance of several hundred miles and with as little as 30 minutes between detection and assault. The Soviets found their reading of the military future profoundly disheartening, since it promised to thwart their strategy in case of war in Western Europe, which rested on the orderly forward movement of massed echelons of tanks and armored vehicles. They realized, moreover, that their country, incapable of manufacturing a satisfactory personal computer, could not possibly keep up in an arms race driven by the information technologies.

Soviet conceptions of a military-technical revolution seeped into the West, chiefly through the U.S. Department of Defense and its Office of Net Assessment. It gradually became clear that the Soviets had portrayed the revolution too narrowly. They had focused on one type of warfare in a single theater—armored conflict in Central Europe—and concentrated almost exclusively, as befitted the materialism of Marxist-Leninist thought, on technology and weapons rather than the organizational dimension of warfare. With the groundwork laid for an American assessment, the 1991 war with Iraq crystallized awareness among military planners in the United States on this momentous issue.

Many exponents of air power declared that in the Persian Gulf War the technology had finally caught up with the promise of air operations, first articulated in the period between the world wars; the revolution, they said, was in the realization of the 50-year quest for the decisive ap-

plication of air power in war. Yet the conduct of the war against Iraq had very little to do with the kinds of operations envisaged by the original theorists of air warfare. No theorist in the 1920s imagined it would be possible to take down telecommunications systems or to conduct extensive attacks in densely populated areas without killing many civilians. The Gulf War showed air power off to great advantage but in extremely

---

The military revolution  
will be in part an  
information revolution.

favorable circumstances: the United States brought to bear a force sized and trained to fight the Soviet Union in a global war, obtained the backing of almost every major military and financial power, and chose the time and place at which combat would begin in a theater ideally suited to air operations. Knowledgeable observers remained skeptical that a revolution had taken place.

A third version of the revolution has come from the American military. Admiral William Owens, vice chairman of the Joint Chiefs of Staff, has written of a "system of systems"—a world in which the many kinds of sensors, from satellites to shipborne radar, from unmanned aerial vehicles to remotely planted acoustic devices, will provide information to any military user who needs it. Thus a helicopter might launch a missile at a tank a dozen miles away based on information derived from airborne radar or satellite imagery. In this view the revolution in military affairs consists of the United States' astounding and unprecedented ability to amass and evaluate enormous quantities of information about any given battle arena—Owens has referred to a 200-mile-by-200-mile box—and make near-instantaneous use of it.

Ground soldiers are particularly dubious about the system of systems. They wonder whether any technologist can disperse what Carl von Clausewitz called the fog of war and ask what will happen when an opponent attempts to conceal its force or attacks the information systems that observe it. Even in naval warfare, where the system of systems originated, sea and storm can make it difficult to know all that goes on in a box of the kind described by Owens. The admiral's version of the military revolution focuses almost entirely on technology rather than on the less tangible aspects of warfare. As yet, it bespeaks an aspiration, not a reality, and it is predicated on the inabil-

ity of other countries to systematically deny the United States the information its weapons systems need.

The Soviet, air power, and Owens versions of the revolution in military affairs all offer only partial insights into a larger set of changes. A revolution has indeed begun. But it will be shaped by powerful forces emanating from beyond the domain of warfare. It will, moreover, represent the culmination in modern military organizations of a variety of developments, some of them dating back decades. To understand it, one must begin with its origins.

#### REVOLUTION FROM THE OUTSIDE

FROM TIME to time dramatic changes in warfare occur as a consequence of forces endogenous to war. Military research and development programs gave birth to the nuclear revolution, and although space exploration has many civilian spinoffs, military resources drove it in its early phases. Submarine warfare, which gave weaker naval powers a tremendously potent tool against stronger ones, also originated in the military. Just as often, however, the driving forces behind a change in the conduct of war lie in the realms of political and economic life.

The transformation of warfare in the nineteenth century offers a particularly useful analogy for contemporary strategists. Describing the posture of Austria and Prussia at the outset of the French Revolution, Clausewitz noted in *On War* that the two countries resorted to the kind of limited war that the previous century had made familiar in Europe. However,

they soon discovered its inadequacy. . . . People at first expected to have to deal only with a seriously weakened French army; but in 1793 a force appeared that beggared all imagination. Suddenly war again became the business of the people—a people of thirty millions, all of whom considered themselves to be citizens. . . . The resources and efforts now available for use surpassed all conventional limits; nothing now impeded the vigor with which war could be waged, and consequently the opponents of France faced the utmost peril.

The advent of broadly based conscription greatly enlarged armies and increased their durability. The secret of the success of the French revolutionary armies lay not in their skill on the battlefield—the reviews

there are mixed—but in the new regime's ability to replenish its forces repeatedly after defeat and in the opening of military advancement to all classes of citizen. The age of the mass army had arrived.

Civilian technologies have also brought revolutionary change in warfare. The mass-produced rifle of the nineteenth century complicated the task of military tacticians enormously, while the appearance of the railroad and telegraph altered war even more. Generals could shuttle armies from one theater to another in weeks, a feat demonstrated in spectacular fashion during the Civil War when the Union shifted 25,000 troops, with artillery and baggage, over 1,100 miles of rail lines from Virginia to Chattanooga, Tennessee, in less than 12 days. Furthermore, the railroad, in conjunction with the mass army, made mobilization at the outset of war a critical element in the efficiency of a military organization.

The telegraph affected not only armies and governments but newspapers. It helped general staffs coordinate rapid mobilization and launch large military movements. Even more important, the rapid dissemination of news transformed the nature of civil-military relations in wartime, creating new opportunities for tension. Politicians discovered, to their consternation, that the literate publics of modern states could learn of events on the battlefield almost immediately from mass circulation newspapers. At the same time, generals discovered that political leaders could now communicate with them in the field, and would gladly do so. During the Civil War the Union established a military telegraph system, laying some 15,000 miles of wires, but placed it under civilian control rather than the Army Signal Corps'; Secretary of War Edwin M. Stanton made certain the lines terminated in his office, not that of the army's senior general. With knowledge came intervention—or interference, as many a Union general keenly felt it. As the wars of German unification went on, Field Marshal Helmuth Graf von Moltke felt the same way about the suggestions Bismarck telegraphed his subordinates, and attempted to restrict the information flowing over the wires to higher headquarters.

The contemporary revolution in military affairs, like those of the nineteenth century, has its origins in the civilian world, and in two developments in particular. The first is the rise of information technologies, which have transformed economic and social life in ways

that hardly need elaboration. The consequences for military organizations are numerous; the development of intelligent weapons that can guide themselves to their targets is only one, and not necessarily the most important. The variety and ever-expanding capabilities of intelligence-gathering machines and the ability of computers to bring together and distribute to users the masses of information from these sources stem from the information revolution. Small wonder that a group of senior Marine Corps officers, led by the assistant commandant of the corps, visited the New York Stock Exchange recently to learn how brokers absorb, process, and transmit the vast quantities of perishable information that are the lifeblood of the financial markets.

The efflorescence of capitalism in the United States and abroad constitutes a second driving force. In the years after World War II, even Western nations spent a great deal of their national wealth on defense and created vast state bureaucracies to provide for every military need and function. Today very few states can successfully resist the pressures of postindustrial capitalism. Military dimensions include the sale of government-owned defense industries around the world and the increasing privatization of military functions; private contractors, for instance, handled much of the logistics for the U.S. operations in Haiti and Somalia. In a world where commercial satellites can deliver images of a quality that only a few years ago was the prerogative of the superpowers, military organizations are more and more willing to use civilian systems for military communications and even intelligence gathering rather than spend to develop their own. Furthermore, the end of the Cold War has freed up the markets in military goods and services. Countries can gain access to a wide spectrum of military capabilities for ready cash, including the services of skilled personnel to maintain and perhaps operate high-technology weapons. For much of this century armed forces could ignore the market, practicing a kind of military socialism in a sea of capitalism; no longer.

To know what the revolution in military affairs will look like, we need the answers to four questions. Will it change the appearance of combat?

---

Politics and economics  
often drive changes in  
the conduct of war.



# THE BEST HISTORY HAS TO OFFER.

Take any 3 for \$1 each, plus a 4th at  
35% off the publisher's price.  
With no obligation to buy more.

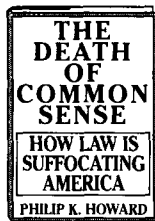


58-2644 ▲  
Pub. price \$35

38-2898 ▲  
Pub. price \$39.95

98-2711 ▲  
Pub. price \$35

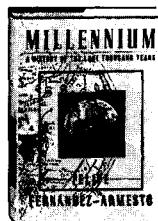
▲ 28-2842  
Pub. price \$27.50



58-2548  
Pub. price \$18



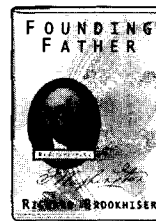
88-2784  
Pub. price \$19



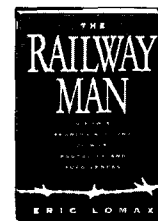
38-2706  
Pub. price \$35



28-2713  
Pub. price \$25.95



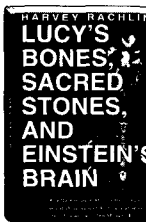
38-2914  
Pub. price \$25



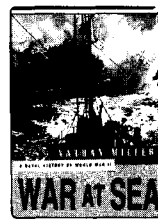
98-2785  
Pub. price \$22



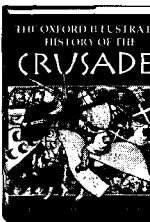
98-2799  
Pub. price \$25



18-2841  
Pub. price \$27.50



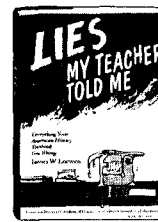
88-2622  
Pub. price \$32.50



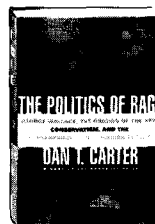
68-2797/99-9999  
Pub. price \$39.95



78-2798/99-9999  
Pub. price \$39.95



98-2816  
Pub. price \$24.95



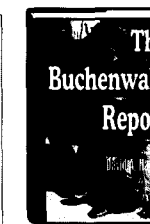
38-2689  
Pub. price \$30



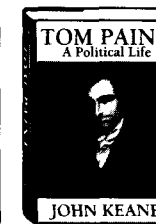
38-2505/99-9999  
Pub. price \$29.95



98-2703  
Pub. price \$30



48-2442  
Pub. price \$35



38-2386  
Pub. price \$27.95



58-2619  
Pub. price \$25



\*For a "Counts as two choices" book, write the 6-digit number in one box and 99-9999 in the next box.



## All the best history. All in one place.

No matter what area of history you enjoy reading about most, you'll find that History Book Club offers some of the finest selections being published today. And no book club we know offers greater savings—as much as 25% off publishers' list prices. You can save even more by taking advantage of our Introductory Offer. Select any three books for \$1 each when

you take a fourth book at 35% off the publisher's price, plus shipping and handling. Thereafter, you're not obligated to order any more books. You may cancel your membership at any time by notifying History Book Club. We may cancel your membership if you elect not to buy at least one book in any six-month period.

**How the Club works.** You'll be able to choose from 150 to 200 books featured each month. History Book Club always offers its members well-made, long-lasting editions.

You'll receive our *Review* and a dated Reply Form 17 times a year (about every 3 weeks). If you want the "Editors' Choice," do nothing—the book will come automatically. If you want another book, or no books at all, return the Reply Form by the date specified. A shipping and handling charge is added to each shipment.

**Your HBC guarantee:** If you receive an unwanted "Editors' Choice" because you had less than 10 days to decide, just send it back and owe nothing.

**Guarantee of Satisfaction:** You may examine your introductory books for 10 days, FREE. If you are not satisfied, for any reason whatsoever, simply return the books and you will be under no further obligation.

### HISTORY Book Club® Camp Hill, PA 17012-0001

Please enroll me in History Book Club according to the no-risk, no-commitment terms outlined in the accompanying ad. Send me the four books whose numbers I have listed below. Bill me \$1 each for 3 choices and the fourth at 35% off the publisher's price, plus shipping and handling.

3 choices at \$1 each:  6-19  H053-3-0

4th choice at 35% off the publisher's price:

Name  (Please print clearly.)

Address  Apt. #

City  State  Zip

To help us serve you, please tell us what you like to read. (Please circle one number for each category.)

	STRONGLY DISLIKE	SOMEWHAT DISLIKE	NO OPINION	SOMEWHAT LIKE	STRONGLY LIKE	#053
A. Civil War	1	2	3	4	5	
B. Ancient History	1	2	3	4	5	
C. Military History	1	2	3	4	5	
D. American History	1	2	3	4	5	
E. British History	1	2	3	4	5	
F. Russia, Asia, the Middle East	1	2	3	4	5	
G. European History	1	2	3	4	5	
H. Current Affairs	1	2	3	4	5	
I. Social/Intellectual History	1	2	3	4	5	

Send No Money Now.

© 1996 History Book Club, Inc. All orders subject to approval. Prices and offer may differ in Canada.

Will it change the structure of armies? Will it lead to the rise of new military elites? Will it alter countries' power position? Reflection on each of these suggests that this is the eve of a far-reaching change in warfare whose outlines are only dimly visible but real nonetheless.

#### THE FORMS OF COMBAT

A TRANSFORMATION of combat means change in the fundamental relationship between offense and defense, space and time, fire and maneuver. The advent of carrier-based warfare provides an example. Warfare in the age of battleships took place within visual range, between tightly drilled formations of ships of the line that battered each other with their big guns. Once carriers came on the scene, fleets struck at one another from hundreds of miles away, and their blows were not repeated salvos but massed air raids; fighting now depended on "one large pulse of firepower unleashed upon the arrival of the air wing at the target," as Wayne Hughes put it in his 1986 *Fleet Tactics*. The firepower revolution of the late nineteenth century rested on the adoption of the rifle and subsequent improvement of the weapon with smokeless powder, breechloading, and metal cartridges. In short order the densely packed battlefield of the early American Civil War gave way to the empty battlefield of modern times, in which small groups of soldiers scurry from shellhole to shellhole, eschewing the massed rush that dominated tactics for almost two centuries.

Today the forms of combat have begun a change no less dramatic. A military cliché has it that what can be seen on the modern battlefield can be hit, and what can be hit will be destroyed. Whereas at the beginning of the century this applied with deadly certainty only to front-line infantrymen, it now holds not only for machines on the front lines but for supporting forces in the rear. The introduction of long-range precision weapons, delivered by plane or missile, together with the development of intelligent mines that can be activated from a remote location, means that sophisticated armies can inflict unprecedented levels of destruction on any large armored force on the move. Fixed sites are also increasingly vulnerable.

The colossal maneuvers of the coalition armies in the deserts of Kuwait and Iraq in 1991 may in retrospect appear, like the final

charges of cavalry in the nineteenth century, an anomaly in the face of modern firepower. Future warfare may be more a gigantic artillery duel fought with exceptionally sophisticated munitions than a chesslike game of maneuver and positioning. As all countries gain access to the new forms of air power (space-based reconnaissance and unmanned aerial vehicles), hiding large-scale armored movements or building up safe rear areas chock-a-block with ammunition dumps and truck convoys will gradually become impossible.

From the middle of the nineteenth century until very recently, platforms dominated warfare: the newest ship, plane, or tank outclassed its rivals and in most cases speedily rendered them obsolete. But this was not always the case. Until the 1830s, for example, naval technology remained roughly where it had been since the mid-eighteenth century.

Nelson's *Victory* was laid down in 1759, launched in 1765, served brilliantly at Trafalgar in 1805, and was paid off only in 1835—a service life of 70 years. Steam propulsion and metal construction changed all that, and a period of near-constant technological change ensued, in which naval superiority seemed to shift rapidly from power to power depending on who had the most recently built warship.

The wheel has now turned again. The platform has become less important, while the quality of what it carries—sensors, munitions, and electronics of all kinds—has become critical. A modernized 30-year-old aircraft armed with the latest long-range air-to-air missile, cued by an airborne warning plane, can defeat a craft a third its age but not so equipped or guided. In a world dominated by long-range, intelligent precision weapons, the first blow can prove decisive; the collapse of the Iraqi air defense system in 1991 within a few hours of a sophisticated air attack is a case in point. As a result, incentives for preemption may grow. For two duelists armed with swords approaching each other from a dozen yards' distance, it makes little difference who unsheathes his weapon first. Give them pistols, however, and all odds favor the man quicker on the draw.

Furthermore, the nature of preemption itself may change. To the extent that information warfare, including the sabotage of com-

---

What can be seen by  
high-tech sensors can  
be hit, and what can be  
hit will be destroyed.

puter systems, emerges as a new type of combat, the first blow may be covert, a precursor to more open and conventional hostilities. Such attacks—to which an information-dependent society like the United States is particularly vulnerable—could have many purposes: blinding, intimidating, diverting, or simply confusing an opponent. They could carry as well the threat of bringing war to a country's homeland and people, and thus even up the balance for countries that do not possess the conventional tools of long-range attack, such as missiles and bombers. How such wars initiated by information strikes would play themselves out is a matter of tremendous uncertainty.

#### THE STRUCTURE OF MILITARY ORGANIZATIONS

IT IS not merely the tools of warfare but the organizations that wield them that make for revolutionary change in war. The invention of the tank—itself a cluster of technologies—did not bring about the armored warfare revolution, nor did the acquisition of tanks in quantity allow countries to exploit the new technology equally. The raw conceptual ingredients for blitzkrieg existed as early as 1918, when J.F.C. Fuller devised Plan 1919 for the British army as it prepared its final assault into Germany. But it took armed forces more than 20 years to put the ideas into practice. The Germans had fewer (and in some respects inferior) tanks in 1940 than the British and French. They succeeded not because of material superiority but because they got several things right—supporting technologies such as tank radios, organization, operational concepts, and a proper climate or culture of command.

The construction of the Panzer division reflected a careful working out of the requirements of modern warfare. Whereas the French and British created armored divisions consisting almost exclusively of tanks, the Germans made theirs combined arms organizations built around the tank. The Germans saw the need for units of engineers and infantry to accompany the tanks, allowing them to develop their striking power to the fullest. To enable the new organizations to function, the German military had to cultivate a particular climate of command. An American liaison officer in the



1930s noted that the Germans made decisions with far less preparation than their American counterparts:

The Germans point out, that often a Commander must make an important decision after only a few minutes' deliberation and emphasize, that a fair decision given in time for aggressive execution is much better than one wholly right but too late. They visualize rapidly changing situations in modern warfare and are gearing their command and staff operations accordingly.<sup>2</sup>

Fortunately for the Germans, the Panzer division fit well with pre-armored doctrine and military culture. The contemporary revolution in military affairs may require similar but more painful evolution. Armed forces do not know what the Panzer division of the future will look like, much less how to create it, but one can advance some tentative descriptions of the military of the next century. To begin with, the new military will rest primarily on long voluntary service. The balance between quality and quantity has shifted in favor of quality, and it is no mere drive for economy (because professional militaries are not cheap) that has led countries either to give up conscription or to create two separate militaries, one conscript and one professional, with ever more attention and resources going to the latter. At long last, after a reign of almost two centuries, the age of the mass military manned by short-service conscripts and equipped with the products of high-volume military manufacturing is coming to an end.

The new military will be an increasingly joint force—or perhaps, one might say, less and less a traditional, service-oriented force. In militaries around the world the traditional division into armies, navies, and air forces (and in only a few countries, marine corps) has begun to break down. Not only have air operations become inseparable from almost any action on the ground, but naval forces increasingly deliver fire against a wide range of ground targets. Quasi services have begun to emerge. In all militarily sophisticated countries special forces have grown, imitating

---

<sup>2</sup>Albert C. Wedemeyer, "Memorandum: German General Staff School Report," July 11, 1938, p. 12. This is one of the most insightful accounts of the temper and tone of the German army before World War II. See also the masterly survey in Herbert Rosinski, *The German Army*, London: Hogarth Press, 1939.

the highly successful models of the British Special Air Service and its American and Israeli counterparts. Even regular infantry formations have adopted the tactics of special forces—very small units, dispersion, and the extensive use of fire brought to bear from the air or rear areas. Other quasi services include organizations oriented toward space and information warfare and the horde of civilian contractors who fix airplanes, build bases, pay the troops, operate mess halls, and analyze operations.

Another structural change looms. Tack an organizational chart of an army corps on a wall, and next to it place a similar chart for a leading corporation of the 1950s—General Motors, say—and the similarities stand out. One would see in both cases a classical pyramid, small units reporting up to progressively smaller numbers of larger organizations. The organization of a corps has not changed much since then, but the cutting-edge corporation of today is not GM but Microsoft or Motorola, neither of which much resembles an army corps. The modern corporation has stripped out layers of middle management, reduced or even eliminated many of the functional and social distinctions between management and labor that dominated industrial organizations, and largely abolished the old long-term tenure and compensation systems, including company-based pensions. By and large, military organizations have not done this. “Management” still consists of commissioned and non-commissioned officers, and although the latter play a role quite different from that of even their World War II counterparts, they still operate within rank, deference, and pay structures of a bygone time. The radical revision of these structures will be the last manifestation of a revolution in military affairs, and the most difficult to implement.

#### THE NATURE OF COMMAND

IN A PERIOD of revolutionary change in the conduct of war, different kinds of people—not simply the same people differently trained—rise to the top of armed services. For instance, air power gave birth to entirely new kinds of military organizations; unlike armies and navies, air forces consist of a tiny percentage of officer-warriors backed by an elaborate array of enlisted technicians. To take another example: in the late nineteenth century it became clear that the increasingly complex problem of mobilizing reservists and deploying them over a country’s railroad net-

work required a corps of technocratic experts. The American Civil War and the Franco-Prussian War demonstrated that dash and bravura could not compete with skill at scheduling large numbers of locomotives, handling loading manifests, and repairing damaged track. The logistical manager had become an indispensable member of a general staff and a well-trained general staff an essential feature of a military establishment.

A similar evolution is under way today. Even in the U.S. Air Force, an organization dominated by pilots (bomber pilots in the 1950s and 1960s, fighter pilots thereafter), the number of general officers in important positions who are not combat aviators has risen. The new technologies will increasingly bring to the fore the expert in missile operations, the space general, and the electronic warfare wizard—none of them a combat specialist in the old sense and a fair percentage of them, sooner or later, female. Military organizations still need, and will always need, specialists in direct combat. Indeed, both the lethality of direct combat and its physical and intellectual demands have grown. But the number of such fighters in military organizations, both in absolute terms and in proportion to the overall size of the militaries, has declined steadily since the beginning of the century and will continue to do so. The cultural challenge for military organizations will be to maintain a warrior spirit and the intuitive understanding of war that goes with it, even when their leaders are not, in large part, warriors themselves.

Different eras in warfare give rise to characteristic styles of military leadership. The age of industrial warfare has ended, and with it a certain kind of supreme command. Shortly after the mobilization against Austria in 1866, an aide found the Prussian chief of the general staff, Helmuth Graf von Moltke, lying on a sofa reading a novel. On the evening before D-Day, General Dwight D. Eisenhower, supreme commander of Allied forces, could be found on his sofa doing precisely the same thing. Despite the 80 intervening years, some features of supreme command remained constant: the general in chief and his staff assembled a vast force, planned its intricate movements, and then spent the next day or two letting the machine conduct its initial operations on virtual autopilot. Today, an aide would more likely find a field marshal pacing

---

After two centuries,  
the age of the mass army  
is drawing to a close.

back and forth in an electronic command post, fiddling with television displays, talking to pilots or tank commanders on the front line by radio, and perhaps even peeking over their shoulders through remote cameras.

That the modern field marshal can sit invisibly in the cockpit with a pilot or perch cybernetically in the hatch of a tank commander raises a profound problem of centralization of authority. Although all military organizations pay lip service to delegation of maximum authority to the lowest levels of command, few military leaders can resist the temptation to dabble in their subordinates' business. The easier it is for them to find out what that business is, even though they are 10,000 miles away, the more likely they are to do so. Political leaders will have the same capability, and although for the moment most of them show little inclination to meddle, one can imagine situations in which they would choose otherwise.

#### THE POWER OF STATES

FEW SUBJECTS exercise historians of early modern Europe more than the military revolution of the sixteenth and early seventeenth centuries. Yet all would agree that that period's remarkable set of changes profoundly altered the relative balance of power between Europe and the rest of the world in Europe's favor. The creation of modern military organizations—that is, armies led by professional officers, trained and organized according to impersonal standards of discipline and behavior—coupled with the appearance of governments that could mobilize both soldiers and financial resources, changed the international system. The rise of Holland and the decline of the Ottoman Empire represent the opposite extremes of the consequences of the revolution.

The contemporary revolution in military affairs offers tremendous opportunities to countries that can afford to acquire expensive modern weaponry and the skills to use it properly. An accurate measurement of Israel's power potential relative to its Arab neighbors, for example, would probably show a steep rise since 1973. Taiwan, Singapore, and Australia, to take just three examples, can do far more against potential opponents than would have been thinkable 30 years ago. As we have seen, the military leadership of the Soviet Union believed the revolutionary changes it saw coming would put it at a dis-

advantage. Indeed, only the United States, with its vast accumulation of military capital, better than four times the defense budget of the next leading power, and an unsurpassed ability to integrate large, complicated technological systems, can fully exploit this revolution.

Transformation in one area of military affairs does not, however, mean the irrelevance of all others. Just as nuclear weapons did not render conventional power obsolete, this revolution will not render guerilla tactics, terrorism, or weapons of mass destruction obsolete. Indeed, the reverse may be true: where unconventional bypasses to conventional military power exist, any country confronting the United States will seek them out. The phenomenon of the persistence of older systems in the midst of revolutionary change occurs even at a tactical level. After the arrival of the carrier as the capital ship of naval warfare, for example, the venerable battleship did not disappear but instead acquired two important roles: shore bombardment platform and vast floating air defense battery. Battleships were part of the American fleet as recently as the Persian Gulf War, almost half a century after their day as the queens of naval warfare had passed.

To the extent that the revolution proceeds from forces in the civilian world, the potential will exist for new military powers to emerge extremely rapidly. A country like Japan or, in a few years, China will quickly translate civilian technological power into its military equivalent. An analogy might be Germany's acquisition of a modern air force in the space of less than a decade in the 1930s. At a time when civilian and military aviation technologies did not diverge too greatly, Germany could take the strongest civilian aviation industry in Europe and within a few years convert it into enormous military power, much as the United States would do a few years later with its automobile industry. After a long interval during the Cold War when military industry became an exotic and separate entity, the pendulum has begun to swing back, and economic strength may again prove easily translatable into military power.

#### THE CHANGING ORDER

REVOLUTIONARY CHANGE in the art of war stems not simply from the ineluctable march of technology but from an adaptation of the military instrument to political purposes. The subject of armored warfare



languished in Great Britain and France between the world wars because those governments saw little need for an operationally offensive force on the continent. The powers that contemplated offensives to regain lost territories or to seize new ones—the Soviet Union and Germany—developed the armored instrument more fully than other states.

The United States may drive the revolution in military affairs, but only if it has a clear conception of what it wants military power for—which it does not now have. Indeed, when the Clinton administration formulated its defense policy in 1993 it came up with the Bottom-Up Review, which provided for a force capable of fighting simultaneously two regional wars assumed to resemble the Gulf War of 1991. By structuring its analysis around enemy forces similar to those of Iraq in that year—armor-heavy, with a relatively large conventional but third-rate

---

The revolution offers opportunities to both small and great, but to the U.S. most of all.

air force—it guaranteed a conservatism in military thought at odds with the thorough reexamination promised by the administration early in its tenure. For this reason, among others, the revolution will take far longer to consummate than the Soviets predicted in the 1980s. Barring the pressure of a severe competition between the United States and some

state capable of posing a real challenge to it, even available technologies are unlikely to be exploited fully. Military institutions in peacetime will normally evolve rather than submit to radical change.

World politics will also shape the revolution. One feature will certainly be the predominance of conventional warfare for limited objectives. Until the end of the Cold War, the possibility of total war, as in the great struggles of the first half of this century, dominated the planning of the American and Soviet military establishments, and perhaps others as well. With some exceptions, military action for limited ends seems more likely in the years ahead.

The most useful metaphor for the future military order may be a medieval one. During the Middle Ages, as at present, sovereignty did not reside exclusively in states but was diffused among political, civic, and religious bodies—states, but also sub- and supra-state entities. Warfare was not, as it has been in the modern period, an affair almost exclusively of states, but one that also involved private entities such as religious or-

ders and other associations. Then, unlike during the past two centuries, military technology varied widely among combatants—an army of English bowmen and knights fought very differently from the Arab warriors of Saladin or the Mongol cavalry of Genghis Khan or the pike-wielding peasantry of Switzerland. Militaries defied comparison; their strength varied greatly depending on where and whom they were fighting.

Opacity in the matter of military power may prove one of the most troubling features of the current revolution. The wildly inaccurate predictions of casualties in the Gulf War from responsible and experienced observers (including military estimators, let it be noted) reflected not conservatism or incompetence but a disjunction between the realities of military power and conventional means of measuring it. Numbers of tanks, airplanes, and soldiers and more elaborate firepower-based measurements of military might were always questionable, but now they say almost nothing about real military effectiveness. As platforms become less important and the quality of munitions and, above all, the ability to handle information become more so, analysts will find it ever more difficult to assess the military balance of opposing sides. If Admiral Owens is right, the revolution in military affairs may bring a kind of tactical clarity to the battlefield, but at the price of strategic obscurity.

In the nineteenth and early twentieth centuries, God may not always have been on the side of the bigger battalions, as the saying went, but victory usually was. Future technologies, however, may create pockets of military capability that will allow very small states to hold off larger ones, much as companies of Swiss pikemen could stop armies sweeping through their mountain passes or a single, well-fortified castle could hold immensely larger forces at bay for months. Herein lies a potential challenge even for the United States, which will find itself attempting to project military power for limited purposes and at a low cost in materiel and lives. Other parties may well decide to inflict some hard, if not fatal, blows to stave off American intervention. For stymieing the American advantage in the megasystems of modern military power—fantastically expensive and effective aircraft carriers or satellites, for example—the microsystems of modern military technology, such as the cruise missile, may prove sufficient.

The predominance of warfare for limited objectives, the availability of vast quantities of centralized information, and the obscurity of

military power may combine to make civil-military relations more awkward. Politicians will seek to use means they can readily see, as it were, but do not understand; generals will themselves be handling forces they do not fully comprehend and will be divided on the utility of various forms of military power.

In every previous period of revolutionary change in the conduct of war, military leaders made large mistakes. The human toll on European armies coming to terms with modern firepower in World War I reflected not only, or even primarily, the incompetence of generals but their bafflement in the face of new conditions of warfare. Less costly but no less time-consuming was the difficulty the U.S. Navy had developing the multi-carrier task forces that would ultimately enable it to sweep the Pacific clear of Japanese forces in World War II. The lesson of the 1942 Battle of Midway had appeared to be that the massing of carriers offered great advantages but posed no lesser vulnerabilities, should the defending side be caught while rearming its strike aircraft. As a result, the transformation of naval warfare by the carrier could not be realized until one side either felt overwhelming pressure to mass carriers despite the risks—the case in the early part of the war—or had enough carriers to make the risks bearable. For the United States the latter did not occur until almost two years after it entered the war, when the naval building program had produced the sheer numbers of vessels adequate for large-scale carrier operations.

A revolution in military affairs is under way. It will require changes of a magnitude that military people still do not completely grasp and political leaders do not fully imagine. For the moment, it appears to offer the United States the prospect of military power beyond that of any other country on the planet, now and well into the next century. Small wonder, then, that by and large American theorists have embraced the idea of a revolution in warfare as an opportunity for their country, as indeed it is. But revolution implies rapid, violent, and, above all, unpredictable change. Clio has a number of lessons to teach Mars, but perhaps none is more important than that. 🌐

# Asia's Empty Tank

*Kent E. Calder*

## ALL REVVED UP AND NO WAY TO GO

FOR NEARLY 15 years, since oil shock began to recede, energy has had remarkably low priority in global policy councils. The time has come for a reevaluation, and nowhere is one more urgent than in the Pacific. Major changes in East Asian energy patterns are creating both danger and opportunities for troubled trans-Pacific relations chronically oriented toward the past.

Asia's emerging energy problems cut subtly across the conventional boundary between economics and security. They have been further masked by the temporary collapse of demand in many markets, such as eastern Europe, since 1990. But they are no less perilous for their obscurity.

The coming decade—if buoyant economic growth continues in Asia, as seems likely—holds the potential for severe strains between Asian powers as regional oil markets tighten while contenders for supplies grow more diverse and competitive. China, Japan, the Koreans, and most Association of Southeast Asian Nations (ASEAN) members will be vigorously bidding for imports in energy markets that until recently were much simpler and more relaxed.<sup>1</sup> Changing supply routes for northeast Asian importers may spark geopolitical rivalries along the vulnerable sea-lanes that link Asia with the Middle East. Countries have already come to blows over their conflicting claims to offshore areas that may be rich in oil and gas.

---

KENT E. CALDER is Director of the Program on U.S.-Japan Relations, Woodrow Wilson School of Public and International Affairs, Princeton University. His most recent book is *Pacific Defense: Arms, Energy, and America's Role in Asia*.

Virtually all foreseeable futures pose unsettling dilemmas for Asia. Greater use of plentiful coal invites strip-mining, acid rain, and other environmental complications. Rapidly expanding nuclear power production raises safety concerns as well as the specter of nuclear proliferation. Continued reliance on oil means a tightening embrace of necessity between East Asia and the Middle East that, over the next generation, could fundamentally challenge the prevailing Western-dominated global order.

#### CHINA'S THIRST FOR OIL

AT THE root of Asia's energy security problem is China—a rising, frustrated, revisionist power in which ideological communism is yielding to nationalism—and its new status as an oil importer. A decade ago the People's Republic shipped nearly a quarter of its production abroad. But since the early 1990s China's trade balance in energy has sharply deteriorated, propelled by double-digit economic growth and the transition to a consumer economy. In November 1993 the country became a net importer of oil for the first time in more than a quarter-century, and the deficit has since soared to about 600,000 barrels a day.

The dependence on imports will likely deepen, in spite of sporadic efforts by Beijing to curb it. China's per capita energy consumption is still only 40 percent of the world average, and per capita oil consumption little more than one-sixth. Korea uses 10 times as much oil per capita, Japan 20 times, and the United States 30.

Over the coming decade three powerful engines will propel rising Chinese demand for oil: an automotive revolution, growing industrial production generally and energy-intensive manufacturing in particular, and expanding air travel. In 1994 China produced only 350,000 autos, many of them for state enterprises. But the aspiration among the Chinese middle class—expected to exceed 200 million people within a generation—to own a car is clear and is supported by government plans for a “people's car.” Given that the country has a population of 1.2 bil-

---

<sup>1</sup>The members of ASEAN are Brunei, Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam.



lion, a long-range projection of 300 million cars on the road is not unreasonable. The production of petrochemicals, which, like cars for China's masses, requires large quantities of oil, has been designated one of the country's four "pillar [industries] for early 21st-century development," along with auto manufacturing. Annual increases in the demand for petrochemicals climb well into the double digits, with plastics and fertilizers leading the way. Air travel has risen 20 percent a year in China since 1978 but still accounts for only 6 percent of total transport—very low for so sprawling a country. During the next two decades the demand for aviation fuel should grow at at least double the rate of overall energy consumption.

Logistics compound the country's energy problem. The most explosive increases in demand are in the southeastern coastal provinces, notably Fujian and Guangdong, yet the southeast produces virtually no oil and relies heavily on imports. Northeastern oil fields like Daqing and Shengli are on the decline, but China appears to have huge reserves in the 220,000-square-mile Tarim Basin of western Xinjiang province, close to the Russian border; some experts suggest that Tarim could top Saudi Arabia's proven reserves of nearly 250 billion barrels. Yet prospecting in Tarim's desolate desert is torturous, and the oil, located in deep, small, hard-to-find pockets, is devilishly difficult to extract. Enormous investment in pipelines, roads, and telecommunications would also be necessary if this remote field were to be exploited. As it stands, Xinjiang accounts for less than seven percent of China's oil production. According to the International Energy Agency, this may not change until well beyond 2010, unless major foreign assistance is forthcoming.

The prospects for offshore oil in internationally recognized Chinese waters also appear quite limited. Multinational corporations have already invested more than \$3 billion, with discouraging results, in the East and South China Seas as well as the Bo Hai Gulf. Potential significant reserves in offshore areas that China claims but other countries dispute have more obvious drawbacks.

In short, at a time when the government needs economic growth to pacify the people as never before, China faces spiraling oil demand

---

Energy-hungry Asia has reserves, but it needs major help tapping them.



# INTERNATIONAL INSTITUTE FOR STRATEGIC STUDIES

## The Military Balance 1995-1996

*The Military Balance*, the leading handbook for all military analysts, has established itself as the most authoritative global database of military strength, organization, and defense expenditure. It provides up-to-date information on the composition, size, and deployment of the world's armed forces, together with economic and demographic statistics, tabular data and analytical essays. Each year it is updated by a team of military specialists with contacts throughout the world, allowing the reader to create an individual version of the military balance between any of the world powers.

**The Military Balance 1995-1996 (Oct. 1995)**  
ISBN 0-19-828055-6, 320 pp. -- paper \$65.00

**The Military Balance 1996-1997 (Oct. 1996)**  
Annual Subscription Rate: \$65.00  
ISSN 0459-7222, 1 issue

### *The Military Balance 1995-1996* offers you:

- Up-to-date information on the composition, size, and weapons holdings of over 170 countries
- A loose-leaf wall map of the Middle East detailing major regional strategic hotspots
- In-depth analyses of China's military expenditure; developments in the field of weapons of mass destruction; missile proliferation and other arms-control developments; the mandate and composition of United Nations and other international peacekeeping operations
- Tables showing strategic nuclear forces; nuclear-capable delivery vehicles; CFE Treaty limited equipment holdings and ceilings; comparisons of international defense expenditure and military manpower; key characteristics of combat aircraft, and of artillery and multiple rocket launchers; designations of aircraft and helicopters listed in the book.

## Strategic Survey 1995-1996

*"It was a year in which the assassination of Israeli Prime Minister Yitzhak Rabin by a Jewish extremist threw the Middle East peace process into doubt, the Nigerian military leaders demonstrated their brutality and disregard for international opinion by hanging the renowned playwright Ken Saro-Wiwa having falsely accused him of treason, the Democratic President and Republican Congress in the U.S. deadlocked over both domestic and foreign policy, and Europe stumbled over political and security obstacles as it struggled to move toward unification and an improved and enlarged NATO structure. There were bright spots: the war in former Yugoslavia seemed to be winding down and peace crept closer, and in East Asia stability provided a framework for continued dynamic economic growth. . ."*

This outstanding work is an annual analytical review and assessment of security-related events around the world. The significant events of the year are examined in their political contexts, and the trends for international security are identified. The book contains factual accounts, analysis, and background data, and is organized both by topic (e.g., arms control or strategic policy issues) and by continent, with a thorough review of each geographic area.

**Strategic Survey 1995-1996 (May 1996)**  
Annual Subscription Rate: \$32.00  
ISSN 0459-7230, 1 issue  
(Will also be available as a single title.)

The contents of *Strategic Survey 1995-1996* include:

- |                   |                           |
|-------------------|---------------------------|
| • Perspectives    | • Strategic Policy Issues |
| • The Americas    | • Europe                  |
| • The Middle East | • Asia                    |
| • Africa          | • Chronologies            |



## OXFORD UNIVERSITY PRESS

<http://www.oup.co.uk/> or <http://www.oup-usa.org>

NOW PUBLISHED FOR THE IISS BY  
OXFORD UNIVERSITY PRESS



## Survival: The IISS Quarterly

The new *Survival* has established itself as a leading international-affairs journal. With NATO troops deploying to Bosnia, the European Union preparing its 1996 Intergovernmental Conference, and France rejoining NATO bodies, the Spring 1996 issue looks at the challenges and issues facing a transatlantic partnership in transition. In this special issue, leading academics and practitioners assess European security and transatlantic relations at this crucial turning-point.

- How have transatlantic relations changed?
- Is NATO expansion worth the trouble?
- Will CJTFs become a reality?
- What does France's new relationship with NATO mean?

The Spring 1996 issue of *Survival* is essential reading for anyone interested in the future of Europe and the Atlantic Alliance.

*Survival* is available on subscription.  
Annual Subscription Rate: \$62.00  
Vol. 38, 1996 (4 issues) ISSN 0039-63348

### Highlights of this special issue include:

Philip Zelickow on **The Masque of Institutions**  
Robert P. Grant on **France's New Relationship with NATO**  
Philip H. Gordon on **Recasting the Atlantic Alliance**  
Nicole Gnesotto on **Common European Defense**  
Robert Joseph on **Proliferation, Counter-Proliferation and NATO**  
Charles Barry on **Combined Joint Task Forces**

Plus review essays by **Charles A. Kupchan** and **Gideon Rose** and the regular features:

Book Reviews	Letters to the Editor
The latest, most relevant, and important titles reviewed each quarter.	Criticism, controversy, and stimulating debate on articles from previous issues.

## The Adelphi Papers

The Adelphi Paper series is the best-selling monograph series in the strategic studies and defense fields, and is the Institute's principal contribution to original, academic, policy-relevant research. These monographs cover a wide range of international-relations issues and are excellent specialized texts for university graduate courses, as well as essential background material for foreign-policy and defense specialists. The IISS produces eight to ten Adelphi Papers each year.

Annual Subscription Rate 1996: \$155.00  
ISSN 0567-932X, approximately 10 papers

Adelphi Papers are also available as single titles at \$23.00 each. Titles in 1995 included:

**A US Strategy for the Asia-Pacific**  
Douglas T. Stuart and William T. Tow  
ISBN 0-19-829073-X

**China and the South China Sea Disputes**  
Mark J. Valencia  
ISBN 0-19-828089-0

**The Crisis of the Iranian State**  
Ahmed Hashim  
ISBN 0-19-828023-8

**Multinational Military Forces: Problems and Prospects**  
Roger H. Palin  
ISBN 0-19-828025-4

**India Redefines Its Role**  
Shekhar Gupta  
ISBN 0-19-828021-1

Proposed topics for 1996 include:  
**Palestinian-Jordanian-Israeli Relations Since Oslo; The Control of Fissile Materials and Nuclear Proliferation; UN Peacekeeping and a More Humane World; Disarmament and Demobilization After Civil Wars.**

To order single titles, please call 1-800-451-7556.  
For subscription orders, or for more information,  
please call 1-800-852-7323. (fa)

and limited short-term supply within its established frontiers. Thus it is likely to become a major and vigorous bidder in regional and global oil markets. Recent estimates from the Asia-Pacific Economic Cooperation (APEC) organization suggest that China's net external requirements will rise from some 600,000 barrels per day to over one million by 2000 and nearly three million by 2010. That huge total—nearly half Saudi Arabia's current production—would represent almost 20 percent of Asia's oil imports. By 2015, less than two decades hence, Shell China Petroleum Development estimates, Chinese imports of more than seven million barrels per day will approach the current imports of the United States.

#### COMPETING WITH THE NEIGHBORS

CHINA WILL be emerging as a major oil importer in a rapidly growing northeast Asian region whose other nations will be that much more precariously dependent on international supplies. Preeminent among the rival importers will be Japan, whose \$4 trillion economy lacks any significant source of domestic oil whatsoever and imports more than 80 percent of the energy it consumes. Even with the gains from conservation campaigns in the 1970s and 1980s, Japan has a \$50 billion annual bill for fuel imports and scant hope for substantial further reductions.

South Korea's economy, with its large steel, shipbuilding, and petrochemical sectors, together with a growing middle class ever more addicted to driving, is even more energy-intensive than Japan's. Yet it has still less domestic energy at hand. South Korea's annual energy import bill is triple Japan's as a fraction of GNP and includes an oil demand component rising 20 percent a year. A smaller and less influential nation than the economic giant across the Sea of Japan, South Korea has more difficulty competing for oil in times of shortage, as was patent during the two oil shocks of the 1970s and the Persian Gulf crisis of 1990-91. Its fears about energy security seem likely to deepen over the next two decades as the prospective reunification of the peninsula swells local demand and Chinese competition intensifies.

