file foreign aid

Response

The Squandered Presidency

Demanding More from the Commander-in-Chief

Richard N. Haass

U.S. foreign policy in the Clinton era was not a disaster. In some respects, it was even a modest success. Not surprisingly, therefore, the basic theme of those who defend the administration—those who give it reserved praise (Stephen M. Walt, "Two Cheers for Clinton's Foreign Policy," March/April 2000)—is that the Clinton administration did not upset the pervasive peace and prosperity it began its tenure with. This is true, but it is not the whole truth. Indeed, such a defense of the Clinton era misses the larger point: the overriding theme of recent U.S. foreign policy is underachievement and squandered potential. Like investors crowing about the returns of a money-market fund when they could have been sharing in the greatest bull market in history, Clinton supporters are satisfied, rather than upset, only because they compare their gains to what was, rather than what might have been.

Clinton inherited a world of unprecedented American advantage and opportunity and did little with it. Few relationships or institutions bear his imprint; no consensus exists at home on U.S. purposes in the world or how they should be pursued. Indeed, the measure of Clinton's tenure is less what he said and did than what he failed to say and failed to do. As a result, he will bequeath his successor a dangerous international situation and a difficult domestic one—situations more dangerous and difficult than those Clinton himself faced and than should have been allowed to develop.

Despite some noteworthy achievements in foreign as well as domestic policy, the Clinton era was marked by a preference for symbolism over substance and short-term

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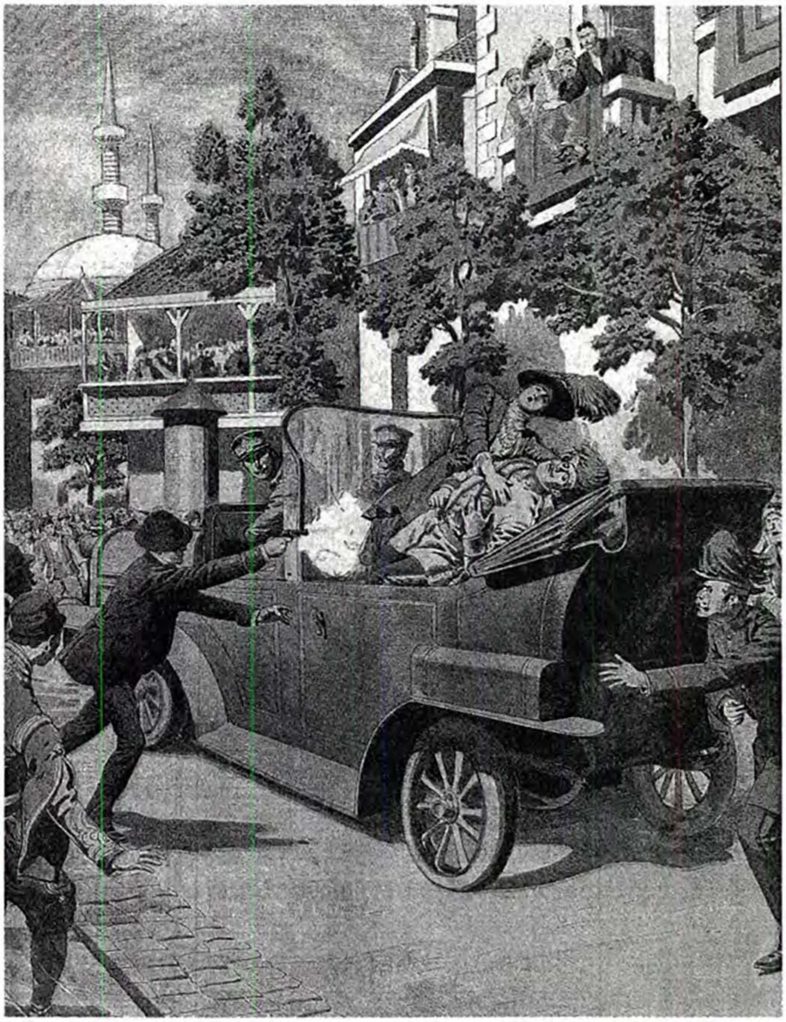
Reviews



CORBIS-BETTMANN

The assassination of Archduke Franz Ferdinand, Sarajevo, June 28, 1914

Two hundred years of ethnic forest fires have destroyed the Balkans' complex multiethnicity.

crisis management over long-term strategizing. Unlike domestic policy, however, foreign policy suffered from a lack of presidential interest, attention, and respect. It suffered, in short, from malign neglect.

ONE CHEER...

Several of Clinton's accomplishments stand out in the economic realm. Clinton inherited agreements largely negotiated by his predecessor, but he still deserves credit for gaining congressional passage (albeit with mostly Republican votes) of both the North American Free Trade Agreement and the World Trade Organization. In its initial five years, NAFTA contributed to a near doubling in trade volume with America's two largest trading partners and helped insulate Mexico from what would otherwise have been deep recession and political instability. For its part, the WTO provided a set of rules to govern important areas of world trade and a mechanism for resolving disputes among member countries. The WTO is one reason why world trade volume continued to grow steadily, despite the Asian economic crisis. Other economic achievements include the Clinton administration's concerted effort to cobble together the coalition of countries, banks, and international financial institutions that rescued Mexico from an economic meltdown in 1994. It should also be praised for its steady hand during the 1998 Asian economic crisis, when it refused to apply proffered cures that would likely have been more harmful than the disease.

Arms control had important milestones as well. Perhaps the most significant achievement was the agreement that ensured Ukraine, Belarus, and Kazakhstan would voluntarily give up their nuclear weapons to Russia. The Clinton administration also helped persuade a reluctant Senate to ratify the Chemical Weapons Convention and put in place a framework with North Korea that deferred and possibly solved the threat posed by its nuclear weapons program.

Finally, significant diplomatic progress was made in both Northern Ireland and the Middle East. In both instances, the bulk of the credit should go to those local leaders who showed courage and flexibility. But the Clinton administration played a crucial role through its sustained and often high-level diplomatic efforts. And the government's large-scale humanitarian interventions brought some measure of stability—however fleeting or tenuous—to Haiti, Bosnia, and Kosovo.

...BUT NO MORE

These accomplishments, however, do not add up to a foreign policy legacy, because they did not alter the administration's international environment in basic and lasting ways. A foreign policy legacy can result either from achieving something great on the ground (defeating major rivals or building major institutions, for example) or from changing the way people at home or abroad think about international relations. Clinton did neither. Despite what Walt argues, such an outcome was hardly inevitable. It was a deliberate choice on the part of the president, who was not willing to spend political capital for enduring results.

For instance, for all the administration's words on international trade, it made no serious effort to expand NAFTA to Chile or elsewhere, or to initiate a new round for the WTO that would cover agriculture or services. And despite knowing that

Congress was dubious about extending "fast track" negotiating authority, the administration waited until the last minute to press its case, allowing a crucial tool to slip not just from its own hands but from those of its successors as well. The administration chose to delay bringing China into the WTO and allowed misguided economic sanctions to proliferate. And it conceded so much to its labor and environmental constituencies on trade issues that its rhetoric increasingly echoed the sentiments of WTO critics rather than supporters. Nothing embodies the loss of momentum on trade as much as the December 1999 fiasco in Seattle, which forced the president to acknowledge that protectionist sentiment is stronger now than when he assumed office.

China is a second area where Clinton could have staked a claim to a legacy but failed. He entered office when Sino-American relations were at a low ebb because of the end of the Cold War (which removed the anti-Soviet rationale that had sustained the relationship) and because of the tensions caused by China's Tiananmen Square crackdown. But Clinton never decided how much of a priority to make China, going there only once, six years into his presidency. Nor did he decide which issues mattered most to him—wandering among human rights, trade, Taiwan, and Korea—or how to blend carrots and sticks in his attempts at engagement. China thus oscillated from being portrayed as a human-rights outcast to a would-be strategic partner. The entire Asia-Pacific region grew confused about American intentions. In the end, Clinton forfeited control over the American debate on China and never managed to establish a durable post–Cold War rationale for the relationship.

Unlike China, Russia benefited from the administration's consistent approach and regular high-level attention. It is legitimate to question whether the approach and attention focused too much on personalities and on trying to steer internal reform within Russia. But however that question is answered, what is certain is that not enough was done to deal with the residue of nuclear competition. The U.S. nuclear posture—on both inventory and policy—resembles nothing so much as its Cold War stance, even though the world is fundamentally different today. Furthermore, the decision to push NATO enlargement brought the administration a symbolic victory at the cost of allowing major difficulties with the alliance's chief adversary to persist.

On Iraq, the administration's policy was marked by a confusion of purpose and an inadequacy of means. By late 1998, years of Iraqi refusals to meet U.N. Security Council requirements governing its weapons of mass destruction meant that forceful measures by the United States and its allies were long overdue. Yet instead of attacking Iraq for a purpose—to coerce compliance or even prod Iraqi defense forces to turn on Saddam Hussein—the Clinton administration dropped bombs for an arbitrary period of four days during Operation Desert Fox and then stopped. The result was greater latitude for Saddam to build and hide biological and other weapons without having to worry about credible international monitoring and inspections.

Unlike most of these major relationships, a series of humanitarian interventions in situations where vital U.S. interests were not at stake received extraordinary resources and efforts from the administration. Each

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crisis may have deserved notice, but as a whole, the operations were not linked by any underlying rationale, nor were they followed through to a successful and sustainable outcome. The administration never made clear why the Somalia mission expanded from narrow humanitarianism to aggressive peacemaking directed at a particular local warlord—nor why, after a single bloody skirmish, the operation was abandoned. The administration never explained why the United States elected to stay out of the Rwandan genocide, or why it believed it could build a new Haiti, or why it stayed out of Bosnia, Kosovo, and East Timor for as long as it did and then intervened in the way it did. The result is that despite all the activity (and strained defense resources), there are few lasting results. And there is no coherent "Clinton doctrine"—unless that means a willingness to intervene when the domestic political cost of standing aloof exceeds the cost of a carefully staged and limited operation.

NO PLUM IN THE PUDDING

Clinton may not leave a legacy in foreign affairs, but what he will leave is a void: no clear priorities, no consistency or thoroughness in the implementation of strategies, and no true commitment to building a domestic consensus in support of internationalism.

What accounts for this sorry state of affairs? In part, it reflects the absence of any overarching intellectual framework. The administration's early experiments—"democratic enlargement" for a goal and "assertive multilateralism" for a strategy—were quickly abandoned, with ad hoc decision-making becoming the norm. Administration supporters speak of the complexity of post–Cold War international relations, the need for flexibility, and so forth, but no such rationalizations can hide the fact that "ad hoc-racy" is no virtue. It provides no basis for the allocation of material resources—whether for defense, intelligence, foreign assistance, or diplomacy—or less tangible factors, such as the time and energy of the president and other senior officials. Only the absence of such a framework could account for the extraordinary attention devoted to such projects as diplomacy in Northern Ireland and the Middle East and military involvement in humanitarian crises, together with the limited effort spent on forging post–Cold War relationships with major powers in a position to affect vital U.S. interests.

Another factor accounting for Clinton's behavior has been the administration's profound politicization of foreign affairs. Clinton was hardly the first president to approach foreign policy through a political lens, and he will not be the last. But he did bring this approach to new heights—or depths. Many of Clinton's major foreign policy decisions can be traced to domestic politics. The fear of domestic political backlash led to the ignominious pullout from Somalia and the refusal to commit ground forces to Kosovo or forces of any sort to Rwanda; a desire to placate organized labor led to the increasing embrace of protectionism; the hope of attracting support from Americans of eastern European descent was a crucial factor behind NATO enlargement; harsh economic sanctions were introduced against Haiti partly to assuage prominent African-American critics of U.S. policy; and U.S. troops were dispatched there when the sanctions contributed to a massive and unpopular influx of refugees into Florida.

Domestic politics and "ad hoc-racy" alone, however, cannot fully explain Clinton's foreign policy pattern. A final part of the explanation lies in the extraordinarily low status that Clinton accorded international affairs. It is instructive to look at how the president chose to use the bully pulpit during his term in office. Of some 300 Saturday morning radio addresses he has delivered, perhaps 35—less than 12 percent—were devoted to matters of foreign policy and national security. His inaugural and State of the Union addresses display a similar lack of emphasis on foreign policy, as do the administration's efforts at congressional relations.

The result is that, after two terms in office, Clinton leaves behind not an isolationist America (since isolationists care passionately about having no foreign policy) but an uninterested one. Most Americans are inclined toward internationalism but have little intensity or commitment. As a result, U.S. foreign relations are increasingly influenced by special interests rather than any general interest. And they are increasingly dominated by symbolic gestures—such as economic sanctions or paper commitments—that substitute for the hard work of managing complex relationships, nurturing institutions, and building a support base for necessary but unpopular actions. If the current era of American primacy comes to a premature close and is followed by a time of greater violence and less prosperity, it will be more because of U.S. folly than the rise of a foe.

Giving foreign policy the attention it deserved over the last several years would have required a president willing to invest political capital in the absence of political pressure. With the demise of the Soviet Union, no single force threatened America's existence or stirred public opinion. Congress was increasingly balkanized—many Democrats were less than convinced about the benefits of free trade, and many Republicans were uninterested in international issues and unwilling to trust a leader from an opposing party. The mass media, meanwhile, devoted less time and space to international issues. Following such trends rather than fighting them was the easiest course—and the one Clinton chose. He gave the American people the foreign policy that polls suggested they wanted—unlike a truly great president, who would have tried to lead them toward the foreign policy they needed.

file [illegible] leadership

THE WORLD BANK
Washington, D.C. 20433
U.S.A.

JAMES D. WOLFENSOHN
President

March 5, 1996

Melanne Verveer
Office of the First Lady
The White House

Dear Melanne:

I would like to express my sincere thanks to you for arranging for the First Lady to host the coffee yesterday for the heads of the foundations and my colleagues from the Bank. The discussions with the First Lady energized the group and strengthened the resolve of all of us to find new and better ways to work together.

The two days of meetings were extraordinarily positive and concluded this morning with an agreement to concentrate our collaborative efforts in a number of areas. One of these was of particular interest to the First Lady -- global interdependence and the influencing of public opinion in support of development assistance. Rockefeller Brothers Fund, W. Alton Jones and the Pew Charitable Trusts are expected to take the lead among the foundations. I will send you a summary of the meetings and more detailed information on the specific follow-up actions early next week.

Please express my deepest appreciation to the First Lady for taking the time to meet with us and for sharing her views on the critical role that the foundations and the World Bank must play in support of development.

With warmest regards.