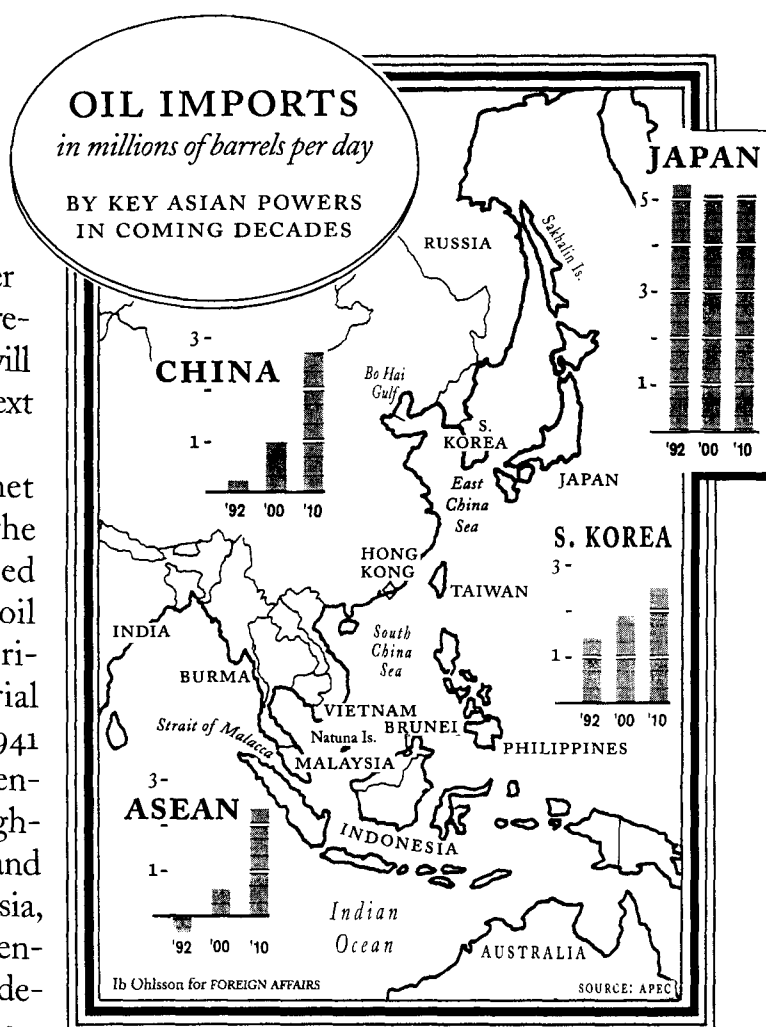
Taiwan, too, has major energy vulnerabilities compounded, as in Korea and as formerly in Japan, by a tense geostrategic context. Unlike Korea, Taiwan lacks substantial coal reserves and must import large

amounts of that fuel along with oil. The bill is more than twice what it was in the mid-1980s, and more than 40 times higher than in 1975. APEC forecasts that the burden will double again in the next 15 years.

ASEAN has been a net energy exporter to the rest of Asia, buttressed by the Indonesian oil fields that were the primary target of imperial Japan's December 1941 Southeast Asian offensive. But today, throughout the region and especially in Indonesia, subsidized domestic energy prices and inadequate incentives for exploration and production are accelerating the trend toward oil importer status. Despite expanding production in Vietnam, ASEAN should become a net importer just after the turn of the century.

Asia's oil market thus seems poised to undergo dramatic, destabilizing shifts. New importers will enter the fray, particularly China and ASEAN members. By 2010, predicted a report last June from APEC's Advisory Committee for Energy, they will transform a market dominated by Japan (77 percent of Asia's oil imports in 1992) into one delicately balanced among Japan (37 percent), China (19 percent), Korea (18 percent), the ASEAN countries (17 percent), and Taiwan and Hong Kong (9 percent).

A dynamic Asia will become increasingly dependent on the volatile Middle East—including Iran and possibly Iraq—where the oil is





abundant. By 2000, the East-West Center estimates, 87 percent of the oil East Asian nations import will flow from the Middle East, up from 70 percent today; by 2010 dependence on Middle Eastern oil could reach 95 percent. The heart of the dependence could increasingly be China's relations with Iraq and Iran—two countries accounting for nearly 20 percent of proven global oil reserves—which in the past have involved significant arms transfers. A growing fleet of laden super-tankers will plow across the Arabian Sea and Indian Ocean in coming decades, headed for Singapore, Hong Kong, Shanghai, Pusan, and Yokohama. In the next 15 years, East Asian oil imports from the Middle East could easily triple to more than 15 percent of global consumption. Russian reserves, which include an estimated 20 percent of the oil and 39 percent of the gas on earth, could forestall this development, as could the discovery of large-scale offshore fields in the East or South China Seas, but the prospects for both are clouded by political uncertainty and infrastructure problems. So unless other forces intervene to arrest the trend, the Middle East and Asia, the two major economic and geopolitical centers of the non-Western world, are likely to grow closer. The global implications are unsettling.

#### MISCHIEF REEFS

THE NEW energy realities contribute to China's aspirations to develop a blue-water navy capable of force projection in the South and East China Seas, the Indian Ocean, and beyond. They also give it incentives to reassert offshore territorial claims on its continental shelf. Beijing's 1992 Territorial Sea Law and a series of military actions reflect its willingness to advance these claims. Whatever energy reserves lie beneath the South China Sea, the strategic importance of the area and the value of any oil and gas adjacent to the booming southeastern coast are undeniable.

China's published military budget has risen 75 percent since 1988, after adjusting for inflation. And the totals it lists are significantly lower than actual spending since they include neither weapons procurement nor the share of profits from military-run enterprises that are plowed back into defense. Energy-vulnerable neighbors worry about a Chinese giant ever more voracious for oil and now better armed and increasingly nationalist.

The flash point for these tensions is the South China Sea. Through the sea pass the maritime routes that supply 70 percent of Japan's and the Koreas' oil imports and growing portions of other Asian nations' energy needs. The area may also contain substantial oil and, especially, gas reserves, although political uncertainties and a tendency for deposits to be small, deep, and expensive to explore make judgment difficult; recent Chinese estimates have suggested reserves 20 percent larger than Kuwait's, although many Western experts remain skeptical.

China claims four-fifths of the area, based on an association going back to the voyages of Admiral Zheng He in the fourteenth century, but five other claimants—Vietnam, the Philippines, Brunei, Malaysia, and Taiwan—dispute Chinese sovereignty in several potentially oil-rich sectors. Violence has

flared on several occasions. In 1988 nearly 150 people were killed in a confrontation between Chinese and Vietnamese forces in the Spratly Islands. As recently as January 1995, Chinese troops removed Filipino fishermen from Mischief Reef in the Spratlys, less than 150 miles from major Philippine oil reserves off Palawan Island, and two months later Taiwanese artillery fired on a Vietnamese supply ship not far away.

Tokyo was especially sensitive about the Mischief Reef incident, both because of what it signaled regarding Chinese intentions in an area of strategic importance to Japan and because of the specific encroachment on Philippine claims, which touches important Japanese business interests engaged on the Philippines' Palawan Shelf. Japan has even more reason to be concerned about recent developments in the East China Sea, directly adjacent to its home islands and possibly even richer in hydrocarbons than areas farther south. Last summer China began geological explorations near the Senkaku Islands (Diaoyutai to the Chinese), over which the two countries staged a tense confrontation in 1974. Last December a Chinese oil-drilling ship was spotted anchored in Japanese-claimed waters 200 nautical miles north-northeast of the Senkakus, prompting Japanese diplomatic protests to Beijing. There were indications that the dispute could seriously escalate, with the commencement of actual drilling and China and Japan's mutual establishment of exclusive economic zones.

---

China's need to develop  
is at the root of tensions  
building in the region.

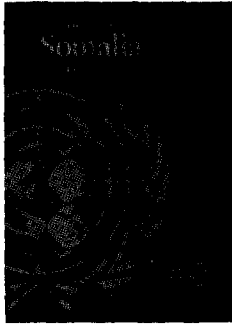
South Korea, which imports virtually all its oil through the South and East China Seas, has expanded its naval forces since the early 1990s and begun a significant technical modernization program in the military. Indeed, its defense budget has risen more rapidly since 1990 in local currency terms than that of any other country in north-east Asia, with the bulk of new spending arguably directed more at emerging regional naval and air contingencies than the decades-old struggle with North Korea. A naval arms race among China, Japan, and possibly South Korea sparked by the changing oil equation is the greatest long-term security danger the region faces.

The most substantial and modern naval force in the region, apart from the U.S. force stationed there, clearly belongs to the Japanese. It includes some 100 maritime aircraft, among them a fleet of PC-3 submarine surveillance aircraft second in size only to the U.S. one, together with more than 60 principal surface combatants and 18 submarines. To better cover the country's sprawling naval defense perimeter and huge array of maritime concerns, Japan recently began launching a series of at least three destroyers equipped with U.S. Aegis radar surveillance and tracking systems, at a billion dollars each. Tokyo is also planning to acquire tanker aircraft to extend the range of its maritime air coverage and has for several years considered obtaining "defensive" aircraft carriers. Acquisition of a full-scale blue-water navy would be enormously expensive—probably over \$30 billion or \$40 billion for even modestly credible capabilities—and time-consuming for Japan. Tactical considerations would dictate the acquisition of full aircraft-carrier battle groups and significant naval air power. Spurred by energy realities, China's growing capabilities, and Japanese anxiety that the U.S. presence in Asian and Indian Ocean waters could significantly recede, Tokyo is approaching a moment of decision on its deployments in the early 21st century.

#### THE NUCLEAR ALTERNATIVE

THE INCREASING energy vulnerability of Asian nations, especially those in the northeast, makes nuclear power highly attractive. Japan generates nearly a third of its electricity from nuclear power, South Korea around 40 percent, compared to less than 20 percent in the

# New Releases from the United Nations



## **The United Nations and Somalia 1992-1996**

*The United Nations Blue Books Series, Volume VIII*

The civil war, the consequent famine and the collapse of governmental authority in Somalia led to a United Nations operation in Somalia with no precedent in the history of the Organization. *The United Nations and Somalia, 1992-1996* is a comprehensive account of that experience, in which the United Nations Operation in Somalia and the Unified Task Force (led by the United States of America) carried out a broad mandate involving peace-keeping and peace-enforcement as well as the provision of humanitarian aid, the promotion of national reconciliation and assistance in rebuilding Somalia's devastated infrastructure and institutions. This volume includes more than 100 key documents relating to these efforts. An extensive introduction by Secretary-General Boutros Boutros-Ghali and a detailed chronology complement the texts.

E.96.I.8 92-1-100566-3 516pp \$29.95

## **The Guardian Soldier: On the Nature and Use of Future Armed Forces**

Conducted under the auspices of the United Nations or its regional organizations, the scope of missions given to armed forces is widening to include disaster relief, conflict prevention and a broad range of peace operations. However, the economic considerations are making it increasingly hard for nations to develop, train and equip forces for such missions. This publication examines the possibility and the necessity of a fresh understanding of the role of the armed forces of democratic nations, the change in their leadership and civic education and a new style in their use.

E.GV.95.0.19 92-9045-105-X 141pp \$26.00

## **Managing Arms in Peace Processes: Somalia**

This case study on the peace operations in Somalia, is the first in a series to emanate from UNIDIR's project on Disarmament and Conflict Resolution (DCR), which examines the utility and modalities of disarmament in an effort to resolve intra-state conflicts. Divided into three sections, the first section analyzes the way in which three international peace processes (UNOSOM, UNITAF AND UNOSOM II), struggled with the issue of controlling and managing light weapons in Somalia. The second section presents a full bibliography of secondary and primary material used in the making of this study and the third section provides an analysis of the responses on Somalia which were obtained through the project's own questionnaire.

GVE.95.0.20 92-9045-106-8 259pp. \$42.00



### **United Nations Publications**

Sales and Marketing Section, Room DC2-0853, Dept. A025, New York, N.Y. 10017

Tel. (800) 253-9646, (212) 963-8302; Fax. (212) 963-3489

Internet: <http://www.un.org>

Visa, MC and AMEX accepted.

Please add 5% of gross (\$5.50 minimum) for shipping and handling.

## **United Nations Publications**

# ¡Speak Spanish like a diplomat!®



What sort of people need to learn a foreign language as quickly and effectively as possible? *Foreign service personnel*, that's who. Members of America's diplomatic corps are assigned to U.S. embassies abroad, where they must be able to converse fluently in every situation.

**Now you can learn to speak Spanish just as these diplomatic personnel do—** with Foreign Service Institute's Programmatic Spanish Course. You'll learn Latin American Spanish recorded by native speakers.

The U.S. Department of State has spent thousands of dollars developing this course. It's by far *the most effective* way to learn Spanish at your own convenience and at your own pace.

The course consists of a series of cassettes and accompanying textbook. Simply follow the spoken and written instructions, listening and repeating. By the end of the course, you'll be learning and speaking entirely in Spanish!

**This course turns your cassette player into a "teaching machine."** With its unique "programmatic" learning method, you set your own pace—testing yourself, correcting errors, reinforcing accurate responses.

**AUDIO-FORUM®**  
**THE LANGUAGE SOURCE**

The FSI's Programmatic Spanish Course comes in two volumes, each shipped in a handsome library binder. Order either, or save 10% by ordering both:

- ☐ **Volume I: Basic:** 12 cassettes (17 hr.), and 464-page text, \$185.
- ☐ **Volume II: Intermediate:** 8 cassettes (12 hr.), and 614-page text, \$165.  
(CT residents add sales tax.)



**Phone orders call toll-free  
1-800-243-1234**

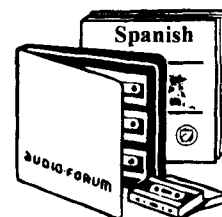
To order by mail, clip this ad and send your name, address, and a check or money order, or charge to any major credit card by enclosing card number, expiration date, and your signature.

**The Foreign Service Institute's Spanish course is unconditionally guaranteed.** Try it for three weeks. If you're not convinced it's the fastest, easiest, most painless way to learn Spanish, return it and we'll refund every penny you paid. Order today!

Our 56-page *Whole World Language Catalog* offers courses in 96 languages. Call or write for your free copy.

Our 24th year.

**Audio-Forum,  
Room F321  
96 Broad Street,  
Guilford, CT 06437  
Fax: (203) 453-9774**





United States. Northeast Asia, with its myriad geopolitical uncertainties, has by far the most ambitious nuclear programs in the world, at a time when Europe and America still recoil before the twin specters of Chernobyl and Three Mile Island.

For nations chronically short of energy like Korea, Taiwan, China, and Japan, nuclear reactors yield it in large quantities at a low marginal cost without bulky imports, if only users can find a way of coping with high start-up costs, waste products, and safety concerns. With the fast-breeder reactor, nuclear power becomes a self-renewing source of energy that can liberate longtime energy importers from their nemesis. For countries concerned about acid rain, global warming, and other forms of pollution, nuclear power plants, unlike coal-fired ones, emit no greenhouse gases. For many in East Asia, given proper safety measures, nuclear power even appears to be an environmentally friendly substitute for oil and coal.

The region currently represents roughly 14 percent of global nuclear capacity. But U.S. Department of Energy forecasts suggest that Asia could account for 48 percent of new nuclear capacity worldwide between 1992 and 2010, the bulk of the growth coming in Japan and Korea, with China and Taiwan not far behind. At least \$160 billion in capital spending is scheduled for the next decade alone. The United States, by contrast, is expected to retrench; the Energy Department expects America to have close to 10 percent less nuclear capacity in 2010 than it does now.

In meeting their increasingly pressing energy needs, Asians may raise a swarm of problems. The favored long-term approach of many local energy producers, especially in northeast Asia, is the so-called complete nuclear fuel-cycle program, which in generating electrical power also produces large quantities of plutonium, the raw material for most nuclear weapons. Japan already has an active program of this sort, and China and South Korea are contemplating similar efforts. Such programs, if not carefully supervised, clearly raise risks of proliferation and terrorism.

North Korea's energy deficiencies and nuclear ambitions are well known. Pyongyang's October 1994 nuclear agreement with the United States to freeze and then gradually transform its nuclear pro-

---

Japan's energy lifeline  
runs through the  
South China Sea.  
Tokyo is nervous.

gram may, if implemented, ultimately defuse the danger of the North developing a large-scale military nuclear capacity. But even under the agreement, ambiguities will remain well into the next decade, and North Korea will have a political and perhaps economic interest in perpetuating them. Reunification of the peninsula, if it came, would sharply boost energy demand, especially in the north, as well as Korean desires to pursue a plutonium-generating complete nuclear fuel-cycle program. It would also bring together nuclear programs in the north and south that are in many ways complementary, possibly hastening the development of a sophisticated military nuclear capacity as well as a civilian one.

Taiwan is not likely to go nuclear overtly, as Deng Xiaoping and others on the Chinese mainland have cited that as a *casus belli*. Yet Taiwan could well move quietly closer to the nuclear threshold by reviving its military program of nuclear research. Like North Korea, Taiwan has a perverse reason to encourage limited uncertainty about its nuclear intentions, and fuel-cycle programs, under the guise of energy security, provide a credible way to do this.

Deepening nuclear uncertainties across northeast Asia could have especially troubling implications for Japan. That shadow superpower could easily go nuclear in a matter of months if the technology alone were at issue. If regional nuclear frictions worsen and the U.S. commitment to Japan's security is vague, such a fateful move, although unlikely, is not inconceivable during the prospectively turbulent first decade of the coming century.

#### POWER POLICIES

THE UNITED STATES and Japan are ideally suited to take the lead in developing an integrated package of economic and security measures to defuse mounting tensions in Asia and build confidence in a stable energy future. Indeed, a far-sighted energy plan would be an important contribution to the summit meeting between President Bill Clinton and Japan's new prime minister, Ryutaro Hashimoto, scheduled for later this spring in Tokyo. A comprehensive response would address four imperatives: securing the passage of the inexorably rising flow of oil through the Strait of Malacca; encouraging the stable development of oil reserves

in Asia, including China; preventing proliferation and operational safety and spent-fuel storage problems associated with nuclear power; and promoting cost-effective, environmentally acceptable alternative energy sources as well as energy conservation.

Recent steps by the Clinton administration, including declarations in mid-1995 of U.S. willingness to escort commercial shipping in an emergency, have made progress on reaffirming freedom of navigation in the strategic energy sea-lanes from the Persian Gulf to East Asia. The U.S. declarations focused on the South China Sea, but seaways west of the Strait of Malacca are also important. America's intention to maintain sufficient capability in the area to render commitments to free navigation credible must also be reaffirmed continually. While neither U.S. intent nor capability is currently in question, many Asians fear the picture may begin to change after the year 2000, as China's blue-water navy becomes operational and as presumed isolationist sentiment begins to tear at American resolve.

Ensuring the security of the southern seaways and of the pivotal states that dominate them—particularly Indonesia and India—should loom larger and larger on the long-term U.S.-Japanese agenda, while Japan's active involvement with Korean contingencies is relegated to a lesser place. Such a change of emphasis would unquestionably be supported throughout northeast Asia. Many Southeast Asians, by contrast, would welcome further Japanese involvement in their region, in which Japan already has more than \$70 billion in direct investment. There will be many possibilities for joint U.S.-Japanese projects in the southeast, especially in energy efficiency and infrastructure.

Keeping China and Indonesia from becoming large-scale energy importers likewise deserves priority and could be furthered by cooperative initiatives, provided the economic interests of all parties are considered. The hand extended to Indonesia should involve official development aid for improved domestic energy efficiency and coordinated U.S.-Japanese backing for improved Indonesian foreign investment incentives in the energy sector as well as for rationalization of domestic energy-pricing policies. In China, parallel efforts are an even more complex and significant proposition.

Energy cooperation among the United States, Japan, and China could be enormously important over the coming decade, both in mod-

erating China's oil imports and in breaking the dangerous new dynamic of escalating suspicion among the three economic giants of the Pacific. The United States and Japan bring highly complementary tools to the task: American technology and entrepreneurship joined to Japanese capital and the organizational skills of the *keiretsu*. Both countries, together with internationalist groups in China, have a clear interest in moderating and stabilizing China's entry into the global political economy, and joint projects could help achieve that.

International assistance, including help from Washington and Tokyo, could foster the development of the oil sector in China. It could improve the efficiency of slowly declining fields like Daqing

---

Limiting uncertainty  
over energy is a job  
for the U.S. and Japan.

and Shengli through secondary recovery techniques not widely available in China at present. Such assistance could also enable the development of major onshore fields, such as the Tarim Basin in Xinjiang, that could not otherwise be easily exploited. The United States, Japan, and possibly other na-

tions such as South Korea could collaborate in providing large-scale energy infrastructure like long-distance pipelines and electric power plants. Finally, the United States and Japan could pool their energy conservation expertise and apply it to China, whose energy consumption per unit of GDP stands at 4 times the world average, 5 times U.S. levels, and 12 times that of Japan.

Joint energy projects in China would need to be commercially viable for all parties, but government—the Japanese government especially—should help make them feasible, in part by offering development aid and export insurance to American as well as Japanese participants. There are encouraging precedents. Since 1991 U.S. and Japanese export credit agencies have jointly supported half a dozen major energy projects in Asia, particularly build-operate-and-transfer power plants, which have helped address Asia's chronic electricity shortages. Such projects, which typically pair U.S. heavy electrical equipment makers and Japanese general trading companies, have led to more than \$2 billion in U.S. exports and more than \$3 billion in Japanese exports over the past four years.

Policy and diplomacy must take account of the definite possibility that Asia's energy rivalries could become dangerously politicized, es-

pecially in an oil crisis. Unlike Europe, Asia has no mechanism for allocating energy in an emergency. The United States and Japan should cooperate with other Asian nations in establishing one. The two could also work to create a multilateral resource development regime for the South China Sea similar, perhaps, to accords that Indonesia, Malaysia, and Thailand have already achieved with one another. Such a scheme could significantly reduce the political risks of offshore exploration and development in the region and so spur multinational investment. To be successful, it would have to include China as well as Japan and the United States; to encourage Chinese participation, the regime could be cast as part of a broader initiative toward China like those described above.

Nuclear proliferation, operational safety, and storage constitute a third pressing complex of issues with which a far-sighted Asian energy security policy must grapple. The heart of the problem is not so much North Korea—which, given its chronic economic weakness, can hardly survive much longer in its present bellicose, autarkic form—as it is the future of nuclear reprocessing programs regionwide. Such programs generate large amounts of plutonium and highly toxic waste, and when pursued in politically fluid environments such as a reunited Korea or a decentralized Greater China, they could present major security and safety risks.

Establishment of a multilateral nuclear oversight agency—Asia Atom—would be one good way to defuse the dangers. Like Euratom in western Europe, Asia Atom would register, monitor, and allocate supplies of plutonium throughout the region, guarding against proliferation or diversion to terrorists. It could also coordinate research on fast-breeder reactors and administer long-term programs to cope with the byproducts of the region's rapidly expanding nuclear facilities. Any such body should include the United States, Canada, and Australia along with key Asian nations.

The final, and in some ways most important, imperative for Asian energy security—and environmental security as well—is promoting alternative forms of energy. Biomass and solar technologies that turn plant material and agricultural waste or sunlight into power may have applications in parts of the region. Hydroelectric power and environmentally friendly uses of coal, including liquefaction and clean-coal technology, will be significant in China with its trillion-ton coal re-



serves, which currently provide three-quarters of the country's energy. China is expected to account for two-thirds of the global increase in coal use over the next 15 years, making it the prime target for clean-coal technology assistance from the United States and Japan.

From an environmental standpoint, the most attractive alternative fuel is natural gas. It is plentiful in Asia, with major deposits identified in Siberia, off Sakhalin Island, near Natuna Island off Indonesia, and elsewhere in the South China Sea. Natural gas burns cleanly and generates almost no pollution. It is broadly adaptable to both consumer and industrial needs, including cooking, heating, and even mass transportation, as well as the production of fertilizer, cement, and steel. Malaysia and Indonesia, among other countries, are already employing compressed natural gas in their urban transportation systems, while South Korea plans to spend close to \$10 billion between now and 2000 to develop both compressed natural gas technology and electric cars. The two could meaningfully reduce Asian oil consumption, especially in China, and deserve strong support.

While natural gas has great advantages in crowded, polluted, energy-deficient Asia, large political and economic obstacles stand in its way. Gas is difficult to transport, requiring expensive liquefaction, pipelines, or both. That both its production and transport are highly capital-intensive introduces a major political risk factor for would-be suppliers, deterring investment. And gas prices are tied to market prices for oil, which fluctuate in response to unpredictable political and economic variables.

Public support for natural gas can help neutralize the risk. For two decades Japan's Ministry of International Trade and Industry has vigorously promoted the use of natural gas at home; something similar is needed now across Asia. While it is mainly up to Japan to provide development assistance, the United States can help by encouraging American corporate participation in liquefied natural gas megaprojects in Asia, as the Clinton administration did in the \$40 billion 1994 agreement between Exxon and the Indonesian company Pertamina to develop the Natuna offshore field. Support for American gas exports to Asia is also important, from both a domestic and a Pacific perspective.

The Caspian Sea area of formerly Soviet Central Asia could be an important alternative source of oil and, especially, gas for China, Japan,

# New Edition! — The Great Minds of the Western Intellectual Tradition...taught by 6 widely acclaimed lecture professors on audio and video cassettes



Darren Staloff, Ph.D.  
City College of New York

Michael Sugrue, Ph.D.  
Princeton University



**THE SUPERSTAR FACULTY ALSO INCLUDES:**  
Robert Oden, Ph.D., President, Kenyon College  
Elizabeth McNamer, Ph.D., Rocky Mountain College



Dennis Dalton, Ph.D.  
Barnard College/  
Columbia University

Alan Charles Kors, Ph.D.  
University of Pennsylvania



**WHAT IS THE PURPOSE OF LIFE?** What is the best kind of life? Who or what is God? What is the essence of justice? When is it legitimate for one person to have power over others? Can any of these questions be answered?

These are basic riddles of human experience that thoughtful men and women have pondered since the dawn of civilization.

You too must have asked yourself questions like these many times. And perhaps you once vowed that some day you would plow through *all* the great thinkers of the Western World and find your own answers.

But you know you never will. Frankly, it would require a minimum of several years of withdrawal from active life, and devotion to intense effort and concentration.

Now, at last, here is a feasible way to enjoy the intellectual adventure of a lifetime. A way you can comfortably grasp the *essence* and *consequence* of each thinker's greatness, in leisure moments in your home or car.

That is the extraordinary opportunity now offered by this unprecedented new audio-video lecture series—*The Great Minds of the Western Intellectual Tradition*.

The series is composed of 70 lectures, covering more than 40 of the Great Minds of the Western World. Each lecture is accompanied by an outline and reading list as an aid, if you wish, to mastering and further exploring the subject.

Over half of the lectures are delivered by Professors Darren Staloff and

Michael Sugrue, who for several years electrified students at Columbia University with their sweeping canvas of Western intellectual development. Then to round out the series, there are guest lecturers from the growing Teaching Company treasury of audio and video recordings of America's SuperStar Teachers.®

The result is a definitive survey of Western thought by an all-star teaching team with no equal in lecturing skill at any single college campus anywhere else in the world.

With these video or audio recordings of six of America's most widely acclaimed college lecture professors as your guides, you can now follow down through the centuries of mankind's great debate over the meaning of life, and how the ideas put forth shaped and developed our Western civilization of today.

Just listening to these lectures—whether you decide to supplement them by browsing through the texts of the works discussed or not—will give you a grasp of the intellectual history of the Western World possessed by as few as one out of every thousand Americans.

## THE CURRICULUM

**PART I: Ancient Philosophy and Faith: From Athens to Jerusalem**  
Introduction to the Problems and Scope of Philosophy; The Old Testament, The Gospels of Mark and Matthew; Paul: His World; Presocratics: Ionian Speculation and Eliatic Metaphysics; Republic I: Justice, Power, and Knowledge; Republic II-V: Soul and City; Republic VI-X: The Architecture of Reality Aristotle's Metaphysical Views, Aristotle's Politics: The Golden Mean and Just Rule; Marcus Aurelius' Meditations: The Stoic Ideal, Augustine's City of God: Grace, Original Sin and Theodicy

**Course No. 401. Video or Audio.**

## PART II: The Age of Faith to The Age of Reason

Aquinas' Summa Theologica: The Thomist Synthesis and its Political and Social Content, More's Utopia: Reason and Social Justice, Machiavelli's The Prince: Political Realism, Political Science and the Renaissance, Bacon's New Organon: The Call for a New Science, Descartes' Epistemology and the Mind-Body Problem, Hobbes' Leviathan: Of Man, Hobbes' Leviathan: Of the Commonwealth, Spinoza's Ethics: Metaphysics and the Path to Salvation, The Newtonian Revolution, The Early Enlightenment and the Search for the Laws of History: Vico's New Science of History, Pascal's Pensees, The Philosophy of G.W. Leibniz

**Course No. 402. Video or Audio.**

## PART III: The Enlightenment and Its Critics

Locke's Theory of Knowledge, Locke's Political Theory, Montesquieu and the Beginnings of Political Science, Berkeley's Idealism and the Critique of Materialism, Hume's Epistemology, Hume's Theory of Morality, Smith's Wealth of Nations, Rousseau's Dissent: The Challenge to the Idea of Progress, Kant's "Copernican Revolution": Epistemology and the Critique of Metaphysics, Kant's Moral Philosophy, Burke and the Birth of Enlightened Conservatism, Naturalism and Materialism: The Boundaries of the Enlightenment

**Course No. 403. Video or Audio.**

## PART IV: Philosophy in the Epoch of Ideology

Comte and the Origins of Sociology, Hegel: The Phenomenology of Geist, Hegel's Philosophy of History, Marx and the Problem of Alienation and Ideology, Marx's Historical Materialism, Kierkegaard's Christian Existentialism, Schopenhauer: The World as Will and Idea, The Classical Doctrine of Liberal Democracy: John Stuart Mill's On Liberty and Utilitarianism, The Darwinian Revolution in Social Thought: William Graham Sumner, Weber's Historical Sociology, Freud and Philosophy

**Course No. 404. Video or Audio.**

## PART V: Modernism and the Age of Analysis: Beginnings

Nietzsche's Critique of Christianity: The Genealogy of Morals, Nietzsche's Perspectivism and Critique of Philosophy, James' Pragmatism, Gadamer: Hermeneutics and the Human Sciences, Bergson's Elan Vital and Vitalism, John Dewey's Reconstruction in Philosophy: The Pragmatic Critique of Traditional Philosophy, Levi-Strauss: Structuralist Anthropology, Husserl: Phenomenology and the Life-World, Heidegger: Being and Time, A. J. Ayer's Language, Truth and Logic, The Latter Wittgenstein: The Philosophy of Language, The Frankfurt School

**Course No. 405. Video or Audio.**

## PART VI: Modernism and the Age of Analysis: Conclusions

Kuhn's Paradigm Paradigm, Habermas' Critical Theory, Barthes, Semiotics and the Revolt Against Structuralism, Social Justice and Social Democracy in Contemporary Times: A Theory of Justice by John Rawls, Alvin Gouldner's Dark Side of the Dialectic: Social Theory, Renegade Sociology, and Outlaw Marxism, Foucault: Power, Knowledge and Post-structuralism, Quine's Ontological Relativism and the End of "Philosophy", Rorty's Neo-Pragmatism, Jean-Francois Lyotard: The Post-modern Condition, Conclusion: The Theory of Knowledge and Language, Conclusion: Political, Social and Cultural Criticism and Theory

**Course No. 406. Video or Audio.**

## ★ LOOK FOR OUR PRODUCTS SOON AT A STORE NEAR YOU ★



THE TEACHING COMPANY®  
7405 Alban Station Court, Suite A107  
Springfield, VA 22150-2318

**Offer Code 3487**

Please send me the following Parts from Great Minds, each consisting of 11-12, 45-minute lectures on audio or video cassettes in handsome storage cases.

☐ ALL SIX ☐ Part I ☐ Part II ☐ Part III  
☐ Part IV ☐ Part V ☐ Part VI

(please check desired format)

☐ Video\*:

Entire six-part course, \$549.95 plus \$20 S&H.

One part, \$149.95 plus \$5 ea. S&H.

Two parts, \$129.95 ea. plus \$5 ea. S&H.

Three or more parts, \$109.95 ea. plus \$5 ea. S&H.

☐ Audio\*:

Entire six-part course, \$349.95 plus \$20 ea. S&H.

One part, \$89.95 plus \$5 ea. S&H.

Two parts, \$79.95 ea. plus \$5 ea. S&H.

Three or more parts, \$69.95 ea. plus \$5 ea. S&H.

\*Note: Virginia residents please add 4.5% sales tax.

☐ Check or Money Order enclosed.

☐ VISA ☐ MasterCard ☐ AMEX ☐ Discover

☐ Please send me a free copy of your complete catalog of over 60 courses. (no purchase necessary)

ACCOUNT NUMBER

SIGNATURE

EXP. DATE

NAME (PLEASE PRINT)

MAILING ADDRESS

CITY/STATE/ZIP

PHONE (If we have questions regarding your order)

To order, mail coupon or call

**1-800-TEACH-12**

(1-800-832-2412)

please refer to **Offer Code 3487**  
or FAX 703-912-7756

**"No Risk" Money-Back Guarantee!**

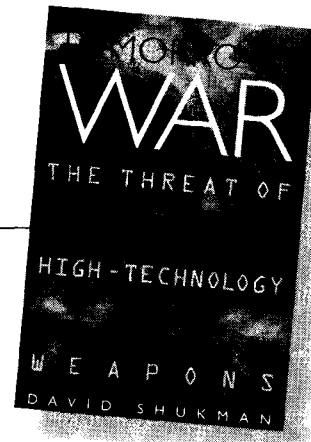
# TOMORROW'S WAR

THE THREAT  
OF HIGH-  
TECHNOLOGY  
WEAPONS

DAVID SHUKMAN

"Alarming, fascinating, disturbing, and hypnotic, David Shukman's authoritative account offers a wonderfully readable, thoroughly intriguing portrait of a new strain of technology elegant in its capabilities and frightful in its implications." (Daniel P. Bolger, author of *Savage Peace: Americans at War in the 1990s*)

"Shukman has looked into the high-tech future of warfare and determined it could work all too well." (Kirkus Reviews)



HARCOURT  
BRACE

Now in PAPERBACK...

## Germany, Hitler, and World War II

Essays in Modern German and World History

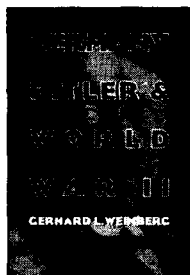
**Gerhard L. Weinberg**

*"Gerhard Weinberg delights in questioning conventional wisdom in this collection of papers written over many years on aspects of World*

*War II....Germany, Hitler, and World War II is a thoughtful and provocative reinterpretation of many aspects of this period."*

— Washington Post Book World

56626-6 Paperback \$15.95



## The Making of Strategy

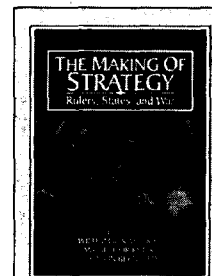
Rulers, States, and War

**Williamson Murray, MacGregor Knox, and Alvin Bernstein, Editors**

*"Each essay is self-contained, and [those] searching for brief but expert analyses of strategic case studies will welcome this book."* — Foreign Affairs

Contributors: Williamson Murray, Mark Grimsley, Donald Kagan, Alvin H. Bernstein, Arthur Waldron, Geoffrey Parker, William S. Maltby, John A. Lynn, Peter Maslowski, Holger H. Herwig, John Gooch, Brian R. Sullivan, Wilhelm Deist, Eliot A. Cohen, Robert A. Doughty, Earl F. Ziemke, Michael I. Handel, Colin S. Gray, MacGregor Knox

56627-4 Paperback \$19.95



Available in bookstores or from

**CAMBRIDGE**  
UNIVERSITY PRESS

40 West 20th Street, New York, NY 10011-4211 Call toll-free 800-872-7423

MasterCard/VISA accepted. Prices subject to change. Web site: <http://www.cup.org>

and Korea, reducing their dependence on and increasing their leverage with the Middle East and Russia. Transporting the Caspian's resources eastward would entail building the longest natural gas export pipeline in the world at a cost of well over \$10 billion. Yet such a pipeline could well benefit the United States, diplomatically and economically, as well as the major East Asian nations. It offers another chance to transform the geostrategic danger of Asia's energy shortage into opportunity.

Asia's energy realities cannot be reduced to a purely economic calculus. They have presently subtle but ultimately dangerous implications that should make them a priority in the Pacific policy dialogue now under way. It is profoundly in America's interest to assure, through activism, that energy becomes a bridge for cooperation between the United States, Japan, and the potentially volatile continent of Asia, rather than a catalyst for distrust and uncertainty.🌐

# Somalia and the Future of Humanitarian Intervention

*Walter Clarke and Jeffrey Herbst*

## LEARNING THE RIGHT LESSONS

THE AMERICAN-LED operation in Somalia that began when U.S. Marines hit the Mogadishu beaches in December 1992 continues to profoundly affect the debate over humanitarian intervention. The Clinton administration's refusal to respond to the genocide in Rwanda that began in April 1994 was due in part to its retreat from Somalia, announced after the deaths of 18 U.S. Army Rangers on October 3-4, 1993. In Bosnia, U.N. peacekeepers under fire from or taken prisoner by Serb forces over the last two years were expected to turn the other cheek for fear of "crossing the Mogadishu line." This expression, reportedly coined by Lieutenant General Sir Michael Rose, former commander of the United Nations Protection Force in Bosnia (UNPROFOR), describes the need to maintain neutrality in the face of all provocation for fear of becoming an unwilling participant in a civil war. In recent months, the design of the U.N. Implementation Force in Bosnia has been shaped by what was purportedly learned in Somalia.

The doctrines of both the United States and the United Nations were also clearly affected. President Clinton issued a policy directive in April 1994, shortly after U.S. forces left Somalia, that implied a sharp curtailment of American involvement in future armed human-

---

WALTER CLARKE was Deputy Chief of Mission, U.S. Embassy, Somalia, during Operation Restore Hope and is now an independent consultant on military affairs. JEFFREY HERBST is Associate Professor, Woodrow Wilson School, Princeton University.



itarian interventions and that marked a retreat from his administration's earlier rhetoric of assertive multilateralism. Similarly, in the 1995 (second) edition of *An Agenda for Peace*, the fundamental policy document on U.N. peacekeeping, Secretary-General Boutros Boutros-Ghali expressed less optimism about the possibilities for intervention than he did in the 1992 (first) edition, largely because of the United Nations' searing experience in Somalia. Continuing efforts by congressmen to cut or restrict U.S. contributions to U.N. peacekeeping are also a direct response to the perceived failures in Somalia.

While Somalia should be an important precedent for international intervention in the post-Cold War world, it is not clear the right lessons have been learned. Much of the received wisdom on the intervention is based on patent falsehoods hurriedly transmitted during the press of events. Moreover, some individuals and governments have reinterpreted the Somalia intervention to protect their reputations and interests.

The task now is to reevaluate the mission in the harsh light of the facts, separate and acknowledge the errors unique to the Somalia mission, and distill some guiding principles for other would-be intervenors. This much is manifest: no massive intervention in a failed state—even one for humanitarian purposes—can be assuredly short by plan, politically neutral in execution, or wisely parsimonious in providing “nation-building” development aid. Nations do not descend into anarchy overnight, so intervenors should expect neither the reconciliation of combatants nor the reconstruction of civil societies and national economies to be swift. There is an inescapable reciprocity between civil and military goals. Military commanders cannot expect a failed state to become inherently peaceful and stable and their efforts to be worthwhile in the long run without the work of developmental and civil affairs experts. Likewise, humanitarian workers must recognize that the relief goods they handle in failed states can become the currency of warlords.

#### THE NATURE OF THE MISSION

THE MOST common charge about the Somalia intervention is that the mission changed. The general argument is that the extremely limited

U.S.-led intervention initiated by President Bush to feed Somalis in December 1992, the Unified Task Force (UNITAF), was a success, but the operation began to founder when the second U.N. Operation in Somalia (UNOSOM II) took over in May 1993 and expanded the mission to include the rebuilding of basic state institutions—"nation-building." Former Assistant Secretary of State for African Affairs Chester Crocker, for example, argues that the Security Council adopted a "sweepingly ambitious new 'nation-building' resolution" in March 1993 that marked a major break between the U.S. and U.N. missions in Somalia. *The New York Times* echoed many editorial pages when it lamented that "the nature of the mission changed dramatically in June [1993], right after Washington turned control over to the U.N." Many commentators now call for a strict division between humanitarian interventions and nation-building, largely because of this interpretation of the Somalia case and the belief that the United Nations tried to take on more than it could control. Richard Haass, a special assistant for national security affairs to President Bush, distinguishes between humanitarian interventions, which are intent on "providing protection and other basic needs," and much more complex endeavors, such as nation-building, which envision "recasting the institutions of the society." He suggests that the Somalia mission widened to include nation-building because "policymakers got ambitious."<sup>1</sup>

The reasons for the rhetorical emphasis on the supposed mission expansion are complex. Certainly the televised and published images of U.S. troops fighting hostile Somalis and pursuing General Mohamed Farah Aideed in August 1993 were jarring to Americans who a few months before had seen pictures of their soldiers providing food to grateful, emaciated people. The Rangers' disastrous firefight in October prompted many—both within the Clinton administration and those outside who had applauded Bush's decision to intervene—to distance themselves from the tragedy by blaming the United Nations. President Clinton, when meeting with families of the dead Rangers, said, somewhat implausibly, that he was surprised the United Nations was still pursuing General Aideed.<sup>2</sup> Those willing to recognize that

---

<sup>1</sup>Richard Haass, "Military Force: A User's Guide," *Foreign Policy*, Fall 1994, pp. 26-27.

<sup>2</sup>"Ill-fated Raid Surprised, Angered Clinton," *The Buffalo News*, May 13, 1994, p. 6.

the intervention saved thousands of lives have generally focused on the alleged mission change as a way to salvage some good from a seemingly devastating foray into a foreign morass. Bureaucratic turf battles have also come to the fore. The U.S. Marines are associated with the apparently clean UNITAF intervention, the U.S. Army with the murky and ill-fated UNOSOM II operation, in which it was the leading military unit. Those contrasting images of efficacy and defeat have affected the debate on roles and missions sparked by the current defense cutbacks.

The truth about the mission and how much it changed is much more complicated. It is not true, as some have charged and the president has implied, that U.S. troops, including the Quick Reaction Force and the Rangers involved in the fatal firefight, were under U.N. command. Those soldiers were outside the formal U.N. command structure. The Rangers were commanded by Major General William Garrison, a U.S. Special Forces officer who reported directly to U.S. Central Command at MacDill Air Force Base in Florida. The searches for Aideed, including the one that led to the Ranger casualties, were all approved by senior American authorities in Washington.

When U.S. officials in Somalia gave formal control to the United Nations on May 4, 1993, they had already determined the nature of the follow-on operation. Admiral Jonathan Howe, who had been the deputy national security adviser in the Bush administration, was named the secretary-general's special representative to Somalia and took charge of the operation. The allegation that the United Nations greatly broadened the mission the United States had outlined is simply not true. In fact, all the major Security Council resolutions on Somalia, including the "nation-building" resolution, were written by U.S. officials, mainly in the Pentagon, and handed to the United Nations as *faits accomplis*. Only after the October 1993 firefight did the United States try to wash its hands of an operation that it had started and almost entirely directed. As one international civil servant said, the United Nations was "seduced and then abandoned" by the United States.

---

The United States  
'seduced and abandoned'  
the United Nations.

The distinction between humanitarian intervention and nation-building that is central to so many critiques of the Somalia operation and intervention is problematic. The implication of those who support only humanitarian intervention is that Somalis were starving because of an act of nature. But the famine that gripped Somalia in 1992 resulted from the degeneration of the country's political system and economy. Andrew Natsios, who was the assistant administrator of the U.S. Agency for International Development during the Somalia relief operations, has noted that food imported for the relief effort became a prized plunder of merchants, unemployed workers, and gangs of young men. Militia leaders used stolen food aid to amass wealth for purchasing weapons and keeping followers loyal. "Merchants would actually request the local militia or bands of thieves to steal more food as their stocks diminished each day," according to Natsios. The country's entire political and economic systems essentially revolved around plundered food.

When U.S. troops intervened in December 1992 to stop the theft of food, they disrupted the political economy and stepped deep into the muck of Somali politics. By reestablishing some order, the U.S. operation inevitably affected the direction of Somali politics and became nation-building because the most basic component of nation-building is an end to anarchy. The current conventional wisdom that draws distinctions between different types of intervention and stresses the desire to avoid nation-building may be analytically attractive, but it is not particularly helpful. How could anyone believe that landing 30,000 troops in a country was anything but a gross interference in its politics? The Mogadishu line was crossed as soon as troops were sent in.