This was a really good initiative and a talk with the First Lady was a great element

Sincerely ~~yours~~,

James D. Wolfensohn

file foreign policy

Campaign To Preserve U.S. Global Leadership

April 16, 1999

Melanne Verveer
Chief of Staff to the First Lady
Old Executive Office Building
Room 100
Washington, D.C. 20500

Dear Melanne:

On behalf of the Campaign to Preserve U.S. Global Leadership, we want to thank you for all of your help in arranging for the First Lady to address our coalition at the joint event with the U.S. Chamber of Commerce.

The First Lady's remarks about the importance of U.S. global leadership and the resources necessary to ensure America's role as the world's sole remaining super power were extraordinary. As our Washington Day participants went to Capitol Hill, her words stayed with them as they met with members of Congress and explained to them the importance of a strong international affairs budget.

We hope the First Lady will continue to speak out about the importance of a strong international affairs budget as the FY2000 budget negotiations continue and that the Administration continues to support international affairs programs as one of its top budget priorities as the process continues.

If there is any information regarding our diverse coalition, or the international affairs budget that we can provide for you, please do not hesitate to call Liz Schrayer the Campaign Coordinator (202-955-1381.) Again, thank you for your help in making our event a tremendous success.

Thanks for everything!

Sincerely,

Joel

Joel L. Johnson
President

Elizabeth Schrayer
Campaign Coordinator

A Coalition to Support the International Affairs Budget

1920 L Street, NW • 7th Floor • Washington, DC 20036 • Phone: 202-955-1381 • Fax: 202-861-0811

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OF THE
UNITED STATES OF AMERICA

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CHIEF EXECUTIVE OFFICER

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WASHINGTON, D.C. 20062-2000
202/463-5300 • 202/463-5327 FAX

October 5, 1999

The Honorable J. Dennis Hastert
Speaker of the House
United States House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Strong U.S. leadership and active international engagement are critically important for U.S. business in the age of globalization. To maintain our nation's influence in the world this Administration must request and Congress must provide adequate funding for both our National Defense (Function 050) and for International Affairs (Function 150).

Congress is doing the right thing by the Defense Department. But, Congress has failed to provide the funding necessary in the International Affairs Budgets to maintain American leadership and influence in the world. Specifically, the levels approved by the House/Senate Conference on the Foreign Operations Bill and the proposed levels in both the Senate and House for the State Department Appropriation are woefully inadequate. They do not measure up to the requirements of our nation.

As you proceed to final resolution of this year's budget debate I strongly urge you to revisit the levels being considered in these budgets. Specifically we should provide adequate funding to:

- Fully fund the Freedom Support Act, restoring, in particular, the amounts requested for programs in Russia. Notwithstanding the difficult issues faced in Russia, we have no greater foreign policy priority than assisting that nation in its rocky transition to market democracy;

- Provide additional funding for reconstruction and development in Kosovo and Southeastern Europe;

- Provide the Secretary of State with sufficient Security Assistance funds (ESF and FMF) and Voluntary Peacekeeping (PKO) funds necessary to give the Administration the flexibility to respond to crises and promote democratic transformation where and when needed in the world. These accounts have been seriously underfunded in pending legislation;

- Provide the Development Assistance funds and funds for organizations such as the Asia Foundation with the wherewithal to facilitate economic recovery in Asia;

- Fully fund the trade agencies, OPIC, EximBank and TDA so that they can continue to help create American jobs and maintain a level playing field in international trade. And, provide the State Department with the small fund it seeks to enable the Economic and Commercial Officers of U.S. Embassies, at non-FCS missions, to promote American exports;

- Match or exceed the Administration's request levels for embassy security and antiterrorism and counter-terrorism programs. The counter terrorism initiative is of particular interest to the business community. The lives of Americans living and working overseas are at stake in these programs and it is irresponsible not to fund them;

- Fully fund the operating accounts of the Department of State and USAID. Reductions in our capacity to project our influence overseas are crippling to our foreign policy and national security.

Finally, we need to ensure that we meet our obligations to the United Nations and other International Organizations. For too long we have shamed our country by failing to pay our bills. There is no excuse for tying up this funding with politically sensitive non-germane issues. We need to keep our promises.

Mr. Speaker, no one knows better than do we the need to keep federal spending in check. However, there are core functions that must be funded adequately at the federal level. National Security and international engagement are preeminent among these core functions. To underfund either is to do a great disservice to our nation. I urge your support for restoring International Affairs funding to the levels necessary to protect the interests of the American people.

Sincerely,

Tom

Thomas J. Donohue

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file foreign assistance

FAX TRANSMITTAL

TO: Melanne Verveer

FROM: Colin Greer

DATE: 4-24-95

NUMBER OF PAGES INCLUDING THIS: 5

message:

Dear Melanne—

Here is the Kinsley article. Also I've checked (✓) the states & states I'm pretty sure would be excited by the "[illegible]" idea.

Love,

Colin

If this transmission is garbled, please call 212-249-1023

COMMENT

THE INTELLECTUAL FREE LUNCH

Everybody's entitled to an opinion, right? Wrong.

THE weekend before President Clinton's State of the Union Address, the *Wall Street Journal* assembled a focus group of middle-class white males—the demographic group *du jour*—to plumb the depth of their proverbial anger. The results were highly satisfactory. These guys are mad as hell. They're mad at welfare, they're mad at special-interest lobbyists. "But perhaps the subject that produces the most agreement among the group," the *Journal* reports, "is the view that Washington should stop sending money abroad and instead zero in on the domestic front."

A poll released last week by the Program on International Policy Attitudes at the University of Maryland contains similar findings. According to this survey, seventy-five per cent of Americans believe that the United States spends "too much" on foreign aid, and sixty-four per cent want foreign-aid spending cut. Apparently, a cavalier eleven per cent of Americans think it's fine to spend "too much" on foreign aid. But there is no denying the poll's larger finding that big majorities say they think the tab is too high.

Respondents were also asked, though, how big a share of the federal budget currently goes to foreign aid. The median answer was fifteen per cent; the average answer was eighteen per cent. The correct answer is less than one per cent: the United States government spends about fourteen billion dollars a year on foreign aid (including military assistance), out of a total budget of a trillion and a half. To a question about how much foreign-aid spending would be "appropriate," the median answer was five per cent of the budget. A question about how much would be "too little" produced a median answer of three per cent—more than three times the current level of foreign-aid spending.

To the International Policy folks at the University of Maryland, these results demonstrate "strong support for maintaining foreign aid at current spending levels or higher." That's just their liberal-internationalist spin, of course. You might say with equal justice that the results demonstrate a national wish to see foreign aid cut by two-thirds. It's true that after the pollsters humiliated their subjects with the correct answer to the question about how much (or, rather,

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how little) the United States spends on foreign aid, only thirty-five per cent of the respondents had the fortitude to say they still wanted to see it cut. But what people will say after being corrected by an authority figure with a clipboard hardly constitutes "strong support."

This poll is less interesting for what it shows about foreign aid than for what it shows about American democracy. It's not just that Americans are scandalously ignorant. It's that they seem to believe they have a democratic right to their ignorance. All over the country—at dinner tables, in focus groups, on call-in radio shows, and, no doubt, occasionally on the floor of Congress—citizens are expressing outrage about how much we spend on foreign aid, without having the faintest idea what that amount is. This is not, surely, a question of being misinformed. No one—not even Rush Limbaugh—is out there spreading the falsehood that we spend fifteen per cent of the federal budget (two hundred and twenty-five billion dollars) on foreign aid. People are forming and expressing passionate views about foreign aid on the basis of no information at all. Or perhaps they think that the amount being spent on foreign aid is a matter of opinion, like everything else.

"This cave is a very important art find, but it dates back only to the Impressionists."