#### AMBIVALENCE KILLS

MUCH OF WHAT went wrong in the Somalia operations can be traced to the schizophrenia of the Bush and Clinton administrations when confronted with the fact that any intervention would deeply involve the United States in Somali politics. Bush at times recognized that reality. Those who claim that the United Nations changed the Somalia mission should remember his December 1992 announcement:

Our mission is humanitarian, but we will not tolerate armed gangs ripping off their own people, condemning them to death by starvation.

General [William] Hoar and his troops have the authority to take whatever military action is necessary to safeguard the lives of our troops and the lives of Somalia's people . . . the outlaw elements in Somalia must understand this is serious business."<sup>3</sup>

His administration, however, disregarded the implications of its intervention. Bush wanted to get the troops out quickly, perhaps by Clinton's inauguration the next month. Also, General Colin Powell and his doctrine advocating overwhelming force and limited objectives so dominated both administrations that no other vision of the Somali operation could be enunciated.

It is not the case that the United States intervened adroitly in a limited humanitarian mission only to have the United Nations bungle because it chose to do nation-building. Rather, the two missions differed fundamentally. American leaders, in trying to get in and out of Somalia as quickly as possible, simply postponed the problems that logically followed from the intervention. The United Nations was left to confront those ramifications and inevitably found the going rough. It had to address the reordering of Somali society because no one, especially the United States, would have been happy if Somalia's strife-torn status quo quickly reappeared.

The American refusal to face up to the consequences of its intervention was especially damaging to the critical issue of disarmament. Roughly 30,000 in number when they arrived, U.S. troops had more power than anyone and therefore the greatest capability to disarm the belligerent forces. However, U.S. officials told the Somali warlords that they could keep their weapons if they moved the arms out of Mogadishu or into their respective cantonments. The failure to disarm the warlords was a tragic mistake because a concentrated effort to remove and destroy the Somalis' heavy arms was possible and would have sent an early and strong message that the United States and United Nations were serious about restoring order. Many Somalis fully expected to be disarmed and were surprised at the inaction of the U.S.-led in-

---

<sup>3</sup>George Bush, "Humanitarian Mission to Somalia: Address to the Nation, Washington, DC, December 4, 1992," *U.S. Department of State Dispatch*, vol. 3, no. 49, December 7, 1992.



tervention force. Ironically, all the Somali factions subsequently agreed to disarm themselves in the Addis Ababa accords of March 1993. The United States could have argued that, as an impartial force, it was helping to enforce an accord among Somalis themselves.

The warlords, always acutely sensitive to the correlation of forces, quickly realized that their power would not be challenged. They could wait until the United States and its allies left and then challenge the U.N. force, which would have fewer arms and a more delicate command and control structure. Thus it is a mistake to say the United

---

U.S. officials decided  
not to disarm Somalis,  
then came to regret it.

States succeeded with UNITAF; to the contrary, U.S. forces made it clear that they would not challenge the warlords and would stay so briefly that the Somalis had no interest in hindering their departure.

As the United States drew down its forces, Washington began to appreciate the need for disarmament. In a speech on August 27, 1993, Secretary of Defense Les Aspin acknowledged that disarmament of the clans was necessary.<sup>4</sup> By then, UNITAF was long gone, and the 20,000 personnel comprising UNOSOM II had been either shattered by Aideed's attacks or sidelined for political reasons. The only serious war-fighting forces in Somalia were the 1,200-member Quick Response Force, composed of elite soldiers from the U.S. Army's 10th Mountain Division and several hundred Rangers, who began to arrive on the day of Aspin's speech. These lightly armed and highly specialized units were inappropriate for disarmament. However, continuing the American inability to match means with ends, Aspin denied U.S. force commander Major General Thomas Montgomery's request for tanks in case the Rangers got bogged down in their search for Aideed. The administration feared congressional opposition to the request for increased U.S. firepower.

The asymmetry between U.S. forces and the operation's goals reached its height after the fatal Ranger clash, when President Clinton

---

<sup>4</sup>Les Aspin, "Remarks Prepared for Delivery by Secretary of Defense Les Aspin at the Center for Strategic and International Studies, Washington, DC, August 27, 1993," *News Release*, Washington: Office of the Secretary of Defense, p. 5.

finally sent the military equipment, notably gunships and tanks, that U.S. commanders had been denied. Under heavy congressional pressure, however, the administration instructed U.S. forces to adopt a purely defensive posture, end the hunt for Aideed, and hunker down until the March 31, 1994, deadline that President Clinton had set for American withdrawal. The United Nations was left high and dry to pursue sharply limited aspects of the nation-building program designed by the U.S. government 15 months earlier.

American ambivalence toward the intervention manifested itself in other ways too. The initial plans for Operation Restore Hope—the name Bush administration officials gave to UNITAF—included the activation of eight to ten reserve military civil-affairs units (about 250-300 personnel) to work with local governments in Somalia, particularly on rebuilding the police and judiciary. However, the Joint Chiefs of Staff opposed the idea because the operation was supposed to last only six weeks. In the end, only three dozen civil-affairs specialists were sent to Somalia during the UNITAF operation. By contrast, 1,000 civil-affairs specialists were committed to Kuwait City in 1991 after the Iraqis had been expelled. The United States devoted money and attention to rebuilding the Somali police force only after the Rangers' battle, but by then it was too late.

Similarly, there was essentially no development aid or expertise available during the Somalia operations beyond that for hunger relief. One senior disaster relief specialist concluded that in Somalia there was no connection between relief and development.<sup>5</sup> Disaster relief specialists wrote an economic recovery program for Somalia—a task well outside their expertise—because no one else was available. Given that so much of the economy revolved around the plunder of food aid, the failure to develop a plan to restore the economy to normal was a grievous error and emblematic of the mission's failure to address anything beyond exigencies.

---

Requests for tanks from soldiers in Somalia were turned down.

---

<sup>5</sup>Charles Petrie, "The Price of Failure," paper presented at the conference, "Learning from Operation Restore Hope: Somalia Revisited," Princeton University, April 21-22, 1995, p. 10.

The international community should discard the illusion that one can intervene in a country beset by widespread civil violence without affecting domestic politics and without including a nation-building component. Attention must be devoted to rebuilding the institutions whose collapse helped bring on disaster. Stopping a man-made famine means rebuilding political institutions to create order. No intervention in a troubled state such as Somalia can succeed in a few weeks. Unless development aid and external assistance address the long-term political and economic implications of an intervention, it is doomed.

These conclusions have implications for force structure. In the U.S. military, only three percent of civil-affairs officers are on active duty; the remainder are in the reserves. Military authorities have difficulty calling up these units because they tend to be comprised of lawyers, small-town mayors, police officers, and others who cannot be repeatedly activated without disruption. A larger active-duty civil-affairs contingent would help a military force engaged in a humanitarian intervention.

#### WORKING WITH THE WARLORDS

A CRITICAL issue in any intervention is how to promote reconciliation and negotiate with the armed principals. The challenge is particularly difficult because promoting long-term reconciliation may mean empowering the unarmed, while short-term exigencies will require reaching a *modus operandi* with the warring factions. This problem has been expressed, somewhat simplistically, as facilitating reconciliation from either the bottom up or the top down. Actual reconciliation is always more complex, involving settling of local disputes that can boil up to the national level and brokering agreements between major combatants to stop fomenting civil unrest.

In Somalia there was no clear vision of how reconciliation should proceed. The United States initially saw its mission as short and limited to opening supply lines so that it would not have to become involved in Somali politics. Nor did the United Nations have a clear road map for reconciliation. The short-range objectives of the U.S. involvement meant that it was very difficult to take many credible

steps to promote reconciliation. The expectation was that the combatants, after years of fighting a civil war, could somehow resolve their differences in a few months. Given such circumstances, it was inevitable that groups without large stocks of weaponry would be leery of collaborating openly and quickly with the United Nations to rebuild local government institutions.

Both the United States and the United Nations sought to stay neutral. For the United States, Lebanon—where its role quickly evolved from mediator to fighter, ultimately with dire results—obviously was an important influence. For the United Nations, the precept of neutrality had been a hallmark of its peacekeeping activities for decades. Instead of remaining neutral, however, the United States and United Nations ended

up enhancing the roles and status of the warlords. U.S. rules of engagement in Somalia forbade any interference in Somali-on-Somali violence, despite President Bush's rhetoric in defining the mission. Most important, the failure to disarm the major combatants meant that the United States and the United Nations in effect sided with those who had the most weapons, leaving the weak and defenseless to abandon hope.

The intervening forces failed to recognize which Somalis had been victims. Collapsed states like Somalia are often pictured as reverting to a Hobbesian state of nature, a battle of all versus all. Much of what appears to be incomprehensible warfare in Somalia is a struggle for land between the African farmers in the south and the northern, clan-based nomadic groups, which are better armed. Most of the victims in Somalia were members of the Bantu and Benadir clans, sedentary coastal groups who traditionally live in uneasy coexistence with neighboring ethnic Somali groups, and the Rahanweyn clan, who work the rich agricultural land in the Jubba and Shabeelle river valleys in the south and which is the weakest militarily.

The illusion that traditional peacekeeping methods emphasizing neutrality and impartiality were adequate to handle state failure in Somalia was finally swept aside when Aideed's forces ambushed a group of Pakistani soldiers on June 5, 1993, killing 24. A bounty was

---

No one had a clear road map for reconciliation of the Somali factions.

soon put on Aideed's head by Admiral Howe, and U.S. soldiers, who were meant only to be a backup in the event U.N. forces ran afoul of the warlord's militias, undertook the increasingly violent operations to catch him, resulting in the October 3-4 firefight. In retrospect, it is easy to claim that the hunt for Aideed was a mistake. But the ques-

---

Why hunt down Aideed  
if the warlords' power  
structure would persist?

tion was thorny: how should a duly mandated international force respond to an attack? The precepts of neutrality and noninterference in internal affairs—usually employed in peacekeeping operations in which the United Nations arrived after the fighting is over and no one has an incentive to target the U.N. blue helmets—were of little use. Furthermore, U.S. and U.N. officials faced the practical consideration that, around the world, thousands of peacekeepers were in vulnerable situations. Failure to act against a direct attack in Somalia, the Clinton administration felt, would put these forces in jeopardy. Finally, U.S. and U.N. decision-makers recognized that, given Somali culture, a forceful response was needed to stave off additional attacks.

Given the self-imposed limits of the operation, the hunt for Aideed certainly contradicted U.S. and U.N. policy: why pursue Aideed if the international force was unwilling to dilute the power of the warlords over the long run? Even with the threat Aideed posed, would his capture cause Somali society to instantly reconstruct itself? U.S. and U.N. officials in Mogadishu were not guilty of expanding the initial mission. They were guilty of not persuading their leaders that the mission had been so sharply curtailed at the outset that any later action to alter the balance of power in Somalia would meet violent resistance. A policy that allowed unarmed Somalis to emerge as political players and changed the Somali power balance should have been in effect from the start.

Somalia took years to reach its nadir; it is reasonable to suggest that it might take years for a fundamental reconstruction. Unfortunately, the international community lacks the tools to address the long-term political reconstruction of a country that has no government. The United Nations since 1945 has basically been a decolonization machine: its primary purpose has been to proclaim as quickly as possible that



every newly independent country is able to govern itself. The idea that Somalia was not able to rule itself—now or for a long time—went so deeply against the organizational grain of the United Nations that an approach incorporating long-term reconstruction was never considered. For instance, although it was obvious when American troops hit the Somali beaches that the country was essentially being taken over, no one seriously considered trusteeship or any similar legal approach; the fiction that Somalia was still a sovereign state was perpetuated. The United States and the United Nations had to pretend that Somalia could resume self-government quickly and that pretense almost automatically led them to cooperate explicitly and implicitly with the warlords.

#### UNITED NATIONS-BUILDING

THE UNITED NATIONS, in taking over the Somalia operation in 1993, clearly did not have the resources or the ability to do the job the United States drew up. The errors that compounded the problem have been chronicled: the United Nations was slow in making appointments, it did not appoint very qualified people, its decision-making process was often cumbersome (especially compared with the U.S. Marines), and it made some extremely poor decisions, as when it delayed helping recreate the Somali police force because it preferred to have a government in place first.

While some errors like these can and should be quickly fixed within current U.N. structures; others cannot. There was a widespread expectation that the end of the Cold War would finally enable the United Nations, after decades of gridlock induced by superpower vetoes, to assume the full mantle of peace activities envisaged by its founders. Somalia is the most obvious case to date of the world organization taking on new duties to build the new world order. However, the United Nations' capabilities have changed little in response to these new challenges. Much of the blame can be lodged with the U.N. bureaucracy, which must be reformed. However, the United Nations' major donors must also take responsibility for failing to provide the financial and intellectual leadership needed to accomplish these new tasks.

Given the current attitude in Congress toward the United Nations, the world's powers may not be willing to revitalize the organization to

usher in the new world order that President Bush articulated a few years ago. But the implications of such a course must be made clear. As the idea that all the new postcolonial countries can sustain durable state institutions is exposed as a myth, there will be more Somalias. By not strengthening the United Nations, the world—the United States in particular—is explicitly deciding to tolerate more of the suffering and starvation that moved President Bush and other Americans to act in 1992. Not to admit that the alternative to stronger and better-suited international institutions is the starvation and suffering of millions of people is dishonest. Such future tolerance of disorder was previewed in Rwanda in April 1994, when the world, paralyzed by the Somalia debacle, did nothing as the Hutu government slaughtered upward of half a million Tutsis.

#### THE FUTURE OF INTERVENTION

GIVEN THE isolationist currents in Congress, it may seem a strange time to speculate about the future of intervention. However, the pendulum is bound to swing back as the American public and its leaders show little appetite for the kind of future described above. Opinion polls consistently suggest that peacekeeping operations have more support than is commonly acknowledged in Congress. Also, other countries may intervene (as France did in Rwanda) from time to time to promote humanitarian objectives.

Three lessons can be drawn from the Somalia experience. First, future intervenors must understand that there is no such thing as a humanitarian surgical strike. Although the United States knew that Somali warlords were diverting massive amounts of food, it did not acknowledge that its intervention would thrust it deep into Somali politics. To be successful, the United States will have to discard the fiction that a large military force can or should be apolitical when it is supporting internationally agreed-upon political goals. The American idea that Somalia's problems would be fixed in a few weeks was so at odds even with President Bush's description of the problem that it was obvious from the beginning that there was no will to see a solution through. Time estimates for interventions must be adjusted.

This lesson, unfortunately, was not absorbed during the planning for the operations in Bosnia. Secretary of Defense William Perry recently proposed a firm deadline of one year for the duration of the mission, presumably to assuage concerns about getting American troops into a deadly quagmire. Such a deadline is counterproductive because there is no guarantee that the political and humanitarian goals can be achieved in a year. Deadlines only let warlords know how much time they have to prepare for the next round of ethnic cleansing and related atrocities.

The Somalia experience suggests that Secretary Perry's stated strategy of sending in a large force that would be drawn down quickly is a mistake, even though such a strategy might buy some short-term domestic political support. This schedule does not address the humanitarian needs on the ground, whose pace of resolution cannot be controlled by Washington, New York, or Brussels. Force deployment schedules should be flexible and realistically applied to the operation's political goals. Reconciliation in the Balkans will take more than a year. The size and nature of the force should reflect the stages of the peace process and the level of threat on the ground.

The current description of mission goals in Bosnia by administration leaders would seemingly prevent humanitarian relief or resettlement of refugees by the multinational force because these tasks are deemed nation-building. Yet those activities, which will be handled by international agencies and private voluntary organizations, must be protected by force. The experiences of Somalia and the three other major U.S. post-Gulf War interventions (northern Iraq, Rwanda, and Haiti) demonstrate that at the outset of military operations humanitarian agencies are exposed to security risks. Responses to urgent requests by relief agencies for logistical support cannot be cited as evidence of "mission creep," as was sometimes charged in Somalia, especially when such requests are predictable and probably intrinsic to mission success. Other political activities (e.g., assisting in the resettlement of refugees, protecting emergency food distribution, and securing medical treatment points) that the U.N. Implementation

---

No large military force  
can be apolitical in an  
intervention.

Force will undoubtedly have to undertake to meet the humanitarian goals of the mission should not be criticized as nation-building but supported as precisely those tasks that required and justified a heavily armed force to be sent in the first place.

Defining a failed state is a second area that needs work. There is understandable reluctance to proclaim trusteeships, given the term's

---

An equivalent of the  
U.S. bankruptcy law is  
needed for failed states.

association with colonialism. A new term is needed to express the idea that a state's fundamental institutions have so deteriorated that it needs long-term external help, not to institutionalize foreign control but to create stronger domestic institutions capable of self-government. The development of an in-

ternational political equivalent to American bankruptcy law is not merely an arcane task for international lawyers. A clear procedure for handling a failed state and determining that state's relationship to the international community is essential if the mistakes of the Somalia intervention are not to be repeated.

Third, the proper intervention forces must be developed. There has been much talk about the formation of a U.N. army that could intervene in troubled areas, but little action. The long-term prospects for such a force remain unclear. Peacemaking operations call for commanders with skills in politics, war-fighting, and the complex interaction between the two. The Somalia experience suggests that any force—from one country or a group of countries—must have units trained in executing complex political-military operations. Civil-affairs officers did important work in Kuwait City and Port-au-Prince, and they could have done so in Mogadishu, as Australian units did in parts of western Somalia. Such a force would have to include units devoted to psychological operations and intelligence. Few militaries other than America's have such units, which are necessary to interact with the local population and promote reconciliation.

#### CONCLUSION

SOMALIA, AS more and more are now recognizing, was not an abject failure. The United States initiated an operation that helped save an

estimated 100,000 or more lives. That accomplishment stands out starkly amid the general apathy with which the world has greeted the major humanitarian crises of the 1990s. However, the operation's end did not come close to being desirable. Tragically, troops of the United States and other countries, who had gone to Somalia with the best of intentions to help save fellow human beings, lost their lives. Achieving positive results in Somalia would have been exceptionally difficult under the best of circumstances. However, the UNOSOM II mission was doomed from the outset because the United States set the United Nations up for failure by refusing to confront the important tasks that could have been accomplished only by a highly trained force at the beginning of the operation. This arduous mission brought many critical U.N. administrative weaknesses to the surface, and the U.N. forces were unable to recover from the precipitous American withdrawal. To do better, Americans and others need a much clearer idea of what humanitarian intervention entails and how they are realistically going to achieve their goals. Achieving international agreement on the appropriate methods and force structures to accomplish meaningful humanitarian intervention will be difficult, but the payoff could save countless lives. 🌐



# Global Leadership After the Cold War

*Boutros Boutros-Ghali*

## A NEW ROLE FOR THE SECRETARY-GENERAL

THE DEFINITION of the U.N. secretary-general's role is far from precise. The U.N. Charter identifies the secretary-general as "the chief administrative officer" of the United Nations, permits him to "bring to the attention of the Security Council any matter which in his opinion may threaten the maintenance of international peace and security," and instructs him to perform those functions entrusted to him by U.N. organs, but it leaves much about the position a mystery. This is not a liability but an asset. The leeway the language of the charter provides is essential if the United Nations as a whole, and the secretary-general in particular, are to deal effectively with the rapidly changing complexity of human and international affairs.

During the Cold War, the superpowers controlled global decisions, and the ideological contest between them constrained the secretary-general. Today we are living in the midst of a worldwide revolution. With the end of the Cold War, an international system that had politically, economically, and strategically involved every country in the world disappeared almost overnight. As international trade and commerce have rapidly expanded, peoples and places have undergone unprecedented change. The explosion of scientific knowledge has produced remarkable inventions, and human horizons appear limitless. With the communications revolution, image is becoming more influential than fact.

---

BOUTROS BOUTROS-GHALI is Secretary-General of the United Nations.

As the 21st century approaches, the planet is in the grip of two vast, opposing forces: globalization and fragmentation. Globalization is creating a world that is increasingly interconnected, in which national boundaries are less important, and it is generating both possibilities and problems. Alarming environmental developments expose the earth to permanent damage and spur massive human migration. Transnational criminal activity grows. Even the spread of communications technologies, which has produced so much good, engenders pressures that our institutions were not designed to address.

And then there are the forces of fragmentation. Rising insecurity and unmet needs are leading people everywhere to seek refuge in smaller groups. This tendency can promote the healthy growth of civil society, as evidenced by the burgeoning of citizens groups and nongovernmental organizations acting in pursuit of public purposes. But fragmentation can also breed fanaticism, isolationism, separatism, and the proliferation of civil conflict.

History reveals that those caught up in revolutionary change rarely understand its ultimate significance. The outcome of the current transition period cannot yet be foreseen, but we are not helpless in the face of these global developments. The United Nations can help deal with the challenges that globalization and fragmentation pose now and in the future. It was designed to be both the world organization and the organization of its member states, responding both to global concerns and to the needs of member states and their peoples. As if in training for precisely this moment, the United Nations has in its 50 years gained enormous experience in contending with the problems that both trends have spawned.

In response to globalization, the United Nations has defined human rights for the international community. It has fostered the progress of international law. It has transformed the law of the sea. Through a series of global conferences, it is promoting international consensus on disarmament, the environment, population, social development, migration, and the advancement of women.

Confronted by fragmentation, the United Nations played a key role in decolonization, giving international recognition and economic and social support to wave after wave of newly independent states. It has responded to civil wars in Zaire, Cambodia, El Salvador, Angola,

and Mozambique. It is today helping economies in transition move toward more open and inclusive economic and social systems. And it is assisting states all over the world in the process of democratization.

But the United Nations cannot meet these new challenges, for it is trapped by a second dilemma. With the emergence of the problems associated with globalization and fragmentation, the world body has been given vast responsibilities, but it lacks the political, military, material, and financial resources required to accomplish these tasks.

Today and for the foreseeable future, the secretary-general must operate within the context of both the world dialectic of globalization and fragmentation and the U.N. dialectic of an increasing burden and decreasing resources. If the United Nations is to serve the new range of requirements of member states and their peoples, the role of the secretary-general must be created anew. Faced with these obstacles, what is the role of today's secretary-general? What can the secretary-general do? I believe a great deal can be done. I believe the secretary-general can be crucial.

#### BIGGER IS NOT ALWAYS BETTER

THE SECRETARY-GENERAL has the overriding responsibility to heighten international awareness that the immensely powerful and potentially positive process of globalization brings with it some major problems. Globalization, largely an economic phenomenon, is failing to reach all peoples. Too many are excluded, unable to obtain access to the prosperity it offers. At the same time, the market economy that is the engine of this movement is, by its very logic, driving large numbers of people—in developing, transitional, and developed countries alike—into deeper poverty and despair.

As secretary-general I have placed great importance on international conferences as a way of raising the world's consciousness about these problems. International conferences are not a new idea; they have played a part in diplomacy since antiquity. But the conferences convened since 1992 represent something new and different. They are linked. They are cumulative. They foster global consensus on interlocking global issues. They generate specific commitments. And they provide a comprehensive framework for international action in fields that are drastically

affected by the negative side of globalization: the environment and development (Rio de Janeiro, 1992), human rights (Vienna, 1993), natural disasters (Yokohama, 1994), population (Cairo, 1994), poverty, unemployment, and social disruption (Copenhagen, 1995), the advancement of women (Beijing, 1995), housing (Istanbul, 1996).

A broad assortment of new actors is appearing on the world scene. This phenomenon, a reaction to globalization, is indicative of fragmentation. Paradoxically, the globalization that is creating new problems is also contributing new solutions, for these actors have much to offer. As secretary-general I have warmly welcomed and strongly supported their emergence. Many have contributed to and participated in the U.N.-sponsored series of international conferences. In their almost infinite variety, they will shape much of the future of international life in the next century. Indeed, they will redefine the term "international."

Regional arrangements, nongovernmental organizations, parliamentarians, transnational business, academic and policy research institutions, the media—all are taking on greater global roles. Their collective impact on world events now surpasses that of traditional international structures. As civil strife and social disarray undermine the authority of the state, these networks of new actors also erode it. Although one of the major tasks of the world organization of sovereign states is to support the state, the secretary-general and the United Nations must also help these new actors find their places within a coherent international community of the future.

As globalization increases, the need to revitalize international law and promote its progressive expansion has taken on even greater urgency. Ideology and power politics have in recent decades dealt serious blows to international law. As more and more problems of order and justice are experienced transnationally, the international community must recognize that the pursuit of more effective international law and legal institutions is one of the most compelling challenges it faces.

As secretary-general and as someone with a lifelong involvement in the field of international law, I have worked ceaselessly to encourage and facilitate the use of the United Nations for this most important

---

Globalization offers prosperity, but it is also driving many into deeper poverty.

cause. The United Nations, with the International Court of Justice, commonly known as the world court, among its principal organs, provides the forum and mechanism for the advancement of international law. All member states should accept the general jurisdiction of the world court without reservation; where domestic constraints prevent this, states should provide a list of the matters they are willing to submit to the court. The dispute settlement clauses of treaties should permit the exercise of the court's jurisdiction. I have called attention to the power of the Security Council under Articles 36 and 37 of the charter to recommend that member states submit disputes to the International Court of Justice. I continue to urge that the secretary-general be authorized by the General Assembly, pursuant to Article 96 of the charter, to turn to the court for advisory opinions, providing a legal dimension to his diplomatic efforts to resolve disputes.

The next step must be the expansion of international jurisdiction. The combined actions of the Security Council and the General Assembly establishing international tribunals on war crimes in the former Yugoslavia and in Rwanda are important steps toward a world governed by law. The General Assembly is now considering the establishment of a permanent international criminal court. New global problems such as transnational crime, uncontrolled migration, and the rights of ethnic, cultural, religious, and linguistic minorities all require the benefit of international law.

#### CARING FOR ORPHANS

FRAGMENTATION CALLS for a role for the secretary-general as well. This process, running counter to globalization, has a positive dimension, as powers devolve, participation widens, and democratization becomes more possible. But the dangers are immense and require immediate action.

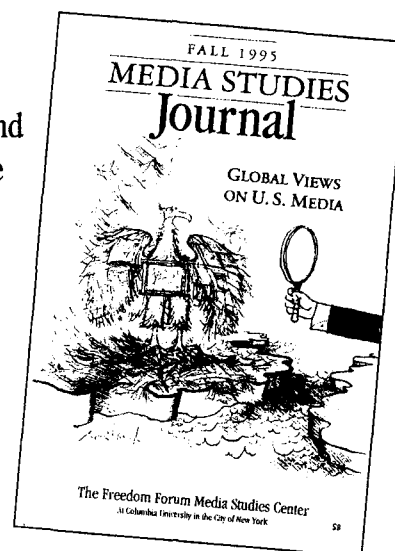
Fragmentation has provoked an upsurge in confrontation and conflict. At the founding of the United Nations in 1945, the prevailing assumption was that interstate warfare would continue to be the dominant threat to peace. The greatest fear throughout the Cold War was of a nuclear war that could devastate the planet. Today's wars, by contrast, occur mainly within, not across, state borders.



# Two good ways to discover what the world thinks of the media



How should the media meet the challenges of market economics and democratic politics? What does the rest of the world think of the American media? Find out by picking up the latest issues of the *Media Studies Journal*. They provide rare views from scores of eminent policy-makers, journalists and scholars.



"Media and Democracy" examines the dilemmas of the press in old and new democracies. Featured contributors are:

- Robert MacNeil on regaining dignity in journalism.
- Boutros Boutros-Ghali on how opinion shapes democracy.
- Brian Mulroney on images that injure leadership.
- Václav Havel on the importance of a free press.
- Maria Luisa Mackay on Latin America's changing media.
- Lawrence K. Grossman on the electronic republic.
- Adam Michnik on Samizdat "going public."
- Victor Navasky on the role of opinion journals.
- Nancy Hicks Maynard on diversity and democracy
- Gábor Demszky on free expression in Eastern Europe.
- Leo Bogart on the media as agents of democracy.
- Orville Schell on the media and market in China.
- Davis Merritt on public journalism.
- Denis McQuail on the media-politics relationship.
- Monroe Price on the impact of TV images from Russia.

"Global Views on U.S. Media" offers perspectives around the world on American media. Among the contributors are:

- Anthony Smith on the shocks of globalization.
- Edward Said on covering Gaza and the West Bank.
- Sebletso Mokone-Matabane on U.S. media in South Africa.
- Claude-Jean Bertrand on the U.S. media myths.
- Ann Wroe on religion in the U.S. press.
- Jeremy Tunstall on America's place in world media.
- Kemal Kurspahic on coverage of Bosnia.
- Stephan Russ-Mohl on preserving the First Amendment.
- Shailaja Bajpai on American television in India.
- Rick Groen on Canada's view of U.S. culture.
- Ana Baron on the honesty of American media.
- Wolfgang Donasbach on reporters' values.
- Yasunori Asai on U.S. media influence in Japan.
- Annie Cohen-Solal on how the U.S. media play in France.
- Francis T. Seow on the free and flippant American media.

The *Media Studies Journal* is published quarterly by The Freedom Forum Media Studies Center at Columbia University and is available by subscription.

To order a free single copy of either journal, write The Freedom Forum Media Studies Center or call 1-800-830-3733. Request "Media and Democracy," item #95-MO5 or "Global Views," item # 95-MO6.



**The Freedom Forum  
Media Studies Center**  
At Columbia University in the City of New York

2950 Broadway  
New York, NY 10027  
Tel: 212/678-6600

## New from RAND

*A significant contribution to future planning strategies*

### **STRATEGIC APPRAISAL 1996** edited by Zalmay Khalilzad

A key issue in today's changing world is the U.S. role given the international political climate. *Strategic Appraisal 1996* provides an up-to-date assessment of current U.S. policy in the Balkans, Russia, Europe, Asia, Latin America, Africa, and the Middle East as the basis for setting future policies, and discusses the complexities of current geopolitical trends.

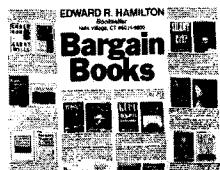
\$20.00 paper • ISBN 0-8330-2343-8 • 340 pp.

Now available from bookstores or  
National Book Network  
800-462-6420 or 301-459-3366

## Free Catalog Bargain Books

**Save up to 80% on America's biggest selection of bargain books** - recent publisher's overstocks, imports and reprints.

Choose from yesterday's best sellers to rare, unusual, fascinating titles. Quality hardcover books, starting at \$3.95. **Politics**—U.S. and global; Biography, History, Science, Travel, Fiction, the Arts and more. Thousands of titles.



Send FREE Catalog  
of Bargain Books.

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State / Zip \_\_\_\_\_

**HAMILTON** 5068 Oak, Falls Village, CT 06031-5005

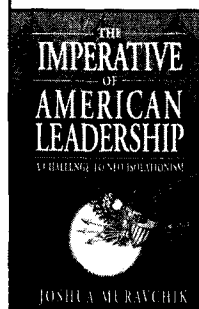
## NEW FROM THE AEI PRESS

PUBLISHER FOR THE AMERICAN ENTERPRISE INSTITUTE

### **THE IMPERATIVE OF AMERICAN LEADERSHIP**

**A Challenge to Neo-Isolationism**

By Joshua Muravchik



A powerful new argument that an activist American foreign policy is indispensable to world peace—and to America's own interests—in the post-cold war era.

ISBN 0-8447-3958-8  
\$24.95 cloth

### **TRADE AND SECURITY**

**U.S. Policies at Cross-Purposes**

By Henry R. Nau

**Trade  
Security**

U.S. POLICIES  
AT CROSS-PURPOSES

**HENRY R. NAU**

A spirited challenge to the notion that global economics has replaced security as the primary U.S. foreign policy interest.

ISBN 0-8447-7038-8  
\$9.95 paper  
ISBN 0-8447-7056-6  
\$29.95 cloth

FA0396

**AVAILABLE IN BOOKSTORES  
OR CALL 1-800-269-6267**

The secretary-general can play an extremely important part in helping to settle these conflicts. Preventive diplomacy, conducted early in a dispute, can ease tensions and resolve problems before they erupt in war. Its techniques—from confidence-building measures to fact-finding, from early warning to preventive deployment—were surveyed in *An Agenda for Peace*, my 1992 report written at the request of the first-ever meeting of the Security Council at the level of heads of state. Since then, preventive diplomacy has increasingly been recognized as a distinctive and indispensable field of endeavor.

However, the secretary-general is most effective when engaged in the quiet practice of preventive diplomacy. As an impartial figure with a global mandate, relatively unencumbered by political or bureaucratic pressures and without the desire or compulsion to publicize his role, the secretary-general can achieve a great deal behind the scenes to help parties settle their differences before their confrontation becomes public. While many solutions involve mutual accommodation and compromise, others may require one side to give more than the other. In such cases, resolving an issue early and privately can be the key to preventing bloodshed.

The secretary-general also has a responsibility to take a public stand on another product of fragmentation, which I have named “orphan conflicts.” The forces of fragmentation can cause a state—particularly the poorest ones—to fail, leaving its people without a government to protect them from chaos. The ethics of the modern world have stressed the dignity of the individual, the equality of states, and the need for universal principles of justice, but the reality is too often otherwise. Lives lost in one place seem to matter more than lives lost in another. War in one country may get enormous attention, while war elsewhere may be virtually ignored. Violations of the rights of one people arouse far more concern than violations of the rights of another. These latter conflicts are orphans, deprived of international attention, concern, and effort. They demand and deserve that the international community commit the needed political, financial, humanitarian, civil, and, in some cases, military resources.

But most of the conflicts around the world fail to make the headlines. Many get only minor and sporadic press attention, while some are not reported on at all in the major media. To a distant public,

such conflicts may seem inevitable, incomprehensible, and impossible to resolve. With many in the international community inclined to turn inward after decades of global ideological confrontation, it is all too easy for governments, in the virtual absence of public pres-

---

The secretary-general has a moral obligation to call attention to ignored conflicts.

sure, to consider such disputes outside their national interest and to see no reason for action, direct or indirect. The secretary-general has a moral responsibility to call the world's attention to these orphan conflicts, which have in some cases killed thousands of people and devastated the lives of tens of thousands. And the secretary-general has

an obligation to point out the ultimate consequences for international peace and security of allowing the disease of civil conflict to rage unchecked across large areas of the world.

Fragmentation also compels the secretary-general to take a critical part in disarmament. A tidal wave of weapons has provided protagonists in poorer countries with the means to wage wars that are fracturing their societies. As the Cold War neared its end, the superpowers took the first steps toward a reduction of their nuclear arsenals. In the post-Cold War period, the major powers have turned their attention—and that of the United Nations—to the problem of the proliferation of nuclear weapons and their delivery systems. This “macrodisarmament” is vital for the future of international peace and security, but it must not come at the expense of “microdisarmament”: action to control and reduce the production, transfer, and stockpiling of conventional light weapons.

Both suppliers and recipients resist microdisarmament. The richest countries, which possess major weapons, enthusiastically advocate the nonproliferation of weapons of mass destruction but have little interest in stopping the spread of light weapons because they are the primary manufacturers of such arms. The poorest countries, which lack major weapons systems, are also enthusiastic about macrodisarmament, for they cannot hope to acquire such systems, but they oppose microdisarmament because the huge small-arms arsenals are essential to the survival of their regimes and their control of their people.

The widespread presence and availability of light weapons was a leading cause of the collapse of state authority in Somalia. As secre-

tary-general I must draw the world's attention to these weapons as a cause of fragmentation; I must point to the terrible toll they are taking on innocent human life. The most devastating of these weapons are land mines. Intended to destroy entire populations and the prospects for development for decades, land mines hurt primarily civilians, not soldiers. I have called for an International Convention on Land Mines to ban the production, stockpiling, trade, and use of all mines and mine components. By revealing where such weapons are produced, by tracking their transfer, by regulating their acquisition, and by finding ways to collect, control, and destroy them, an international microdisarmament regime can come into being, and the world can be rid of this source of fragmentation and death.

The world is witnessing amazing contradictions. Arms are manufactured in rich countries for sale to poor ones at a healthy profit. These same wealthy states later spend much greater sums on relief for the victims of the wars their arms made possible and on clearing the mines they sold from the lands they were designed to destroy. These are aspects of a larger and even more disturbing pattern: the international community's increasing willingness to let conflicts continue until the devastation is complete and then to expend huge amounts of money, material, and personnel to restore the shattered situation, requiring sums hundreds of times greater than the cost of early intervention. Media coverage contributes to this senseless trend. Since they are seen as undramatic, preventive measures that help avoid conflict are not reported, while action in the aftermath of tragedy generates emotion and produces striking images. As the Chinese proverb wisely notes, it is hard to get money for medicine but easy to raise funds for a coffin.

#### RESPONSIBILITY WITHOUT RESOURCES

IN THE CONTEXT of the dialectic within the United Nations itself, the secretary-general faces the critical task of maintaining the credibility of the organization, preventing its misuse, gaining support for it through its reform, and seeking to find a basis for its financial stability. The demands on the United Nations continue to increase in complexity, danger, responsibility, and cost. The United Nations cannot solve all the world's problems, but it can solve some of them. Deciding when to act



and when to refrain presents a profound ethical dilemma, but at present these choices are informed not by ethics but solely by power politics.

The secretary-general stands at the center of this quandary. On the one hand, choice is a practical reality of international life. On the other hand, the United Nations is the world organization, and its outlook must by definition be universal. It has no grounds on which to respond to one member state's request for assistance while denying that of another. The secretary-general is called upon, therefore, to analyze, recommend, and take action on cases as they arise, navigating as best he can within a set of fundamentally incompatible factors. My role as secretary-general is twofold. I endeavor to uphold each member state's right to request and receive U.N. assistance in a form suited to the specific situation. At the same time, I am obligated to draw attention to those needs that should take priority as determined by the principles and purposes of the United Nations. As the international community works its way toward a consensus on these intellectual and moral questions, the secretary-general must take a central role in resolving the conflict between realism and responsibility.

The secretary-general can deal with the problem of increasing demands on the United Nations in several ways. First, he can decentralize and delegate, so that all parts of the organization are utilized to their full extent. On social and economic matters, the creators of the United Nations clearly intended a broad division of labor among many institutions, agencies, and programs. Second, he can encourage regional organizations to act as surrogates of the United Nations. As secretary-general I have actively sought the involvement of regional arrangements and agencies. Chapter VIII of the charter allows such cooperation and permits great flexibility in this regard. Third, the secretary-general can encourage ad hoc arrangements that will support his efforts by bringing their influence to bear on the parties; one such informal group was "The Friends of the Secretary-General," which brought together several nearby states to help resolve the conflict in El Salvador. Finally, the secretary-general can collaborate with nongovernmental organizations and international business.

What are the dangers that these approaches might pose? A multiplicity of actors is difficult to coordinate, and duplication and harmful rivalries may arise. Authorization to serve as a surrogate might

strengthen a particular power's sphere of influence and damage the United Nations' standing as an organization intended to coordinate security across regional blocs. The overuse of authorization and delegation may also damage the United Nations' image, and the public may fail to understand why the world organization is not directly engaged in addressing the problems.

Above all, these methods of coping with the increasing demands on the United Nations raise the danger of overreliance on a particular state or group of states, undermining the principle of universality. U.N. operations are multinational and are, therefore, likely to be seen as impartial. They bring together troops from far-flung lands such as Venezuela, Jordan, and Bangladesh, strengthening transnational solidarity. And U.N. operations bring a political dimension to what has thus far been the predominantly economic character of globalization. All these U.N. attributes are giving meaning to the concept of international community, now being defined for the first time in history.

The secretary-general must insist that mandates given to the United Nations itself be clear, realistic, and backed by the human and material resources required to complete the assigned task successfully. Nothing would be more detrimental than permitting a continuation of the disparity between responsibilities and resources that would doom the organization to repeated failure. The United Nations cannot expect to avoid being used as a scapegoat in the future, and as secretary-general I have unfortunately had to endure such treatment on occasion. But member states cannot use the United Nations to avoid a problem and then blame the United Nations for failing to solve it, and the secretary-general cannot permit them to do so.

The secretary-general must also address the problem of resources. Three areas require action: emergency financial measures, organizational reform, and the search for long-term financial stability. In relation to the scope and significance of the organization's activities, the U.N. budget is remarkably small: the regular budget for 1994 was only \$1.3 billion, with another \$3.3 billion for peacekeeping activities. Yet many member states refuse to pay their assessed contribu-

---

U.N. reform must  
promote not only  
greater efficiency but  
greater democracy.

tions fully and on time, leading to a chronic shortage of cash and placing a severe strain on the organization.

As secretary-general I have taken every conceivable step to acquire the needed funds. I supported a wide variety of financial measures proposed by my predecessor to solve the cash-flow problem. I convened the Independent Advisory Group on U.N. Finances, which produced the 1992 Volcker-Ogata Report. I put forward a bond-issue proposal to the Group of Seven in 1995. None of these proposals has been adopted.

At the same time, I have carried out a series of stringent budget-cutting measures. I have reduced the number of posts in the Secretariat, dramatically streamlining and rationalizing the bureaucracy. I have supported the appointment of an inspector-general for internal oversight, consolidated 13 offices into 3 departments, curtailed travel, established accountability standards, strengthened managerial training, simplified regulations, trimmed the regular 1994-95 budget to nearly no-growth, and proposed a budget for 1996-97 that is 4.2 percent lower than the current one. These cuts have reduced expenditures, but the possible savings are minuscule compared to the magnitude of the crisis. And the financial gymnastics the crisis has required cannot long be maintained.

With long-term change in mind, I have committed myself to a mission of continuing reform. Far-reaching reform is essential if the United Nations is ever to enjoy the steady financial support of its member states. The job is not complete, nor will it ever be. The secretary-general must accept managerial, administrative, and structural reform as a perpetual responsibility.

The main arena for reform, however, is the intergovernmental machinery of the United Nations. The objective must be not only to gain greater efficiency but to promote the democratization of the U.N. system. The composition of the Security Council, and its relationship to the other principal organs, will be at the heart of this endeavor. The decisions are for the member states to take; indeed, the secretary-general is properly constrained from speaking too specifically on this question. But now and in the years to come, among the secretary-general's priorities must be the promotion of democratization within both the United Nations and international relations as a whole.

While addressing the immediate financial emergency and pursuing systemwide reform, the secretary-general must try to place the world

organization on a stable financial footing. But he cannot succeed without the help of the member states. They must recognize that publicly criticizing the organization while continuing to benefit from its work is self-defeating. They must become willing to establish sources of funding that are not dependent on their political and budgetary constraints.

Now is the time to address seriously the need for a United Nations that can operate on a secure and steady independent financial foundation. More resources are needed, and mandates must be soundly related to capabilities. Predictability in funding is essential so that operations are not undermined once under way. A system of assessed, negotiated, and voluntary contributions for financing the world body can be designed that will permit governments to maintain proper control over the U.N. budget and agenda.

In view of the importance of the United Nations for the future of human security in all its dimensions, it is reasonable to contemplate the creation of some procedure by which the organization could regularly collect a relatively small amount from one of the many daily transactions of the global economy. Measures for consideration could include a fee on speculative international financial transactions or a levy on either fossil fuel use or the resulting pollution; the dedication of a small portion of the anticipated decline in world military expenditures or the utilization of some resources released by the elimination of unnecessary government subsidies; a stamp tax on international travel and travel documents or an assessment on global currency transactions. Finding the right formula that will enable funds to flow automatically while keeping expenditures under control is a project the secretary-general must bring to fruition in the next century.

#### A DECLARATION OF INDEPENDENCE

THESE ARE the two dialectics as I see them: globalization and fragmentation characterize the world at large, while growing demands and diminishing resources affect the United Nations specifically. The secretary-general is and will continue to be central to the resolution of these issues and to the creation of a synthesis, the shape of which is still unknown. It will be, I am confident, a better world. Solidarity will mark relations among peoples, and universality will bind nations

ever closer. The credibility of the United Nations will deepen year by year. And the peoples of the United Nations will support and be well served by an organization with a proven capacity to effect peace, development, and democratization.

This vision cannot be achieved unless countries transcend their preoccupation with the short term. Democratic states focus on the next election. States in transition must, on a day-to-day basis, balance economic dynamism and social needs. The poorest nations cannot look beyond their immediate struggle for survival. Meanwhile, media practices continue to keep the public attention span short.

In opposition to these forces, the United Nations is required to contemplate the long-term future. Globalization is the world's long-term problem, and the United Nations has been engaged with its implications for decades. For decolonization, development, human rights, the environment, and many other global matters, attention within the world body has preceded effective global action. The United Nations is well placed to play the role of think tank for the global future.

The key to this future is credibility. Nothing is more precious to the United Nations than its reputation. That reputation rests on four pillars: impartiality, equity, efficiency, and achievement. A fifth, indispensable principle is independence. If one word above all is to characterize the role of the secretary-general, it is independence. The holder of this office must never be seen as acting out of fear of, or in an attempt to curry favor with, one state or group of states. Should that happen, all prospects for the United Nations would be lost. Article 100 of the charter is Psalm 100 to the secretary-general. He must be prepared to resist pressure, criticism, and opposition in defending the charter's call for all member states to respect the "exclusively international character of the responsibilities of the Secretary-General and the staff and not to seek to influence them in the discharge of their responsibilities."