Populism, in its latest manifestation, celebrates ignorant opinion and undifferentiated rage. As long as you're mad as hell and aren't going to take it anymore, no one will inquire very closely into what, exactly, "it" is and whether you really ought to feel that way. Pandering politicians are partly to blame, to be sure. So is the development christened "hyperdemocracy" by last week's *Time*: the way the communications revolution is eroding representative government by providing instant feedback between voters' whims and politicians' actions. But ubiquitous opinion polls are part of the problem, too.

The typical opinion poll about, say, foreign aid doesn't trouble to ask whether the respondent knows the first thing about the topic being opined upon, and no conventional poll disqualifies an answer on the ground of mere total ignorance. The premise of opinion polling is that people are, and of right ought to be, omni-opinionated—that they should have views on all subjects at all times—and that all such views are equally valid. It's always remarkable how few people say they "aren't sure" about or "don't know" the answer to some pollster's question. ("Never thought about it," "Couldn't care less," and "Let me get back to you on that after I've done some reading" aren't even options.) So, given the prominence of polls in our political culture, it's no surprise that people have come to believe that their opinions on the issues of the day need not be fettered by either facts or reflection.

Add opinions to the list of symptoms of the free-lunch disease that blights American politics. First, in the early nineteen-eighties, came the fiscal free lunch: taxes can be cut without cutting middle-class government benefits. Then, with the end of the Cold War, came the foreign-policy free lunch: America can strut as the world's superpower without putting blood or treasure at risk. Now there's the intellectual free lunch: I'm entitled to vociferous opinions on any subject, without having to know, or even think, about it.

All this may sound horribly snooty. But it isn't. It is not the argument that Walter Lippmann made in "Public Opinion," where he advocated relying on elite "bureaus" of wise men to make crucial policy decisions. Lippmann's belief was that modern life had rendered public policy too complex for the average voter. But there is nothing especially complex about the factual question of how much the country spends on foreign aid. It may be too heavy a burden of civic responsibility to expect every citizen—what with work and family and life outside politics—to carry this number around in his or her head. But it is not asking too much to expect a citizen to recognize that he or she needs to know that number, at least roughly, in order to have a valid opinion about whether it is too large or too small. Americans are capable of making informed, reflective decisions on policy questions. But they often seem to be under the impression that they needn't bother.

We need a new form of democratic piety. It shows respect, not contempt, for "the people" to hold them to something approaching the intellectual standard you would apply to yourself or a friend. By contrast, it is contemptuous, not respectful, to excuse "the people" from all demands of intellectual rigor or honesty on the ground that their judgments are wise by definition. We honor our friends by challenging them when we think they're wrong. It shows that we take them seriously. Believers in democracy owe "the people" no less.

—MICHAEL KINSLEY

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PRESIDENT-ELECT - Hon. Joyce Hazeltine. Secretary of State since 1986. Secretary of Senate for 10 years; First Assistant Chief Clerk, House of Representatives for two years; House Enrolling & Engrossing for three years; Legislative Page for 60 days; American Society of Legislative Clerks & Secretaries for 10 years; Korean Bonus Board; State Highway Department Training Section; Founder, Owner, Hazeltine Associates; and Elementary teacher. Elected secretary of state 1986.

SECRETARY-TREASURER Hon. Jim Miles. Secretary of State since 1990. Served as fundraising chairman for the South Carolina Republican Party; served more than 10 years as Adjunct Professor at the Daniel Management Center of the University of SC in Columbia and as Professor of Law at Greenville Technical College; completed six year term on the Donaldson Development Commission, including two years as Chairman; Elected secretary of state 1990.

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Revised January 13, 1995

file foreign assistance

Jeffrey D. Sachs

What $8 a Year Could Do for Africa

We've all heard a great deal by now about the diseases ravaging Africa: AIDS/HIV, tuberculosis, malaria. They are killing people by the millions and destroying families and communities across large parts of the continent. And while most of us would like to do something to help, the problem seems so huge, the prospective cost of dealing with it so immense, that one cannot even put a number on it.

Well, actually, one can put a number on it: about $8 a year from every one of us in America—roughly the cost of going out to a movie.

Let us see how this number is arrived at. A reasonable estimate is that sub-Saharan Africa will need at least $1 billion per year from donors—in addition to cancellation of the international debt that drains many treasuries—in order to cut sharply the burden of malaria on the continent. A typical assumption is that the United States should bear about 20 percent of any global effort, so the $1 billion from all sources would require about $200 million per year from this country—75 cents per American per year to save millions of lives from malaria.

Now add in the additional costs for greatly increased efforts to control AIDS, TB and the like. Even with the indirect expenses to the United States of debt cancellation, the sums are still quite small. For example, the United Nations recently estimated that around $4 billion per year is the amount needed worldwide to fight the HIV/AIDS epidemic. A few billion dollars more could mount a similarly effective effort against tuberculosis and other deadly infectious diseases.

So suppose the world's rich countries came up with $10 billion per year to fight all these killer diseases—what would it cost us in America? Our $2 billion share of the contribution would require about $8 from every one of us.

And of course in the future, these costs could actually go down, not up—if vaccines can be developed for the diseases. President Clinton, with bipartisan support of Sens. Helms, Frist, Kerry, Roth and others, has wisely called for a new tax incentive scheme to encourage pharmaceutical firms to invest more heavily in research and development of vaccines for malaria, TB and HIV/AIDS.

Africa's present crisis has multiple and interconnected parts: the 500 million clinical cases and more than 1 million deaths per year from malaria; the HIV/AIDS epidemic, which now kills 2 million Africans per year; the tuberculosis crisis, re-surging on the back of AIDS, and claiming more than a million African lives per year, and interconnected crises of measles, diarrheal disease and undernourishment, claiming millions more. Life expectancy on the continent is around 50 years and falling.

Africa's disease burden not only causes untold human pain and suffering; it also cripples economic development. Malaria alone costs billions of dollars per year just in lost earnings and medical charges. The cost is many times that when we consider the longer-term effects of the disease such as suppressing foreign investment and educational attainment in the region.

Meanwhile, debt cancellation for Africa has come down to a matter of life and death. African leaders know very well that for their own countries to muster the internal resources to fight these dread diseases, they will have to be permitted by the creditor nations to shift the funds now spent on debt servicing into public health. The increased domestic resources would help get public health centers operating. The additional contributions from donor nations would be needed to procure vitally needed supplies such as insecticides, bed nets, anti-malarial medicines and the greatly expanded services of experts in fields such as entomology, immunology, parasitology and water resource management.

I will ask the question bluntly: Would Americans invest an extra 75 cents per year to battle malaria? Would they be ready to provide $8 per year as part of a global campaign to control and turn back a wide range of killer diseases, thereby saving millions of lives in sub-Saharan Africa?

In the America I know, the answer is surely yes—whether you are a liberal Democrat or a conservative Republican, a well-paid professional or a working-class family. All of us want to know that we have contributed to the good of humanity and to the lives of children everywhere. If given the opportunity, Americans would never allow it to pass.

The writer is the director of the Center for International Development at Harvard University.

The Washington Post
Tuesday, May 23, 2000

South Africa's Silent Tragedy

SOUTH AFRICA'S President Thabo Mbeki is visiting Washington at what could be a turning point in his country's struggle against AIDS. Earlier this month, five major drug makers cut the price of AIDS drugs sold to developing countries, and President Clinton issued an executive order increasing poor nations' access to cheap medicine. That progress came on top of April's World Bank-International Monetary Fund meeting, at which the industrialized countries emphasized their willingness to finance the international fight against AIDS.