As legal commentators on the U.N. Charter have noted, these words are strong and were meant to be strong. They mean that the secretary-general's loyalty must be international and nothing but international, that the international civil service must be a real civil service, and that the organization's integrity must always be sustained. Independence is the keystone of the secretary-general's mission.🌐



# Cuba's Long Reform

*Wayne S. Smith*

## WRONG PARALLELS

THE PREVAILING expectation in the United States, and certainly among American political leaders, seems to be that the end is near for Cuban President Fidel Castro and his revolution. Indeed, that has been the expectation for some years. In December 1992, shortly after passage of his Cuban Democracy Act, which tightened the embargo against the island, Congressman Robert G. Torricelli (D-N.J.) assured Americans that Castro would fall within weeks. Senator Jesse Helms (R-N.C.), in putting forward legislation last year with Congressman Dan Burton (R-Ind.) to further tighten the embargo, said Castro was on the ropes and needed only a final shove. The Helms-Burton bill would prohibit the normalization of relations with any future government that included Castro.

The only real debate has been over how the end might come. Would it be as in Romania, with the demise of a communist leader at the hands of his enraged people? Or as in Poland and the former Czechoslovakia, where dissident leaders took over the government?

Neither comparison is likely to prove apt. Communist governments were imposed on Eastern Europe at the points of Soviet bayonets. Once the bayonets were withdrawn, the collapse of those regimes was inevitable, however the endgame might play out. In Cuba, foreign bayonets were never needed; communism arrived on the crest of a popular

---

WAYNE S. SMITH, who served in the U.S. embassy in Havana from 1958 until 1961 and as Chief of the U.S. Interest Section there from 1979 to 1982, is a visiting professor of Latin American studies at The Johns Hopkins University and a Senior Fellow at the Center for International Policy. His best-known book on Cuba is *The Closest of Enemies*.

nationalist movement. True, communism was not what Castro had promised. But if it was the path along which he, the most popular leader in Cuban history, wished to lead the country, the great majority of Cubans were prepared to follow at the time. Castro continues to enjoy considerable popular support (whether or not a majority), and the army and security forces are behind him. So it is a mistake to think he will resign. To resign would be to admit defeat, and Castro is far from defeated.

Castro is not in the type of predicament faced by Romanian dictator Nicolae Ceaușescu and Soviet leader Mikhail Gorbachev. His situation more closely resembles that of Francisco Franco in Spain after World War II, and not simply because of their common Galician heritage. Both bet on the wrong side of history. In Franco's case, the bet was on World War II. One may argue about the degree of his cooperation with the Axis powers, but his sympathies were clear. He saw conservative authoritarianism as the wave of the future, to be assured by Axis victory.

Franco was wrong. The victory of the Allied powers left Spain politically and economically isolated. Spain was not even allowed to join the United Nations or participate in the Marshall Plan. To gain acceptance, to stay afloat in the new NATO-controlled, democratic sea that Western Europe had become, Spain had to adjust. Pragmatically, Franco began to do so, not because he wished to but because he had little choice. The pace was deliberate, with Franco maintaining tight control throughout. Spain did not attain full democracy until Franco passed from the scene in 1975, but he had laid the groundwork for both democracy and a modern economy.

#### LESSONS FROM FRANCO

CASTRO ALSO made the wrong bet. He thought Marxism-Leninism was the wave of the future. He now has no alternative but to reintegrate Cuba into an international community he never anticipated. Like Franco, he is beginning pragmatically. One of Castro's first steps in re-fashioning the Cuban economy was similar to Franco's: a vast expansion of the tourism industry to take advantage of Cuba's beautiful beaches and low prices. Cuba attracted some 800,000 tourists last year, up from a only a few thousand in 1985. Tourism replaced sugar as the island's principal hard currency earner and could easily double over the next five years.

In 1993, Castro did what he had said he would never do: permit Cubans to own and spend dollars and hold dollar-denominated bank accounts. He also authorized self-employment in some 100 occupations, mostly in the service sector. This meant that individual Cubans could open private television repair shops, laundries, restaurants, and many other small enterprises. Officially they were forbidden by the Cuban government to employ others, but many did and still do.

The next step, in September 1994, was the reestablishment of farmers' markets. After meeting their contracts with state enterprises, farmers now may sell their surplus production for whatever the market will bear. The makeup of the agricultural sector has also begun to change. Before the reforms, some 100,000 small private farms operated on the island. Semiprivate farms have now been added to that stock. State farms have given way to cooperatives in which farmers often have the right to use land (but not own it outright), and they can produce and sell as they see fit.

Since December 1994 citizens have been allowed to sell handicrafts and a variety of light manufactures in artisan markets. Thus, rather than the empty public spaces one used to encounter on weekends, Cathedral Square in Havana and squares and parks all over Cuba are now crowded with people not only selling handicrafts to tourists, but selling shoes, clothing, beer, and sandwiches to one another, providing musical entertainment, singing, dancing, and having a good time. One senses in these scenes the depth of the psychological shift that has occurred. Some optimism and the old Cuban *joie de vivre* have replaced the despair of 1993.

As in Franco's Spain, foreign investment has been key to Cuba's economic turnaround. This influx of capital has been given a new impetus by a foreign investment law enacted in mid-1995 that makes it possible for foreign investors to own Cuban enterprises outright, not just in tourism but in virtually every area of the economy. Some 60 companies have opened offices in Cuba so far, and many more have invested in Cuban enterprises. Figures are difficult to come by, but a carefully calculated estimate by the U.S.-Cuba Trade and Economic Council places foreign investment to date at

---

Castro, like Franco,  
placed a wager on the  
wrong side of history.

over \$5 billion and growing. This is a respectable amount, but not nearly enough to provide the economic transformation Cuba requires.

Sherritt International of Canada alone has already committed half a billion dollars to oil exploration and the development of cobalt and



*President Fidel Castro*

nickel mining. It is also investing in transportation, agriculture (including sugar), real estate, tourism, communications, and finance. This is in the face of the Helms-Burton proposal to punish third-country businesses that invest in Cuba. Like Sherritt's executives, many other foreign businessmen in Cuba are unimpressed by the threat. They are more angered than intimidated by Helms-Burton and predict that if it becomes law few foreign investors will pull out. They acknowledge that some investments are now on hold because of it, but note that so long as profits can be had, other companies will replace those who hesitate or withdraw. For example, the Guitart group pulled out but was immediately replaced by Tryp, another Spanish hotel chain. The effect of making Helms-Burton

law, then, is likely to be minor. In addition to its other problems, legal experts say it will not stand up in U.S. courts.

Finally, through a strategy that combines increased use of bagasse as fuel, more domestic production of petroleum (which over the past three years has almost doubled to 1.5 million tons), and more imports from Russia, Cuba's energy crisis appears to be on the way to a solution. The crisis began in 1990-92, when Cuba's normal petroleum import of 13 million tons from the Soviet Union plunged to less than 7 million tons.

#### BACK FROM THE ABYSS

AND THE result of these reforms? After a decline in economic output of some 40 percent between 1989 and 1994, the free fall has ended. The growth rate for 1995 was over 2.5 percent and is estimated to double in 1996. The price of the dollar has dropped from 125 pesos in mid-

1994 to 25-35 pesos. For a short period in August, it went down to 12. Basic foodstuffs that were in critically short supply in mid-1994 have become far more plentiful. The price of beans has dropped from over 60 pesos a pound to 13 pesos and that of rice from 50 pesos to 5.

Intentional energy blackouts, which in mid-1994 sometimes lasted 18 hours a day, 7 days a week, in most areas are now a few hours a week and in some areas have ended entirely. As a Cuban office worker said, "That is the greatest relief of all. I can put up with everything else, but when there are no fans or air conditioning at work and it is so hot at night that one can't sleep, one's temper begins to fray."

The new investment law opens the way for Cuban exiles to return, invest, and open businesses. This is a welcome step, but it has sparked resentment among some Cuban residents, who question why exiles are permitted to open businesses while they are not. They may soon get their wish. Cuban officials have acknowledged that to rationalize the state sector

they may over time have to lay off as many as a million state employees. Unprofitable factories must be closed and many government agencies drastically cut back. How are these masses of newly unemployed to be absorbed? There is only one way: expand the private sector. Hence, a new small business law is under discussion. When it is enacted, probably this year, the law will allow groups of citizens, rather than only individuals, to pool their resources and open small private enterprises that will employ others, although it may limit the number of employees they may hire.

One step has led to another in this transition. Legalization of the dollar in the Cuban economy raised the need for a realistic official exchange rate, which Cuban economists are still trying to determine. The self-employment and foreign investment laws increased the calls for a small business law, and that, in turn, will lead to foreign investment in new Cuban private enterprises. The government, pressured by the military and others to continue reform, will doubtless resist at first. But eventually it will



BETTMANN

*General Francisco Franco*



have to accommodate them, perhaps by setting up state clearing-houses for foreign investments. Small businesses must have capital to prosper, and it is in the government's interest to ensure they get it. How else will they be able to absorb the growing numbers of unemployed?

As one economic reform leads to another, pressure for political change will increase. Soon, for example, as many as one million former state employees will be earning a living in private endeavors of one kind or another. They will have new interests and want those interests represented. They will turn to the National Assembly, pushing it to become a truly representative body. Economic reforms, in short, set up an equation: the more Cuban citizens enter the private sector, the greater the imperative for a more representative government.

#### POLITICAL CREEP

POLITICAL CHANGES will come more slowly than economic reforms and mostly in their wake. Cubans have watched with horror the socioeconomic breakdown in the Soviet Union and a number of Eastern European states, resulting, they believe, from going too far too fast and losing control of the reform process. They are determined not to let that happen in Cuba. Also, Cuban officials argue that the midst of an economic crisis is not the time for political experimentation. Only after the crisis, they insist, can one contemplate more significant political reforms. Some go even further and see Cuba following a Chinese model of reform, which allows significant economic liberalization but minimal political change.

Such a model may be appropriate for Cuba's situation today, but it is not likely to remain so over the long run. China is a huge country with oil, coal, and other natural resources and a domestic market so large it is almost irresistible to international business. China can be self-sufficient to a degree that Cuba cannot and is therefore less vulnerable to external pressures. To reinsert itself into the international economic community, Cuba must make more concessions and adjustments than China.

China has had little pressure for political liberalization from its Asian neighbors, the United States, or Europe. This is not the case with Cuba. Leaving U.S. demands aside, Cuba faces growing insistence from Canada, European trading partners, and Latin American

states that it move further toward representative democracy. Unlike the United States, these countries believe engagement and trade will do more to encourage Cuban reform than efforts to isolate it politically and strangle it economically. The pressures nonetheless are real, and Cuba must deal with them, especially if it hopes to fully participate in the Organization of American States and hemispheric bodies such as the Inter-American Development Bank.

Spain's transition under Franco once again offers a better parallel than China's transition under Deng Xiaoping. Franco's first steps toward a more open political system and improving Spain's image came immediately after World War II, when he extended conditional liberty to thousands of political prisoners, halted censorship of foreign newsmen (but not of the Spanish press), abolished the Falange militia, and announced that Spain over time would become a traditional Christian monarchy. The question of restoring the monarchy, he said, would be settled "when the nation's interest demands it."

After that, his style of governance changed gradually. His critical moves toward democracy—the liberalization process that began in 1965 and his designation in 1969 of Prince Juan Carlos (in effect, the king-in-waiting) as his successor—came much later. By then, the transformation of Spain's poor, agrarian, centralized economy into one more closely resembling the rest of Europe was well advanced.

If anything, Cuba is changing more rapidly than Franco's Spain, if only because it began before the socialist world collapsed around it. The expansion of religious liberty began more than a decade ago, for example, and Cuban citizens, by and large, are free to practice their faiths without fear of persecution. Believers can even become members of the Communist Party (if they can reconcile their faith with the party's history of atheism). Earlier tensions between church and state have largely been overcome, and negotiations for a papal visit are ongoing.

Since the mid-1970s, Cubans have been able to vote in fair and democratic municipal elections. Voting is by secret ballot, and the process of nominating candidates is remarkably open. One does not have to be a member of the Communist Party to run for office. In fact, the party plays no role in city elections. As one member of the Cuban National Assembly put it, "Rather than a multiparty system, we have a no-party electoral system."

But the municipal councils do not deal with national, let alone international, issues. Those are debated or, some would say, rubber-stamped by the National Assembly. Until 1993 its members were appointed, not elected by popular ballot. In February of that year, the electoral law was reformed so that citizens of each municipality could elect their National Assembly representatives. Unfortunately, the nominating process was tightly controlled and, worse, only one candidate could vie for each seat. The subsequent vote may have been meaningful as a general referendum on the Castro regime because the high voter turnout indicated a willingness to legitimize the government's attempts at reform. But as an election, it was a farce.

Still, it was a step forward. Cuban officials say that there is no reason the electoral law cannot be changed further. Perhaps by the next elections, in 1998, the nominating process will be more open and there will be more than one candidate for each slot. Meanwhile, the Assembly has gained in importance, and the elections of 1993 brought in new, younger faces more open to reform.

A multiparty system is probably a decade or more away, and when it comes it is not likely to follow a conventional pattern. Some Cuban officials have suggested that the Communist Party be abolished in favor of a Cuban Revolutionary Party, the single party called for by the father of Cuban independence, José Martí. Eventually other groups would be allowed to register as opposition or at least independent parties. These officials insist, however, that for the next few decades Cuba should stick to a system in which no party plays a role in elections. "We simply do not want to get into the kind of debilitating party politics we see in surrounding countries," a Cuban political observer said. "There must be a better way of giving the people a voice in government."

Whatever system emerges and however reluctant Castro may be to admit it, most thoughtful Cubans understand that they are moving toward something new—an economy that mixes private enterprise with a continued role for the state and a far more open political system. It will probably look like social democracy to Americans, although Cubans will almost certainly continue to describe it as socialist. Clearly they believe that it is important to preserve the gains of the revolution, such as free education and health care and a high degree of equality.

STICK WITH CASTRO

THE DOMINANT view among American political leaders seems to be that Castro must go before meaningful change can take place. The Clinton administration does not demand his ouster as a precondition for normalization, but it has described him as a "lost cause" or "irrelevant" and expressed disbelief that sufficient change could occur under his tutelage. Clearly it would prefer a peaceful transition without him. Helms-Burton goes further, ruling out engagement with any government that includes him. But Castro's departure or ouster is unlikely to occur soon, and it is probably undesirable.

Immediately after World War II, the consensus in Spain and the rest of the world was that Franco's days in office were numbered. Was he not without allies, his soul mates having gone down in defeat? Within a decade, however, it was acknowledged not only that Franco, with or without allies, was likely to remain in power, but that he was the best guarantee that Spain's transition from dictatorship to democracy would be peaceful and relatively smooth. He is well remembered in Spain today for just that.

Most Cubans on the island, including many who disagree with Castro, see him playing a similar role. He is the only political figure with the authority to order reforms and make them stick, and he is the only one who can prevent the various political factions from plunging the country into a bloodbath. They know that his instincts are not democratic and the evolutionary pace he favors will mean an elongated process. Some are impatient with that, but most seem to prefer that scenario to a more dramatic and possibly dangerous denouement. A crucial point is that they see no alternative. It is all well and good to speak of Castro's immediate ouster, but who would replace him? Elections are well and good, but who would run against him? The Cuban people see no one in the wings, and thus their understandable reaction is to stick with Castro.<sup>1</sup>

---

Cubans want to  
preserve some benefits  
of the revolution.

---

<sup>1</sup>These appraisals are based on hundreds of interviews and conversations the author has had with Cubans over the past few years.

---

Elections are well and good, but who would run against Castro?

Castro has been so demonized in the United States that most Americans find it difficult to believe the Cuban people do not want him immediately overthrown—or dead. How can they support a man who is said to be a bloody tyrant and murderer with the worst human

rights record in the world? The revolution unarguably has a dark side. Castro is not a democrat and not inclined to tolerate dissent. People are indeed locked up for expressing opposition and are sometimes handled roughly. Human rights activists calculate that as many as 900 men and women remain behind bars for crimes of a political nature (down from tens of thousands in the 1960s). These ills cannot be condoned and must be overcome if Cuba is to gain full acceptance in the international community.

But most Cubans see another side of the revolution, the side that has provided free education, excellent free health care, a high degree of equality, and, most important, a sense of national pride. Until the economic crisis resulting from the collapse of the Soviet Union, most Cubans seemed to feel they had benefited from the revolution. Because of these economic difficulties, many would now like to abandon the revolution, as evidenced by the refugee crisis of 1994. One should not lose sight of the fact, however, that far more Cubans are prepared to stay and see it through, even as they grumble over their plight. The majority of Cubans are black, and they have benefited most from the revolution. That majority wants to see change, but not a return to the pre-1959 situation, which the rhetoric of the white anti-Castro exiles often seems to threaten. Instruments such as the Helms-Burton legislation, which is so clearly driven by those same exiles, simply strengthens the resolve of the black majority and most other Cubans to stick with Castro.

Franco, of course, had one luxury that Castro does not: a king-in-waiting to whom power could be given, who symbolized the nation and could hold it together after Franco departed. While Cuba does not have a Juan Carlos, Castro is preparing a new generation of leaders. Men such as Carlos Lage Dávila, the Vice President of the Council of State, who directs the economy, Foreign Minister Roberto Robaina González, National Assembly President Ricardo Alarcón, and Army Chief of Staff Ulises Rosales are already directing the country's day-to-day business.



By the time Castro passes from the scene 10 or 12 years from now, whether through death or resignation, these and other new leaders will be ready to step in and carry on. Given such an extended period, a successor who could peacefully assume power will likely have been chosen.

THE EXILE COMMUNITY

ONLY IN the United States has a Cuban exile community had a strong impact on policy toward Cuba, and even here that impact results more from miscalculations by American politicians than from the strength of the anti-Castro exiles.

The Cuban-American community is by no means monolithic; it is now about evenly divided between those who favor some degree of dialogue with the Castro government and those who are bitterly opposed. This is true even though the vast majority of Cuban-Americans regard themselves as strongly anti-Castro and most remain skeptical that democracy can be achieved under him. Moreover, the Cuban-American vote does not and probably never will determine the electoral outcome in Florida or even in Dade County, where most of the state's Cuban-Americans live. Clinton, for example, won the county even though only 18 percent of Cuban-Americans voted for him. He lost in the northern counties, where few Cuban-Americans live, over issues that had nothing to do with Cuba. Thus his effort in 1992 to win Florida by supporting the Cuban Democracy Act and taking a hard line on Cuba came to exactly zero. He got 39 percent of the vote in Florida, precisely what Dukakis had received four years earlier.

If either a Democratic or Republican administration wished to change U.S. policy toward Cuba, it could easily do so. The protests of ultraconservative Cuban exiles would cause little political damage. The reaction is likely to be even less consequential in years to come as a new, less revanchist generation of Cuban-Americans comes to the fore and more moderate leaders gain strength. After World War II, strong Spanish Republican exile communities in France, Mexico, and Argentina helped persuade the international community not to accept Spain or allow it U.N. membership. But as the years passed and it became increasingly clear that the exiles had no prescription for bringing about change at home and certainly not for replacing the

Franco government, their voices were heeded less and less. Such is likely to be the case with the virulently anti-Castro exiles.

AN EMBARGO ON AMERICA'S EMBARGO

U.S. POLICY toward Cuba still seems to be in a Cold War time warp. Although Cuba has removed its troops from Africa, stopped promoting revolution in Central America, and lost the Soviet military ties of old, the United States persists in tightening the screws. The United States still seeks a more open Cuban political system, greater respect for human rights, and compensation for properties expropriated under Castro's revolution. In fashioning a policy to further those aims, however, the Clinton administration might note that Spain's major advances toward democracy came after the United States had normalized relations with it, signed an economic-military agreement with Spain in 1953, and allowed its admission to the United Nations in 1955. Engagement, in other words, produced better results than ostracism.

The rest of the world favors engagement (as does the United States with most other authoritarian countries) and rejects U.S. policy toward Cuba. The vote in the U.N. General Assembly against the U.S. embargo last November was 117 to 3; in 1994 it was 101 to 2. The only countries voting with the United States were Israel and Uzbekistan, and both trade with Cuba. In other words, not a single government cooperates with the U.S. embargo. Nevertheless, the Helms-Burton legislation would have the president insist to the Security Council that other U.N. members join the embargo. The legislation's extraterritorial punitive measures risk major quarrels with Canada, Mexico, Russia, and the European Union.

Nor is commerce the only arena in which present policy is counterproductive. America's overriding interest in Cuba and most other Caribbean states is that their populations remain in place. The United States does not want tens of thousands of refugees and illegal aliens landing on its shores. That became abundantly clear during the refugee crisis of 1994, when legions of Cubans set out on rafts for Florida. The Clinton administration temporarily resolved the crisis by entering into an agreement with Castro on September 9, 1994, to stem the flow. It concluded another agreement on May 2, 1995, which

requires the Coast Guard to return those picked up on the high seas directly to Cuba. Otherwise, the administration left the old policy intact. So although the overwhelming majority attempting to flee were economic refugees, the embargo, which adds to the island's economic difficulties, was left in place. The Cuban embargo is the only embargo of the United States that effectively prohibits the sale of food and medicine, in violation of the Fourth Geneva Convention of 1949.

A MORE SENSIBLE APPROACH

CURRENT POLICY does not serve U.S. interests or further its objectives in Cuba. It neither advances the cause of human rights and a more open system nor reduces the possibility of another refugee outflow. It complicates relations with America's most important trading partners while denying U.S. companies any share of the Cuban market. The latter is not large, but a recent trade study estimated that the United States and Cuba could quickly be doing some \$7 billion a year in business.<sup>2</sup>

---

U.S. businesses forgo  
billions of dollars, U.S.  
policy achieves nothing.

Against these losses, U.S. policy achieves nothing. It does not even serve the domestic political interests of the Clinton administration. Still, a total lifting of the embargo might be politically risky. The president would doubtless be accused of giving away something for nothing. However, there is a sensible way to begin to change policy. The United States should halt all efforts to interfere with the trade and investment of other countries in Cuba, lift the embargo on the sale of food and medicine because it is inconsistent with international practice, and lift all travel restrictions, which are of dubious constitutionality and infringe on the rights of American citizens. Having thus shown good faith, the United States should say that it is ready to have a new relationship with Cuba, quickly remove other parts of the embargo, and enter into negotiations on bilateral matters such as compensation for nationalized U.S. properties, which Cuban officials

---

<sup>2</sup>Donna Rich Kaplowitz and Michael Kaplowitz, *New Opportunities for U.S.-Cuban Trade*, Washington: The Johns Hopkins University Press, 1992.

have indicated they are willing to discuss. The United States should emphasize, however, that the pace of normalization would depend in part on how meaningfully Cuba moves ahead with internal reforms. America would lose nothing substantial through such an approach, vastly increase the possibility of playing a constructive role in Cuba's transition, and avoid damaging its relations with other countries.

Unfortunately, all indications are that the United States will stick to the same old Cold War approach of the past 35 years. The much-ballyhooed opening to Cuba announced in President Clinton's foreign policy speech of October 6, 1995, has turned out to be mostly smoke. Although he spoke of vastly increased academic exchanges, the restrictions on them remain largely unchanged. Cuban-Americans can now ostensibly make one trip to Cuba per year without a license but only in cases of extreme humanitarian need. As the "need" is not monitored, however, increasing numbers have travelled to the island, albeit with a dubious justification. Clinton's offer to allow news bureaus of the U.S. media to open in Cuba was not new. A similar offer was made in 1977 and reiterated over the years. The Cubans have always rejected the offer, saying it would not be an even trade because Cuba has only one news agency. In most cases, they will probably say no again.

Despite growing pressure from U.S. businesses, which resent their own government handing the Cuban market to foreign competitors, signals from both the White House and Congress suggest that Cuba policy will not change significantly for at least another two years. If the Helms-Burton legislation becomes law, change could be delayed for much longer.

It may be just as well. Cuba will survive without the United States, and the United States will certainly survive without Cuba. Cuba will move ahead with its reforms, continue to expand its commercial ties with other countries, and eventually end up, like Spain, with a very different society. But it will be a society based on Cuban realities, not those of Washington or Miami. Meanwhile, if so obviously flawed an instrument as the Helms-Burton bill becomes the basis of U.S. policy, it might be better that the two countries remain at arm's length for some years to come. 🌐

# Tough Road to Prosperity

*R. Stephen Brent*

## CRY THE BELOVED COUNTRY

SOUTH AFRICA's democratic election in April 1994 was widely acclaimed as a marvel of our time. A country that eight years earlier many feared was on the edge of civil war negotiated a political compromise that transferred power from the white minority to the black majority. Majority rule will be implemented in two stages; the current government of national unity, which gives all parties of significance a place, yields to unrestricted majority rule in 1999.

Since the election, the once-feared threat of right-wing violence has faded. Although extremist Eugene Terre'blanche of the Afrikaner Resistance Movement still appears on his horse from time to time, most conservative Afrikaners accept the new government, which President Nelson Mandela has made easier for them by bending over backward to respond to white concerns. And in black communities there has been little evidence of populist factions in revolt against the compromises of the new government.

Unfortunately, economic progress has not matched this rosy political picture. The economy has turned up since the election, but growth for 1995 was still only about 3.5 percent. While that pace is a marked

---

R. STEPHEN BRENT is an officer in the U.S. Agency for International Development mission in Pretoria, South Africa. The opinions expressed here are solely those of the author and do not necessarily represent those of the U.S. Agency for International Development.



improvement over the early 1990s, when the economy contracted, it is not nearly enough to reduce staggeringly high black unemployment, estimated at 41 percent overall and higher among young people. Direct foreign investment has been slow. The new government is working hard to put its agenda for black social and economic uplift, called the Reconstruction and Development Program, in place, but the program is being criticized for slow delivery. South Africa has to break through the barriers of slow growth and high unemployment if democracy is to deliver the goods and secure long-term stability.

South Africa's economic difficulties reflect a number of structural problems that only deep-rooted changes can correct. There is no political or economic consensus, however, on how to make those changes. Private sector growth is the only long-term solution for South Africa's economic straits. But to generate the political capital necessary to pursue long-term growth, the government will have to combine economic liberalization with effective interventions to help the black majority.

OF THOSE GIVEN LITTLE, MUCH IS ASKED

DESPITE SOUTH Africa's reputation for a well-run economy under white rule, the policies of the National Party hampered growth severely. Apartheid brought about international isolation and economic sanctions, but the government's economic management was also poor. For all its criticisms of the ineptitude of African states under black rule to the north, the National Party followed policies after 1948 that resembled much of the rest of Africa. It developed massive bureaucratic and parastatal structures to provide public employment for Afrikaners, many of whom were poor in 1948. It embraced strong protectionism and import substitution. It spent lavishly on public investments, especially defense and supposedly strategic industries. And it set up puppet regimes in the so-called homelands it established that had all the elements of bad governance that the National Party criticized: autocracy, patronage, corruption, and enormous budget deficits.

These policies did not have the same catastrophic effects as in other countries, partly because South Africa was trying to subsidize

only 15 percent of the population and had a cushion of vast gold revenues. But the policies did limit growth. After steady gains in per capita income from 1946 to 1974, income stagnated from 1974 to 1981 and fell by 20 percent from 1981 to 1994. Today South Africa's per capita income of \$2,700 is practically what it was in the mid-1960s.

One of the main reasons for falling growth was a serious decline in savings and investment. Net domestic investment dropped to less than 5 percent of GDP in the 1990s from an average of 16 percent in the 1970s. A longer-term problem was falling productivity. Much investment occurred in the wrong places: in parastatals rather than the private sector, in mining and agriculture rather than manufacturing, and in capital investment rather than training. Competitiveness fell and protectionism prevented international competition from imposing corrections. Political unrest after 1976 and growing government deficits after 1983 further drained output. Examining South Africa's growth record since 1970, a 1993 World Bank study concluded that "such low growth is highly unusual.... The closest parallel is with Latin American countries during their import-substitution phase, but even they performed somewhat better."

Past policies have left a number of structural weaknesses. Rates of savings and investment are meager. Investment is capital-intensive and creates few jobs. Productivity is weak; Mexican auto workers, for example, are three times as productive as South African auto workers. Competitiveness is low—South Africa ranked 42nd out of 48 in a recent report. The skill levels of the work force are low, and a large proportion of state spending is concentrated in civil service salaries. Taxes are high, but black education, health, and infrastructure are severely underdeveloped. These are serious problems, and until they are corrected they will continue to constrain growth and employment.

This reality has been obscured by the euphoria that followed the 1994 elections and by upturns in the economy based on increased private investment, especially in manufacturing, and an inflow of foreign capital. After 12 years of economic decline, these gains have been

---

Despite its reputation,  
the National Party  
hampered economic  
growth severely.

• A TALE OF TWO CITIES • IVANHOE •

WALDEN

THE LAST OF THE MOHICANS • HUCKLEBERRY FINN • WUTHERING HEIGHTS • ALICE'S ADVENTURES IN WONDERLAND

\$4.95

FOR JUST \$4.95, THE BEAUTY, THE SUBSTANCE, AND THE SENSUOUS FEEL AND AROMA OF A LEATHER-BOUND BOOK CAN BE YOURS.



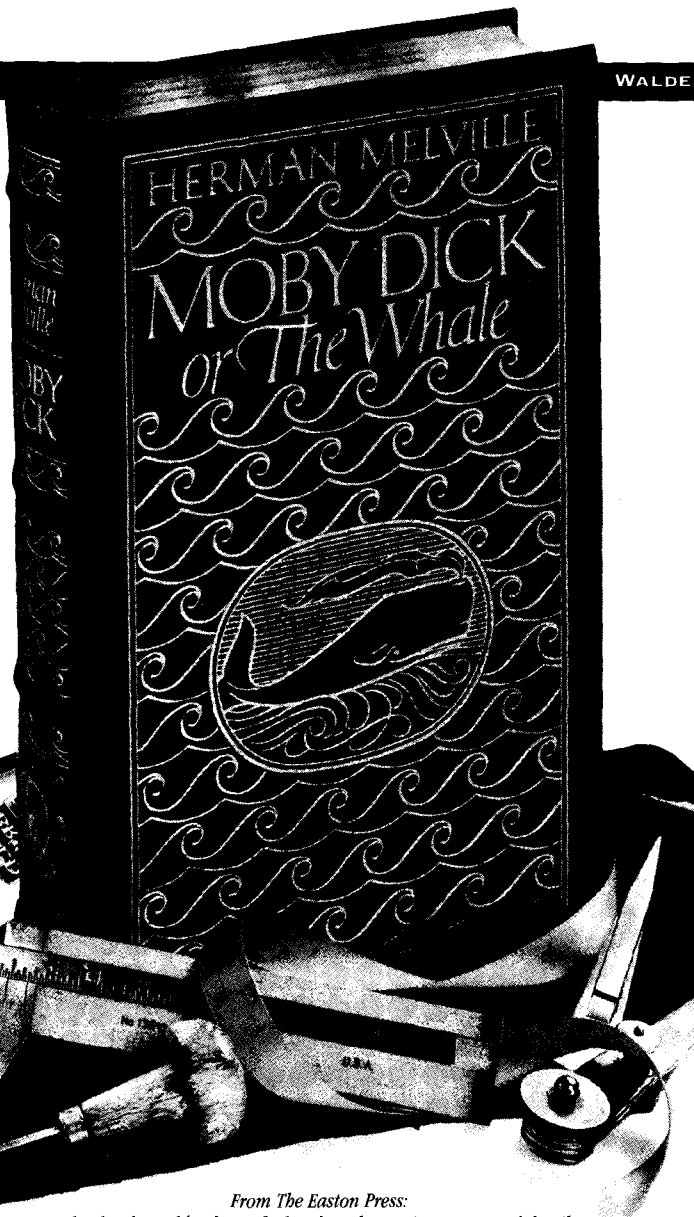
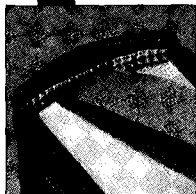
In the rush of today's world, there are too few opportunities to experience the enduring, finer things in life. Now there's an easy way to acquire one of the finest things of all — a leather-bound classic from The Easton Press.

This is your chance to own a beautifully-crafted book bound in genuine leather. And to feel the sturdy, hubbed spine stamped with 22kt gold. To marvel at the gleaming gilded page ends and the exquisite moiré fabric endsheets. And to run your fingers across the specially milled paper.

Now you can own a book of the utmost quality — the work of artisans who practice the art of creating leather-bound books.

**CUSTOM CRAFTED IN AMERICA  
BY THE WORLD'S  
MASTER BOOKBINDERS.**

The top-grade hides for our covers are expertly selected and tanned and finished to bring out a rich lustrous hue. The dies used to stamp the intricate cover designs take weeks and painstaking care to make. The pages are not merely glued; they're Smyth-sewn using a durable double-lock stitch.



*From The Easton Press:  
leather-bound books crafted with such creativity, care and detail,  
no photograph can do them justice.*

The paper is acid-free to resist yellowing for generations to come. And each and every book is rigorously inspected at all stages of construction. Craftsmanship this demanding means we can only custom-bind our books to order. So you'll never see them in any bookstore.

*"It is extremely apparent  
that your company takes pride  
in every book it makes."*

Ana Perez, Miami, Florida

**SPECIALLY-COMMISSIONED  
ILLUSTRATIONS  
FROM RENOWNED ARTISTS.**

Original artwork is a hallmark of our leather-bound books. The author's work is enriched by masterfully executed full-color paintings, author's portraits, black-and-white drawings, and woodcuts. Over the years, we've commissioned great artists such as Rockwell Kent and Thomas Hart

• DR. JEKYLL & MR. HYDE • WAR AND PEACE • TREASURE ISLAND • THE RED BADGE OF COURAGE

THE SCARLET LETTER • THE SEA WOLF •

"It is heartening to see that after all these years a quality edition of *Moby Dick* has finally been produced that does the genius of Melville justice. Thank you for a fine edition — the best edition!"

Bruce Buchanan, Durham, NC



Own The 100 Greatest Books Ever Written.

## DISCOVER THE ENDURING QUALITY OF LEATHER-BOUND BOOKS

Benton to add emotion and power to the fiction, plays, essays and poems in our books. You'll find beautiful illustrations in every edition.

### IMAGINE OWNING THE 100 GREATEST BOOKS EVER WRITTEN.

These are the *all-time* favorites, each in a lavishly illustrated leather-bound edition. *Of Mice and Men*. *The Adventures of Sherlock Holmes*. *The Canterbury Tales*. *The Red Badge of Courage*. *Treasure Island*. *The Three Musketeers*. (To name just a few!) Shakespeare. Shaw. Ibsen. Tolstoy. You can select just what you like — there's never any obligation to buy more.

Captain Ahab  
comes to life  
in full color  
illustration!



### ACT NOW TO OWN A LEATHER-BOUND EDITION OF MELVILLE'S *MOBY DICK* FOR A SPECIAL PRIVATE PREVIEW PRICE OF JUST \$4.95!

Why do we make this incredible offer? We've found that bookbinding this extraordinary needs to be seen to be appreciated. That's why we want you to evaluate *Moby Dick* in your home in a Private Preview of The 100 Greatest Books Ever Written.

What if you don't agree that our books are an exceptional value? It's no problem. Simply keep *Moby Dick* for \$4.95 and cancel your subscription. Or return it, for a refund.

But thousands of quality-conscious connoisseurs in 130 countries have ordered more. And we think you will, too. Especially when you consider that the everyday price for our books is just \$39.50, plus shipping and handling — not a lot more than the price of an ordinary bookstore book.

Don't let this outstanding opportunity escape you. Right now you can order a book of exceptional quality for only \$4.95. And there's no further obligation of any kind. Why wait? Ordering direct through The Easton Press is the only way you can purchase leather-bound books

made to these demanding standards. Use the coupon below, or call us today at:  
**1-800 367-4534.**

*The Easton Press*

47 Richards Avenue • Norwalk, CT 06857

#### RESERVATION APPLICATION THE 100 GREATEST BOOKS EVER WRITTEN

Call Today: 1-800 367-4534, X1-7957

☐ YES...send my leather-bound edition of *Moby Dick* for me to keep forever at just \$4.95...and reserve my subscription to The 100 Greatest Books Ever Written. If I like this book, send me further editions at the rate of one per month at \$39.50\* each — with this price (\$39.50) held firm for the next two full years!

I understand you will send me a list of all the titles in the collection. I can tell you which, if any, I do not want, and I am free to tell you then to send me no further books at all if that is my decision. I may return any book within 30 days for a full refund, and either party may cancel this subscription agreement at any time.

Here is how I want to pay for my \$4.95 *Moby Dick* and future volumes (unless I tell you to cancel):

☐ VISA ☐ MasterCard ☐ American Express ☐ Discover

Credit Card No. \_\_\_\_\_ Expiration Date \_\_\_\_\_

☐ I prefer to pay by check. (\$4.95 enclosed)

Name \_\_\_\_\_

Address \_\_\_\_\_

City/State/Zip \_\_\_\_\_

Signature \_\_\_\_\_

All orders subject to acceptance. \*Plus \$3.75 shipping and handling and any applicable sales tax.

THE EASTON PRESS  
47 RICHARDS AVENUE • NORWALK, CT 06857

E'S TALES OF MYSTERY AND IMAGINATION • AESOP'S FABLES

greeted with understandable enthusiasm, but they must be put in perspective. Current annual growth of 3.5 percent is not enough to begin to reduce black unemployment; World Bank economists estimate growth of 4.25 percent is required. Most foreign investment has been portfolio rather than direct investment, and total private investment is still low in absolute terms. Most of the beneficiaries of higher growth have been white South Africans and the small black middle class. The person in the street has seen little change.

To make real progress in raising black living standards, South Africa needs higher growth, at least five to six percent a year, and it must be more employment-intensive. To achieve this the new government will have to address South Africa's structural weaknesses and expand foreign investment and trade. In this effort it faces a series of dilemmas. It knows it must attract domestic and foreign investment, but business confidence is hard to earn. It knows it must liberalize trade, but lowering barriers risks severe dislocations since South Africa's many uncompetitive industries will suffer. It wants to spend more on black social needs, but taxes and government spending are already high. It wants to create jobs for black South Africans, but it cannot hire more civil servants or force the private sector to make labor-intensive investments.

#### A WINDOW FOR PROGRESS

GROWTH is inevitably a long-term process for which a government has to create the right conditions. The government's ability to create those conditions will depend on the patience of black South Africans. The conventional wisdom is that after years of deprivation under apartheid the black majority will put enormous pressure on the new government to produce rapid gains in jobs, housing, and education, which could push the government toward a counterproductive populism. Some evidence supports this view—in a common anecdote a man is waiting for the government to "give me my house." But there are also reasons to question predictions of overwhelming black expectations. Intensive studies of black opinion since the election show a surprising patience and realism. Most people seem to understand that change cannot come overnight. In addition, the



closest historical parallel—the political transition in Zimbabwe in 1980—does not support the overwhelming expectations view. When majority rule came to Zimbabwe, the new government did not face overwhelming demands for economic payoffs. Most people felt that the political goal of majority rule had been achieved, and they recognized that economic progress would take time.

Black expectations may not overwhelm the South African government in the near term as long as the disadvantaged see some tangible changes occurring and have a realistic hope for a better life for their children, which opinion polls indicate is particularly important. The risk is greater in the medium to long term, particularly if progress in expanding black employment and participation in the private sector is disappointing. Fourteen years after its change, Zimbabwe is seeing a black backlash against white domination of the economy, fueled by economic stagnation, lack of jobs, and lack of black ownership. This backlash has occurred even though the Zimbabwean government succeeded in raising social welfare, particularly in education, and increasing black employment in the public sector. Zimbabwe's experience shows the limits of statism as a method to uplift a disadvantaged majority.

In South Africa the government has a medium-term window of time to show tangible gains for the disadvantaged. This progress cannot consist only, or even primarily, of benefits provided by the state. Rather, it must be based on economic growth and private sector development. The feat in South Africa will be finding ways to advance the majority population durably through economic growth, private sector jobs, and black ownership—what Zimbabwe failed to accomplish. The challenge for the government is to keep the focus on long-term growth but provide enough benefits to the majority population along the way that political consensus can be maintained and moral commitments protected.

#### NEITHER TIGER NOR TORTOISE

IN ITS FIRST year in office the new government focused on implementing its Reconstruction and Development Program rather than economic overhaul. Last July President Mandela announced a new



emphasis on economic growth to be managed by a council that includes key politicians—Deputy President Thabo Mbeki, Deputy President F. W. de Klerk, and Minister of Home Affairs Mangosuthu Buthelezi—as well as leading economic ministers. Commentators cited the Asian tigers as models of the kind of rapid growth with social equity for which South Africa should strive.

Looking to the high-growth countries of Asia shows a healthy self-confidence and hope for the future. If it signifies a political commitment to growth and employment creation as the main vehicles

---

Given the different starting points, East Asia is not a model for the near future.

for social mobility, it increases the chances the latter will eventually be achieved. To aspire to East Asian levels of performance, however, is to reveal how far South Africa has to go. The country is starting from a base that is inconsistent with elements of Asian success. According to the World Bank, the most important factors in the

growth rates of the Asian success stories have been high levels of investment in physical capital and education, especially private investment and primary and secondary education. Investment accounted for two-thirds of the growth in these countries overall, 87 percent in Malaysia. South Africa is at the other end of the spectrum. Its savings rate is less than 18 percent of GDP, compared to East Asia's 35 percent. As noted earlier, its net domestic investment is less than 5 percent of GDP, and mass education is one of its weakest points. Several other elements are missing. East Asia has single-mindedly focused on exports, especially manufacturing exports, based initially on low-cost labor and later on skilled labor. But South Africa's exports are mainly commodities. Many of its companies are geared to import substitution, and its manufacturing productivity is below international norms. It is not a low-wage producer, it has a skilled labor shortage, and its advanced sectors are heavily unionized. Industrial and agricultural development have been strongly linked to employment creation in East Asia, but not in South Africa. Strong internal competition among firms and good technocratic capacity in government have been lacking in South Africa, and macroeconomic stability may be hard to maintain.



HENG/CARTOONISTS & WRITERS SYNDICATE

Like South Africa, Malaysia in the early 1970s was divided between an ethnic economic elite—the Chinese—and a disadvantaged majority population, the Bumiputra. Malaysia used the power of government to help the Bumiputra through public employment, expansion of parastatals, and government-funded education. However, the greatest gains for its disadvantaged population came through sustained growth fueled by the traditional Asian strengths of macroeconomic discipline, high savings, strong exports, and low-cost labor, as well as the entrepreneurial skills of many members of its Chinese population. In reaction to global economic problems in the 1980s, Malaysia liberalized its economic policies and undertook some privatization, which has led to growth of 8 percent a year or higher. Many Bumiputra are now moving out of government and into the private sector.

Malaysia shows that an unequal society can lift up a disadvantaged population and reduce poverty in a generation if it can combine effective government programs with high growth. South Africa will probably promote social uplift by similar means. The question is whether it will be as successful, or even close to as successful, in achieving sustained growth.

This is not to say that South Africa should not aspire to East Asian success in the long run. But given the very different starting points, East Asia is not likely to be a helpful guide for near-term reform. For that purpose, Latin America may be better because it faced many of the obstacles South Africa must overcome, including low savings, inward orientation, low productivity, large public and parastatal sectors, high unemployment, and high inequality. Latin America tried to reverse chronic stagnation and inflation by

---

Behind Mandela's leadership, the government has avoided populist temptations.

orthodox stabilization and liberalization: government cutbacks and deregulation, privatization, and trade liberalization. Chile pioneered radical liberalization starting in the mid-1970s after Salvador Allende's rule, with impressive results in growth, trade, and living standards. Mexico, Argentina, Peru, and other Latin coun-

tries began liberalizing reforms in the early 1990s with more mixed results. Many were rewarded with substantial increases in foreign investment, but these were reversed after the collapse of the Mexican peso in 1994. Even before the peso fell, growth averaged only 3.1 percent in Latin America as a whole. Export expansion was mainly within the region. The underlying weaknesses of low savings, poor international competitiveness, high inequality, and ineffectual public institutions changed little. In post-mortems on the Latin crisis in the July/August 1995 issue of *Foreign Affairs*, Paul Krugman and Moisés Naím noted the failure of liberalization to address these structural problems and argued that it had been unrealistic from the beginning to expect liberalization alone to produce rapid growth and development.

Foreign models of development have a double-edged implication for South Africa. On the one hand they suggest that South Africa has to liberalize if it is to have a chance of attracting foreign capital and increasing productivity, growth, and trade. South Africa's competitors in Eastern Europe, Southeast Asia, and Latin America are already well along this path. On the other hand, foreign models also imply that liberalization is not likely to bring quick gains; Latin experience suggests that liberalization often worsens

poverty in the short run. The only way around this conundrum is to make industry and agriculture more employment-intensive in the near term, along Asian lines.

This situation is at odds with the political and moral pressures on the government to deliver tangible benefits. Apartheid discredited capitalism for black South Africans by identifying it with white dominance. In such circumstances it is not politically realistic to expect the new government to focus exclusively on growth and private sector development. The government will also have to take direct action to improve black welfare through social programs, affirmative action, and changes in the economy to increase black employment and ownership. The government must pursue these efforts with enough vigor and competence to show the majority its commitment to black uplift, even if their needs cannot be satisfied in the near term.

#### MANDELA'S CAUTION

FACED WITH demanding economic and social problems, the new government has avoided populist temptations and worked to encourage private investment. It has not, like Zimbabwe, massively expanded the civil service to provide jobs for supporters or boosted social spending to unsustainable levels. In fact, its first post-apartheid budget deficit was smaller than the last of the preceding National Party government, although still large at 5.8 percent of GDP. The government is also trying to move South Africa into the global economy—encouraging foreign investment, abolishing the dual exchange rate, and liberalizing trade to meet the requirements of the World Trade Organization.

These policies are not what many predicted based on the daunting legacies of apartheid and the African National Congress' (ANC) traditional belief in African socialism. Under the pressures of governance, the new leadership has emphasized ideological moderation, the limits of state intervention, and the need to rely on the private sector and foreign investment as the main engines of growth. This thinking is internally led. The new government is determined to steer its own ship in economic affairs, avoiding the dependence on the International Monetary Fund and the World Bank that it sees in the

rest of Africa. It wants trade and investment, not long-term aid.

The government's approach to black uplift in the Reconstruction and Development Program has also been moderate. It stresses redirection of government programs rather than new spending. A special fund set up to help redirect spending was given \$700 million in its first year out of a total GDP of some \$115 billion. In spite of enormous social needs, government expenditures on black education, health, and other areas have been increased at a deliberate pace. Hampered by government bureaucracies that have little experience with grass-roots development and by ineffective administrations in the old homelands, the government has tried to monitor the quality of its programs. It has also encouraged community involvement in development activities despite the time it takes.

The general picture is one of a new government trying to do the right things. Some of the credit goes to President Mandela, a hero who has set a tone with his leadership that permeates the government. But the new policies are not a one-man show and are led by a collection of influential ministers and senior officials who agree on basic principles. Many of these people came from the trade unions, the South African Communist Party, and other militant backgrounds, which gives the new policies a degree of credibility with important constituencies.

Nevertheless, in the economic sphere, the new government has been more successful at avoiding mistakes than at charting a new path. Government recognition of the perils of deficit spending and inflation has laid a foundation for future growth, but the government has not yet put forward a program for increasing investment, improving productivity, and expanding exports and jobs.

#### A MIXED PATH

As ARGUED earlier, South Africa has no choice but to pursue liberalization. This means holding down government spending, reducing its massive bureaucratic structures, and beginning to dismantle extensive trade protections. However, liberalization will do little to help the black majority in the short term and should be supplemented by other measures to help the disadvantaged. First best economic prescriptions

must be tempered by political constraints. Holding down government spending is desirable but conflicts with political imperatives to expand social services for black communities, upgrade township infrastructure, raise the pay of police, nurses, and teachers, and fund programs such as land reform. Spending cannot be contained by cutting services to whites precipitately because that would encourage white flight and endanger social cohesion. The only answer is to find new ways to finance government spending.

One possible solution is privatization. South Africa's publicly owned and parastatal assets are substantial, by one estimate accounting for 52 percent of the country's capital stock. While economists are wary of using privatization to solve fiscal problems, in South Africa it would make sense to use the proceeds of sales of state assets to fund one-time social investments during this critical period. Moreover, there are strong efficiency arguments for privatization. While recent commercialization efforts have brought some improvements in parastatal efficiency, on the whole the sector remains a bastion of Afrikaner employment, a fiscal drag, and a damper on productivity and competitiveness. Privatization can raise productivity through sales to local and foreign investors who will bring capital, new technology, and better management. A focus on areas where productivity gains can enhance long-term growth and use of the proceeds to boost development should be the core of a privatization strategy. In other areas, privatization can expand black ownership of capital through voucher schemes or other methods of distributing ownership shares to the population. Unfortunately, the labor unions, which fear job losses and have recently threatened strikes, have hamstrung all privatization options. In this field the government cannot afford to bow to an interest group, even one that played an important role in an anti-apartheid struggle. The interests of the unions are at odds with the national interest, and a hard choice has to be made.

Trade liberalization also requires balance. Reducing protections over the long term is imperative, but quick liberalization is not. Rapid liberalization in a protected and uncompetitive economy like South Africa's would result in severe dislocations. It would be better to lead with focused changes that can bring some export payoffs, such as ex-



port processing zones and duty rebates to insulate exporters from the costs of protectionism, while phasing in broader liberalization.

Liberalization should be accompanied by special initiatives to boost growth and employment. Private sector job creation has to be a priority. This means not only new investment, but more labor-intensive investment. The capital intensity of South Africa's industrial and agricultural sectors is not going to change quickly, but strong incentives have to be put in place to direct new investment to job creation. Current government subsidies to capital-intensive mineral industries should be redirected to small business development, which will create jobs. Labor market reform is also needed. South Africa has one of the most centralized labor negotiation systems and widest disparities between union and non-union wages in the developing world. These characteristics hurt international competitiveness, formal sector employment, and small business development. The power of the unions, which represent only 17 percent of the economically active population, has to be reduced for the sake of expanding employment. Finally, a key to long-term employment creation is better education, especially primary and secondary education. Deliberate undereducation of the black population was one of the most economically irrational aspects of apartheid. While all social needs appear pressing in the Reconstruction and Development Program, basic education has the most direct link to future growth and employment and should be favored in allocating scarce government resources.

There are no quick routes to higher growth, as Latin American development demonstrates. However, one step is increasing savings and investment. In the early 1980s Chile privatized its social security system, shifting from a government-funded pay-as-you-go system to a scheme of mandatory contributions to private pension funds, which invested in Chile's capital markets. This plan removed the cost of social security from the budget and dramatically boosted private savings and investment. According to Chile's ambassador to South Africa, "Chile's economic success is linked to its high savings rate, which is in turn largely attributable to the pension scheme." If South Africa were to follow a similar course, it might increase savings and investment significantly, with major benefits for growth.

OF THOSE GIVEN MUCH, MUCH IS ASKED

DEVELOPING AND building political support for an economic reform program will not be easy. South African politics are not conducive to radical reform. The country is not emerging from the sort of economic catastrophe often required to produce political commitment to deep reform, and the recent economic upturn has made structural changes seem less urgent. Moreover, South Africa lacks interest groups or parties that combine a strong interest in economic reform with political clout. The ANC has political power, but its incentives for economic reform are mixed. Its first goal is to empower and uplift those hurt by apartheid—a distributional goal that fits poorly with economic liberalization, which in the short run benefits the better educated, the better trained, and the better off. Other interests and parties have not been effective advocates of reform. The business community has offered few ideas of its own and has resisted many changes proposed by the government, notably policies to increase competition. Labor unions have defined their interests narrowly. Many other political parties have been content to stand on the sidelines and call for free market changes without acknowledging that most of their proposals would entrench white privilege. No major party has come forward with a broad platform for combining black uplift with private sector-led growth.

In one version of South Africa's future, the most important actors remain locked in narrow conceptions of individual self-interest, and the country as a whole is consigned to slow growth. This outcome will create pressure for government redistribution and endanger racial cohesion over the long term. But in another version, those actors participate in a positive-sum game, agreeing to take exceptional steps or make exceptional sacrifices for the broader good in return for similar concessions from others. Only the route of mutual sacrifice will lead to higher growth and lasting social betterment.

The determining factor will be leadership, which cannot come entirely from the government. The ANC-led government has a major role to play, but it is unrealistic to expect the ANC to lead a liberalization thrust by itself. The business community, the unions, and other political parties will have to cooperate. Those who hold

the best economic cards—the business community and the white population in general—must be willing to make contributions proportional to their economic strength. The historical National Party goal of Afrikaner uplift has been achieved. The business community and whites in general prospered under National Party policies, even as those policies sapped growth and structurally weakened the economy. These groups must now take special responsibility. As the proverb says, “Of those to whom much has been given, much will be asked.” For reform to work, not just economically but also politically, this will be necessary.

If South Africa were a “normal” country, one could not expect this kind of joint leadership to be forthcoming. Indeed, the odds would have to be placed against the South African economy breaking through to six percent growth. But South Africa is not a normal country. It has emerged from a history of tragedy to become a model of compromise and creative leadership for the world. Those qualities give special hope that the new challenges of growth and development will be met.🌐

# STUDY INTELLIGENCE AND FOREIGN AFFAIRS

Summer Courses in Washington, D.C. with Prominent Authorities

- Designed for U.S. government officials, graduate students, and upper-division undergraduates.
- **Enhance professional credentials** by studying with faculty of outstanding scholar-practitioners.
- These **small** seminar-style courses are **taught in the evening**; 4 credits each.
- Financial aid available. **Transferrable academic credit granted by Boston University.**
- Students from CIA, DIA, NSA, NSC, FBI, USIA, and Departments of Defense, Energy, and State.

JUNE 10 TO AUGUST 2, 1996

## INTELLIGENCE AND POLICY

**Kenneth deGraffenreid**, former Senior Director of Intelligence Programs, National Security Council

*Past Guest Faculty:*

**Angelo Codevilla, Jack Davis, John Dziak, Lawrence Gershwin, Richard Haver, Arthur Hulnick, Abram Shulsky**

## NATIONALISM AND INTERETHNIC CONFLICT

**Julianna Geran Pilon**, International Foundation for Electoral Systems

*Guest Faculty:*

**George Ayittey, John Finerty, Paul Goble, Michael Ledeen**

## IDEAS AND VALUES IN INTERNATIONAL POLITICS: POLITICAL CULTURE AND PUBLIC DIPLOMACY

**Joshua Muravchik**, American Enterprise Institute

*Past Guest Faculty:*

**Paula Dobriansky, John Esposito, Edwin Feulner, Francis Fukuyama, Graham Fuller, Carl Gershman, Penn Kemble, Carnes Lord, Christopher Manion, Michael Novak, Eugene Pell, Herbert Romerstein, Ben Wattenberg**

## COUNTERINTELLIGENCE IN A DEMOCRATIC SOCIETY

**David Major**, retired from the FBI; former Director of Counterintelligence, National Security Council

*Past Guest Faculty:*

**James Chandler, Kenneth deGraffenreid, John Dziak, Nicholas Eftimiades, Stanislav Levchenko, Patrick Watson**

## THE POST-SOVIET STATES

**Paul A. Goble**, The Potomac Foundation; formerly with Department of State

*Past Guest Faculty:*

**Walter Connor, John Dunlop, Paul Henze, Roman Szporluk**

## STRATEGIC WEAPONS PROLIFERATION: HISTORY, TECHNOLOGY AND POLICY

**Henry Sokolski**, former Deputy for Non-Proliferation Policy, Department of Defense

*Past Guest Faculty:*

**Brian Chow, Victor Gilinsky, Fred Ikle, David Kay, James Lilley**

## AMERICAN FOUNDING PRINCIPLES AND FOREIGN POLICY

**Richard G. Stevens**, formerly with National Defense University and Defense Intelligence College

*Past Guest Faculty:*

**George Carey, Whittle Johnston, Ellis Sandoz**

**THE INSTITUTE OF WORLD POLITICS**  
A Graduate School of International Affairs and National Security

1521 16th Street, NW, Washington, DC 20036

(202) 462-2101

# Asia-Pacific Review

The new publication of the  
INSTITUTE FOR INTERNATIONAL POLICY STUDIES

Get  
the advantage  
of a new  
vantage point

"Asia-Pacific Review brings to its readers some of the best analysts on Japan and its growing international role." — *Sebastian Mallaby, Tokyo Bureau Chief, The Economist*

Established in January 1994 to answer the need for firsthand policy analyses from an Asia-Pacific perspective, each biannual issue of *Asia-Pacific Review* provides 10-12 concise, insightful articles. In the Spring/Summer 1995 issue, former Prime Minister Yasuhiro Nakasone discusses bureaucrats in Japan, Professor Susumu Yamakage looks at the prospects for APEC, and Patrick M. Cronin reviews the future of the Japan-US alliance. Unique vantage points such as these make *Asia-Pacific Review* authoritative and indispensable.

☐ YES, please begin my subscription today — two yearly issues for US\$35.00.

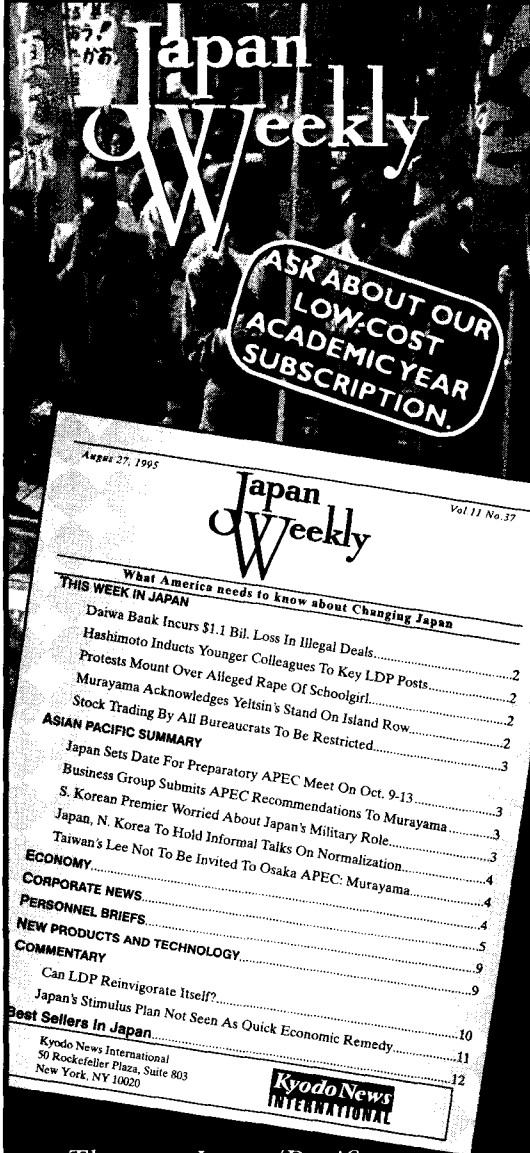
Name \_\_\_\_\_

Address \_\_\_\_\_

☐ Please send pro forma invoice ☐ Cheque for US\$35 enclosed

Please return to: *Asia-Pacific Review* Subscriptions  
Maruzen Co., Ltd., Int'l Division Export Dept.  
PO Box 5050, Tokyo International 100-31 JAPAN

For information: INSTITUTE FOR INTERNATIONAL POLICY STUDIES  
Tel +81(3)3222-0711 • Fax +81(3)3222-0710



**Japan Weekly**

ASK ABOUT OUR LOW-COST ACADEMIC YEAR SUBSCRIPTION.

August 27, 1995 Vol 11 No 37

What America needs to know about Changing Japan

**THIS WEEK IN JAPAN**

- Daiwa Bank Incurs \$1.1 Bil. Loss In Illegal Deals.....2
- Hashimoto Inducts Younger Colleagues To Key LDP Posts.....2
- Protests Mount Over Alleged Rape Of Schoolgirl.....2
- Murayama Acknowledges Yeltsin's Stand On Island Row.....2
- Stock Trading By All Bureaucrats To Be Restricted.....3

**ASIAN PACIFIC SUMMARY**

- Japan Sets Date For Preparatory APEC Meet On Oct. 9-13.....3
- Business Group Submits APEC Recommendations To Murayama.....3
- S. Korean Premier Worried About Japan's Military Role.....3
- Japan, N. Korea To Hold Informal Talks On Normalization.....4
- Taiwan's Lee Not To Be Invited To Osaka APEC: Murayama.....4

**ECONOMY**.....4

**CORPORATE NEWS**.....4

**PERSONNEL BRIEFS**.....4

**NEW PRODUCTS AND TECHNOLOGY**.....5

**COMMENTARY**.....9

- Can LDP Reinvigorate Itself?.....9
- Japan's Stimulus Plan Not Seen As Quick Economic Remedy.....10

**Best Sellers In Japan**.....11

Kyodo News International  
50 Rockefeller Plaza, Suite 803  
New York, NY 10020

**Kyodo News INTERNATIONAL**

...The new Japan/Pacific  
Rim current affairs newsletter from  
**Kyodo News International.**

**Call us for your four-week  
FREE TRIAL  
subscription.  
1-800-536-3510  
or fax (212) 397-3721**

---

# **A Pragmatic Strategy for China's Peaceful Reunification**

## **Lien Chan**

*Lien Chan has served as premier of the Republic of China since February 1993.*

*President Lee Teng-hui's visit to the US last June brought relations between Taipei and Beijing to an all-time low and raised questions about the effectiveness of the ROC's strategy for reunifying divided China. Against this backdrop, ROC premier Lien Chan urges that peace must be maintained at all costs and staunchly defends his nation's policy of pragmatic diplomacy and increased cross-straits exchanges as the best way to achieve the peaceful reunification of China under a free, democratic, and prosperous system. This position, Lien argues, is based on the belief that mutual trust and reciprocity must replace ideological posturing if the two sides are to achieve their final goal: China's peaceful reunification.*

World attention was drawn to relations between the Republic of China and the People's Republic of China in dramatic fashion during July and August of 1995 by two sets of highly publicized missile tests conducted by mainland Chinese military forces close to the northern coast of Taiwan. Beijing's escalation of tension across the Taiwan Straits was widely perceived as a response to a visit in June by ROC President Lee Teng-hui to Cornell University, his alma mater.

Although the president's trip was in a private capacity, Beijing further signaled its displeasure by shutting down the non-governmental channel of negotiation that since 1993 had met peri-

odically to discuss practical issues concerning the growing trade, investment, and cultural contacts between Taiwan and mainland China. The Taipei-based Straits Exchange Foundation (SEF), established in February 1991 as a private, nonprofit organization, first met formally in Singapore with its mainland counterpart, the Association for Relations Across the Taiwan Straits (ARATS), during April 1993. Since then, the organizations have held nearly a dozen meetings to discuss economic, technical, legal, and other practical cross-straits issues. Although these talks carefully avoided direct governmental contacts, they broke decades of mutual

---

SPONSORED STATEMENT: Underwritten by the Central News Agency, Republic of China



## **A Pragmatic Strategy for China's Peaceful Reunification**

---

{SPONSORED STATEMENT}

isolation between the two sides and helped build greater mutual understanding and cooperation.

To many people, the missile tests and break in SEF-ARATS meetings indicated that a genuine crisis had arisen in cross-straits relations, one with unsettling implications for the Asia-Pacific region and for other nations around the world as well. But Taiwan and mainland China have weathered previous crises successfully. One only need recall the shelling of Quemoy by the Chinese communists in 1954 and 1958, which prompted the United States to send the 7th Fleet to monitor the situation. In the more than thirty years since then, the tension in the Taiwan Straits has gradually slackened.<sup>1</sup> It should be remembered that the Chinese term for "crisis" contains the characters for "danger" and "opportunity" implying that "in danger, there is also opportunity." Thus, despite last summer's tensions,

<sup>1</sup> After 1949, when the Chinese communists took over the mainland and the ROC government moved to Taiwan, the two sides at first engaged in sporadic military conflict. By the late 1970s, they had shifted to relatively peaceful confrontation. On November 2, 1987, the ROC government took a major step to help bring the two sides closer together by lifting the ban on visits to mainland China by ROC citizens. This, for the first time, officially sanctioned private exchanges between the two sides. On May 1, 1991, the ROC government announced the termination of the Period of National Mobilization for Suppression of the Communist Rebellion and abolished the Temporary Provisions to the ROC Constitution that were effective during this period, formally indicating that the ROC policy was to seek peaceful solutions to cross-straits issues.

the ROC government has strengthened its resolve to continue pursuing the trade, investment, cultural, and other contacts that have been building since late 1987. Such contacts are seen as productive means to build greater trust between the two sides and, ultimately, to achieve a shared goal: the peaceful reunification of China.

While Beijing has yet to reciprocate by renouncing the possible use of military force against Taiwan, the ROC government is committed to pursuing a peaceful strategy that fosters mutual respect between the two sides. When I became Premier in February 1993, I made improvement of cross-straits ties a high priority in hopes of moving both sides away from the "zero-sum" approach to relations, where one side's gain is at the other's expense, in favor of finding "win-win" solutions that could resolve the problems between us in a mutually beneficial way.

It is clearly counterproductive for both sides to advocate the eventual reunification of China and at the same time indulge in unnecessary diplomatic skirmishes and waste precious resources on military preparations. Why not channel our resources into more productive ways to benefit all our people and advance the cause of peaceful reunification? Thus, I have repeatedly stated my support for increased exchanges in economics and trade, culture and art, technology and news dissemination between the two sides as means

## **A Pragmatic Strategy for China's Peaceful Reunification**

---

{SPONSORED STATEMENT}

to bridge the chasm of misunderstanding that still exists between us. The ROC government's pragmatic strategy for peaceful reunification is to keep building positive cross-straits relations through a gradually expanding set of exchanges, thereby introducing an era of negotiation. During the first half of last year, it was beginning to look as if a framework for indirect high-level dialogue between the two sides might eventually result from the six-point proposal<sup>2</sup> offered by President Lee Teng-hui on April 8 in an address to the ROC National Unification Council as a response to an eight-point proposal regarding cross-straits ties announced by Mr. Jiang Zemin, Secretary-General of the Chinese Communist Party, on January 30, 1995.<sup>3</sup> Regrettably, this positive development was not the only casualty of Beijing's gestures of dis-

<sup>2</sup> President Lee called on the mainland authorities to pursue reunification based on the reality that the two sides are governed respectively by two governments. In addition, he called for strengthening bilateral cultural exchanges, enhancing mutually beneficial trade relations, ensuring that both sides participate in international organizations on an equal footing, resolving all disputes by peaceful means, and jointly safeguarding prosperity and promoting democracy in Hong Kong and Macau.

<sup>3</sup> Mr. Jiang's proposals: adhere to the principle of one China, oppose Taiwan's activities in expanding its international living space, jointly safeguard China's sovereignty and territorial integrity, declare that "Chinese should not fight fellow Chinese," affirm the advantages of economic exchanges and cooperation between the two sides, single out Chinese culture as an important basis for the peaceful reunification of the motherland, exchange views with all parties and personages from all circles in Taiwan, and welcome visits by leaders of the Taiwan authorities.

pleasure last summer, for the mainland authorities then proceeded to shut down the ongoing administrative-level talks between the SEF and ARATS. In our view, this non-governmental channel of communication, set up after so much painstaking effort in order to resolve disputes between both sides, should be reopened. Such a channel is all the more important during any period of intensified tension between Taipei and Beijing, because it helps prevent the unfortunate results of miscalculation or misunderstanding.

One example of such misunderstanding is the persistent complaint by Beijing that efforts of the ROC government to gain its rightful international status are an expression of "Taiwan independence." Such a stance fails to reflect reality and also ignores our long-term efforts to improve cross-straits ties and promote the reunification of China. In November 1987, when the ROC government announced that people in Taiwan could visit their relatives on the Chinese mainland, nearly forty years of cross-straits alienation was terminated. This landmark change in ROC policy has resulted in more than 8.5 million trips to the Chinese mainland as of mid-1995. Moreover, aggregate cross-straits trade by the end of 1994 exceeded US\$70 billion, with US\$17.8 billion in 1994 alone. At the same time, we have witnessed growing cultural and academic contacts. Fourteen thousand mainland professionals have visited Tai-

## **A Pragmatic Strategy for China's Peaceful Reunification**

---

{SPONSORED STATEMENT}

wan in the past eight years on such exchanges. Such positive momentum on many fronts needs to be continued.

### **THE BASIS FOR A PEACEFUL AND POSITIVE FUTURE**

In spirit and direction, the ROC's strategy for peaceful reunification derives from the 1991 Guidelines for National Unification. They delineate three phases for achieving China's reunification: a short-term phase of exchanges and reciprocity, a medium-term phase of mutual trust and cooperation, and a long-term phase of consultation and reunification. There is no fixed time frame for each stage, for it is difficult to predict how long it will take for the two sides to bring their divergent social, political, and economic systems into greater harmony.

As cross-straits circumstances have changed, the ROC government has abandoned outdated ideological conflict and has made pragmatic efforts to recast relations in a positive mode. In the past, we hoped to exploit the vast differences between the economic systems of each side of the Taiwan Straits to demonstrate the superiority of our free-market system; we now hope to offer the advantages of our system as a model to promote trade and economic growth in mainland China and to decrease cross-straits economic disparities as a step toward eventual reunification.

Formerly, we saw unrest and upheaval on the mainland as an opportunity to precipitate the rise of freedom and democracy; we now want to see evolutionary, instead of revolutionary, change in this direction. Previously, we sought to limit interaction between the people in our area of effective jurisdiction and those on the mainland; today, we encourage interaction and do not even rule out the possibility of future government-to-government contacts.

Internationally, we have shelved our dispute with mainland China over the issue of "China's representation" in the United Nations. We maintain that the most concrete step the international community can take to acknowledge the reality that China is divided and ruled by separate and autonomous governments is to ensure that both sides have satisfactory representation not only in the United Nations, but indeed in all international organizations. Only then can both sides begin to find solutions to the issues that divide them. For this reason, Taiwan and mainland China have to accept the reality of divided rule, not deny each other as equal political entities, and actively nurture favorable conditions for China's eventual reunification. In this way, both sides can gradually move toward national fusion based on democracy, freedom, and prosperity.

We have always tried to clearly state and remain focused on the substantive issues that divide the two sides

## **A Pragmatic Strategy for China's Peaceful Reunification**

---

{SPONSORED STATEMENT}

over how to achieve national reunification. I have personally felt for some time that Taipei and Beijing have no quarrel over the issue of "nationalism," or *min-tsu chu-yi* which Beijing continually invokes when discussing the issue. The Chinese term *min-tsu chu-yi* evokes a sense of common ethnic identity, and nearly all Chinese on Taiwan trace their ancestry back to the Chinese mainland at some point in the past. *Min-tsu chu-yi* is also part of Dr. Sun Yat-sen's Three Principles of the People, which contains a concept more germane to the issue of national reunification, namely, *min-ch'üan chu-yi*. This latter term is sometimes translated as the "Rights of the People," but really is another way, in my opinion, of defining "democracy." In other words, what matters now in the process of achieving national reunification are differences over the enormous gap in political systems under which our two societies currently operate, not issues of common ethnic identification. Rather than needlessly debating in the international arena whether a particular act is an expression of "one China, one Taiwan," "two Chinas," or "Taiwan independence," the real question the two sides must resolve, as stated before, is how to promote peaceful national reunification according to the principles of democracy, freedom, and prosperity.

### **OBSTACLES TO THE REUNIFICATION PROCESS**

Many of the obstacles that lie in the path to peaceful reunification are based on reluctance in Beijing to relinquish past, outdated policies. For instance, Beijing's position that increased international recognition of Taiwan would encourage sentiment for "Taiwan independence" is groundless. "Taiwan independence" is explicitly counter to ROC policy. The ROC government advocates a "one China" position while simultaneously stressing the undeniable reality that this "one China" is currently divided and has been ruled by separate, autonomous governments for more than forty years. Thus, neither the ROC nor the PRC can at present claim to represent the entire Chinese nation.

Beijing also maintains a "one China" stance, but its version sees the PRC as the sole representative government of China; and Taiwan — being part of China; and Taiwan — as a part of the PRC. However, there is no substance to the PRC's claim of sovereignty over Taiwan; it has no right to represent the people of Taiwan. The Chinese communists are trying to achieve by specious rhetoric what they did not achieve by force of arms in 1949. Although it is true that when the ROC government moved to Taiwan in 1949 the population and territory it could effectively administer decreased substantially, the ROC remains an independent sovereign entity

## **A Pragmatic Strategy for China's Peaceful Reunification**

---

{SPONSORED STATEMENT}

— one that in subsequent years has had outstanding political and economic success. As historical fact and international law attest, the PRC has never exercised any administrative power over Taiwan, and so it has no right to represent our 21 million residents in any international organization or activity.

Given the ROC's political and economic strength, it is only natural for our people to demand an international status commensurate with the reality of Taiwan's role in the world. The result of Beijing's effort to oppose and isolate the ROC in the international community is that, despite being welcome as tourists and businessmen in countries around the world, our citizens are subject to awkward and cumbersome procedures for obtaining visas. Our athletic teams in international competitions cannot even wear the name of their country on their uniforms. And in spite of consistent expressions of willingness and undoubted financial ability to help, the ROC remains unable to join such apolitical organizations as WHO, UNESCO, and even the International Red Cross.

Beijing continues to miss opportunities to build upon the positive momentum of cross-straits relations. Old ideas, such as the mainland's "one country, two systems" formula for resolving the reunification issue are unworkable. The "one country" Beijing insists on in this transitional arrangement would presumably be the "People's Republic of China," and the ultimate sys-

tem would thus be communist autocracy. Beijing's proposal therefore amounts to reducing the ROC to the status of a local government, while forcing the people of Taiwan to accept Chinese communist rule and to forsake the democracy, freedom, and prosperity they enjoy today. In recent years, the mainland authorities have repeatedly called for "peaceful reunification," yet have also refused to renounce the use of force to achieve it. By continually threatening Taiwan, the mainland authorities are pursuing a policy that only widens the psychological gap between the two sides. This is hardly conducive to facilitating the process of reunification.

### **HOW TO IMPROVE CROSS-STRAITS RELATIONS**

First, if Beijing's leaders are sincere about pursuing reunification, they must adopt a strategy that strengthens understanding between the two sides. This should include attempts to comprehend the reasons for Taiwan's social, political, and economic development. Popular will in Taiwan, expressed in a free-wheeling, multifaceted democratic society, is playing an increasingly important role in guiding the island's development. Thus, any cross-straits measure that deviates from the popular will is unacceptable in Taiwan. The mainland authorities simply cannot ignore

## **A Pragmatic Strategy for China's Peaceful Reunification**

---

{SPONSORED STATEMENT}

the views of the Taiwan people. If mainland China's leaders can more vigorously pursue democratic policies and the rule of law, leading to a fair and open society, they will certainly help bring the two sides closer together. And only in this way will they be acting in accordance with the cardinal principles of nationalism which they so strongly advocate.

Second, cross-straits relations can be improved by accepting "parallel benefits" as a common goal. In other words, both sides should strive for a "win-win" approach. Taiwan's people know that cross-straits reunification is currently precluded by the great differences between the two sides in terms of political and economic systems and standards of living, rather than "foreign interference" or the "advocacy of Taiwan independence by people within Taiwan," as Beijing has alleged. In recent years, Taipei has consistently expressed its willingness to use Taiwan's economic strength to assist the Chinese mainland. Although the island's development has not been without problems, much of this experience can nevertheless be of considerable value to the mainland.

Third, both sides need to increase exchanges, thereby boosting the idea of parallel benefits in business, trade, and investment. In February 1995, I pointed out in my administrative report to the ROC Legislature that cross-straits relations should at present focus on trade and economic issues so that both sides

might enjoy the benefits of a market economy. The ROC government has, in accordance with this policy, greatly relaxed its restrictions on cross-straits investment and trade, and recently formulated a plan to establish offshore transshipment centers to allow direct cross-straits transportation of cargo. We proposed this plan to nurture conditions that will make it eventually possible to establish postal, trade, and transportation links across the Taiwan Straits. To date, an agreement has been made to allow flights between Taiwan and Macau, some of which could be extended to certain cities in the Chinese mainland after a stopover in Macau and a change of flight number.

We also encourage extensive exchanges in arts, culture, education, literature, science and technology, and hope that future exchanges will not be limited to mere visits or conferences, but will expand to include long-term joint research, technological seminars, and academic exchange programs. The ROC government has already eased restrictions on visits by its officials to the Chinese mainland and has relaxed entry procedures for visits by Chinese Communist Party and government officials.

Fourth, we need to implement more pragmatic consultation. After the first SEF-ARATS talks in 1993, the two organizations began to provide a consultation channel to deal with problems related to cross-straits exchanges. Although matters did not go smoothly at



## **A Pragmatic Strategy for China's Peaceful Reunification**

---

{SPONSORED STATEMENT}

first because consensus could not be easily achieved on such issues as fishery disputes, we were headed in the right direction. I still believe that it is in the interests of both sides to minimize our political differences and resume our dialogue as soon as possible.

All these suggestions are made in a spirit of cooperation and are inspired by a desire to build confidence and trust. They fully accord with our Guidelines for National Unification, which call for fostering an environment of reason, peace, parity and reciprocity in which both sides can jointly pursue the cause of national reunification. Although relations across the Taiwan Straits have been chilled by recent setbacks, we are confident that this situation is only temporary and that peace remains our common aspiration. Progress in cross-

straits relations has been steady in recent years, and the economic momentum in particular is unlikely to be lost. But we must also look to other issues as well: greater military transparency, increased understanding of political processes on both sides, strengthened cultural exchanges, and wider mutual reporting in the mass media of the changes taking place in both our societies.

In coming years, as now, tension across the Taiwan Straits may occasionally seem to reach crisis proportions. During such times, both sides must have the will to find mutually beneficial solutions and the mechanisms to help carry them out. Each success will bring both sides closer to our shared goal: China's peaceful reunification.

# Reviews



ARCHIVE PHOTOS

*Does the bald eagle truly stand alone?*

## Theories of American exceptionalism confuse cause and effect.

The American Creed *Michael Lind* 135

Nations Without Borders *Myron Weiner* 128

Recent Books on International Relations 140

In Defense of Mother Teresa *Stanley Hoffmann* 172

Letters to the Editor 176

# Nations Without Borders

## The Gifts of Folk Gone Abroad

*Myron Weiner*

*Migrations and Cultures: A World View.*

BY THOMAS SOWELL. New York:  
Basic Books, 1995, 512 pp. \$27.50.

More than ever before, migration is a global phenomenon. In search of employment, higher wages, educational opportunities for themselves and their children, and escape from persecution and violence, millions of people cross international borders each year. Countries that had few immigrants in the past now have growing immigrant populations. Nearly every major city in the world has a sizable immigrant community. Frankfurt has its Turks, Vancouver its Chinese, Marseilles and Paris their Algerians, London its West Indians, Kuwait, Dubai, and Abu Dhabi their Indians, New York its Russian Jews, Dacca its Biharis, Bangkok its Burmese, and Tokyo its Iranians. Over a hundred

million people are now living outside the country of their birth, and millions more latter-generation immigrants maintain their ethnic identities. In industrialized societies, noncitizens now typically constitute more than 5 percent of the population. That figure is 8.5 percent in the United States and Germany, and as high as 15 percent in Canada, 18 percent in Switzerland, and 24 percent in Australia. In a few oil-producing countries like Saudi Arabia, the United Arab Emirates, Oman, and Kuwait, noncitizens outnumber natives.

These large and visible immigrant populations have given pause to governments and their citizens. Do immigrants benefit the economy, taking unwanted jobs and providing needed skills, or do they displace workers and burden public resources? Do immigrants add cultural

---

MYRON WEINER, Ford International Professor of Political Science at the Massachusetts Institute of Technology and Director of its Center for International Studies, is author of *The Global Migration Crisis: Challenge to States and to Human Rights*.

diversity and artistic creativity, or do they erode national identities and fragment societies? Are immigrants fully incorporated into citizenship, or are they marginalized with limited rights and benefits? Are countries losing skilled workers, or do they benefit by having many of their citizens abroad sending remittances home, making investments, and transferring technologies? Do immigrants facilitate international cooperation, or do they exacerbate conflict and contribute to global terrorism and drug trafficking?

In country after country, these questions are the subject of political debate and the impetus for new policies. In the United States, California passed Proposition 187 in 1994, denying many benefits to illegal immigrants. Presidential candidate Pat Buchanan has called for a halt to immigration, and congressional legislation to restrict and cut benefits to legal immigrants and their children is pending. Almost every European country has introduced further restrictions on the number of immigrants and asylum-seekers. Even developing countries, the sources of most world migration, have turned refugees away and introduced measures to prevent illegal entry.

Once principally the concern of American sociologists, historians, and demographers, migration now attracts the attention of economists, political scientists, and specialists in international relations around the world. For those who work in the field it has become increasingly difficult to keep up with the flow of articles and books. International migration and its causes, consequences, benefits, and costs have taken on the centrality and sharpness that once belonged to the study of multinational corporations.

Thomas Sowell, an economist and senior fellow at the Hoover Institution at Stanford University and author of numerous books on the links between economics and culture, has added to the debate with his new book, *Migrations and Cultures*. Sowell's principal interest is what makes immigrants prosperous. Many immigrant communities, he points out, have done well for themselves and contributed to the economic development of the countries in which they settled. Moreover, their success is often independent of local conditions. Some migrant communities have prospered wherever they moved—to colonies or independent countries, democratic or authoritarian countries, developed or developing countries. Often they have had to overcome discrimination and hostility.

#### THE SUCCESSFUL IMMIGRANTS

Sowell looks at six high-achieving migrant communities. He starts with German migrants to the Baltic States, Poland, Russia, South America, and the United States and describes their contributions to brewing, optics, industrial manufacturing, and educational institutions from kindergartens to research-oriented universities. By contrast, the Japanese first settled in the United States, Brazil, Peru, and Canada as migrant laborers with few technical skills, but their culture enabled them to overcome discrimination, become independent farmers, and join the middle class. The Italian migrants to Argentina, Brazil, the United States, and Australia were industrial workers, masons, winemakers, fishermen, and vegetable growers. The Chinese migrants, numbering 36 million, settled mainly in Southeast Asia, where they started out in difficult, dangerous work and eventually became financiers of rice



production in Thailand, merchants and industrialists in Malaysia and Indonesia, and retailers in the Philippines. In medieval Europe, Jews were peddlers, artisans, moneylenders, and rent and tax collectors. In Eastern Europe they were craftsmen, cobblers, bakers, and tailors. In societies as different as the Soviet Union, Australia, and Argentina, they contributed their skills to universities, commerce, industry, and the professions. In the nineteenth century millions of unskilled Indians settled overseas as indentured laborers in eastern and southern Africa, Ceylon, Malaya, Fiji, Trinidad, British Guiana, and Mauritius. In the middle of the twentieth century educated Indians settled in the United States, Canada, and the United Kingdom. Today a large proportion of the overseas Indians are professionals such as electronics engineers, doctors, bankers, and merchants.

In the United States, these migrants created some of the most prominent industrial, financial, and commercial establishments. Germans built Bausch and

Lomb, Hershey, Heinz, Berlitz, Anheuser-Busch, Miller, Coors, Pabst, Schlitz, Steinway pianos, and Wurlitzer organs. Italian migrants established Del Monte canned fruits and vegetables, many Napa Valley vineyards, and the Bank of America. Jews built some of the largest retail businesses in the country: Macy's, Gimbels, Abraham and Strauss, Bloomingdale's, B. Altman, Saks in New York, Bamberger's in New Jersey, Filene's in Boston, and Sears.

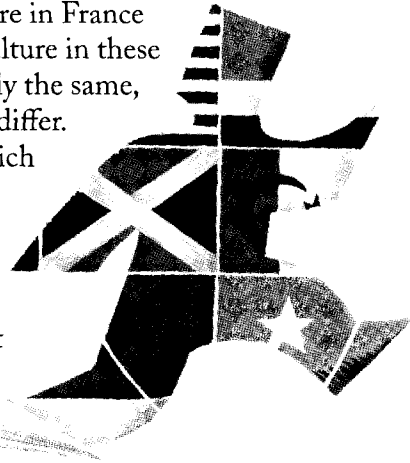
According to Sowell, the key elements in the global success of these six migrant communities were human capital—education and skills—and cultural capital—risk-taking, self-reliance, thrift, cohesion, work habits, and concern for their children's future. The migrants took with them the cultures of their native countries. "Sometimes," he writes, "it is highly specific skills which are salient, such as skills in clock-making among the Huguenots who settled in Geneva in the sixteenth century and London in the seventeenth, making both cities leading clock-making

centers of the world for the first time. Sometimes it is not so much specific skills as a set of attitudes toward work and toward risk-taking, which may lead the immigrants to excel in some fields in which they had no experience before immigration, as the Chinese and Japanese have done in many countries where they began as plantation laborers, moved on to become small businessmen and—in later generations—rose to prominence in engineering, medicine, and other unrelated fields. . . . Nothing is more common than to have poverty-stricken immigrants become prosperous in a new country and to make that country more prosperous as well.”

Sowell is no cultural relativist. He is dismissive of those who believe that cultures are merely different, not better or worse. In a politically incorrect assertion, Sowell writes that some cultures are better than others, “doers and do-nots.” In most societies, he says, the internal resources of the migrant communities have made the difference in whether they succeed or not. Political action rarely mattered. Protest politics was of little importance. Successful migrants and their descendants remained nonpolitical even in the face of discrimination and hostility from the native population. When they did stand for office, it was not as ethnic leaders. Nor did they try to improve their circumstances through government employment. Instead, migrants and their children turned their energies toward education and accumulating wealth in whatever part of the private sector their cultural and human capital would be most profitable, becoming merchants, industrialists, farmers, skilled craftsmen, and professionals.

In his extensive writings, Sowell has argued that international experience overwhelmingly demonstrates that differences in skills and cultural values among communities are the principal determinants of advancement, not affirmative action programs or political protest movements. His views have been unpopular among African-Americans, but in recent years it has become more acceptable to point to the need for addressing the issue of values and skills.

There is nonetheless much to criticize in Sowell’s analysis. The cultures that gave rise to successful entrepreneurs often fail to produce entrepreneurship at home. Indians and Chinese, for example, have been far more entrepreneurial abroad than at home, at least until recently. Clearly, the structure of the economy mattered, in addition to the culture of the immigrants. Self-selection is also important; the success of migrant communities may reflect the talent of those enterprising few who chose to migrate more than some quality of their culture. Then too, migrant communities that do well in one country do not necessarily do as well in another. Second-generation Arabs and Turks appear to be doing better in the United States than they are in France and Germany. Culture in these cases is presumably the same, yet the outcomes differ. The ease with which citizenship is acquired, the acceptance of cultural and religious diversity by the host population, and educational opportunities





may be factors in explaining the differences. One wishes too that Sowell had taken a look at some of the newer migrations—the Turks, Algerians, Vietnamese, Croats, and Serbs in Western Europe, the Mexicans, Puerto Ricans, Cubans, and Central Americans in the United States, the Sephardim, Ethiopians, and Russians in Israel, and the Asians in Australia—to explain whether human or cultural capital determines how well they do.

#### BRAIN DRAIN NO MORE

Those criticisms aside, one still has to recognize the persuasiveness of Sowell's central thesis: in the recent past, the flow of migrants has been enormously beneficial to the economic development of destination countries, and the internal resources of immigrant communities have been important determinants of their success, even under adverse circumstances. Is this an argument for making international migration easier? Sowell is not sure. In a much-too-brief conclusion, he suggests that government benefits in industrial societies may be making the absorption of immigrants more costly. He also notes that the historical role immigrants played in transferring technology and spreading skills and manpower from areas of abundance to areas of scarcity may have come to an end. "Those countries with the most human capital to contribute to the rest of the world have tended to send fewer and fewer emigrants abroad. . . . Many refugees have no such human capital, and refugees to the United States in the late twentieth century tended to stay on welfare longer than either American citizens or other kinds of immigrants." International migrations have become a less effective way of transferring human capi-

tal and a more effective way of exporting social problems.

If Sowell is correct, a fundamental change in the function of immigration has taken place. Migrants now benefit their native country by garnering human and economic capital abroad, often with the forthright encouragement of their native governments. The principal gainers from migration may no longer be the destination countries, but the countries of origin. Once escapees of their native countries, immigrants have now become expatriate members of their nations.