The rich nations' belated engagement, while still to be tested in practice, puts the onus on Mr. Mbeki to start tackling the biggest challenge facing his country. Around one in five adult South Africans are thought to be infected with HIV, the virus that leads to AIDS. Yet rather than ordering all available countermeasures, Mr. Mbeki has until now preferred to complain about the West's attitude to the crisis. He has dismissed AIDS drugs as impossibly expensive; he has questioned whether the African version of disease is really linked to the HIV virus; and he has accused foreign critics of waging a "campaign of intellectual intimidation and terrorism."

Mr. Mbeki needs to put aside this prickliness and consider two practical measures. First, he should note the clinical trials in Thailand, west Africa and Uganda, which have shown that short courses of antiretroviral drugs, costing as little as $4 per woman, can cut the transmission rate of HIV from pregnant mothers to their babies by nearly half. In the United States, nearly all infected mothers receive this treatment; South Africa has so far refused to follow, saying that the drugs might be toxic. Yesterday Mr. Mbeki appeared to soften his doubts. He needs to embrace this lifesaving option.

Second, Mr. Mbeki needs to make better use of the bully pulpit. He wears a red AIDS-awareness pin, and he supports some health education efforts. But rather than follow the example of Uganda's President Yoweri Museveni, who has spoken out repeatedly about AIDS, Mr. Mbeki has retired to his office to study it. This seriousness, admirable in many fields, is tragic in this case. Some 1,600 South Africans are being infected every day. Time is pressing.

A Win for the Guzzlers

THE HOUSE OF Representatives voted last week to extend the era of the gas-guzzling sport-utility vehicle by at least another year. Members approved a transportation budget bill that, for the sixth year in a row, freezes fuel economy standards at existing levels and perpetuates a gap in requirements between cars and light trucks, including minivans and SUVs. The action will now move to the Senate, where 40 members last year voted for a nonbinding resolution opposing the double standard. This year the Senate ought to vote for better fuel economy.

New cars have to average 27.5 miles per gallon, light trucks only 20.7. The differing levels were put in place when light trucks were a small percentage of vehicles sold each year; as they have exploded in popularity, the overall efficiency of the fleet has declined. In 1999 it hit its lowest level since 1980.

More efficient vehicles would reduce U.S. dependence on foreign oil; cars and light trucks account for roughly 40 percent of U.S. oil consumption. And the less gas a vehicle consumes, the less carbon dioxide it emits and the less it contributes to global warming.

When it comes to other pollutants, SUVs and light trucks will have to meet the same standards as cars by 2009, thanks to regulations imposed by EPA last year. But the transportation budget bill approved by the House Friday would block the Department of Transportation from even considering whether to close the mileage gap in the same way. Neither Democrats nor Republicans wanted to make the hard but logical choice, and they managed to pass the bill without even a vote on the guzzlers. It's a loss for the environment.

First Lady Urges American Public to Support Foreign Aid

Meeting With Reporters Is Part of Series Aimed at Focusing on 'Important' Issues; Role of Partnerships Stressed

By Thomas W. Lippman
Washington Post Staff Writer

It was one of those Washington events where what was said was less arresting than who was saying it.

The message: Foreign aid is beneficial not just to the recipients but to the donors, and the United States should give more of it. The messenger: first lady Hillary Rodham Clinton.

She invited reporters to the Map Room of the official residence yesterday to hear her and a team of senior administration officials make a pitch for public support of U.S. assistance to developing countries and to the countries of the former Soviet Union struggling to make the transition to democracy and free markets.

The conversation, she said, was "aimed at the American public," which she said needs to be convinced that aid is a valuable tool for stabilizing troubled societies, addressing problems such as disease and overpopulation that threaten U.S. national security, and protecting the environment.

Sipping tea from an oversized CNN mug as she presided over the hour-long session, Clinton spoke more in philosophical terms than in specifics, stressing her personal commitment to maintaining and expanding the U.S. role in global affairs.

The meeting was the third in a series she said she plans to conduct on issues "that we believe to be important but don't have time to discuss at any depth." She said she will "continue to speak out" on the importance of partnerships between government and private industry, and between the United States and its allies, in addressing global problems that could become security threats.

The percentage of the U.S. budget devoted to foreign assistance has declined steadily for years, and the United States ranks last among industrialized nations in the percentage of economic output devoted to aid.

But the aid budget appears to have bottomed out, and Congress seems likely to give President Clinton nearly all of the $7.7 billion he sought for bilateral and multinational development programs for fiscal 1998.

Hillary Clinton attributed that turnabout to a growing recognition in the Republican-controlled Congress of the value of assistance programs, many of which involve government purchase of goods manufactured in this country.

"I'm not sure as to the exact numbers," Hillary Clinton said, "but I was told by several people who are old hands in foreign affairs that a very large proportion of the Congress as constituted after the 1994 election had never held a passport, had never traveled outside the United States.

"The numbers that were quoted to me were shockingly high," she said, without specifying them. "As people have become more familiar with what the United States has done for the past 50 years, and as people have traveled and had briefings and shaken hands with and talked with not only people representing the administration but business leaders here and abroad, there has been a real learning experience," she said.

Hillary Clinton acknowledged that she was expressing views that the administration has espoused from the beginning of her husband's first term, not offering anything new.

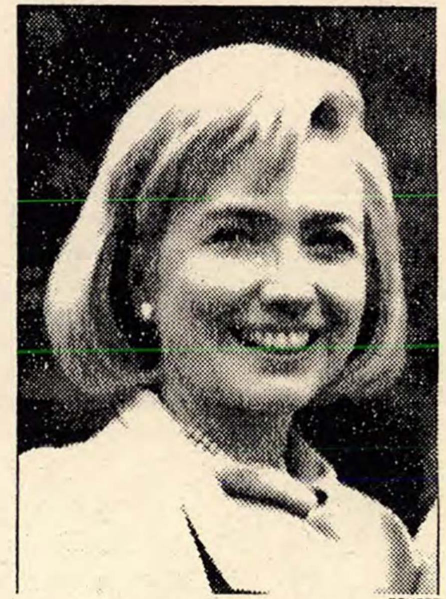
But she said three events made it appropriate to restate the argument yesterday: the recent celebration of the 50th anniversary of the Marshall Plan, the president's planned unveiling today of a trade and investment initiative for sub-Saharan Africa and the 500th humanitarian flight Tuesday of "Operation Provide Hope," a joint State Department-Defense Department program to provide medical assistance—including entire hospitals—to the former Soviet Union.

Hillary Clinton, who visited Africa earlier this year, said news media attention to African crises has obscured the fact that there are promising developments in many parts of the continent. Just as it would have been misleading in the 1980s for Europeans to say North America was in turmoil because of violence in Central America, she said, it is inaccurate today to depict all of Africa as mired in backwardness.

"There are bright spots in Africa," she said, just as "Cambodia and Singapore are not the same" in assessments of progress in Southeast Asia.

Asked about the apparent anomaly of promoting an increase in U.S. government aid activity while the administration is stressing the global importance of the free market, Hillary Clinton said her husband is always seeking the proper balance, "always looking for the third way, the consensus."

Much of Europe is going through a similar search for the proper balance between government and private responsibility, she said, "and I think that's a very healthy position to be in. Because if you put all your eggs in the government basket, we know the results of that. If you put all your eggs in the free market basket, we know that inequalities can become severe and threaten democratic institutions."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HILLARY RODHAM CLINTON
. . . she will "continue to speak out"

file foreign aid

The Washington Post
TUESDAY, JUNE 17, 1997

Key Senate Democrats Backing Roth Tax Bill

Shifts Complicate White House Strategy

By Clay Chandler
Washington Post Staff Writer

The five-year tax cutting plan to be unveiled today by Senate Finance Committee Chairman William V. Roth Jr. (R-Del.) has won the support of several of the panel's key Democrats, complicating the Clinton administration's effort to portray GOP tax plans as fiscally reckless giveaways to the rich.

"We're on course to having a bipartisan mark," one of the Democrats on the panel, Sen. John Breaux (La.), said yesterday. "A lot of us would like to be on the inside helping to write the tax bill rather than on the outside criticizing."

But it was unclear whether defections by Finance Committee Democrats presaged broader bipartisan support for the Roth plan in the Senate as a whole.

After a fierce White House effort to persuade Democrats on the tax-writing panel to offer an alternative to Roth's tax cut package, Clinton aides yesterday appeared to have resigned themselves to rallying partisan opposition to Roth's plan once it reaches the floor of the Senate. "The real question now is where the overall Democratic caucus is going to be and whether Democrats are going to put forth alternatives and substitutes," a senior administration official said.

Democrats on the House Ways and Means committee voted along strict party lines in favor of an alternative tax plan that would have included more breaks for lower income families and would have knocked out tax provisions benefiting the well-to-do.

But Senate Finance Committee Democrats—many of whom have been openly dismissive of the education tax breaks that Clinton has made a centerpiece of his second term agenda—said yesterday they are not planning to present their own alternative.

White House officials said they hoped a Democratic substitute would be presented later by in the full Senate. "We expect a lot of Democrats in the Senate will want to get behind a more progressive alternative when this comes to the floor," an administration official said.

Breaux and his Finance Committee colleague Sen. Bob Kerrey (D-Neb.) have praised Roth's plan because it incorporates a scaled-down version of a tax-deferred education savings proposal they have been championing for several years. Under the Roth proposal, parents with children aged 12 and under would have the option of claiming a tax credit of up to $500 per child, while parents with children ages 13 through 16 would receive a dollar for dollar credit of up to $500 for money invested in a special "Kidsave" account that could be withdrawn tax-free for their child's education expenses or retirement.

Roth's plan broadly follows the outline of the House bill approved Friday, which calls for a different form of child credit, other tax incentives to save for education, reductions in capital gains and estate taxes.

The committee's ranking Democrat, Sen. Daniel Patrick Moynihan (N.Y.), has said that he is encouraged by Roth's proposal—notwithstanding Moynihan's oft-stated position that the ideal balanced budget plan would include no tax cuts at all. "I don't know if this is good news or bad news for the citizenry, but the parties are getting along in Washington—in the Senate," Moynihan said last week.

Senate sources said yesterday that several other Democrats on the panel appeared to be leaning in favor of endorsing the Roth plan. But at least one Democrat on the committee, Sen. John D. "Jay" Rockefeller IV (W.Va.), has indicated to colleagues that he is unlikely to support it.

Roth has succeeded in wooing Democratic converts where House Ways and Means Committee Chairman Bill Archer (R-Tex.) failed, partly because his plan rejects several tax provisions that engendered the most controversy in the House debate. The Roth bill does not include Archer's proposal to dilute the corporate alternative minimum tax, designed to ensure that all corporations pay some taxes.

Roth also dropped an Archer proposal to adjust profit from the sale of stock, property or other assets for inflation, and another that would prevent families claiming an existing deduction for day care expenses from fully benefiting from the proposed $500 per child tax credit.

While those modifications make many aspects of Roth's plan more acceptable than Archer's to the White House, Roth has offered the administration much less than the House plan for the education tax incentives that Clinton has billed as one of his top priorities.

FINAL

The Washington Post
Tuesday, June 17, 1997

First lady promotes trade aid for Africa

Issue may give her a more active role

By Lee Michael Katz
USA TODAY

WASHINGTON — Saying that too much attention is paid to African trouble spots while success stories are ignored, first lady Hillary Rodham Clinton plans to help unveil today a new trade assistance program for African nations.

In an unusual briefing for reporters, the first lady may have also signaled a greater role for herself in selling foreign policy to the American public. "There still is not a very broad or deep constituency" for foreign aid, she said.

The initiative will extend favored trade status to some African democracies, increasing their access to U.S. markets, and offer them some debt relief, U.S. officials said.

About $650 million in government-backed loan guarantees also will be announced, according to Rosa Whitaker, an aide to Rep. Charles Rangel, D-N.Y. He has has introduced similar legislation.

The first lady said "there are 25 democracies," in Africa, but they are overshadowed by clashes in the Congo and Sierra Leone. There is such ignorance about the 53-nation continent, Clinton said, that one person asked her "What is the capital of Africa?"

After negative reaction to her role in health-care reform during the president's first term, Clinton has had a less substantive role on issues.

But she traveled to Africa in March, a trip on which she pushed education and women's issues.

Monday, flanked by high-level U.S. foreign policy officials, she seemed like the lawyer she is by trade, in contrast to her other ceremonial duties.

While warning that she didn't speak for the administration, Clinton volunteered that "we've missed some real opportunities" to aid Russia and its former eastern European satellite nations.

The first lady also plans today to mark the 500th airlift of humanitarian supplies to former Soviet nations.

The cost to supply and administer civilian foreign aid is $7 billion a year. But "there is a real disconnect" with the American public about the cost of foreign aid compared with the $1.7 trillion federal budget, the first lady said.

Clashes in the West Bank

By David Silverman, Reuters

Tension is building: An Israeli soldier arrests a Palestinian for throwing rocks Monday in the West Bank town of Hebron. At least 38 Palestinians were wounded by rubber bullets. The clashes come amid a deadlock in peace negotiations and after a nonbinding resolution approved by the U.S. Congress last week recognizing Jerusalem as Israel's capital.

Report: U.S. to get Saudi bomb suspect

By James Vicini
Reuters

WASHINGTON — A suspect in last summer's bombing of a U.S. military compound in Dahrain, Saudi Arabia, will be brought to the United States from Canada today or Wednesday, sources have told Reuters.

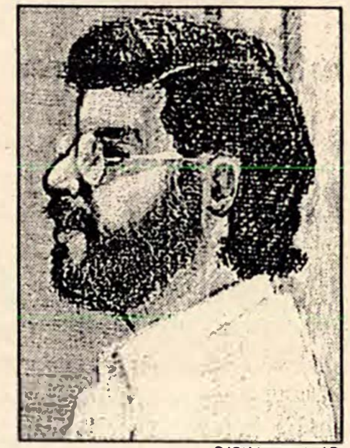
The bombing killed 19 U.S. servicemen.

The suspect, Hani Abdel-Rahim Hussein al-Sayegh, is being held in an Ottawa prison.

Asked if he would be deported to the United States, one source closely following the case said, "That part is for sure. It's going to happen between now and Wednesday. . . . We know it's imminent."

Other officials said today was the most likely date for Sayegh's deportation, although they acknowledged it still could be delayed by last-minute problems. FBI agents are standing by in Ottawa to bring him to the United States.

Sayegh has been identified in Canadian court documents as the driver of a car involved in the bombing, and the person who gave the go-ahead signal for the bomb-laden truck involved in the attack on Khobar Towers.



CJOH News via AP

Bombing suspect: Hani Abdel-Rahim Hussein al-Sayegh

U.S. officials have long sought to question Sayegh about the June 25, 1996 attack.