Many countries of origin clearly see the benefits of migration and actively export their citizens. Several governments of South and Southeast Asia, for example, have created training programs to help their citizens compete for jobs in the Persian Gulf states. Korea provides classes in English for would-be emigrants and offers loans to help them start businesses abroad. The Philippine government expanded its medical schools to increase the supply of doctors who could seek employment in the United States. In an odd example, the government of El Salvador is helping its citizens in the United States apply for political asylum to avoid losing the remittances sent back to their families. Poland enables its citizens to become guest workers on construction sites in Germany. Until recently the Cuban government made it easy for its citizens to leave, seeing clearly the benefits of losing middle-class opponents while gaining the hard currency they sent home. Mexico restricts admission on its southern borders but has been critical of measures proposed by the U.S. government to make border crossings by illegal migrants more difficult and to impose penalties on employers who

hire them. Some Arab and Asian governments are so eager to export their citizens to the oil-producing countries of the Middle East that they are reluctant to assume the traditional commitment of states to protect their citizens abroad. Labor-exporting governments often rush to the defense of their overseas nationals only when there is a public outcry.

Governments have turned to their nationals abroad for remittances, foreign investment, and assistance in the transfer of technology. In some cases countries earn more foreign exchange through remittances and direct investment by emigrants than through foreign aid or trade. Much of the foreign investment in China, for example, comes from Chinese in Taiwan, Southeast Asia, and the United States. They may be revitalizing Vancouver, but they are also revitalizing the economy of southeast China. Similarly, the reconstruction of Beirut is taking place with financial investment from overseas Lebanese, and the reconstruction of El Salvador and Nicaragua with remittances sent from the United States. The emergence of a worldwide computer software industry has enabled electronically skilled emigrants to disseminate their skills back home. The expansion of the software industry in Bangalore is made possible by Indians educated in the United States, often holders of green cards who prefer to start their own firms in India rather than take lesser positions in Silicon Valley. Governments no longer complain of a brain drain. Prime Minister Rajiv Gandhi captured the mood some years ago when he said he regarded Indians abroad as a bank "from which one could make withdrawals from time to time."

Motivated as much by economic as nationalist considerations, many govern-

ments nurture the ethnic identities of their nationals abroad. Governments and religious bodies often provide financial support for the religious and educational institutions of their overseas ethnic kinfolk. The government of Korea, for example, supports educational programs in Seoul for the children of overseas Koreans in an effort to keep the Korean language and culture alive. These efforts to sustain cultural ties are facilitated by the ease and low cost of international communication and transportation.

Suppressed political and ethnic groups also turn to their ethnic kinfolk abroad for financial, military, and political support. Religious radical groups, like the Islamic Salvation Front in Algeria and Hamas among the Palestinians, and secessionist groups, including supporters of an independent Khalistan and Kashmir in India, Tamil Eelam in Sri Lanka, East Timor in Indonesia, and an independent Kurdistan in Iraq and Turkey, are active in countries where their emigrants reside. Turks and Croats in Germany, Algerians in France, Indians in the United Kingdom, Chinese in the United States, and Ukrainians in Canada are very much involved in homeland politics. Ambassadors no longer deal solely with the governments to whom they are officially accountable, but must woo the support of their nationals abroad. A small number of terrorist attacks (the Paris Metro and the World Trade Center) also remind citizens of host countries that the political struggles within the migrants' countries can easily spill over and disrupt their own societies.

#### **FOREIGN NATIONALS**

Destination countries are in a state of confusion over how they ought to treat their

immigrant communities. They are not sure whether they want their immigrants to stay or go home, assimilate or retain their cultural identity, nor whether the migrants and their children should be encouraged to feel patriotic toward their new country or maintain loyalty to their country of origin. This confusion is making it more difficult for their immigrant communities to shed their ties by denying them opportunities afforded their own citizens. Germany, for example, continues to treat the native-born children of migrants as foreigners. Naturalization rates are very low (only one-half of one percent a year) so that even the children and grandchildren of immigrants remain citizens of the countries from which their ancestors came. The result is that the foreign population of Germany is increasing by the year, independent of whether new immigrants are admitted.

Other countries have their own restrictions. The Japanese discriminate against Koreans who have resided in Japan for several generations. French educational authorities prevent children of North African origin from displaying their Islamic identity. The U.S. Congress has considered legislation to deny educational loans to the children of legal immigrants. By limiting the rights of and benefits to immigrants and their children, governments risk creating aggrieved and disaffected minorities. In an age of terrorism, even a small number of disaffected youth, hostile to the countries in which they live and were born, can become dangerous tools of the regimes and radical groups of the country of their forefathers. Moreover, the stronger the ties between migrant communities and their country of origin, the greater the effect on receiving countries' foreign policy. U.S. re-

lations with Cuba, German policy toward Croatia and Turkey, and French policy toward Algeria are each a case in point.

Are we now witnessing the emergence of transnational populations, much as we have already witnessed the rise of transnational corporations? The answer is clearly yes, but the links between diasporas and their homelands are as complex and diverse as those between transnational corporations and their governments. Many of the new migrants will be as assimilated into their environments as were German immigrants in the United States. Eisenhower and Pershing were of German descent, but their ancestry played no role in their public careers. But in a multicultural age, when many governments are unsure whether they ought to promote assimilation and when governments of home countries attempt to maintain ties with their overseas populations, the identity of the migrants and their locally born children is problematic. In some migrant communities, individuals will regard their homeland as central to their political identity and will seek ways to support or undermine the regime of their country of origin. Clearly, a major new global force has emerged with an enormous influence on the economics and politics of countries of origin and of destination and on relations between them. ②

# The American Creed

Does It Matter? Should It Change?

*Michael Lind*

*American Exceptionalism: A Double-Edged Sword.* BY SEYMOUR MARTIN

LIPSET. New York: W. W. Norton, 1996, 352 pp. \$27.50.

*Democracy's Discontent: America in Search of a Public Philosophy.* BY MICHAEL J. SANDEL. Cambridge: Harvard

University Press, 1996, 432 pp. \$24.95.

American exceptionalism has come to have two meanings. For many politicians, it is a term of praise: the United States, compared to other countries, is unusually good. For social scientists and political philosophers, American exceptionalism presents an intellectual problem: why does the United States differ in significant ways from most other industrial democracies?

That the United States *is* different is the argument that links the diverse essays in Seymour Martin Lipset's book. "America

continues to be qualitatively different" from other advanced industrial nations, Lipset writes. "It is the most religious, optimistic, patriotic, rights-oriented, and individualistic. With respect to crime, it still has the highest rates; with respect to incarceration, it has the most people locked up in jail. . . . It also has close to the lowest percentage of the eligible electorate voting, but the highest rate of participation in voluntary organizations. . . . It is the leader in upward mobility into professional and other high-status and elite occupations, but the least egalitarian among developed nations with respect to income distribution, at the bottom as a provider of welfare benefits, the lowest in savings, the least taxed, close to the top in terms of commitment to work rather than leisure." Lipset makes the important observation "that various seemingly contradictory aspects of American

---

MICHAEL LIND is a Senior Editor at *The New Republic*. His most recent book is *The Next American Nation: The New Nationalism and the Fourth American Revolution*.

society are intimately related. The lack of respect for authority, anti-elitism, and populism contribute to higher crime rates, school indiscipline, and low electoral turnouts. The emphasis on achievement, on meritocracy, is also tied to higher levels of deviant behavior and less support for the underprivileged."

Lipset, one of America's most distinguished sociologists, has pondered American exceptionalism throughout his career in a number of books including *The First New Nation: The United States in Historical and Comparative Perspective* (1963) and *Continental Divide: The Values and Institutions of the United States and Canada* (1990). He stresses the importance of U.S. political culture in the form of "the American Creed"—defined as "liberty, egalitarianism, individualism, populism, and laissez-faire"—to explain the differences between the United States and other industrial democracies.

#### EXCEPTIONALLY ALIKE

In *American Exceptionalism*, as in his previous studies on the subject, Lipset relies heavily on cross-national comparisons to prove that the United States is an "outlier" compared with a supposed European/East Asian norm. "European countries, Canada and Japan," he writes, "have placed greater emphasis on obedience to political authority and on deference to superiors." His own data, however, undermine his argument. "While America collected 31 percent of its GDP in tax revenues in 1991, other countries such as Sweden (52%), Holland (48%), Belgium (40%), and the United Kingdom (36%) were taxed at higher levels," Lipset notes. Why not put Britain together with the United States in the low-tax category? Similarly, Lipset writes, "As of the early

nineties, overwhelming majorities, 87 percent of West Germans, 86 percent of Italians, and 75 percent of Britons, believe in levying higher taxes on the rich to produce greater income equality, as compared to a much smaller majority, only 74 percent, of Americans." The American majority on this issue is hardly "much smaller" than the British—the difference is one percentage point. The cultural gap appears to be greatest not across the Atlantic but across the English Channel.

More important, Lipset exaggerates the role of the American Creed in explaining why the United States is the way it is. America does have a distinctive political culture, characterized by a high degree of individualism and antistatism. But political culture—American, Japanese, or any other—is as much a response to social institutions and public policies as an explanation for them. In a sustained comparison of the United States and Japan, Lipset observes that "Japanese clearly exhibit much stronger ties to their employers than Americans do." Is this a result of some ancient Japanese cultural heritage or a reaction to the practice of lifetime employment that Japanese corporations adopted in the face of labor strife immediately after World War II? Conversely, in this era of downsizing, the attitudes of Americans toward their employers more likely reflect a rational assessment of the insecurity of their tenure than a tradition of American bourgeois individualism going back to the Founding Fathers. In the 1950s this same American culture exhibited a more "Japanese" relationship between large companies and their workers. And a supposedly consensual Japanese political culture was invoked to explain one-party rule and bossism in that country—until the



recent appearance of multiparty politics and charismatic leadership.

Lipset also draws attention to the low and declining levels of voter participation in the United States, as though they were somehow an inevitable result of American political culture. He does not consider that they are a response to the voter registration regulations imposed by early-twentieth-century Progressives (who wanted lower turnout by the less educated and less wealthy) and to the penalty imposed on third parties by the first-past-the-post electoral system the United States shares with Britain. Reforms such as easy, same-day voter registration, weekend voting, and proportional representation might not bring U.S. voter participation levels up to First World norms—but then again, they just might.

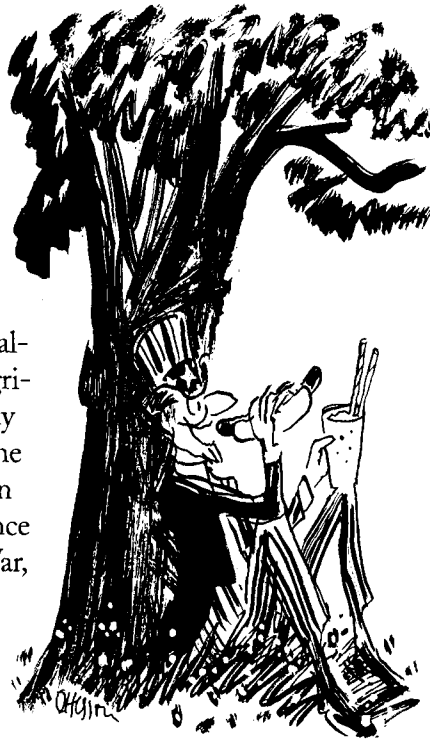
Much of the difference in aggregate public spending between the United States and other English-speaking democracies, which Lipset cites to prove American exceptionalism, results from a single factor: the absence of universal health care in the United States. Lipset does not take into account the tax subsidies in health care and other areas which, many argue, constitute an “invisible welfare state” that is relatively generous to the affluent and the middle class, if not the poor, in the United States. At any rate, if the United States could move dramatically closer to the statistical norm of developed countries by passing merely a single piece of legislation, how deep-rooted can American exceptionalism be?

In addition, Lipset’s surveys of American attitudes are misleading because they erase cultural differences between regions in the United States. American regional politics—in particular, the politics of the

most exceptional region in the United States, the South—is more responsible than universally shared American values for the peculiar structure of the American welfare state. From the 1930s to the 1990s, Southern members of Congress, whether conservative Democrats or Republicans, have been the chief impediments to the adoption of European-style social democracy in the United States. Under F.D.R., the very same conservative Southern

Democrats who killed social programs that would have empowered poor whites and blacks in their region ensured the adoption of massive, centralized federal agricultural subsidy programs. If the South had won its independence in the Civil War, the northern remnant of the United States, free of Southern congressmen and senators, might well have followed a path much closer to those of Britain, Canada, Australia, and New Zealand, American political culture notwithstanding.

Lipset concedes that American exceptionalism has not prevented the United States from adopting many institutions, from federal welfare to an enormous peacetime military establishment, that





were once thought utterly un-American. He admits that "major changes have occurred which have modified the original American Creed, with its suspicion of the state and its emphasis on individual rights. These include the introduction of a planning-welfare state emphasis in the 1930s, accompanied initially by greater class-consciousness and trade union growth, and the focus on ethnic, racial, and gender group rights which emerged in the 1960s." Meanwhile, Lipset acknowledges, the "statist" European nations are becoming more liberal in many respects: "The United States is less exceptional as other nations develop and Americanize. But, given the structural convergences in economy and ecology, the extent to which it [the United States] is still unique is astonishing." What is really astonishing is that a multiracial, continental country of 265 million people with a history of slavery and segregation should match the characteristics of relatively small, homogeneous European and Asian nation-states as closely as it does.

#### THE REPUBLICAN DEAD END

While Lipset is content to invoke the American Creed as an explanation for the country's uniqueness, Michael J. Sandel, the eminent Harvard philosopher, wants to alter America's cultural core, to make it less liberal and individualistic and more republican and communitarian. Sandel attempts to reinterpret twentieth-century American political history as a tragedy—the abandonment by political and intellectual elites of America's republican tradition of civic character-building in favor of a morally neutral, rights-based liberalism which, in both its left-wing and conservative varieties, leads to the attenuation and abandonment of community and

the establishment of the "procedural republic." Sandel's thought reflects the new interest in questions of community that a number of prominent liberal and left thinkers, including Michael Walzer and the late Christopher Lasch, have shown in recent years.

"In the early republic," writes Sandel, "liberty was understood as a function of democratic institutions and dispersed power. The relation of the individual to the nation was not direct but mediated by decentralized forms of political association and participation." As proof, he offers Alexis de Tocqueville's idealized account of New England town meetings. "By contrast, liberty in the procedural republic is defined in opposition to democracy, as an individual's guarantee against what the majority might will." In Sandel's version of U.S. history, most of the parties in eighteenth- and nineteenth-century America—Federalists and Jeffersonian Republicans, Whigs and Democrats—agreed that the goal of politics was "to cultivate in citizens the qualities of character that self-government requires."

According to Sandel, this noble vision was abandoned by narrow-minded trade unionists like Samuel Gompers, technocratic Keynesians, and consumer advocates who did not realize that an economy of mom-and-pop stores builds character more effectively than one of big retailers. "The effort to banish moral and religious argument from the public realm for the sake of political argument," Sandel maintains, "may end by impoverishing political discourse and eroding the moral and civic resources necessary to self-government." He devotes much of the book to criticizing the Supreme Court for undermining community by promoting tolerance of

pornography and state neutrality in matters of religion. Along with the indifference of Keynesian liberals to the effects of economic policy on character, the libertarian activism of the Supreme Court, he argues, has contributed to the triumph of the procedural republic.

Sandel's attempt to reinterpret American history in terms of this philosophical dichotomy between republican community and liberal individualism is ambitious, erudite, and ultimately unconvincing. He is in tune with the *Zeitgeist* in his attack on soulless, technocratic big government and his praise for the small, intimate communities of an idealized civil society. Although he takes pains to distinguish himself from the right, much of the book could be endorsed without demur by conservative decentralists, privatizers, and virtuecrats. Sandel does his best to define a left-of-center republican tradition, linking New England townships (again as Tocqueville imagined them), the ill-fated Knights of Labor, and Robert F. Kennedy, as an alternative to the anomic liberalism of the procedural republic.

But does this grab bag of disparate institutions and individuals add up to a coherent republican tradition? And even if it does, that these people and organizations represent roads abandoned would seem to strengthen the liberal argument that recreating something like classical republicanism (as distinct from representative democracy) in a modern state with an advanced economy is impossible. Alexander Hamilton, the patron saint of American liberalism in the sense in which Sandel uses the term, was right to mock the cult of neoclassical republican virtue: "We may preach till we are tired of the theme, the necessity of disinterestedness in re-

publics, without making a single proselyte. . . . We might as soon reconcile ourselves to the Spartan community of goods and wives, to their iron coin, their long beards, and their black broth."

Sandel's polemic suffers from another weakness: the measures he proposes are far too feeble to remedy the evils he decries. A reconstruction of the republican tradition in American life will take more than support for community development corporations in poor areas and neighborhood campaigns against chain stores like Wal-Mart.

Sandel's one truly radical proposal is almost an afterthought: the end of the sovereign state. He writes, "The most promising alternative to the sovereign state is not a one-world community based on the solidarity of humankind, but a multiplicity of communities and political bodies—some more, some less extensive than nations—among which sovereignty is diffused. The nation-state need not fade away, only cede its claim as sole repository of sovereign power and primary object of political allegiance." What, if not the nation-state, would be the "primary object of political allegiance"? The United Nations? The ethnic group? In such a world, for whom would one vote? What authority would supply visas and insure banks? How would jurisdictional conflicts among "a multiplicity of communities and political bodies" be decided? In a 400-page book, Sandel should have been able to devote a few pages to the practical ramifications of these vague and sweeping proposals. Though much in *Democracy's Discontent* will stimulate reflection and debate, Americans "in search of a public philosophy" will have to keep searching. ☹

# Recent Books on International Relations

## Political and Legal

FRANCIS FUKUYAMA

*After Liberalism.* BY IMMANUEL

WALLERSTEIN. New York: New

Press, 1995, 278 pp. \$14.95 (paper).

For those who like their meta-history in big doses, this book will fit the bill admirably. Rather than seeing the collapse of communism as a victory for liberal ideology, Wallerstein argues that it marks the end of several long cycles: the 500-year cycle of the capitalist world system; an ideological cycle that lasted from 1789 to 1989; and finally a Kondratieff cycle now in its B-phase of slowing economic growth and mounting social problems. (Wallerstein has covered his bets by noting that there could be a revived A-phase of capitalist expansion for the next generation or so; he is positive, however, that the definitive collapse of capitalism will take place around 2050 or 2075.) The cur-

rent world system is based on northern exploitation of the familiar geographical South and also the "internal" South of minorities and marginalized people in each developed country. These contradictions will sharpen over the next few years, unmasking the fraud of liberal ideology and leading to a highly chaotic world situation.

To falsify this type of theorizing is difficult. One could, for example, point out that an important part of the South—East Asia—has caught up with and in some respects surpassed the North economically and that parts of Latin America are poised to do the same. The author would counter that the center is merely reorganizing itself while continuing to exploit the remaining periphery. Other points are poorly grounded empirically, such as Wallerstein's claim that capitalism is facing a crisis because it has run out of cheap labor. With the successful entry of China, India, and other parts of the Third World into the global economy, cheap low-skilled labor is abun-

---

### *Call for any book reviewed or advertised in this issue*

Order books reviewed or advertised in *Foreign Affairs* through Book Call. Prompt shipment worldwide, express service available. Major credit cards welcome. Mailing address: *Foreign Affairs*, c/o Book Call, 59 Elm Street, New Canaan, CT, USA 06840. Call (800) 255-2665. Worldwide: (203) 966-5470. Fax: (203) 966-4329.

dant—bad for northern workers and bad for world systems theory.

*Enlightenment's Wake: Politics and Culture at the Close of the Modern Age.* BY JOHN GRAY. London and New York:

Routledge, 1995, 203 pp. \$29.95.

In yet another of what has become a flood of books reassessing the Enlightenment-liberal legacy just after the moment of its seeming triumph, John Gray argues that Anglo-Saxon conservatism has self-destructed. The Enlightenment, understood here as the rational liberal principles underlying both modern democracy and capitalism, has undermined the possibility of community in all advanced societies. The author sees the free market as an engine of creative destruction that undermines stability, reciprocity, rootedness, and obligation; advocates like Thatcher and Reagan failed to see the harm it would do to their cherished cultural values. It is not obvious, however, just how incompatible modern capitalism and moral community really are, since capitalism is malleable and can often take advantage of, if not reinforce, the social structures around it. Furthermore, Gray does not put forward his own alternative to the Enlightenment project; most of the existing ones are rather unappetizing.

*Visions and Revisions: Reflections on Culture and Democracy at the End of the Century.*

BY MARCUS RASKIN. New York: Olive Branch Press, 1995, 341 pp. \$39.95 (paper, \$18.95).

This collection of essays begins with a stinging critique of the 1992 U.S. presidential candidates for the narrowness of their visions and then articulates a vision for the post-Cold War left striking in its breadth

and comprehensiveness. Unlike Arthur Schlesinger, Jr., or Todd Gitlin, Raskin has no problems with the disintegration of a universalistic rights-based grounding for modern democracy. He embraces multiculturalism and relativism as the necessary frameworks by which women, minorities, and gays can be brought to the table and spends an entire chapter arguing for the "socially constructed" nature of modern science. I do not think you can get to the values Raskin favors like inclusiveness, caring, liberation, and the like by this route, since everything would then dissolve into stories told by different groups, but the effort is in certain ways impressive.

*On the Eve of the Millennium: The Future of Democracy through an Age of*

*Unreason.* BY CONOR CRUISE O'BRIEN. New York: Free Press, 1995, 166 pp. \$12.00 (paper).

The approach of the millennium, it is said, will induce many people to behave strangely, and we have no better proof of it than this short book by the otherwise sensible O'Brien. It begins with a ranting attack on Pope John Paul II—stimulated, it seems, by the latter's effort to make common cause with Muslims over family-related issues—in which the author admits that not a day goes by when he does not wish for John Paul's demise. By putting the pope in the same category as the Ayatollah Khomeini and labeling him an enemy of the Enlightenment, the author ignores the substantial support John Paul II has given to the cause of liberal democracy around the world and the legitimization of capitalism contained in his encyclical *Centesimus Annus*. The other essays in the volume are equally splenetic and quirky in their judgments, asserting, for example,

that democracies tend toward a flabby populism—ignoring the costly and successful 40-year effort of the NATO alliance to resist communism.

*Elusive Peace: Negotiating an End to Civil Wars.* EDITED BY I. WILLIAM ZARTMAN. Washington: Brookings, 1995, 353 pp. \$42.95 (paper, \$18.95).

A workmanlike effort, this book seeks to explain why civil wars, now the dominant form of conflict, are so hard to resolve. As in many efforts of this type, the book's real interest lies in the case studies of individual conflicts in Sri Lanka, Spain, Sudan, Ethiopia, Angola, South Africa, and so on; here they are, by and large, informative. The general conclusions point to the asymmetry of power and objectives as a major reason for the intractability of civil wars. The collection lays out a descriptive taxonomy but provides no startling insights as to how such conflicts ought to be resolved.

*Liberalism and Community.* BY STEVEN KAUTZ. Ithaca: Cornell University Press, 1995, 232 pp. \$29.95.

This thoughtfully written book addresses what is perhaps the central political issue of our time: whether liberal societies can hold together as self-sustaining communities, or whether liberal ideology sows the seeds of its own destruction in promoting an asocial individualism. The book critically examines several major recent communitarian critiques of liberalism, including those by Michael Sandel, Richard Rorty, Michael Walzer, and William Galston, arguing that most of them are unwilling to squarely confront the intolerance that truly communitarian societies foster. In the end Kautz finds he shares a good deal of ground with the communi-

tarians he criticizes, insofar as he accepts the importance of virtue and the dangers of unbounded individualism. He maintains, however, that the liberal tradition of Locke and the American founders fully incorporates the need for virtue, arrived at by free, rational individuals. Kautz is less clear about his feelings on some of the irrational sources of virtue and community in present-day America like religion and ethnicity and on how liberals ought to view the ascriptive groups into which real-world liberal democracies are divided.

*Render unto Caesar: The Religious Sphere in World Politics.* BY SABRINA PETRAMET AND DONALD W. TREADGOLD. Washington: American University Press, 1995, 463 pp. \$69.50 (paper, \$29.95).

This fascinating book reflects a growing recognition that old models linking modernization and secularization are not correct or apply best to limited parts of the world like Europe. Unlike other recent volumes on the fundamentalist upsurge, this one does not presume that the intrusion of religion into the political sphere is necessarily a pathological condition. Rather, it starts from the more neutral premise that religion has been and continues to be a major source of social values and hence is inevitably connected to political structures even in avowedly secular societies. The cases covered in the book will be more familiar to students of the sociology of religion than to international relations specialists, and they fill an important gap for the latter. The volume begins with historical cases (the impact of Mithraism on the Roman Empire) and surveys regions as diverse as Western Europe, Southeast Asia, and the Indian



subcontinent. Of particular interest are the chapters on religion in Serbia and Russia, which serve as informed counterpoints to the loose cultural generalizations that have been thrown around in public policy debates in recent years.

*Controlling Immigration: A Global*

*Perspective.* BY WAYNE A. CORNELIUS, PHILIP L. MARTIN, AND JAMES F. HOLLIFELD. Stanford: Stanford

University Press, 1994, 442 pp. \$49.50.

The case studies in this book compare recent efforts by industrialized countries to limit Third World immigration and indicate that their experiences and policy responses have to a large degree converged. That is, immigration has come to be seen as a problem in virtually all industrialized countries because the spread of rights-based liberalism has weakened exclusionary barriers; all have sought remedies like employer sanctions; and few, with the curious exception of Britain, have come up with satisfactory methods for controlling the number of immigrants. The case studies are highly illuminating on the various policy remedies attempted, but they tend to shy away from questions concerning the assimilative qualities of both the sending and receiving cultures—an issue at the root of immigration opponents' concerns about national identity.

*Trust: The Social Virtues and the Creation of Prosperity.* BY FRANCIS

FUKUYAMA. New York: Free Press, 1995, 457 pp. \$25.00.

Why do some societies do better than others in creating wealth? In the grand tradition of Weber and Schumpeter, this ambi-

tious and provocative study attempts to return culture and the fabric of society back to the heart of our understanding of economic success and failure. Fukuyama argues that prosperous countries tend to be those where business relations between people can be conducted informally and flexibly on the basis of trust, such as Germany, Japan, and (perhaps surprisingly) the United States. In other societies, such as France, Italy, and Korea, social bonds are subordinated to family ties and other dysfunctional loyalties, creating rigidities, provoking state intervention, and dampening economic growth. However, historical details, exceptions, and anomalies play havoc with the book's structural claims. Missing is an attempt to square the argument with earlier historical eras of economic rise and decline, including the emergent Industrial Revolution in Britain and Western Europe. Measures or tests for the role of culture and social trust in economic development also remain elusive, and the author ends by conceding this ambiguity. The book will enrich and complicate the political debate about economic growth as it stakes out a position that challenges both neoclassical and state-centered theories. It is a voice, in what is becoming a chorus, calling attention to the neglected role of civil society in shaping the terms of modern political and economic life.

G. JOHN IKENBERRY

*The Perils of Anarchy: Contemporary Realism and International Security.*

EDITED BY MICHAEL E. BROWN, SEAN M. LYNN-JONES, AND STEVEN E. MILLER. Cambridge: MIT Press, 1995, 519 pp. \$17.95 (paper).

To order any book reviewed or advertised in *Foreign Affairs*, call 800-255-2665.



The end of the Cold War was accompanied by a rush to proclaim the failure of realism as a theory of international politics. The news about the demise of realism is premature, however, as this volume convincingly shows. The articles, previously published in *International Security*, demonstrate three things. First, the most important, interesting, and relevant work on international relations is still being done within the realist paradigm. Second, within realism the dominant school is defensive realism. Followers of this school (represented in this volume by Charles Glaser and Stephen Walt) believe that the international system is more benign than traditional realists assumed and that states can best attain security by adopting defensive strategies. Third, the major challenge



to defensive realism comes from a coalition of "aggressive" realists (such as John Mearsheimer) and modified traditional realists (such as Fareed Zakaria), both more pessimistic about the inevitability of international conflict. Defensive realists argue that aggressive foreign policies are the result of domestic political pathologies (fervent nationalism, unstable ruling

elites); aggressive realists contend that the pressures of an anarchic and unpredictable international system, sadly, make the adoption of aggressive foreign policies perfectly rational (although these policies may eventually prove unsuccessful or worse). Other noteworthy articles are written by Christopher Layne, William

Wohlforth, and Randall Schweller. Realism is alive and well. This excellent volume will help get the word out.

BENJAMIN FRANKEL

## Economic, Social, and Environmental

RICHARD N. COOPER

*Asia Rising: Why America Will Prosper as Asia's Economies Boom.* BY JIM ROHWER. New York: Simon & Schuster, 1995, 382 pp. \$25.00.

The title of this well-written book suggests its two main themes. The author was a correspondent for *The Economist* in Hong Kong for some years and became enamored of the economic surge in the Asian crescent, from India to South Korea, during the past two decades—China since 1979 and India since 1991. He attributes the development to family ties, saving, individual effort, vigorous competition, and the absence of a publicly financed safety net, so that families and firms must adjust to economic change.

The author expects this growth to continue during the next quarter-century, although at a lower rate, provided Asian societies can overcome their serious institutional weaknesses. The most significant obstacles are the reluctance of governments to provide needed physical infrastructure and the absence of clear and transparent rules to govern the behavior of families and firms, for example in business accounting. Far from being a threat to American interests, in the author's view, Asia's future growth offers the rest of

the world, especially high-technology American firms, lucrative opportunities.

*Socialism, Capitalism, Transformation.* BY LESZEK BALCEROWICZ. Budapest: Central European University Press, 1995, 377 pp. £37.50 (paper, £14.99).

In one of the most dramatic social experiments of modern times, Poland in 1990 initiated the big bang in its economic policies: "rapid liberalization of prices, tough macroeconomic policy, convertibility of the Polish zloty, the liberalization of the foreign trade regime, the fastest possible privatization, and so on." The author of this book, deputy prime minister and finance minister of Poland for 28 months, including all of 1990 and 1991, was the main architect and executor of that policy, and he defends it eloquently.

A collection of writings going back to 1986, this book gives a cohesive treatment to the intellectual foundations of Balcerowicz's approach, along with reflections on the nature and internal coherence of socialism, the transformation of formerly socialist countries, and the author's practical experience in carrying out Poland's radical reforms. In contrast to most Western economic theorizing, which takes institutions for granted, Balcerowicz urges close attention to them in determining how well an economy performs. He reveals an uncompromising commitment to the notion that innovation or enterprise is the main source of economic prosperity, which he believes requires competition and private ownership and suspects is also necessary for a durable democratic society.

*Economic and Monetary Union in Europe: Moving Beyond Maastricht.* BY PETER B. KENEN. New York: Cambridge University Press, 1995, 219 pp. \$49.95 (paper, \$16.95).

The Maastricht Treaty of 1992 commits the European Union of 15 states to create a monetary union involving a single currency by 1999. Peter Kenen, a leading American international economist, has produced a scholarly yet accessible discussion of the monetary requirements of Maastricht and the desirability and feasibility of monetary union along with some suggestions for improving the likelihood of its successful introduction. The European Monetary Union has become such a heavily charged issue that Europeans have trouble discussing it dispassionately. It is not even on the agenda for the important Intergovernmental Conference set to begin in 1996. Kenen offers the cool analysis of a sympathetic and well-informed outsider. His book provides a superb review of the technical literature, helpful to specialists and interested non-specialists alike.

*The Political Economy of Democratic Transitions.* BY STEPHAN HAGGARD AND ROBERT R. KAUFMAN. Princeton: Princeton University Press, 1995, 391 pp. \$55.00 (paper, \$18.95).

The 1980s saw a remarkable extension of democracy around the world, not only in former communist countries but throughout Latin America (except Cuba) and more selectively in Asia and Africa. It is natural to ask to what extent these developments were linked to the numerous economic crises of the 1980s. In this vol-

---

To order any book reviewed or advertised in *Foreign Affairs*, fax 203-966-4329.

ume, two American political scientists address the relationship between economic conditions, economic policy, and the transition to democracy. Not surprisingly, the relationships are not simple, and they do not lend themselves to simple generalization.

No doubt some authoritarian regimes lost what little legitimacy they had when they failed to deliver prosperity to their people, and that failure sometimes led to irresistible pressure for more democratic government. But other regimes did not lose their legitimacy. In some cases a newly installed democratic government was able to take tough and effective economic measures leading to economic recovery and growth, in others not; most had difficulty with systematic and consistent follow-through.

The Haggard-Kaufman study examines in detail seven Latin American and five Asian countries that have made the transition to democracy since 1980. The authors find that the institutional setting of each country, as opposed to external events, is a critical influence on the success and sustainability of economic policy. The book offers much interesting detail and finely reasoned conjecture about a complex set of relationships.

*Traders in a Brave New World: The Uruguay Round and the Future of the International Trading System.* BY ERNEST H. PREEG. Chicago: University of Chicago Press, 1995, 296 pp. \$29.95.

The Uruguay Round of the General Agreement on Tariffs and Trade, concluded in 1994, was eighth in a series of post-1945 multilateral trade negotiations; it was the most significant round since the 1940s and the most comprehensive ever.

It both deepened and extended, especially to services, the rules governing international trade, and it created the World Trade Organization to oversee the rules and manage disputes among nations.

Former diplomat Preeg details the history of the Uruguay negotiations from the end of the Tokyo Round in 1979 to the creation of the WTO in early 1995. He focuses both on substantive content, of which he has an exceptional grasp, and on the key personalities involved. The bulk of the discussion is narrative, with several exciting cliff-hangers that left the conclusion in doubt until the very end. Preeg makes little reference to currently popular negotiating theory, but he embeds his treatment in the broader evolution of patterns of world trade. He gives the round a generally favorable appraisal and outlines the still-unfinished business of building an up-to-date international trading system. On its "conclusion," the Uruguay Round left a continuing agenda.

## Military, Scientific, and Technological

ELIOT A. COHEN

*The Cambridge Illustrated History of Warfare: The Triumph of the West.* BY GEOFFREY PARKER. New York: Cambridge University Press, 1995, 408 pp. \$39.95.

Serious reviewers normally shun an illustrated history of anything, but this book deserves close attention from the student of military affairs. Geoffrey Parker, successor to Michael Howard in the Lovett Chair of military and naval history at

Yale, has written perhaps a quarter of the book and selected only a handful of colleagues to join him in the enterprise. The organizing theme is the rise of the Western way of warfare, which rests on five principles: the exploitation of technology, unusually rigid forms of discipline, an aggressive approach to battle, continuous innovation, and mechanisms for state financing of war. Other societies have partaken of some of these attributes, he argues, but only the West has embraced them all, thereby dominating the world. It is a bold and controversial thesis, and the authors are backed by a judiciously arranged bibliography. The attractive volume makes imaginative use of diagrams, maps, and pictures, which serve far more than merely decorative purposes. In short, a valuable overview of the history of warfare, and a worthy companion of other fine one-volume surveys, including those by Michael Howard and William McNeill, to whom this work is dedicated.

*Arm in Arm: The Political Economy of the Global Arms Trade.* BY WILLIAM W. KELLER. New York: Basic Books, 1995, 288 pp. \$25.00.

*Weapons Proliferation in the 1990s.* EDITED BY BRAD ROBERTS. Cambridge: MIT Press, 1995, 473 pp. \$18.00 (paper).

Keller, formerly a senior analyst and project director at the now-defunct congressional Office of Technology Assessment, chronicles and deplores the conventional arms trade in the late and post-Cold War periods. He focuses primarily on airplanes, tanks, and ships, paying rather less attention to the sale of components, upgrades, and military services, which are of no less

importance. The book concludes with a call for the restraint of the international arms trade but an acknowledgment of the powerful political and economic incentives for its continuation.

Roberts' book of essays, taken from *The Washington Quarterly*, is superior, even though it is an edited volume rather than the product of a single hand. Essays such as those on the deception practices of the Iraqis by David Kay or nonapocalyptic proliferation by Henry Sokolski are informative and novel and carry along some of the weaker contributions. The volume is worth skimming throughout and a close reading in places.

*On Killing: The Psychological Cost of Learning to Kill in War and Society.* BY DAVE GROSSMAN. Boston: Little, Brown, 1995, 367 pp. \$24.95.

Very much in the genre of the work of British authors John Keegan, Richard Holmes, and others that explores the grim essence of warfare. The author, an army infantry officer who has taught psychology at West Point, writes well and persuasively. Historians, however, will stir uneasily as they examine his footnotes, which cite sources from *Soldier of Fortune* magazine to the surveys of S. L. A. Marshall to various popular works of history. Grossman acknowledges this limitation and presses on, marshaling an impressive range of anecdotes, which he then turns into a psychological theory illustrating killing-response stages with flow charts and diagrams. The book concludes with a troubling discussion of the progressive desensitizing of American youth to killing: it is something of a tangent

---

To order any book reviewed or advertised in *Foreign Affairs*, call 800-255-2665.

## Recent Books

to the central argument, but powerfully put nonetheless. A flawed but intriguing study.

*Does Conquest Pay? The Exploitation of Occupied Industrial Societies.* BY PETER LIBERMAN. Princeton: Princeton University Press, 1996, 272 pp. \$35.00.

The unfortunate answer to the title's question appears to be yes. This fascinating study of how conquerors can extract resources from industrial societies concludes that people power often counts for less than democrats would like. A conquered country, the study concludes, is worth more than half a fully committed ally. Drawing on the experiences not only of the world wars but the Soviet occupation of Eastern Europe and the Japanese empire before World War II, Liberman demonstrates that a variety of tools, including the manipulation of various fears and the exploitation of internal divisions, can give occupying powers the leverage they need to extract resources from those they have conquered, even in advanced economies. An unsettling analysis of the political economy of force and, more subtly, the sociology of collaboration—and an outstanding piece of multilingual historical and economic research in the service of social science.

*Masters of War: Military Dissent and Politics in the Vietnam Era.* BY ROBERT BUZZANCO. New York: Cambridge University Press, 1996, 385 pp. \$29.95.

Fury at those who believe that the United States lost the Vietnam War because the military fought with one hand tied behind its back animates this book. The author's political vehemence corrodes his scholarly detachment. This drawback is unfortunate, because he has the archival material

for a long overdue exploration of internal divisions at the top of the American defense establishment. Buzzanco is particularly interesting on the views of military dissenters, including senior generals, who opposed either the war itself or the way the United States chose to wage it. Although not entirely novel, there is much to be learned here. But the author's bitter partisanship and his polemical prose will mean that some of those who could benefit most from reading this book will shrug it off.

*A Very Short War: The Mayaguez and the Battle of Koh Tang.* BY JOHN F. GUILMARTIN, JR. College Station: Texas A&M University Press, 1995, 238 pp. \$39.50.

On May 12, 1975, shortly after the fall of Saigon, Cambodian communists seized an American merchant ship and ignited a brief, sharp clash with American marines, who came to the rescue a few days later. The author, a veteran U.S. Air Force search-and-rescue helicopter pilot and a distinguished historian of military technology, takes the Mayaguez episode and makes it into a case study on the impact of communications on warfare. The result is a brilliant and exceptionally clear tactical study that offers a point of departure for broader reflections on the nature of contingency and uncertainty in all military operations.

*Strategic Survey, 1994-1995.* BY THE INTERNATIONAL INSTITUTE FOR STRATEGIC STUDIES. New York: Oxford University Press, 1995, 265 pp. \$29.95 (paper).

Every year policymakers, scholars, and pundits wait for two publications of the International Institute for Strategic Stud-



ies: *The Military Balance*, a compendium of data on worldwide armaments, and the *Strategic Survey*, a narrative account of the security-related events of the year. One can grow so used to this volume as to take its strengths for granted—a combination of functional and regional analysis, an admirable chronology, and a premium on information rather than opinion. The only serious weakness flows from the periodization; not all events oblige by occurring in 12-month episodes. Still, with a shelf of *Strategic Surveys* one is well equipped to begin making sense of contemporary national security issues. Insofar as this work is concerned, at any rate, one of the more valuable institutions of the Cold War transatlantic security establishment seems to have made a successful transition to a new and perhaps more disorderly world.

*The Battle for History: Refighting World War II.* BY JOHN KEEGAN. New York: Vintage, 1996, 128 pp. \$10.00 (paper).

This short, opinionated, and stimulating monograph is in essence an extended book review, divided into chapters on overall histories of the war, biographies, campaigns, intelligence and logistics, and resistance, and introduced by a discussion of some of the war's main controversies. In a work of such brevity one cannot expect extensive analysis, and the reader must take at face value some occasionally jarring assertions—for example that the strategic bombing campaign against Germany did not work, even though it destroyed the Luftwaffe and diverted vast quantities of German war production. Keegan discusses only English-language books, conceding that he has not yet begun reading the official German his-

tory of the war, now out in half a dozen volumes. He also favors the European war considerably over the Pacific, which receives scant attention. Still, with admirable concision he sums up key issues and describes the merits of a wide range of standard (and a few more obscure) works on the war. Students of World War II will wish to mull over his opinions, even if they disagree.

*The Transformation of Security in the Asia-Pacific Region.* EDITED BY DESMOND BALL. Portland: Frank Cass, 1995, 220 pp. \$37.50 (paper, \$19.50).

One of the most prominent and prolific Australian students of strategic matters has assembled a distinguished group of authors, from several continents and ranging widely in seniority, to discuss contemporary Asian security issues. Some of the essays (for example, David Arase's argument that Japan will increasingly develop an independent defense policy and military establishment) are provocative, others merely sound, but altogether one of the most useful collections of essays on the subject.

## The United States

DAVID C. HENDRICKSON

*The Politics of Diplomacy: Revolution, War and Peace, 1989-1992.* BY JAMES A. BAKER, III. New York: G. P. Putnam's Sons, 1995, 687 pp. \$32.50.

This memoir by President Bush's secretary of state presents a triumphant chronicle of his diplomatic activities

---

To order any book reviewed or advertised in *Foreign Affairs*, fax 203-966-4329.



from 1989 to 1992. Though not in the class of the great treatises of Dean Acheson and Henry Kissinger, it is a spirited defense of Baker's conduct and has a certain Texas charm about it. What Richard Nixon once said to Baker of Margaret Tutwiler—"she has that nice, soft southern accent. At the same time, she's tough, mean, and devious. Perfect!"—might stand as a fair description of our protagonist. Always the master of his brief and highly skilled in coalition-building, Baker's motto was Hiawatha's: "All your strength is in union. All your danger is in discord." That he was ever alert to the ways and means by which a congressional or allied consensus might be reached—a trait often held against him by ideologues—is actually one of his most statesmanlike qualities. Some of his dicta are worth chiseling into the frontal lobes of American negotiators: "constructive ambiguity," he notes, is more dangerous than useful in diplomacy; "absolute precision is the more preferable device." Though frequently acerbic to critics—particularly of the Gulf War—Baker will often ignore criticism rather than confute it. In his treatment of Bosnia, for instance, there is no mention of his attitude toward the negotiations over "cantonization" that took place in Lisbon before the outbreak of war in April 1992. As the principles of the settlement then proposed under EU mediation are similar to what has now been agreed to, and as the Bush administration is said to have advised Alija Izetbegović to reject the plan, thus precipitating the war, some further attention to this question would have been desirable.

*Pay Any Price: Lyndon Johnson and the Wars for Vietnam.* BY LLOYD C. GARDNER. Chicago: Ivan R. Dee, 1995, 610 pp. \$35.00.

A richly detailed and well-crafted account of the escalation in Vietnam. Gardner, a prolific historian at Rutgers, makes Johnson into an oddly sympathetic figure—"a man by his own aims empoison'd, And with his charity slain." The president emerges as a leader imprisoned by historical analogies—the New Deal showing the wonderful curative powers of governmental intervention on behalf of economic development, Munich demonstrating the folly of negotiations with aggressors, Korea the dangers of uncontrollable escalation, and the Cuban missile crisis the virtues of using American power in a tough yet calibrated fashion. Add all this up—as Johnson, the consummate consensus politician, was ever ready to do—and the all-out limited war to defeat aggression seems utterly inevitable and massively overdetermined. Only divine intervention might have stopped it, and divinities, as Gardner shows, were in short supply. It is always instructive to read of prophecies unrealized, experts confounded, and ideological axioms transmogrified into caricatures of themselves. Happily for the author, though not so for the nation, his materials do not fail to offer him an abundant array of such examples.

*Manifest Destiny: American Expansion and the Empire of Right.* BY ANDERS STEPHANSON. New York: Hill and Wang, 1995, 144 pp. \$17.95 (paper, \$7.95). This provocative volume, by a Columbia University historian, examines the idea of manifest destiny from 1600 to 1990. The dominant impression conveyed is of an

infatuated people driven to expansion and genocide by the delusional belief that they were God's chosen. With freedom on their lips, scripture in their hands, and a sense of racial superiority in their blood, Americans mowed down everybody in their way. Though Stephanson disclaims "moralizing" at the outset, he has trouble keeping to his own injunction, and the account reads more like a dark satire on American exceptionalism than a measured history of the debates that have long revolved around mission, purpose, and destiny. The author has many shrewd things to say, and his style is compact and powerful; but one would have liked to see a greater recognition of the fact that American reflections on mission and purpose did sometimes restrain, rather than abet, the more extravagant conceptions of providential destiny.