There was some uncertainty Monday about the circumstances surrounding Sayegh's impending deportation. Officials told Reuters that criminal charges may be brought against Sayegh in the United States, although they declined to give details on exactly what he might be charged with and when the charges would be made public.

They said it was unclear how much Sayegh knew about the bombing. One U.S. law enforcement official privately expressed doubts Sayegh would be that valuable to the investigation. The official said he has doubts about how much Sayegh knows.

But CBS News reported Monday that Sayegh has cut a deal with U.S. authorities. He reportedly will plead guilty to a conspiracy charge relating to the bombing, and give investigators names and details about the attack.

In exchange, CBS reported, Sayegh will receive a minimal prison sentence that he would serve in a U.S. prison, not in Saudi Arabia. There, even in prison, his life might be in danger because of his cooperation with U.S. authorities.

Canadian Citizenship and Immigration spokesman Rene Mercier said the government would only give out details after Sayegh was gone. "We will not be talking about where he is going or when he is going (ahead of time)," Mercier said.

The two main unresolve[illegible] points that previously he[illegible] his deportation involv[illegible] gal status once he co[illegible] United States and [illegible] sions might be [illegible] family, the offic[illegible]

USA TODAY
TUESDAY, JUNE 17, 1997

European currency plans remain on trac

By Katharine A. Schmidt
Special for USA TODAY

STUTTGART, Germany — The European Union reached a compromise Monday at a summit meeting in Amsterdam that will keep plans for a common European currency on schedule.

The agreement lays to rest — for now — a conflict between French demands for job creation and German concerns about the strength and stability of the new currency. But analysts say they expect differences between the two countries to flare again.

News of the agreement came as leaders of the European Union (EU) began a two-day meeting to write a successor to the 1992 Maastricht Treaty, which called for closer European integration.

Reflecting optimism that monetary union remains on track, EU leaders unveiled the design of eight euro coins. The designs of seven euro notes were released at an EU summit in December.

The monetary conflict had overshadowed plans to more closely coordinate foreign and security policy and streamline the 15-nation organization in preparation for the admission of new members.

"We have reached complete agreement on the stability pact and the resolution for growth and employment," said Dutch finance minister Gerrit Zalm after a meeting of the EU finance ministers.

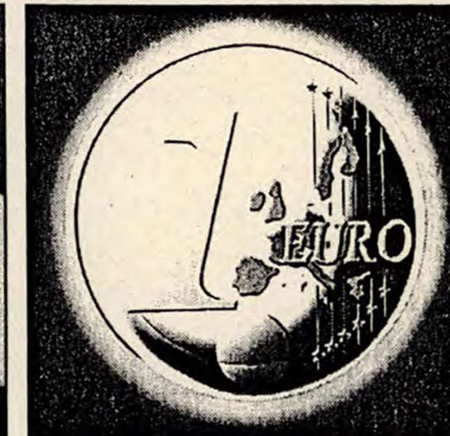
Zalm refused to give details of the agreement, which still had not been disclosed to the heads of state. But EU monetary affairs commissioner Yves-Thibault de Silguy told reporters the accord provided for the European Investment Bank to make loans to small businesses and high-technology companies. Silguy also said he believes there will be a special EU jobs summit in the fall.

The monetary agreement allows French and German leaders to tell their electorates that their respective concerns have been met.

French Prime Minister Lionel Jospin can tell voters, who put him into office last month, that the rest of Europe has agreed to demands for a greater emphasis on stimulating employment, through a resolution to be added to the Maastricht Treaty. Unemployment in France is 12.8%.

German Chancellor Helmut Kohl, who faces a campaign next year, can reassure his electorate that the stability pact stipulating sanctions for violating strict financial criteria for the euro has been saved.

The French government had announced last week that it needed time to reflect before signing the pact, with a delay possible until after this week's summit.



AP

EU meeting: Commission members met in Amsterdam Monday to discuss move to a single European currency. Seated from left: Commission President Jacques Santer, French President Jacques Chirac, French Prime Minister Lionel Jospin, Portugese Prime Minister Antonio Guterres and Portugese Foreign Minister Jaime Gama. The drawing above depicts the 1 euro coin's design.

By Jerome Delay, AP

But analysts said the agreement Monday would not put to rest the basic conflict between France and Germany.

"I can't believe that we won't get future public disagreements on the euro until day zero," said Brian Allworthy, a European strategist with Merrill Lynch in London. "The only thing that's guaranteed is that volatility is back on European capital markets."

Allworthy said he believes governments have invested too much political capital to let the euro fail or be delayed, but said markets have become jittery ever since Germany last month announced plans to revalue gold reserves to help meet financial criteria for the euro.

"I believe that his is just a cease-fire, albeit one that could last until the euro is introduced in 1999," added Joachim Fels, senior economist at Morgan Stanley in Frankfurt, Germany. "The basic conflict hasn't been resolved and can't be resolved because the countries involved have different views as to the policies to be followed once the euro is introduced."

France continues to want more control over the European Central Bank and more emphasis on employment ventures, while Germany is more concerned with keeping inflation low and the euro stable. All indications are that the European bank will not be as strict in overseeing the euro as the German Bundesbank is with the deutsche mark, Fels said.

"Monetary policy will not be as clear and unequivocal as it is now," Fels said. "In the future there will be more countries determining policy. I believe we will have a watered-down version of the deutsche mark, a 'euro lite.' "

USA TODAY
TUESDAY, JUNE 17, 1997

EYES ONLY

file — foreign out'ce

USAID
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

FEB 8 1996

The Administrator

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

In the almost three years I have served you as Administrator of USAID, I have tried not to burden you with the travails of defending foreign aid in a difficult budgetary environment. We have thus far managed to preserve a crucial program against the fiercest attacks possible while reengineering the agency to the point where it has become a model for government reinvention. Now I need your help.

Upon my return yesterday from South Africa and Angola -- countries where our aid is making a real difference -- I learned that OMB is proposing reducing our development assistance request by $559 million. This is $120 million below what Congress enacted in FY 96. They also propose reducing our operating expense budget to a point wherein we would be unable to function without drastic reductions of personnel. This would take us far beyond our own reductions in spending and below the severe cuts in the FY 96 budget the Congress forced upon us.

Mr. President, I fear that submitting such a budget request to Congress would signal to the world that both American political parties are retreating from engagement. At the behest of the Europeans, this year's G-7 meeting will focus on development assistance. Because of Congressional cuts, we will already be on the defensive. If we submit this proposed budget, you may have a difficult time separating your position from that of our isolationist Congress as you did so well during President Chirac's visit. In addition, most importantly, Mr. President, this budget would deny you the tools to engage the USG in effective crisis prevention and transition management efforts in Haiti, Bosnia, Cambodia, Rwanda/Burundi, and Angola, and seriously undermine your initiative in the Greater Horn of Africa initiative.

Congress will cut at least 10 percent from the budget, so I cannot conceive of protecting a straight-lining of even the FY 96 level unless we get at least that much leeway in your request. Moreover, if the OMB passback proposal is sustained, the important constituency that supports international population, environment and democracy programs will see this as a retreat by this Administration from supporting a sensible and effective aid program crucial to achieving our foreign policy goals.

I urge you to step in to assure that this foreign aid request reflects the values and approaches you have so forcefully and effectively enunciated over the past three years. I would be pleased to discuss this with you in more detail.

Best personal regards.

Sincerely,

Brian

J. Brian Atwood

Mr President, your personal support saved us, now OMB has to give us enough to show we were worth saving!