*Totalitarianism: The Inner History of the Cold War.* BY ABBOTT GLEASON. New York: Oxford University Press, 1995, 307 pp. \$25.00.

A thoughtful examination of the idea of the radically intrusive "total state"—and the closely affiliated concept of totalitarianism—from the 1930s to the present day. Gleason, a professor at Brown, notes that a number of European and American observers saw in the 1930s the uncanny resemblance between Hitler's Germany and Stalin's Russia; only in the aftermath of the Second World War, however, did the linkage between fascism and communism become widely understood, providing a powerful impetus to the construction of a Western security system. The work is at its best in dissecting the intellectual controversies that swirled about the term—with

insightful reviews of the work of Hannah Arendt, Jacob Talmon, and Raymond Aron, among many others—but it is less successful in establishing the connection to policy that the subtitle implies. Though always lucid, Gleason writes in a manner sufficiently dispassionate as to give the impression of tiptoeing around ideological minefields. A most valuable feature of the concept of totalitarianism, not really taken up here, was how it awakened in its more profound analysts an appreciation of the lineaments of a free society. However totalitarianism fares in reality—on this point Gleason entertains a healthy skepticism that the world is truly rid of the beast—the concept deserves a long occupancy in the mind as symbolizing a set of political characteristics and aspirations that we should wish least to exemplify.

*In the Shadow of War: The United States since the 1930s.* BY MICHAEL S. SHERRY. New Haven: Yale University Press, 1995, 595 pp. \$35.00.

The author of this imaginative study calls the years since 1941 in American history "the age of militarization." Sherry, a professor at Northwestern, means by militarization "the process by which war and national security became consuming anxieties and provided the memories, models, and metaphors that shaped broad areas of national life." The author's contention that militarization owed as much, if not more, to domestic impulses as external threats is dubious, and his thoroughgoing skepticism about the necessity of containment is overdone. What makes the book interesting and insightful is his demonstration of how thoroughly mili-

---

To order any book reviewed or advertised in *Foreign Affairs*, call 800-255-2665.

tary metaphors have infected the succession of domestic "wars"—on economic depression, subversives, poverty, drugs, violence, gender, et al. and ad nauseam—Americans have waged among themselves over the past half-century. A few such wars might be forgiven; the multitude, to paraphrase Burke, strikes one with terror. That this was the language of the totalitarians provides, one should think, an excellent reason for not adopting it ourselves.

*F.D.R.'s Good Neighbor Policy: Sixty Years of Generally Gentle Chaos.* BY FREDERICK B. PIKE. Austin: University of Texas Press, 1995, 394 pp. \$34.95.

A brilliant though unorthodox treatment of the cultural and intellectual developments that lay behind the policy of the Good Neighbor. The influence of culture on foreign policy is a theme open to absurd generalizations and pointless anecdotes and is often dealt with poorly. Pike does it superbly, with successive chapters that illuminate how the Great Depression profoundly altered the way in which many *norteamericanos* and Latin Americans conceived of their mutual relations. The years of the Good Neighbor, roughly coterminous with F.D.R.'s presidency, find Americans reconsidering virtually everything, and the sly but likable Roosevelt—who had a knack for doing things à la *latina*—winning admiration in Latin America for the style and substance of his policy. Though the 1930s are a highly unusual period in inter-American relations, Pike manages to shed a penetrating light on broader trends and attitudes within that relationship, and not only in the concluding section that brings the story up to the present. This charming and perceptive work deserves a

wide readership among students of hemispheric relations.

*U.S. Foreign Policy after the Cold War: Superpower without a Mission?* BY MICHAEL COX. London: Royal Institute of International Affairs, 1995, 148 pp. £25.00 (paper, £11.99).

This balanced overview of Clinton's foreign policy argues that the administration has pursued a reasonably coherent agenda since coming to office. Cox does not really dispose of the frequent charge of inconsistency and has little to say about the crises during the administration's first two years (Somalia, Haiti, Bosnia, North Korea, and China) where this quality was most patently on display. But perhaps his working assumption, even if untrue, allows the author to review the record in a more detached fashion than fevered critics at home. His stress—a useful corrective—is on the big relationships and not the symbolic crises. Though he highlights the "geoeconomic" perspectives among Clinton's inner circle and believes this change of outlook to be very significant, his major theme is the larger continuity of American foreign policy. Although adversaries and circumstances changed with the passing of the Cold War, friends and purposes have remained the same. Cox doubts, however, that the United States is willing to pay a serious price for the construction of a new world order and thus ends by expressing his fear that the American nation will be guilty of the very thing—failing the summons to leadership—of which he absolves the administration.

# Western Europe

STANLEY HOFFMANN

*Churchill's Grand Alliance: The Anglo-American Special Relationship, 1940-1957.* BY JOHN CHARMLEY. New York: Harcourt Brace, 1995, 427 pp. \$26.00.

In this third installment of his iconoclastic reassessment of British world policy since the 1930s, Charmley condemns Churchill for having forged a "special relationship" with the United States that turned a great power into the 51st state of the American empire. The hero of the book—improbably enough—is Sir Anthony Eden, whom he describes as a statesman devoted to the pursuit of purely British national interests, a kind of British de Gaulle. In Charmley's view, Churchill was incapable of seeing beyond victory in World War II and the American alliance, whereas Eden was aware of the differences in interests between a simplistically ideological, imperial, and power-greedy America and a United Kingdom steadily eroded by American anticolonialism, free trade, Middle Eastern ambitions, and containment. All this makes for a very good read—if one likes intelligently argued revisionism. Charmley writes pungently. And yet—his preferred foreign policy is, to put it mildly, unconvincing. He would have wanted Britain to appease (i.e., agree on spheres of influence with) Hitler before the war, and Stalin after. He would have liked Britain to keep strong positions and influence in territories that, in his view, were not ripe for self-rule. He would have kept England out of a European integra-

tion enterprise that he dismisses as a federalist utopia. Could London really have remained outside Europe and also kept its distance from America? Was the kind of control France continues to exercise in parts of its former African Empire a serious model for Britain? Above all, would Hitler ever have practiced balance-of-power politics, and would Britain have been better off if Hitler had dominated the European continent and pursued his plans for global power? De Gaulle, whom Charmley admires, had not exactly preached appeasement of either Hitler or Stalin, and even though he did not want France to dissolve in the European brew, he aimed at a strong and autonomous European entity.

*Albert Speer: His Battle with Truth.* BY GITTA SERENY. New York: Knopf, 1995, 757 pp. \$35.00.

Gitta Sereny, who has written prolifically about the Third Reich and spent 12 years working with Albert Speer and a large number of people who knew him, tells the story of his life in considerable detail and tries to establish whether he spoke the truth about what he knew of Hitler's horrors. Both attempts are as exasperating as they are exhaustive. The story of Speer's rise from Hitler's favorite architect to minister in charge of the war effort is a springboard for countless digressions, sketches of Nazi leaders, accounts of the unceasing quarrels among Hitler's deputies, and glimpses of the Nazi regime. Some of the digressions are useful, for instance, her account of Germany's atomic research that contradicts Werner Heisenberg's postwar claim that he and his colleagues deliberately slowed it down; others have a mor-

---

To order any book reviewed or advertised in *Foreign Affairs*, fax 203-966-4329.

bid fascination, such as the story of the Berlin Philharmonic's last concert before the fall of Berlin, at the end of which uniformed Hitler Youth offered spectators baskets of cyanide capsules. But whatever story line there is crumbles under the weight of all these nuggets.

Relentlessly and repeatedly, Sereny shows that Speer must have known more about the fate of the Jews, the realities of the concentration camps, and the treatment of foreign workers than he ever admitted. Yet she shows a kind of overall indulgence and tells us that she saw in Speer's battle with himself "the reemergence of the intrinsic morality he manifested as a boy and youth." This reader at least finds it difficult to share her fascination with a man who, for all his intelligence and skills, never lost his arrogance, made a rather profitable career, late in life, out of his generalized confession of guilt (always accompanied by evasion on specifics), and suavely denounced a regime he had (albeit with growing doubts as its failure was becoming obvious) served until the end in order to preserve his power. This book gives him the attention and importance he craved but did not deserve.

*The National Front and French Politics: The Resistible Rise of Jean-Marie Le Pen.* BY JONATHAN MARCUS. New York: New York University Press, 1995, 212 pp. \$45.00 (paper, \$17.95).

All you ever wanted to know about Jean-Marie Le Pen's astonishing career and the rise of his National Front—the only far-right movement in post-World War II France that has both lasted and grown to alarming proportions. Marcus, a BBC correspondent, has analyzed with great perceptiveness the reasons for Le Pen's suc-

cess, which are complex: the leader's communication skills, his deftness in exploiting xenophobic prejudices and resentments, the breaks he got from François Mitterrand (here, as in other matters, a master of ambiguity whose multiple calculations ended up too clever by half), and the very diversity of the ideological currents Le Pen has managed to keep together. Marcus shows that Le Pen's appeal is wide, that the National Front has succeeded in putting down roots at the local as well as the national level, and that its agenda has influenced the program of the moderate right on such issues as immigration, citizenship, and national security. Marcus also compares the rise of the National Front with the far right's situation in other European countries, and wonders about the fate of Le Pen's party after Le Pen disappears from the scene.

*Democracy Imposed: U.S. Occupation Policy and the German Public, 1945-1949.* BY RICHARD L. MERRITT. New Haven: Yale University Press, 1996, 452 pp. \$40.00.

This comprehensive study is in part a survey of the policies the American military government pursued in the American zone of occupation in order to deNazify it, to punish the guilty, and to inculcate democratic practices into the German body politic (Merritt rightly emphasizes the importance of the press in this respect). But the most interesting part of the book is the analysis of the German reaction to these policies. Using a large number of surveys, Merritt finds American efforts were on the whole remarkably successful, even though the Germans polled did not reject every aspect of the Nazi regime, a minority remained dubi-



ous about Jews, and many questioned the fairness of the war trials. Merritt shows that in the American zone, "Masses and leaders were . . . willing to accept tutelage in democratic governance from the Allies, especially during the early occupation years," and that in the Cold War climate the legitimacy of the occupation increased and the dream of reunification receded. He also shows that the effort to democratize the system of education did not fully succeed until the 1970s. He concludes that the changes introduced into German politics and society could not have been carried out as effectively by a post-Nazi German regime, and that the success of these policies is something of a paradox, given the confusion and shifts that characterized them.

*European Social Policy: Between Fragmentation and Integration.* EDITED BY STEPHAN LEIBFRIED AND PAUL PIERSON. Washington: Brookings, 1995, 492 pp. \$46.95 (paper, \$22.95).

Anyone interested in how the European Union actually works, achieves a set of common policies, and shares power among member states, as well as what influence pressure groups exert and how complicated European policymaking is should consult this remarkable collection of essays. It covers a huge terrain—industrial relations, gender, agriculture, migration, regional disparities, labor—and compares European social policy with that of Canada and the United States, two other multitiered polities. The study blends a thorough empirical investigation with a sophisticated yet readable theoretical treatment, which emphasizes the importance of institutions in

shaping policy and the originality of the baroque European institutional edifice. It also shows that in areas once central to national autonomy, the EU now plays an important and expanding role. There is a sharp debate between Wolfgang Streeck, who sees social policy at the European level as a failure and feels current national social policies are regressing from the welfare state to a business-inspired "neo-voluntarism," and the editors, who argue that "in a number of realms, the European Union has moved well beyond the lowest common denominator of member-state preferences."

*Autonomy or Power? The Franco-German Relationship and Europe's Strategic Choices, 1955-1995.* BY STEPHEN A. KOCs. Westport: Praeger, 1995, 296 pp. \$59.95.

This is an excellent analysis of one of the more troublesome aspects of the Franco-German partnership that both the politicians of the Fourth Republic (after 1949) and the leaders of the Fifth tried to develop, and that the statesmen of the Federal Republic embraced, as long as it did not oblige them to distance themselves from the guarantor of their country's security: the United States. Kocs reviews in detail the ups and downs, achievements, failures, and limitations of Franco-German strategic relations. Given the very different attitudes of the two countries' leaders toward NATO and American protection, the preservation of a military partnership (albeit one that excludes the nuclear domain) and its consolidation in recent years are remarkable. The story of this cooperation is embedded in a careful study of the so far fruitless quest for a European

---

To order any book reviewed or advertised in *Foreign Affairs*, call 800-255-2665.



defense identity and a well-researched history of the tribulations of European security during the Cold War years. Kocs' last word is skeptical about the prospects of an effective European defense policy.

*The Schuman Plan and the British*

*Abdication of Leadership in Europe.* BY EDMUND DELL. New York: Oxford University Press, 1995, 323 pp. \$59.00.

A formidable indictment of Britain's historic failure to endorse the Schuman plan for a coal and steel community and thus join the continental effort at political reconciliation and economic integration. Edmund Dell, a scholar and former minister in the Wilson and Callaghan governments, points out the lack of imagination and clumsiness of Bevin's diplomacy toward Europe. Resentment against the failure of the French to give advance notice of their plan to London, and hostility to a supranational authority, became the driving forces for rejection. Dell argues that Britain, by taking part in the negotiations, could have influenced the institutional outcome and thus remained a key player in the European game instead of abandoning the leadership to France. He does a subtle and perceptive job of analyzing the reasons for British complacency. The British had a sense of superiority toward the continentals, a profound distrust of Germany, and a lack of sympathy for the Catholic statesmen across the channel. They also feared interference with their socialist policies, their relations with the commonwealth, and their dollar account. Finally, there was a certain contempt for Europe's socialists, a conviction that left to themselves the continentals would fail, and a resentment toward America's bossiness. (Washington's pressure for a federal

Europe wounded British pride.) Dell's examination of the diplomatic record, of the Labour party's stand, and of the press is devastating.

## Western Hemisphere

KENNETH MAXWELL

*Crisis and Reform in Latin America: From Despair to Hope.* BY SEBASTIAN

EDWARDS. New York: Oxford University Press, 1995, 364 pp. \$22.95 (paper).

An authoritative and generally optimistic overview of the reform process in Latin America from 1982 to 1994 by the World Bank's chief economist for Latin America and the Caribbean. Edwards, who is on leave from his position at UCLA, examines economic policymaking, often drawing on the excellent comparative work of recent years. He recognizes that just as experts failed to anticipate the Mexican default of 1982, which set in motion the Latin American debt crisis of the 1980s, they underestimated the depth of the Mexican peso crisis in December 1994. While he acknowledges the role of the debt crisis and outside pressure from the multilateral lending agencies and the United States in stimulating market reform, he attributes the reform consensus primarily to the failure of various stabilization policies (particularly the Austral and Cruzado plans in Argentina and Brazil) and a reinterpretation of the experience in Chile, where antipoverty programs were combined with market economics after the return to democracy. An essential book, clearly written and accessible to nonspecialists, that should be basic reading for anyone who follows the region.

## Recent Books

*The Mexican Shock: Its Meaning for the United States.* BY JORGE G.

CASTAÑEDA. New York: New Press, 1995, 254 pp. \$23.00.

As is to be expected from Castañeda, his latest collection of essays provides many useful insights into the central problem facing Mexico today: its agonizingly delayed and at times murderous and labyrinthine process of democratization. Before the peso crisis of December 1994, the shock referred to in his book's title, Castañeda was one of the few experts to question the promotion of free markets and free trade as the cure-all for Mexico's historical underdevelopment and cyclical crises. But unlike his previous book, on the impact of the end of the Cold War on the Latin American left, a highly original and elaborate text, here he has chosen to recycle previously published materials and does not really delve into the peso crisis and its consequences for Mexico to any serious degree. It is characteristic of this disappointing book that Castañeda begins with a reprint of his critique of American democracy, the "electoral apartheid" to which he believes Mexican immigrants in California are consigned. A better starting point would have been a dissection of Mexican authoritarianism and the prospects for democratic reform in the face of economic contraction, disillusionment, and political uncertainty.

*Pinochet's Economists: The Chicago School in Chile.* BY JUAN GABRIEL VALDÉS.

New York: Cambridge University Press, 1995, 334 pp. \$49.95.

A detailed inside look at the intellectual formation of the so-called "Chicago

boys," the young economists trained at the University of Chicago who came to exercise a great influence during the Pinochet regime and, depending on the biases of the observer, are credited or blamed for Chile's economic miracle. Valdés is currently the chief coordinator for the negotiations on the accession of Chile to NAFTA and was an important participant in the redemocratization process in Chile, serving from 1990 to 1994 as ambassador to Spain. Given the strong international interest in market-driven reform, the precocious and brutal imposition of market policies in Chile during the 1970s is of more than local interest. Ironically, Chile under the Allende government was seen on the left as a model of socialist transformation, and the violent swing from one extreme to the other provides the context for Valdés' account. Based on extensive research in the archives of the Ford and Rockefeller Foundations and the Agency for International Development, the book shows how the transmission of economic ideas was encouraged and fostered, highlighting the role Arnold Harberger of Chicago played in the process. Valdés' book is thus more focused on the pre-Pinochet period than on the working out of the neoliberal policies under the military regime; these are dealt with in a very general introductory chapter, as is the post-Pinochet period in the conclusion. The reader, as a consequence, is left with a great sense of frustration. A good analysis of the working relationship between the Chicago boys and Pinochet would have been extremely interesting.

---

To order any book reviewed or advertised in *Foreign Affairs*, fax 203-966-4329.

## Recent Books

*Capital, Power and Inequality in Latin America.* EDITED BY SANDOR HALEBSKY AND RICHARD L. HARRIS. Boulder: Westview Press, 1995, 324 pp. \$22.95 (paper).

*Under Northern Eyes: Latin American Studies and U.S. Hegemony in the Americas, 1898-1990.* BY MARK T. BERGER. Bloomington: Indiana University Press, 1995, 570 pp. \$29.95.

Halebsky and Harris have provided a collection of well-written chapters on contemporary Latin America from the perspective of the hard core of the old dependency school. John Weeks argues that the shift to neoliberal policies had little to do with the failure of import substitution but resulted directly from the debt crisis and the imposition of austerity measures. Jorge Nef claims that these policies required repressive regimes in the 1970s and 1980s but also delegitimized the civilian governments that came to power in the 1990s. Richard Harris and Weeks argue that the Latin American economies are more dependent than ever, and Cristobal Kay describes the agrarian transformations that have provoked massive urbanization and undermined the peasant sector. Most of this is depressingly predictable, though the volume will doubtless find a congenial resting place on undergraduate reading lists. The authors remain committed to a socialist alternative to the region's extreme inequality, which they believe is possible through an alliance of women's organizations, the new left political parties, indigenous movements, and environmentalists.

Given the touching persistence of their faith, the above authors will be disturbed not only by their consignment to the dustbin of history, but by Mark Berger's view

of them as "more complementary to, than subverting of, U.S. hegemony." With substantially more notes than text, Berger's work is an extended bibliographical essay wrapped in an ideological straitjacket. Berger, a lecturer at Murdoch University in Perth, Australia, surveys the role of Latin American studies in the United States, applying, he says, "imperial state theory and Gramscian international relations theory." Not surprisingly, he finds whole cloth where others might see complexity. There is much of interest in his comprehensive discussion of Latin American production over the past decades, to be sure, but Berger nowhere moves beyond the published literature or into the internal documentation of the U.S. funding agencies so well exploited in recent years by Valdés, Puryear, and Castañeda.

*Sex and Conquest: Gendered Violence, Political Order, and the European Conquest of the Americas.* BY RICHARD C. TREXLER. Ithaca: Cornell University Press, 1995, 292 pp. \$29.95.

The treacherous waters into which President Clinton waded during his gays in the military fiasco would have come as no surprise to the readers of Richard Trexler's ever-fascinating exposition of the links between force, sex, and military conquest. This excellent book focuses on the erotics of power at the time of the initial colonization of the western hemisphere and examines male culture of the period by assessing both Iberian and American attitudes toward transvestism and homosexuality. This highly original work of history, however, never loses sight of the comparative and contemporary implications of its findings, whether on the policy of rape as an instrument of terror, humiliation, and

subjection in 1990s Bosnia, or for the sale of village boys into prostitution in the Philippines. Trexler, a distinguished historian who teaches at the SUNY, Binghamton, has mined the documentary record of the period with great caution and sophistication to yield a meticulous exposition of the interpretation the Spaniards and Portuguese placed on the sexual culture they encountered in the new world and the construction of their own sexual behavior and attitudes in this critical early period. That so central and intimate a subject in the history of the Americas waited so long to find its historian is an indication of the continuing sensitivity of the questions discussed, as well as a tribute to the maturity of gender studies now flowering among scholars throughout the Americas.

*Politics and Development in the Caribbean Basin: Central America and the Caribbean in the New World Order.*  
BY JEAN GRUGEL. Bloomington: Indiana University Press, 1995, 224 pp. \$16.95 (paper).

Grugel, a lecturer in politics at the University of Sheffield in the United Kingdom, has produced a first-rate introduction to the development dilemmas confronting the peoples of the Caribbean and Central America. In lucid prose, she looks into the workings of would-be revolutionary regimes in the region as well as the struggles for structural adjustment advocated by the new liberalism. At the book's core are the author's worries that advocates of development strategies often ignore "specific regional problems: for example economies which, in some cases, lack—for geographical or histori-

cal reasons—an export sector beyond commodities of declining value such as sugar." In addition, she argues that development strategists fail to address the problems of external dependency, "acute in a region fragmented in geographical, historical, ethnic and linguistic terms, and located on the fringes of the U.S. mainland." The book will enlighten general readers with an interest in the politics of geopolitical and economic dependency. And for appreciating the remaining difficulties facing small nations attempting equitable and harmonious development, it will remind Caribbean and Central American specialists just how valuable a good comparative analysis can be.

## Eastern Europe and Former Soviet Republics

ROBERT LEGVOLD

*Autopsy on an Empire: The American Ambassador's Account of the Collapse of the Soviet Union.* BY JACK F. MATLOCK, JR. New York: Random House, 1995, 836 pp. \$35.00.

Matlock, who served as U.S. ambassador to the Soviet Union from 1987 to 1991, chose not to write a personal memoir but to struggle with several fundamental questions: How could a seeming superpower simply collapse? Why did it happen at the time and in the manner it did? And, most controversially, did it have to happen, or, to use Matlock's formulation, was the sys-

---

To order any book reviewed or advertised in *Foreign Affairs*, call 800-255-2665.

tem transforming itself into something salvageable? As he knows and says, these questions are large and, like the parallel questions about the French Revolution, are suitable for people to argue over long into the future.

His explicit answers, offered near the end of the book, before an epilogue summarizing developments in the first years of the post-Soviet era, tend to focus on leaders and the choices and mistakes they made—centrally Gorbachev and secondly Yeltsin, but others as well. Historians and political scientists will not stop there. Already, with considerable but understandable confusion, they are trying to locate the deeper political and economic causes. Not that Matlock's assessments of the decisions taken and the games played by Gorbachev and others fail to convince. In judging them he is, as in judging the president and the secretary of state for whom he worked as well as other Western leaders, blunt and thoughtful.

In a way, however, his more searching answer to the fundamental questions unfolds in his description of how Gorbachev's grand plans came a cropper and the whole massive edifice dissolved. This detailed account, which constitutes the bulk of the book, buttressed with extensive references to the things that he saw and knew as a highly skilled Soviet specialist with an ambassador's access to people and places, gives Matlock's study a rare authority. It has the detachment and perspective missing from even the best memoirs of key Soviet figures, and the exposure and inside view that few if any

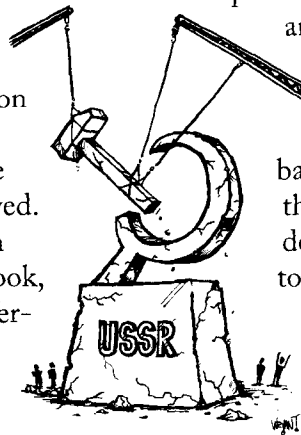
scholars can hope to enjoy. To enhance the contribution, he writes with vigor, clarity, and often eloquence.

*Final Days: The Inside Story of the Collapse of the Soviet Union.* BY ANDREI S. GRACHEV. Boulder: Westview, 1995, 222 pp. \$29.50.

Grachev is a uniquely important witness to the Soviet Union's startling end. From the failed putsch in August 1991 until it was all over in December, he served as Gorbachev's press spokesman and confidant, enabling him to sit in on the summits among Gorbachev, Yeltsin, and the other key republic leaders and most of the Soviet president's meetings with world leaders. Earlier, while a senior figure in the party's International Department he had been one of the intellectual forces behind Gorbachev's transformation of Soviet foreign policy.

It was in the nature of Grachev's job to keep verbatim notes on what transpired in these last chaotic sessions, and, thus, when he tells the story, he can let the participants speak in their own voices.

For the most part Gorbachev plays the role of the bull in this fight, well-meaning, that is, determined to keep the country together, supremely confident of his ability to pull it off, but utterly naive about the outcome. Yeltsin is the somewhat ambivalent matador, determined to establish his power and ready to push for (Russian) republic autonomy to get it, but not with the intent of destroying the Soviet Union. Leonid Kravchuk, the Ukrainian leader, and Stanislau Shushkevich, his Belorussian





counterpart, are somewhat shadowy picadors, hanging back but fully determined to bring it all down and give their nations independence.

In the contest, Grachev's heart is with the bull, but his head tells him that the object of his sympathy was too often too late in taking the necessary steps (toward reform, toward a new union, and toward a workable relationship with those who could destroy his hopes) and too often impressed by his own ability to carry the day with ideas rather than actions. Out of this discussion the reader gets a better notion of what made Gorbachev act as he did than Yeltsin as he did, and almost no sense of the motivations and calculations of the others. Still, Grachev's vantage point, shared in a succinct and engaging book, was crucial, not the least because, as we learn from him, most of the world leaders during these last months also sympathized with the bull.

*The Macedonian Conflict: Ethnic Nationalism in a Transnational World.*

BY LORING M. DANFORTH.

Princeton: Princeton University Press, 1995, 273 pp. \$29.95.

The drained observer who has followed the Yugoslav calamity from the early confrontation over Slovenia through the Serbo-Croatian conflict to the Bosnian war may not want to know that there is more. But farther to the south, another corner of the former Yugoslavia offers its own invitation to trouble. Macedonia, the marbled ethnic terrain that Tito formed into a republic, not only contains potential conflict within, but passionate detractors like the Greeks without. The

argument is not about contested borders, the wrongs of war, or precious resources, but who has the right to call themselves Macedonian and what people can claim the name Macedonia for their nationhood. It's an old argument, but suddenly again fanned nearly to flame.

Danforth, an anthropologist, takes one through the ferociously juxtaposed claims and counterclaims, and he explains why the issues set people off with such intensity by fitting the case into modern anthropological thought about national identity, ethnic nationalism, and the role of culture. To this he adds some interesting reflections on the role played by distant diasporas, having studied in-depth the impact of the important Macedonian and Greek communities in Australia and Canada. Danforth struggles mightily to maintain his scholarly detachment amid one of the more explosive topics in the universe, and for the most part he succeeds. Still, one gets the impression that he has less tolerance for the extremist claims of Greek nationalists than for the other side, perhaps not least because Greece's treatment of its own Macedonians has over the years been less than admirable.

*Socialist Unemployment: The Political Economy of Yugoslavia, 1945-1990.* BY SUSAN L. WOODWARD. Princeton: Princeton University Press, 1995, 443 pp. \$55.00 (paper, \$19.95).

A seemingly narrow, albeit intriguing social science puzzle turns into, as Woodward attacks it, a sweeping exploration of fundamental assumptions of the postwar Yugoslav state. Her puzzle is how a socialist regime, whose reason for being

---

To order any book reviewed or advertised in *Foreign Affairs*, fax 203-966-4329.



held a promise of full employment, managed to survive politically with a rate of unemployment that eventually exceeded everyone else's, including the most anti-labor West European societies.

She finds the answer in a trap that Tito's regime set for itself, which not only led to unemployment, while allowing the state to deflate its political effect, but eventually to the collapse of the country. The trap originated in the regime's unnatural need to find resources abroad for its two most precious but uneasily related goals: economic growth and national defense. Unable to achieve self-sustaining export-led growth, the regime ran ever harder to keep the foreign credits and technology flowing. The consequences were rising unemployment and an increasingly pathological warping and weakening of the structures and ethos that had allowed the regime to survive.

Woodward's argument is big and bold, challenging almost every major interpretation, from capitalist assumptions misapplied in a reform socialist context by outside analysts, to explanations of the sources of Yugoslavia's particular dilemmas and failures, to the meaning of Tito's death in the ungluing of the country. It is intellectual discourse at a high level, marred, alas, by writing that in difficult conceptual passages blocks understanding.

*Black Sea.* BY NEAL ASCHERSON.

New York: Hill and Wang, 1995,  
306 pp. \$23.00.

Can one man's fascination with a body of water and the civilizations along its shores be made fascinating to the many? It sure can. One comes away from this book nearly as obsessed as its author and a little dazed. Though in the course of the book

Ascherson transports the reader all along the northern reaches of the Black Sea, from Crimea to Odessa and the Danube basin, around the Georgian shore and down to the cities of eastern Turkey, this is not a travelogue. Nor is it a systematic history of these areas. Rather, it is a dazzling, intriguing mélange of literary references, historical episodes, personal adventures, and recent political events. The material is so skillfully blended that the trail seems natural from Hitler's crazy ideas about a unique Jewish people in the Crimean mountains to Euripides' derivation of Medea, his "paradigm of barbarian womanhood," from Colchis on the southeastern shores of the Black Sea. The passage is just as easy from the Scythians, who came before the Huns, to the bus on which the author sat, moving through the Crimean night, wondering about the flashing lights of an ambulance guarding an intersection not far from Foros, where, unknown to Ascherson, Gorbachev was being held hostage.

## Middle East

WILLIAM B. QUANDT

*Recovered Roots: Collective Memory and the Making of Israeli National*

*Tradition.* BY Yael Zerubavel.

Chicago: University of Chicago Press,  
1995, 340 pp. \$32.50.

*Jewish State or Israeli Nation?* BY BOAS  
EVRON. Bloomington: Indiana

University Press, 1995, 269 pp. \$29.95.

All states create founding myths and traditions that become part of collective memory. Israel in particular has developed a distinctive national reading of

Jewish history that focuses on antiquity and the modern period of state-building while devaluing the centuries of exile. These two remarkable books by Israeli scholars tackle different aspects of the creation of modern Zionism as an ideology and a basis for identity.

Zerubavel's highly original work examines three events that have been given importance in the construction of modern Zionist identity: Masada, the Bar Kokhba Revolt, and the battle of Tel Hai. In each case she shows how meanings were read into these events, commemorative histories were developed, and counternarratives were suppressed. These historical moments, along with the Holocaust, are markers for the transition from antiquity to exile and back from exile to statehood. As Israel has become increasingly secure and pluralistic, she notes, renewed controversy has arisen about some of these founding myths, and multiple narratives now exist. So successful has Zionism been in creating the predominantly Jewish state of Israel and in mobilizing support for it from Jews around the world that we rarely hear voices that question the Zionist enterprise. And when we do, they often come from either the ultra-Orthodox extreme or the ranks of the far left.

It is therefore a remarkable experience to read Evron's thoughtful book. He finds much to criticize in the conventional reading of Jewish history and argues that Israel should be thought of not as a state for the Jewish people but as a territorial state much like others, with full rights for all its inhabitants. Evron acknowledges that as long as the members of the Jewish diaspora lived in precarious conditions and the

state of Israel was under siege it was difficult for Zionism to evolve beyond its initial formulations. But with peace coming to the region and with assimilation the norm for many Jews living outside Israel, it is time, he believes, for Israel to realize the dream of its founders—to become a normal secular state. It is precisely the plasticity of collective memories, as illustrated in Zerubavel's book, that gives Evron reason to hope that a post-Zionist ideological framework for all Israelis could gain a following.

*Fallen Pillars: U.S. Policy towards Palestine and Israel since 1945.* BY DONALD NEFF. Washington: Institute for Palestinian Studies, 1995, 350 pp. \$25.00.

For those new to the Arab-Israeli conflict, it may be hard to recall how passionately, before the peace talks between Israel and the PLO changed the dynamic, issues involving Israel and the Palestinians were fought out in Washington policy circles. This book, written by an experienced reporter-author sympathetic to the Palestinians, provides historical background on American attitudes toward Zionism and the Palestinians, relying on many declassified documents from the State Department. He then examines the evolution of American policy on a series of issues—partition, refugees, borders, Jerusalem, and settlements. In discussing each, Neff succeeds in showing the intensity of the political debates in the bureaucracy and the broader public arena. Even those who disagree with Neff will have to acknowledge the thoroughness of his research. He has dug deep for information and is careful to document

---

To order any book reviewed or advertised in *Foreign Affairs*, call 800-255-2665.

## Recent Books

his points. The appendices and notes will be of special interest to scholars.

*Powder Keg in the Middle East: The Struggle for Gulf Security.* EDITED BY GEOFFREY KEMP AND JANICE GROSS STEIN.

London: Rowman & Littlefield, 1995, 417 pp. \$42.50 (paper, \$20.00).

While one part of the Middle East, the Arab-Israeli zone, seems to be moving toward peace, the other major subregion, the Persian Gulf, remains potentially explosive. That, at least, is the view of most of the contributors to this volume. Dual containment may have a certain short-term logic, but few seem to believe that it can provide a lasting framework for gulf security. Indeed, any number of developments, starting with a change of regime in Baghdad, could undermine current policies. The issues likely to produce conflict go well beyond traditional interstate rivalries and include demographic, technological, and ideological trends. Unlike many such volumes, this one gives serious attention to the Kurdish issue and to Turkey's role in the region.

*Secret War in the Middle East: The Covert Struggle for Syria, 1949-1961.* BY

ANDREW RATHMELL. New York:

I. B. Tauris, 1995, 246 pp. \$59.50.

Middle East scholars have always had a hard time dealing with conspiracies as explanations for political turmoil. On the one hand, the political culture is prone to explain everything in terms of conspiracies, and the lack of tangible evidence is never a barrier to the most imaginative of theories. On the other hand, it is clearly naive to dismiss the political role of various intelligence services, particularly in the 1950s. The virtue of this book is that it

examines the evidence supporting and refuting covert activity in Syria—an excellent choice since that nation was the target of many covert actions by its neighbors as well as powers outside the region. Participants have been interviewed, declassified documents have been examined, and a picture that is a bit different from the conventional wisdom emerges. For example, the author does not believe that the Husni Zaim coup of 1949 was primarily the work of the CIA, despite such claims by CIA operatives; he does, however, provide considerable detail on the plotting against Syria by Turkey, Iraq, and the United States in 1957. He concludes that most covert actions failed to achieve their goals; that some were counterproductive, driving leaders further into the arms of the plotters' adversaries; and that with time Middle Eastern regimes learned to fight back, frequently employing the weapon of state-sponsored, though often deniable, terrorism.

*Israel, Likud and the Zionist Dream: Power, Politics and Ideology from Begin to Netanyahu.* BY COLIN SHINDLER. New

York: I. B. Tauris, 1995, 324 pp. \$39.50.

Just as the Israeli right wing seems to be losing support in the wake of the Rabin assassination—perhaps only temporarily—a solid historical account of the Likud movement has appeared. The author locates the factionalism in Likud in the enduring debates among members of the Israeli right, going back to Vladimir Jabotinsky and Avraham Stern in the preindependence era. Much of the value of this historical survey is its thorough presentation of the careers of Menachem Begin and Yitzhak Shamir, leaders who combined elements of ideology and

### Recent Books

pragmatism while differing significantly from one another. Begin is presented as a shrewd negotiator, willing to make concessions on the Egyptian front to preserve Israel's claim to the West Bank. Shamir is seen as less of a leader but equally firm in his convictions and always capable of saying no to those with whom he disagreed. Shindler competently covers events through Labor's return to power in 1992, but the discussion of recent Israeli politics contains few surprises. A few errors mar an otherwise useful overview.

*Intellectual Origins of Islamic Resurgence in the Modern Arab World.* BY IBRAHIM M. ABU-RABI. Albany: State University of New York Press, 1995, 370 pp. \$19.95 (paper).

There is no longer a shortage of books on the Islamist phenomenon in the Arab world. To justify another survey, an author must at least bring some new angle to the topic. And that is where the current study falls short. The author is well informed and his intellectual breadth is impressive, but he seems to have little new to say. Individual parts of the book are quite good, however, especially chapters on Sayyid Qutb and Sheikh Fadlallah. Abu-Rabi also briefly deals with the secular critics of the Islamists. But one looks in vain for an integrative theme or original insights.

*Iran and the Muslim World: Resistance and Revolution.* BY NIKKI R. KEDDIE. New York: New York University Press, 1995, 303 pp. \$45.00.

A leading historian of modern Iran has pulled together some of her seminal es-

says, written a few more, and produced a book full of insights into the Iranian Revolution. Keddie's strength is her deep knowledge of Iran, combined with a comparative perspective that allows her to reflect on how Iran's upheavals differ from those of France, Russia, and China. If you only have time for a single chapter of this fine collection, the essay on the problem of predicting revolutions should be your starting point. Nowhere else will you find chaos theory so imaginatively and usefully applied to the understanding of complex social phenomena.

*Iran after the Revolution: Crisis of an Islamic State.* EDITED BY SAEED RAHNEMA AND SOHRAB BEHDAD. New York: I. B. Tauris, 1995, 292 pp. \$59.50.

A group of Iranian scholars living in the West has undertaken a critical assessment of the ideological, economic, and social developments in the Islamic Republic—and finds little to praise. The editors are highly critical of well-meaning liberals in the West who profess to see a progressive side to the Iranian Revolution. Instead, they argue, in the struggle within the opposition to the shah between populism and Islamic conservatism, the conservatives clearly won. The populists were never realistic, and when they clashed with vested interests, the clerics mobilized Islamic jurisprudence in defense of the propertied classes, not the downtrodden. Thus Iran still has many of the old inequalities and little in the way of coherent policy, with only a stultifying cultural conservatism to point to as an achievement after 16 years of upheaval and repression. The dominant tone is

---

To order any book reviewed or advertised in *Foreign Affairs*, fax 203-966-4329.

one of disillusionment; these are not royalists hoping for restoration but rather secularists hoping to see Iran as a modern, democratic country. On the whole a very good set of essays.

*War of Visions: Conflict of Identities in the Sudan.* BY FRANCIS M. DENG. Washington: Brookings, 1995, 577 pp. \$49.95 (paper, \$24.95).

Sudan used to be thought of as a country of great potential. Today it is more often referred to in the context of unending internal conflict, gross abuses of human rights, the ideological pretense of an Islamic state in a society far from entirely Muslim—in short, a failed state. At the core of this failure, according to the author, originally from the southern Sudan, is the conflict over identity. Is Sudan Arabic, Islamic, African, multi-ethnic, or what? The problem is not so much that Sudanese society is divided. Rather, it comes from the state trying to impose a single identity on the entire population, something that the disadvantaged south has resisted since the mid-1950s. The possible solutions for Sudan's crisis would involve a remolding of identities—a long-term process—and could involve a more tolerant unitary state, some form of federalism, or separation. These policy options are not developed at length, so it is hard to judge which might be most realistic. Still, this is an important book about a country that is too often ignored in the West.

*Oman and the World: The Emergence of an Independent Foreign Policy.* BY JOSEPH A. KECHICHIAN. Santa Monica: RAND, 1995, 409 pp. \$40.00 (paper, \$30.00). In 1970 Oman began its forced transition

to modern statehood under the rule of Sultan Qabus. As Kechichian argues, Oman has achieved development, stability, and good relations with its more powerful neighbors. One of the few books on Oman in English, this volume is a reliable guide to the country's foreign policy. Oman has stood out in the region for pursuing an independent, flexible line. On balance, the country's recent history is a success story, and one will better understand the achievement after reading this book.

*Political Liberalization and Democratization in the Arab World.* BY REX BRYNEN, BAHGAT KORANY, AND PAUL NOBLE. Boulder: Lynne Rienner, 1995, 350 pp. \$55.00 (paper, \$23.95).

These original essays by leading scholars are a welcome contribution to the discussion of democratization in the Arab world. The central issue is why the global wave of democratization has made such little headway in this one region. The authors draw a useful distinction between political liberalization, which has won significant gains, and democratization, which is a slow process of inculcating new norms. They debate the relevance of culture, which has been blamed for the lack of democratic values, and are generally cautious about such sweeping explanations, preferring to emphasize the role of institutions, vested interests, levels of economic development, and militarization. On a topic of continuing importance, this is all in all the best collection of essays yet.



## Asia and the Pacific

DONALD ZAGORIA

*East Asia in Transition: Toward a New Regional Order.* EDITED BY ROBERT S. ROSS. Armonk: M. E. Sharpe, 1995, 368 pp. \$59.95 (paper, \$22.50).

*The Southeast Asian Economic Miracle.* EDITED BY YOUNG C. KIM. New Brunswick: Transaction Publishers, 1995, 261 pp. \$32.95.

Two unusually thoughtful collections of essays by prominent American and Asian scholars on political and economic developments in East Asia after the Cold War. The volume on Southeast Asia has an outstanding concluding chapter that seeks to summarize the reasons for the Southeast Asian economic "miracle." The factors identified are government stability, investment in primary education, pushing exports of manufactured goods rather than primary products, ideological pragmatism, some form of minimal government intervention, low inflation, and the administration of power by highly capable, committed bureaucracies that are relatively free of graft. The volume on East Asia's transition has uniformly good essays on economic and political change, the policies of the great and local powers, and the prospects for building a new regional order. Each of these volumes would be ideal for a college course.

*Democracy and Development in Southeast Asia: The Winds of Change.* BY CLARK D. NEHER AND ROSS MARLAY.

Boulder: Westview, 1996, 220 pp.

\$54.95 (paper, \$19.95).

The ten countries of Southeast Asia are compared in terms of development of democratic processes. According to the authors—both well-informed specialists—Thailand has moved furthest toward democracy, and the Philippines has regained and Malaysia sustained semidemocratic status. The other states in the region vary between partial and full-blown authoritarianism.

Individual chapters on each country are solid. For the most part, they demonstrate the substantial constraints on democratization almost everywhere. The main problem with the book is the excessive resort to culture as the decisive variable to explain—or explain away—almost everything. Many of these authoritarian states are, for example, called "Asian democracies" because, according to the authors, "some Southeast Asian nations are fashioning their own distinctive democracies, adapting those aspects of Western government appropriate to their culture and rejecting others." It is by no means clear that suppression of dissent and opposition is appropriate to any culture. If the authors had simply argued, as Samuel Huntington has done, that certain cultural traditions remain an obstacle to democracy, they might have been closer to the mark.

*China after Deng Xiaoping: The Power Struggle in Beijing since Tiananmen.* BY WILLY WO-LAP LAM. New York:

John Wiley, 1995, 497 pp. \$34.95.

This is a well-informed and provocative book by a Hong Kong-based Chinese journalist and Sinologist about possible de-

---

To order any book reviewed or advertised in *Foreign Affairs*, call 800-255-2665.



### Recent Books

velopments in China after Deng's demise. There is a very detailed, convincing, and nuanced account of the factional struggle in the Chinese Communist Party and the role of various new interest groups that have emerged during the unprecedented economic reform. The main thesis is that dynastic politics such as those practiced by Mao and Deng are now bankrupt, and that the socioeconomic costs of reform will soon become prohibitive unless steps are taken to modernize the political system.

The author's challenging conclusion is that the Chinese Communist Party can evolve toward a post-1990 East European socialist party that permits real elections and other elements of pluralistic politics while still holding on to power. In the trajectory for political modernization he holds out, central authorities will be forced to work out a more equitable form of power-sharing with the regions, there will be more and more noncommunist elements in the legislature, cabinet ministers will have to appear regularly before the legislature to explain policy, nonparty organizations such as labor unions and pressure groups will gradually achieve legitimacy, and tolerance for the nonviolent expression of dissident opinion will increase. The author argues that recent developments in Romania and Hungary, where by 1994 transformed communist parties were again holding power, may have reassured the Chinese communists.

*Japan: Domestic Change and Foreign Policy.*

BY MIKE M. MOCHIZUKI. Santa Monica: RAND, 1995, 102 pp. \$15.00.

*Japan's Alliance Politics and Defence*

*Production.* BY NEIL RENWICK. New York: St. Martin's Press, 1995, 169 pp. \$45.00.

*The New Multilateralism in Japan's*

*Foreign Policy.* BY DENNIS T. YASUMOTO. New York: St. Martin's Press, 1995, 230 pp. \$39.95.

*Japan's Role in the Post-Cold War World.*

BY RICHARD D. LEITCH, JR., ET AL. Westport: Greenwood Press, 1995, 223 pp. \$59.95.

*Japan's Democracy: How Much Change?*

BY ELLIS S. KRAUSS. New York: Foreign Policy Association, 1995, 79 pp. \$5.95 (paper).

Five good volumes on U.S.-Japan relations. In a brief but comprehensive report, Mochizuki argues that the primary foreign policy debate in Japan is taking place between two mainstream schools—the great power internationalists and the civilian internationalists. Both want to maintain good relations with the United States and cooperate with the Western powers. But the great power internationalists want Japan to expand host-nation support for U.S. forces in Japan, cooperate with U.S. forces in the Asia-Pacific region, promote technological cooperation with the United States, including joint development of a theater missile defense, participate actively in U.N. peacekeeping, and reinterpret the Japanese constitution to affirm the rights of collective security and defense. Ichiro Ozawa, a prominent leader of the opposition, has associated himself with many of these ideas. Civilian internationalists, on the other hand, believe that Japan should contribute to world affairs primarily through nonmilitary means—a strictly defensive military doctrine, regional and global arms control, international security maintained primarily through foreign aid and noncombat peacekeeping roles, and efforts to strengthen the United Nations and other multilateral institutions.

Renwick's volume is a readable and compact history of the U.S.-Japan alliance with particular emphasis on defense production and technology sharing. The central theme, however, is arguable. Renwick alleges a widening gap between the interests of the two allies but does not convincingly spell it out. The author's list of threats to Japan's northeast Asian security environment in the 1990s seems remarkably similar to the list of threats to U.S. interests: uncertainty in China, North Korea, and Russia, the Taiwan problem, tense relations between the two Koreas, territorial disputes over the Kuril and Spratly islands, economic disparities between more- and less-developed countries, and environmental disputes.

In one of the most detailed accounts yet of Japan's foreign aid policy, Yasumoto argues that Japan has successfully sought to raise its profile in the multilateral development banks—the World Bank, Asian Development Bank, and European Bank for Reconstruction and Development. As the international financial institutions turned to “Japan money,” Tokyo began extracting concessions in the form of shares, votes, and management positions. Japan is now satisfied with its number-two position in the World Bank and the EBRD and its de facto number-one position in the ADB. But the ADB, under Japanese leadership, has been notably lacking in a new vision to meet current challenges.

*Japan's Role in the Post-Cold War World* is a thoughtful analysis by three academics—two American and one Japanese—of Japan's relationships with its Asian neighbors, Europe, Russia, and the United States. The authors quote

liberally from key Japanese foreign policy analysts and provide insight into Japanese perceptions of the new strategic environment.

Several prominent Japanese analysts cited here call for greater cooperation with the United States on matters of peace and prosperity. But Shiina Motoo, a prominent Japanese politician with a long-standing interest in security issues, makes the key point. What Japan wants most from the United States is closer cooperation in setting the agenda. The United States, he says, is unique in its leadership ability. But it often ignores Japan until it is time to collect a check.

Krauss' essay is a masterly short introduction to the Japanese political system. Krauss agrees with Mochizuki that the key issue under debate is not internationalism versus nationalism, but how actively Japan should play a role in the world commensurate with its economic power—whether it should use its forces like other nations, or should never again become a conventional military power.

## Africa

GAIL GERHART

*Heart of Whiteness: Afrikaners Face Black Rule in the New South Africa.* BY JUNE GOODWIN AND BEN SCHIFF. New York: Scribner, 1995, 415 pp. \$27.50.

After South Africa's Afrikaans-speaking minority took power in 1948, their leaders brooked little dissent from within the Afrikaner community, manipulating careers, fortunes, beliefs, and reputations

---

To order any book reviewed or advertised in *Foreign Affairs*, fax 203-966-4329.

through the Broederbond, a secret society dedicated to the perpetuation of Afrikaner power. Ultimately the ruling National Party's control of black dissent eroded, and so did its ability to prevent the fracturing of Afrikaner political opinion. Now the party clings to a mere fragment of its former power, and Afrikaners who once believed in its race policies face a deep existential crisis. Based on extensive interviews, this lively book analyzes this crisis in nuanced, fascinating, and often humorous detail. Thematic sections focus on Afrikaans culture, language, and religion, the past and putative future of the Broederbond, and the angst within the only partially reformed security forces of the old regime. The facts and opinions that come to light are mixed with much speculation, gossip, and misinformation; the authors' intent, however, is less to lead readers to specific conclusions than to take them on an informative journey through unexplored political terrain, and in this they admirably succeed.

*Democratization in South Africa: The Elusive Social Contract.* BY TIMOTHY D. SISK. Princeton: Princeton University Press, 1995, 342 pp. \$39.95.

This account of the four-year period of negotiation leading up to South Africa's first democratic election in 1994 introduces no new empirical data but instead poses an analytical perspective stressing institutional choice. Key competing elites, the author argues, in each case moved during the negotiations from the ideal to the possible, gradually converging on a mutually acceptable set of rules and institutional arrangements that represented a fragile but workable social

contract. Pulled by a "centripetal dynamic," de Klerk's National Party settled for a form of "modified consociationalism," while the African National Congress accepted a modified majoritarianism. Some readers may see this as journalism recycled through a wash of graduate seminar terminology; others may find it useful in placing South Africa's "miracle" transition in a more generalized analytical context.

*Children in Sudan: Slaves, Street Children and Child Soldiers.* New York: Human Rights Watch/Africa and Human Rights Watch Children's Rights Project, 1995, 111 pp. \$12.00 (paper).

Both the Sudanese government and the two rebel movements fighting for control of southern Sudan have flagrantly violated the rights of children by forcibly recruiting many hundreds of child soldiers, according to this Human Rights Watch report. Moreover, the report shows that the Sudanese government tolerates the enslavement of southern and Nuba children captured in military raids and engages in the indiscriminate detention and ill-treatment of youths who are often inaccurately deemed to be street children. Many non-Muslims detained in camps for street children are forced to adopt Muslim names and convert to Islam. Going beyond the neglect of these abuses, most of which violate its own laws, the government denies that the abuses exist. Human Rights Watch calls on the Sudanese to end these violations, and on the United Nations and nongovernmental organizations to sustain their efforts to defend children's rights in this violence-torn country.

## Recent Books

*Asia and Africa: Legacies and Opportunities in Development.* EDITED BY DAVID L. LINDAUER AND MICHAEL ROEMER. San Francisco: ICS Press, 1994, 422 pp. \$19.95.

By marshaling extensive comparative data on the experiences of Asian and African countries in recent decades, this collection fills an important gap in the literature on African economic reform. The authors, all strong proponents of structural adjustment and export-led growth, address in very specific terms the question of which policies, practices, and countries in East and Southeast Asia might best serve as models for Africa. Eschewing a who's-to-blame approach, they focus on the need for African governments to choose growth over political expediency, improve macroeconomic management, better accommodate entrepreneurial ethnic minorities, invest more in human resources, and generally move away from economic regulation and toward freer market determination of labor costs, import flows, and exchange rates. Some of the discussion is technical, but noneconomists will find ample evidence to support the authors' principal conclusion that African countries can find the most instructive models not in the newly industrializing countries of East Asia but in the three new tigers of the Association of Southeast Asian Nations: Indonesia, Malaysia, and Thailand.

*Fractured History: Elite Shifts and Policy Changes in Nigeria.* BY JOSEPH NANVEN GARBA. Princeton: Sungai Books, 1995, 294 pp. \$39.95 (paper, \$14.95).

Garba, a former high-ranking military officer and Nigerian foreign minister, finished writing this scalding indictment of his government before the current regime made clear its intention to postpone again a return to civilian rule. Since then, Nigeria's descent toward the status of failed state has become yet more precipitous, and Garba's call for radical reform yet more appropriate. But readers hoping to find practical prescriptions for Nigeria's malaise, born of corruption, debt, and political breakdown, will be disappointed. The book consists mainly of excoriation of the country's irresponsible elites plus the author's somewhat platitudinous wishes for a better future. One can only hope that Nigeria's rising generation, to whom the book is addressed, finds some moral inspiration here. ②

Visit the *Foreign Affairs* Home Page:

[www.eneews.com/magazines/foreign\\_affairs](http://www.eneews.com/magazines/foreign_affairs)

Browse subject, author, & issue indexes, media advisories, excerpts of books reviewed, a history of the magazine, and much more.

MORE INFORMATION: FORAFF@EMAIL.CFR.ORG

---

To order any book reviewed or advertised in *Foreign Affairs*, call 800-255-2665.

# In Defense of Mother Teresa

## Morality in Foreign Policy

*Stanley Hoffmann*

As a supporter of the Carter administration's ideals who quickly became disillusioned with its performance and denounced the gap between its good intentions and contradictory policies, I appreciate the pithy and pugnacious prosecutor's brief that Michael Mandelbaum, a courageous supporter of Bill Clinton during the 1992 campaign, has drafted ("Foreign Policy as Social Work," January/February 1996). Much of what Mandelbaum says about the Clinton team's policies toward the other major powers and its failures or deficiencies in handling the crises in Haiti, Somalia, and Bosnia is convincing. But the central argument of his essay is, in my opinion, wrong.

Mandelbaum believes that an American foreign policy concerned not with interests but with values, not with relations with countries that have the capacity to

affect these interests but with "small, poor, weak" and peripheral countries, is foolish. More than that, it is doomed, both for lack of public support and because turning foreign policy "into a branch of social work" is a recipe for "deep, protracted, and costly engagement in the tangled political life of each country" in which the United States intervenes, in a world "filled with distressed people." I believe, however, that the distinction between interests and values is largely fallacious, and that policy which would ignore the domestic crises that affect so many states and pseudostates today would have disastrous consequences.

### **MORALLY AT HOME**

The national interest is not a self-evident guide, it is a construct. It is the sum of the objectives that the policymakers have set. Some of these are indeed impera-

---

STANLEY HOFFMANN is Founding Chair of the Center for European Studies, Harvard University.



tives, imposed by the nation's location on the map of power or by clear threats and needs. But many of the goals that states, and especially the major powers among them, pursue go beyond such imperatives, and result from preferences and choices. These goals are usually controversial. Those who support them cover them with the mantle of the national interest, and those who do not back them argue, like Mandelbaum, that they deal with developments that "could [not] affect the lives of . . . citizens" and thus are not in the national interest. Even during the Cold War, the United States pursued goals that could be connected only remotely to the imperatives of national security and deterrence of the Soviet threat. Mandelbaum presents the invasion of Grenada as part of the Cold War, but does not mention the intervention in Panama, which, of course, took place after the Soviet threat had crumbled. On the other end of the spectrum, the human rights policies that American administrations pursued, in their different ways, in the late 1970s and in the 1980s cannot be explained away as mere tactical moves in the battle against communism.

Great powers pursue both what Arnold Wolfers has called possession goals and what he terms milieu goals. National security deals essentially with the former. But much of foreign policy is concerned with shaping an international milieu that will provide a modicum of order (i.e., reduce the inevitable loads of violence and chaos that an anarchic international system carries) and in which the nation's citizens will feel not only safe from attack

or economic strangulation but, so to speak, morally at home. Among the reasons the opposition between interests and values is a sham are that a great power has an "interest" in world order that goes beyond strict national security concerns and that its definition of order is largely shaped by its values. Many of America's policies during the Cold War—especially in relations with allies and so-called Third World countries—and many of the institutions and international regimes it helped establish resulted from preferences that could not be reduced purely and simply to the need to resist the Soviet menace or communism.

In the post-Cold War world, there is, in addition to all the classical interstate conflicts that could disrupt world order, a whole new series of dangers arising from the weakness or disintegration of many states, ethnic and religious strife within states, and dangerous policies that certain states pursue within their borders.<sup>1</sup> Not all interstate conflicts "could affect the lives of American citizens." But does this mean that these conflicts could not disrupt the balance of power and provoke chaos in many parts of the world and that the United States should be indifferent to them? Conversely, not every domestic crisis is susceptible to a resolution imported from abroad, or sufficiently grave to have serious external repercussions (in the form of, say, flows of refugees). Does this mean that a world of generalized internal chaos, in which neighbors of the countries in crisis would be tempted to intervene, would be tolerable from the standpoints of order and of

---

<sup>1</sup>For further elaboration, see Stanley Hoffmann, "The Politics and Ethics of Military Intervention," *Survival*, Winter 1995/96, pp. 29-51.

our values? Societies and economies are too interdependent today for us to be sure that what happens in "small, poor, weak" countries will not affect the lives of American citizens, or at least the quality of their lives.

Michael Mandelbaum lives in what scholars have called the Westphalian system, in which relations are between sovereign states of unequal power. But today's world is post-Westphalian: myriad normative restraints and a huge loss of autonomy resulting from transnational forces are eroding state sovereignty generally, and the sovereign state itself, the very floor of the Westphalian construction, is collapsing in many parts of the world. Any U.S. foreign policy that would concentrate exclusively on the traditional agenda would expose the world, and the nation, to intolerable horrors and disorder. (In this respect, even though Sarajevo 1992-96 is not Sarajevo 1914, Mandelbaum's dismissal of the dangers of an expanding conflict in the Balkans is more than a little rash.)

#### TO JUDGE A CRISIS

Three major qualifications must be attached to my argument. First, not all crises are of equal importance to world order. Two criteria could help us decide when to intervene. Is the crisis, the domestic conflict, or the policy pursued within the borders of the state, we would ask in each case, likely to threaten regional or international peace and security? Are there massive violations of human rights, even in the absence of such a threat? These criteria correspond to the two sides of the coin of world order: the reduction of violence and chaos, and the creation or maintenance of a morally acceptable state of affairs. Whether it is in our "interest" to

intervene to stop genocide or war crimes on a colossal scale I will let the sophists of national security argue among themselves; what I know is that it is our moral duty to act, whenever there is a chance of success.

That brings me to the second qualification. Even when the criteria are met, not every kind of "social work" can succeed, and there are cases in which outsiders are incapable of dealing with the causes of the crisis. In those cases it may still be a good idea to provide a modicum of humanitarian relief, as in Somalia, or to try to limit the number of victims, as the French did, belatedly, in Rwanda. But when the capacity to get at the problem's roots exists, it is a grave mistake to do too little, by putting crippling limits on the mission or by stopping too soon (as may well have happened in Haiti) or starting too late (as in the Bosnian tragedy, which was caused by Serb aggression, and where a much earlier show of NATO force might have preserved the integrity of the multiethnic state of Bosnia and prevented some of the atrocities we are now lamenting). Here I agree with Mandelbaum: when exit becomes strategy, there is something rotten in the realm of foreign policy. There is also something rotten when the blame for failures is dumped on the United Nations, not only because U.N. fiascoes largely result from the failures, ambivalences, and confusions of member states but also because serious efforts at addressing the sources of crises will always necessitate collective interventions and coordinated efforts.

A third qualification concerns the need for public support. Mandelbaum offers two explanations for the lack of support for Clinton administration policies. One is that the interventions he deplores merely

responded to the wishes of particular pressure groups in American society. This seems to me quite inaccurate, especially with regard to Somalia and Bosnia. Far more convincing is his argument that the public remained hostile (or in the Somalia affair, became hostile after the deaths of 18 American soldiers) because the administration never provided a clear and persuasive account of American purposes. This charge is true. Although it has made some vague statements about expanding democracy, the Clinton administration has been much too timid in defining and defending a foreign policy based on values and other requirements of world order. American officials contradicted each other and themselves endlessly on Bosnia, and never made the case for the Haitian intervention that Mandelbaum eloquently presents—an appeal to values and a reminder of responsibility.

Mandelbaum, however, would limit American purposes to two broad security interests (military presence in Europe and in the Asia-Pacific region, and prevention of nuclear proliferation) and to trade. He does not seem to notice that the campaign against nuclear proliferation is at least as much about a world order as about protecting American lives; many potential proliferators are in no condition to threaten the United States, but they could create regional chaos and terror. Nor does he note that the drive for free trade reflects American values and beliefs—he himself assumes that “liberal economic policies . . . create wealth and expand freedom”—at least as much as American material interests.

My argument is that a foreign policy adapted to the world after the Cold War must go beyond the purposes to which

Mandelbaum wants to restrict it. It must include, on the grounds that they will maintain or restore world order, certain carefully selected interventions in foreign domestic crises. This is not a plea for foreign policy as “social work,” a struggle against distress everywhere in the world. It is a reminder that certain levels and kinds of distress are morally unacceptable and certain political, economic, and social breakdowns too dangerous to world order to be ignored. That is what the administration has failed to explain. Perhaps it failed to do so because of its internal divisions between those, especially in the Pentagon, who think like Mandelbaum and those who think more like me. Perhaps it refrained because it sensed the public’s reluctance to become involved abroad after 45 years of cold war. But this only increased Americans’ reluctance, which in turn drove the administration’s obsession with exit dates and the avoidance of “mission creep.” And since such restrictions on difficult missions are almost guarantees that the missions will fail, the end result is likely to be a retreat into the traditional foreign policy realm that Mandelbaum defends—at the cost of spreading chaos and misery abroad. For we live in a world in which apathy about what happens in “far away countries of which we know nothing” can all too easily lead—through contagion, through the message such moral passivity sends to troublemakers, would-be tyrants, and ethnic cleansers elsewhere—not to the kind of Armageddon we feared during the Cold War but to a creeping escalation of disorder and beastliness that will, sooner or later, reach the shores of the complacent, the rich, and the indifferent. ☹

# Letters to the Editor

*Angelo M. Codevilla, Charles Gati, James Clad,  
Eugene Gholz & Harvey M. Sapolsky, and others*

## THE NATIONAL INTEREST PUZZLE

*To the Editor:*

Michael Mandelbaum identifies three foreign policy goals that constitute the American national interest: maintaining an American military presence in Europe and the Asia-Pacific region, preventing the spread of nuclear weapons, and lowering international trade barriers ("Foreign Policy as Social Work," January/February 1996). Much as one agrees with Mandelbaum's three priorities, his conception of the national interest is far too modest.

Promoting stability in the Balkans, for example, is a serious foreign policy aim, not social work. The case for pursuing that objective rests on a combination of humanitarian concerns and important, although admittedly limited, geopolitical considerations based on the region's proximity to both Western Europe and NATO's southern flank. By contrast, American involvement in Somalia, Rwanda, and even Haiti suffered from the absence of a similar geopolitical justification.

All genuine internationalists favor a foreign policy of "selective engagement." Unlike Mandelbaum, however, most tend to employ the elusive I-word and its variants—interest, national interest, security interest, vital interest—as if their meanings were self-evident. However, the criteria for U.S. involvement should include

humanitarian concerns (values) when they intersect with geopolitical considerations (interests). By that standard, the issue today is the temptation to do too little, not too much. Prudence and patience must guide U.S. foreign policy, but so must the conviction that America can help shape a world congenial to its interests and values and the leadership needed to overcome the apathy of the public and the timidity of the foreign policy elite.

CHARLES GATI

*Senior Vice President, Interinvest*

*To the Editor:*

Michael Mandelbaum's castigation of Bill Clinton's foreign policy enumerates three signal failures just as several signal successes are hatching. Haiti recently held free and fair elections, providing a successor to President Jean-Bertrand Aristide. In Bosnia, where Mandelbaum rightly points to earlier hesitation and failure, NATO's intervention appears to be succeeding. In the Middle East, not only has Yasir Arafat returned to head the Palestine National Authority and govern increasingly large territories as Israelis gradually evacuate them, but he has been democratically elected by the Palestinian populace; even Syria, with strong U.S. prodding and encouragement, has entered the peace process, which could bring the

region its greatest stability since before the collapse of the Ottoman Empire. And serious negotiations between the parties in Northern Ireland are moving forward more quickly than ever, with all giving Clinton credit for much of the progress. The administration's efforts have also helped foster European unity through NATO, reduce the threat to Western oil supplies, and rescue Mexico from a disaster that would have rocked the hemisphere. Clinton, who had little interest in foreign affairs on entering office, has been preoccupied with—and not altogether unsuccessful in—the world beyond these shores. And his foreign policy record may contribute to his reelection.

WILLIAM GRAHAM COLE  
*Chicago, Illinois*

#### **A REFORMER'S TRUE FACE**

*To the Editor:*

Edward W. Desmond depicts Ichiro Ozawa as a legitimate reformer and a proponent of a new foreign policy that would "make Japan a normal country in foreign and defense policy" ("Ichiro Ozawa: Reformer at Bay," September/October 1995).

However, Ozawa's motives for political reform are dubious. Many suspect that he defected from the Liberal Democratic Party and formed his New Frontier Party simply for reasons of political survival. The move distanced Ozawa from his political mentor, LDP Vice President Shin Kanemaru, when the latter's 1993 indictment on tax evasion charges could have dealt him a severe blow.

The substance of Ozawa's reform is equally questionable. Rather than address the greater problem of corruption, he focused only on the electoral system, replacing multimember with single-member districts. Although the media hailed

the new system, it was actually a change for the worse, as many Japanese, including some Diet members, have begun to recognize. With the general election in sight, politicians have had to concentrate on petty politics in their districts. Cutthroat competition in smaller areas may induce increased resort to "money politics."

Desmond also fails to mention the close relationship between Ozawa's party and the Soka Gakkai, a powerful Buddhist group. This link is troubling for those who wish to uphold the separation of religion and politics.

Despite Desmond's claims to the contrary, the opposition of many Japanese to Ozawa's foreign policy does not derive from selfishness or introversion. Rather, they do not trust the conservative and nationalist politicians who have not acknowledged Japanese atrocities during World War II. They fear that should the use of the Japanese military on missions abroad be sanctioned, those leaders may employ it for aggressive purposes.

A more active international role for the military would also make many of Japan's neighbors nervous about the country's intentions. Japan can instead augment its participation in nonmilitary projects. Japan's principled stand against the use of its military power should be held in high esteem, not denigrated.

TAKASHI AKUTSU  
*Senior Managing Director, Japan Nuclear Fuel, Ltd.*

#### **A WORLD MADE FREE FOR TRADE**

*To the Editor:*

Jeffrey E. Garten maintains that "moving toward as advanced a multilateral system as possible should remain our objective" ("Is America Abandoning Multilateral



Trade?" November/December 1995). But his vision of the ultimate goal lacks precision, and his timetable for reaching it is not sufficiently ambitious.

Garten envisions the establishment of regional free trade areas in Latin America and Asia that "can be the building blocks for a stronger and broader multilateral trading system." Free trade within these zones would certainly yield significant benefits to the member countries, but the built-in discrimination against outsiders would harm both member and outside countries and slow progress toward a worldwide free trade charter. The costs of this new-style protectionism would eventually impel the world's major trading nations and communities to seek a fully multilateral free trade arrangement. But why delay planning for what is ultimately desirable and may well be inevitable?

Garten's only proposal for the long-range quest is the formation of an international group of "wise men" that would recommend to the Group of Seven and the World Trade Organization "the next steps to strengthen the multilateral trading system." Rather than wait for this distinguished panel to report, the United States should forthrightly launch a multilateral free trade initiative, to which it would invite all developed countries to subscribe. Developing countries would be admitted on meeting all criteria for membership. Labor and environmental standards would be among the provisions of the agreement.

Concurrently, the United States would need to adopt a coherent adjustment policy to ensure that the system deemed essential for the nation as a whole would also benefit every state in the union. Such a domestic policy—con-

spicuously absent from the efforts to build support for the North American Free Trade Agreement—is indispensable for even modest steps toward freer trade.

DAVID J. STEINBERG

*Alexandria, Virginia*

#### **DEFENSE CUTS THE EASY WAY**

*To the Editor:*

Lawrence J. Korb's recommendations for lowering the defense budget take on the toughest political battles—those that try to eliminate segments of a well-established military, such as army divisions, which have colorful histories and a visible local presence ("Our Overstuffed Armed Forces," November/December 1995). Korb is right to argue that the scenarios posited by recent force structure reviews are unlikely, but he should also understand that common sense does not rule post-Cold War defense spending politics. The real challenge is to recognize the political motivations that support larger force structures and require commissions to trump up dangers that might justify funding such force levels.

Responding to local concerns about the effect of defense cuts on employment, politicians made the past year's budget negotiations a contest to get programs into the bill rather than cut them out. During the Cold War, the consensus on the Soviet threat limited congressional manipulation of the defense budget for political motives. Projects no longer on the technological cutting edge were terminated, if painfully. Now, with no external constraints, programs do not die.

Defense spending is a very expensive way to infuse money into key districts. Weapons projects require significant overhead expenditure to support excess



production capacity. The United States needs a mechanism that discourages companies and communities from lobbying for local defense spending and encourages production workers to leave the industry. The solution is exit subsidies: binding agreements that the defense firms that lose bids will, instead of pressing for a piece of the production or another project, restructure to close some production capacity.

Ironically, the Department of Defense already has the beginnings of such a politically savvy policy, and Korb has been a leading critic of it. To encourage defense contractor mergers that will eliminate excess capacity, the Pentagon has interpreted its procurement rules to allow it to pay the restructuring costs. In congressional testimony, Korb categorically opposed such subsidies, arguing that defense firms would happily merge with each other anyway. But mergers are not sufficient: to get the defense budget down, the United States must overcome its addiction to major production projects that prop up local employment. An expansion of the current policy that would allow "severance pay" for defense plants not involved in mergers would, by attacking excess capacity, indicate a major commitment to control the defense budget and might even change the bureaucratic calculus that maintains a bloated defense structure.

EUGENE GHOLZ AND

HARVEY M. SAPOLSKY

*Defense and Arms Control Studies*

*Program, Massachusetts Institute of Technology*

*Lawrence J. Korb replies:*

Eugene Gholz and Harvey M. Sapolsky's proposal for government subsidies of defense mergers is not the way to

change the thinking that has produced a bloated defense budget. The mergers to date have made reducing defense spending more difficult.

Northrop's mergers with Grumman in 1994 and Westinghouse in January did not diminish the new company's appetite for B-2 bombers, nor did General Dynamics' purchase of Bath Iron Works result in smaller congressional appropriations for unneeded submarines and destroyers. Imagine the political clout that the \$30 billion Lockheed Martin-Loral behemoth will wield. These mergers have made a lot of money for stockholders and corporate executives and created megacompanies that the political system will have a very hard time controlling.

If anything, the Pentagon should begin thinking about how to discourage these huge mergers. Will Lockheed Martin-Loral next try to acquire the U.S. Air Force?

#### **LIGHT ON THE STICKS**

*To the Editor:*

Milton Viorst seems willing to accept assurances that Iran does not have ambitions to acquire nuclear weapons, whereas Charles Lane writes as if the allegations have already been proved ("The Limits of the Revolution" and "Germany's New Ostpolitik," November/December 1995). But the facts are not clear, and an effective Iran policy should account for and even exploit that uncertainty as well as the new openness in Tehran that Viorst documents.

Iran's declared policy is that it neither seeks nor needs nuclear weapons but requires nuclear power plants to meet its burgeoning demand for electricity. U.S. intelligence officials concede that the civilian nuclear program is legitimate. Energy

analysts working in the region acknowledge that Iranian demand is growing quickly and recall the scorn heaped on the Persian Gulf states for acting as though their oil supplies would last forever.

The CIA claims the existence of a separate, secret military nuclear program but is having trouble proving it to the satisfaction of anyone outside the U.S. and Israeli foreign and defense policy elites. By complying with its treaty-mandated obligation to allow nuclear inspections and even twice permitting the

International Atomic Energy Agency (IAEA) to visit additional CIA-selected sites, Iran has made the agency's job harder. After two clean bills of health, Tehran says the invitation for more visits is still open, and the CIA is updating its list of suspect sites while admitting that there are no smoking guns.

However, at least a small group in the Iranian government is certainly committed to arming the country with nuclear weapons. At present, the group seems to be in the minority and no longer to enjoy the support of President Hashemi Rafsanjani, if it ever did. However, it may be able to marshal some resources and seize sporadic opportunities to import dual-use equipment, while hoping for better days. For now the trend in international and domestic politics is against the group.

American policy should seek to keep the pro-nuclear weapons faction in Iran on the defensive. The Iranian antinuclear fac-

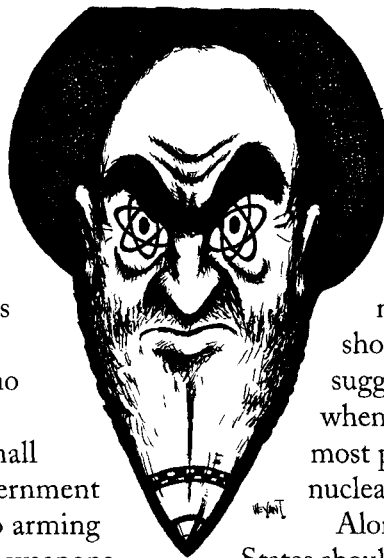
tion, as well as Russian suppliers of equipment for the civilian nuclear program, should be viewed and treated as potential allies. Rather than hector these Russian organizations with nonproliferation dogma in the hope that they will give up the billion-dollar Bushehr deal, the United States should work closely with them to minimize the transfer of weapons-relevant technology. The Bushehr plant will not produce nuclear bombs, and not even the CIA claims that it will be part of any military nuclear program.

The United States should also promote the transfer of nonnuclear alternative energy technology to Iran. Iran is already investing heavily in hydroelectric, wind, and solar power that could reduce the demand for nuclear technology. The United States should not oppose, as Lane suggests, Iranian dam projects when hydroelectric power is the most promising alternative to nuclear energy.

Along those lines, the United States should give Iran credit when the IAEA declares it in compliance with international agreements. The United States need not give up its suspicions about Iran's intentions, but its dismissal of the IAEA's pronouncements gives Tehran little incentive to be more forthcoming. In short, Charles Lane's combination of carrots and sticks has much to commend it, but the stick should not be used incessantly or indiscriminately.

ERIC ARNETT

*Project Leader, Stockholm International  
Peace Research Institute*



**TO FORGIVE IS HUMAN**

*To the Editor:*

Francis Fukuyama's review of *An Ethic for Enemies: Forgiveness in Politics*, by Donald W. Shriver, Jr., is unduly dismissive ("Recent Books," September/October 1995). Only forgiveness can end the cycles of destructive, irredentist behavior seen in this century in Europe and now, perhaps, in Asia. A key contemporary question is whether the Chinese can excuse their humiliation at the hands of the Western powers and Japan, not whether they can forget these transgressions. If they cannot, the world is condemned to witness new cycles of aggrandizement.

JAMES CLAD

*Research Professor of Southeast Asian Studies, Edmund A. Walsh School of Foreign Service, Georgetown University*

**WASHINGTON DOUBLESPEAK**

*To the Editor:*

Of all the reviews of General Colin Powell's memoirs, only Eliot A. Cohen's noted and quoted the most revealing passages: "Of those who speak up in big meetings with the boss, Powell writes, 'The only ones who spoke at length were those who did not understand the game'" ("Playing Powell Politics," November/December 1995). Cohen's description of the game—"the art of petty reward and punishment"—is familiar to everyone who has worked in Washington in recent decades.

In "big meetings with the boss," you must speak on the record to both friends

and enemies, and your arguments must be on the merits of the issue. Even if you care less for the country than you do for the rat pack of officials on whom the next step up the ladder depends, you must formulate your positions using the language of the national interest. Pleasing some in public necessarily involves displeasing others, and that is all the more reason that your facts and logic must be defensible and that you cannot egregiously misrepresent others and their views.

The small meetings are the domain of "the fixers," and they are off the record. The arguments presented there are strictly about who wants what; the merits of the issue might as well be on Pluto. You are free to say whatever will induce another to join your side, whatever will get you through the meeting, because no one will hold you accountable. You do not have to prepare by doing substantive research. If you are effective in such settings, you are effective—period.

Although he gently suggests that Powell's criterion for judging statesmen—the impression of practicality—is faulty, Cohen does not comment on the implications for government of the now-unchallenged prevalence of Powell-style pragmatism in Washington. When "informal networks" of "adepts of the art of petty reward and punishment" regularly trump "big meetings with the boss," how does any government's compass get set on the big decisions—peace, war, the worth of allies, the temper of enemies? Where Powell-style pragmatism rules, of what

---

*Foreign Affairs* (ISSN 0015-7120), March/April 1996, Volume 75, Number 2. Published six times annually (January, March, May, July, September, November) at 58 East 68th Street, New York, NY 10021. Subscriptions: U.S., \$44.00; Canada, \$54.00; other countries via air, \$79.00 per year. Second-class postage paid in New York, NY, and at additional mailing offices. Postmaster: Send address changes to *Foreign Affairs*, P.O. Box 420235, Palm Coast, FL 32142-0235.

worth are the debates of wise men? Shucks, why study history? Given the widespread awareness of the chasm between the language intended for the public and that of the meetings in which the real decisions are made, would millions bet their lives on the words of Powell and his pragmatic colleagues?

ANGELO M. CODEVILLA

*Professor, International Relations, Boston University, and former senior staff member, Senate Select Committee on Intelligence (1977-85)*

**CORRECTION:** *Peter Schweizer regrets that his interview with Herbert E. Meyer incorrectly stated that Matsushita was running intelligence operations in the United States ("The Growth of Economic Espionage," January/February 1996). As Mr. Meyer's 1991 book, Real-World Intelligence, reported, the correct company was Mitsubishi.*

Forthcoming April 1996

ANNOUNCING THE FIRST VOLUME  
IN A NEW SERIES FROM MEDIACOM

*United States Foreign Policy 1990-1995*

## **The Balkan War**

This collection of source documents chronicles the war in the former Yugoslavia, from the events leading to the outbreak of violence in 1991 to the signing of the peace treaty in 1995. The volume traces the evolution of policies through speeches, statements, reports and agreements authored by participants in both the conflict and its resolution. Sources include the White House, Dept. of State, Congress; governments of Bosnia, Croatia, Yugoslavia; Contact Group member nations; the U.N., NATO and EU.

Topics for further volumes planned in this series include:

- international trade;
- the Middle East peace process; and
- economic and political transformation in Russia and former Soviet Republics.

**\$32.50**

**310 pages**

### **Order Form**

Name/Institution:

Street Address:

City: State: Zip Code:

Country: Telephone: ( )

Method of Payment:

- ☐ check enclosed    Number of copies of  
☐ send an invoice    **The Balkan War:**

MEDIACOM, INC.

Box 8635, New Haven, CT 06531

tel/fax: (203) 782-2682

email: kli@world.std.com

# Prospect

THE NEW EUROPEAN MONTHLY



## Next month's brain food

*Current and future pieces include:*

**ROBERT PUTNAM:** is TV the reason for America "Bowling Alone"?

**RICHARD LITTLEJOHN AND TREVOR PHILLIPS:** debating Englishness

**WILL HUTTON REVIEWS MANDELSON AND LIDDLE:** will the Blair revolution deliver?

**GARRISON KEILLOR** on poetry

PLUS

**FERDINAND MOUNT** on the Tory right, **RON DORE** on the stakeholder debate, **FAITH BROOKE** on the end of sex, **EDWARD PEARCE** on popularising classical music, **JAY BERNSTEIN** on the end of philosophy,

**SARAH HELM** on the chocolate war, **CHRIS BOYD** on the European Commission,

**SUSAN GREENFIELD** on consciousness, **JOHN LLOYD** on the media, **TONY THOMPSON** on London gangs



*Back issues of Prospect can be obtained at £3.50 each from the subscription address below:*

**PAUL HIRST** against globalisation, **DAVID HANNAY** on the UN, **ROBERT REICH** on the US economy (February 1996), **ZOË HELLER** on Prozac, **ROBERT LEICHT** on German social democracy (January 1996), **MALCOLM BRADBURY** on Post Modernism (December 1995) **CONOR O'CLERY** on Clinton's Irish policy (November 1995), **AMARTYA SEN** on India and China, **ALEKSA DJILAS** on the Yugoslav tragedy (October 1995)

*make sure of your copy every month*  
**subscribe now**

☐ Please enter my subscription at £35.00 (Europe), £42.00 (rest of the world) for 12 issues of Prospect from the March issue (a saving of 35% on the regular rate). I understand I may cancel this at any time and receive a refund on issues not yet posted.

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

POSTCODE \_\_\_\_\_

☐ My cheque for ..... is enclosed, made payable to 'Prospect Publishing Ltd'

☐ Please debit my Visa/Mastercard, Eurocard, Access account (Delete as appropriate)

CARD NO.

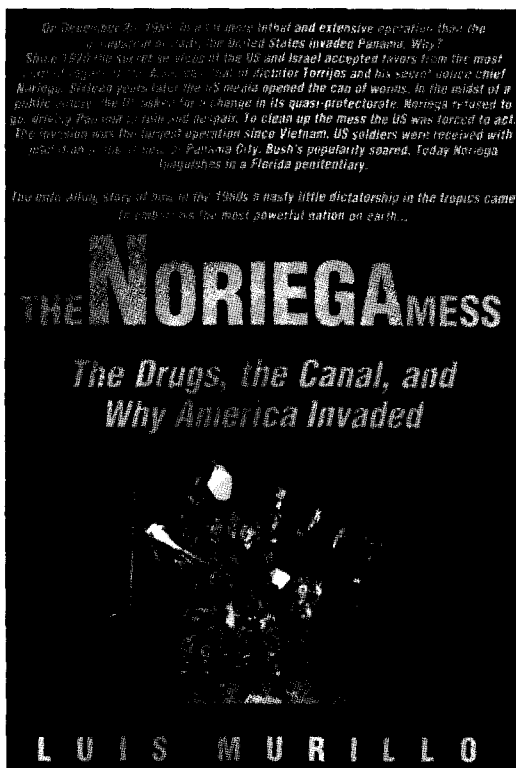
EXPIRY DATE:   /

SIGNATURE \_\_\_\_\_

Post this coupon to: Prospect Subscriptions, Freepost RM1406, Romford, Essex, RM6 5BR, UK or telephone 0181 597 7335

FA1MAR





**In 1995 in Panama one English-language book created more interest and sold more copies than all other similar books put together. Intellectuals and journalists uniformly praised it. Is Panama ready to run the Canal? Are the Canal treaties legal?**

**"Monumental... The definitive history of modern Panama..."**

– Betty Brannan reporting from Washington for La Prensa, the largest-circulation daily in Panama City

**"I consumed it with much interest and gained great instruction from it..."**

– John le Carré, British novelist

**"I found much I didn't know and nothing I could dispute..."**

– R. M. Koster, American writer resident in Panama, author of "In the Time of the Tyrants" with Guillermo Sánchez

**"The book every Panamanian should read."**

– Miguel Antonio Bernal, University of Panama law professor

Covers the U.S. and its quasi-protectorate from the 1960s until 1994. 46 chapters, 8 appendices, 72 photographs, 3 maps. Based on interviews, fact-finding trips, bank reports, 150 books, 3,000 press reports. Written by an international business professor at the University of San Francisco, San Francisco, California.

At quality bookstores or order from

**Video•Books, PO Box 3197, Berkeley, CA 94703**

1096 pages 72 illus. 0-923444-02-5 \$32 hardcover

**New**

### DOMESTIC SOURCES OF FOREIGN POLICY Western European Reactions to the Falklands Conflict

Edited by Stelios Stavridis, *U. of Reading* and Christopher Hill, *London School of Economics*

Leading experts delve into the workings of the European Community's foreign policy and that of its individual nations, and relationships among the states as seen in a moment of international crisis – the Falklands Wars of 1982.

Jan. 1996, 288 pp., index  
Cloth/1 85973 088 4/\$45.95 Paper/1 85973 089 2/\$19.95

**New**

### ITALY IN THE COLD WAR Politics, Culture and Society, 1948-1958

Edited by Christopher Duggan, *U. of Reading* and Christopher Wagstaff, *U. of Reading*

For the first time, distinguished scholars examine one of the most crucial decades in Italy's artistic, cultural, intellectual and political development.

1995, 272 pp., bibliog., index  
Cloth/1 85973 038 8/\$45.95

**New**

### POWER & PURPOSE AFTER THE COLD WAR

Edited by Zaki Laidi, *Institute of Political Science, Paris* and *Johns Hopkins University, Bologna*

"...provides the most interesting and up-to-date study of recent changes to the world order. It is likely to remain an important reference source for years to come."

– *Le Figaro*

1995, 256 pp., index  
Cloth/1 85496 807 5/\$45.95 Paper/1 85973 077 9/\$19.95



*Modern  
History  
&  
Politics*



**New**

### THE NEW WORLD ORDER Sovereignty, Human Rights & The Self-Determination of Peoples

Edited by M. N. S. Sellers, *U. of Baltimore*

Written from a wide variety of national and cultural perspectives–this book addresses the central questions of sovereignty after the Cold War, particularly the conflict between cultural relativism and human rights.

June 1996, 320 pp., bibliog., index  
Cloth/1 85973 059 0/\$45.95 Paper/1 85973 064 7/\$19.95

**New**

### GERMANY DIVIDED The 1994 Bundestagswahl and the Evolution of the German Party System

Edited by Russell J. Dalton, *U. of California, Irvine*

This expert analysis looks at how unification is affecting German electoral politics, and focuses on the 1994 Bundestag elections and the problems of recreating the party system in a unified state.

June 1996, 256 pp., bibliog., index  
Cloth/1 85973 160 0/\$45.95 Paper/1 85973 165 1/\$19.95

**TO ORDER: Use your VISA or MasterCard  
ORDER TOLL FREE 1-800-546-9326 or  
FAX YOUR ORDER 1-703-689-0660**

Add \$5 first book, \$1 ea. add. for postage & handling

Make check payable and mail to:

**BERG®**

P.O. Box 605 • Herndon, VA 22070

Visit Berg on Internet at <http://www.bookshop.co.uk/berg/>

Moneyback guarantee

# *Tune in to* **AMERICA AND THE WORLD**

**New Voices On The World Scene**  
**New Ideas Driving International Politics**

# KATI MARTON



## *Makes Sense Of It All*

*America and the World* is the weekly half-hour broadcast on international affairs from the Council on Foreign Relations and National Public Radio.<sup>®</sup> Host Kati Marton talks with the next generation of foreign policy leaders, the new and different voices challenging the old mindsets and revising the rules of the game from the ground up.

*America and the World* partial station listing includes\*

KCHU-AM Valdez, AK  
WUAL-FM Tuscaloosa, AL  
KUAR-FM Little Rock, AR  
KALW-FM San Francisco, CA  
KQED-FM San Francisco, CA  
WAMU-FM Washington, DC  
WUCF-FM Orlando, FL  
WSUI-AM Iowa City, IA  
WIUM-FM Macomb, IL  
WICN-FM Worcester, MA  
WUOM-FM Ann Arbor, MI  
WKAR-AM East Lansing, MI  
WGVU-AM Grand Rapids, MI  
WUCX-FM University Center, MI

WCAL-FM Northfield, MN  
KUMR-FM Rolla, MO  
KEMC/KBMC Billings, MT  
WNCW-FM Spindale, NC  
KCND-FM Bismarck, ND  
KDPR-FM Dickinson, ND  
KPRJ-FM Jamestown, ND  
KMPR-FM Minot, ND  
KIOS-FM Omaha, NE  
WSKG-FM Binghamton, NY  
WNED-AM Buffalo, NY  
WEOS-FM Geneva, NY  
WJFF-FM Jeffersonville, NY  
WNYC-AM New York, NY

WOUB-AM Athens, OH  
WCBE-FM Columbus, OH  
WOSU-AM Columbus, OH  
KSOR-FM Ashland, OR  
KSRS-FM Roseburg, OR  
WQLN-FM Erie, PA  
WUOT-FM Knoxville, TN  
WPLN-FM Nashville, TN  
KACU-FM Abilene, TX  
KOCV-FM Odessa, TX  
KUSU-FM Logan, UT



\*For schedule, program and station information contact E-mail address: [eburk@email.cfr.org](mailto:eburk@email.cfr.org)

BECAUSE WE RECYCLE OVER 100 MILLION PLASTIC  
BOTTLES A YEAR, LANDFILLS CAN BE FILLED WITH OTHER THINGS  
LIKE LAND, FOR INSTANCE.



We can't make more land. But we can do more to protect what we have. In fact, last year Phillips Petroleum's plastics recycling plant processed over 100 million containers. This effort reduced landfill waste

and helped conserve natural resources. And that left another little corner of the world all alone. At Phillips, that's what it means to be The Performance Company.

**PHILLIPS PETROLEUM COMPANY**



*For an annual report on Phillips' health, environmental and safety performance, write to: HES Report, 16 A1 PB, Bartlesville, OK 74004.*