The Des Moines Register

A GANNETT NEWSPAPER

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THE REGISTER'S EDITORIALS

Reinventing foreign aid

Streamlined and refocused, AID has an important mission.

Even supporters called AID — the United States Agency for International Development — bloated, overloaded and mission-blind.

Its enemies wanted to eliminate the agency and stop giving money to foreigners.

Enter Bill Clinton and Al Gore, a president and vice president who said they would reinvent government. In March 1993, Gore kicked off a six-month National Performance Review of government that included AID.

Two months later, Brian Atwood took AID's helm, looked around and made it the first government agency to declare itself a "reinvention laboratory."

The result: a business-style makeover. AID cut 1,800 staff people, 90 organizational units, four bureaus and reams of red tape to get a narrower but sharper focus on "sustainable" development.

AID set up a regional strategic-planning process, slashed paperwork, pushed results-oriented projects and built stronger local partnerships to avoid duplications and maximize impact.

The change wasn't just a White House wish, it was a national necessity.

The Cold War against communism has been eclipsed by a hot struggle against chaos — from nations pulling themselves apart to extremist Christians, Jews and Muslims condoning inter- and intra-faith murder. Underlying these: AIDS, hunger and famine — each spreading like water.

Jeered at as welfare for foreigners, AID actually invests in a global infrastructure that the United States can't do without.

The agency supports stronger legal systems in Latin America, better agribusiness in Russia and more public-health initiatives in Africa. These and thousands of other programs are part of the four areas — democracy, health and population, environment and economic growth — that AID emphasizes.

And by spending almost 80 percent of its money in all 50 states — some $20 million in Iowa in the '94 fiscal year — the agency boosts the U.S. economy and stimulates overseas business for U.S. companies.

Busily making more out of less, AID is nonetheless hounded by financial anemia. Though the agency runs on less than 1 percent of the federal budget, Congress cut its 1996 fiscal year funding by 18 percent.

Revamping government is a start. But future prosperity may soon demand the reinvention of more generous support.

ROCKEFELLER BROTHERS FUND

1290 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10104-0233

File
Int'l Assistance
Foreign Aid

April 7, 1997

Office of the President

Dear Mrs. Clinton :

In March of 1996, when Jim Wolfensohn and a group of foundation presidents visited with you at the White House, we had a lively conversation about American attitudes toward international engagement. As I recall, we were all troubled by the fact that vital foreign assistance programs and pressing development needs are not receiving the support and attention they deserve and badly need. You made abundantly clear your personal commitment to helping to change that situation, which was most gratifying and encouraging.

Since that meeting, a number of us who met with you, joined by others deeply involved with international issues, have been making a serious effort to determine how best to communicate with American opinion leaders and the American public on this subject. That was the theme of a lively meeting sponsored by the Rockefeller Brothers Fund and the World Bank at the Fund's Pocantico Conference Center last Fall. I am enclosing a detailed outline of a paper I believe captures the essence of the Pocantico meeting as well as of discussions that have taken place since then. We expect to issue the paper in early Summer and to disseminate it widely. We have also formed a working group which is giving careful consideration to next steps we might take. A list of the Pocantico participants, including members of the working group, is also enclosed.

My purpose in writing at this time is twofold. First, it has occurred to several of us in the working group that you would be interested in the follow-up to our conversation last Spring. Your comments on the enclosed outline and any other thoughts you may want to share with us would be most welcome. Second, wearing my hat as chairman of the Winrock International Institute for Agricultural Development (an organization with which you are particularly familiar), I want to urge you to accept, if at all possible, the recent invitation from our president, Robert Thompson, to address Winrock's Global Team Meeting to be held on Petit Jean Mountain on Friday, June 13, 1997. The 200 people who will attend this gathering embody the kind of commitment to global issues that needs to be broadened and deepened throughout the nation. Your presence would mean so much to those in attendance as well as to those elsewhere who are striving to alleviate rural poverty and environmental degradation, in this country and abroad. I am confident that the linkages between our original conversation a year ago and the upcoming meeting at Winrock International will be clear to you. I hope very much that you will find room in your exceedingly busy schedule to join us in Arkansas in June.

With all good wishes.

Sincerely,

Colin Campbell

Colin G. Campbell

Mrs. Hillary Rodham Clinton
The White House
Washington, D.C. 20500

Building a Constituency for Cooperative International Engagement

Outline For Pocantico Paper #3
Susan Sechler and Laurie Mazur
March 4, 1997

I. *Preface*

A. **Evolution of Pocantico meeting:** diminishing U.S. support for some forms of cooperative international engagement — e.g. humanitarian assistance, economic development programs, peacekeeping, multilateral institutions (including United Nations, World Bank). Disagreement about the causes and extent of this phenomenon

B. **Purpose of the meeting:**

1. *Clarification* — summarize and discuss what is known, suspected or hypothesized about the retreat from cooperative international engagement:

   - Is public support diminishing?
   - If so, among whom, and why?
   - Do some forms of cooperative international engagement enjoy more support than others?

2. *Strategy* — Begin to design strategy to enhance support for cooperative international engagement

C. **Process and participants:** roundtable discussion, participants representing diverse range of related international interests — foundations, multilateral institutions, NGOs

D. **Sponsors and their interests:**

1. *RBF*: Outgrowth of One World program theme; RBF recognizes increasing convergence of national and international frames of reference, seeks to enhance understanding of global interdependence

2. *World Bank*: Obvious institutional interest; also new leadership, commitment to greater transparency; commitment to work with foundations in areas of shared concern

II. *Defining the problem: The advance of globalization; the retreat from cooperative international engagement*

A. **Globalization and growing awareness of interdependence**

1. *Globalization:* Accelerated global trade has redrawn the map of alliances, forging new economic ties across political boundaries. Free flow of capital, ideas, people. Looming challenges — environmental degradation, population growth, poverty — show similar disregard for national borders

2. *Interdependence:* Americans increasingly affected by developments/conditions elsewhere. Interdependence not a new phenomenon, but unprecedented in degree and in public awareness. The "CNN Factor": in era of instantaneous global communication, world seems smaller, more interconnected. Examples:

   - Population growth and inequity spur civil strife, with far-reaching consequences, e.g. U.S. currency markets destabilized by peso decline after uprising by a small band of rebels in Chiapas (Homer-Dixon)

   - Textile workers in South Carolina lose jobs to lower-paid workers in Manila; small-scale consumer revolt against goods produced by sweatshop labor

   - Environmental problems transcend national borders: e.g. deforestation threatens carbon dioxide "sinks"; "save the rainforest" movement takes hold in U.S., where there are no tropical rainforests

   - Surge of migration and refugee flows brings benefits and challenges to U.S. citizens

   - Political chaos in Africa provides fertile breeding ground for diseases that easily travel across continents — e.g. malaria in southern U.S.; Ebola virus surfaces in Reston, VA and in the popular imagination — books, movies, etc.

B. **Cooperative international engagement**

1. **Paradox: Despite increasing globalization and awareness of interdependence, there is today a "lowered ceiling" of support for most public forms of cooperative international engagement.** "Lowered

ceiling" refers to diminished financial support for policies and programs of cooperative international engagement, and also to a retreat from leadership, innovation

- *Public expenditure:* Reductions in 150 account; IDA; U.S. in arrears in support for Bretton Woods institutions. Deeper cuts possible as budget pressures intensify. Foreign assistance is now classified as "non-defense discretionary spending" and must compete for funds with environment, education, health and other high-priority domestic programs

- *Withdrawal of leadership:* Dearth of strong leaders among policymakers and other influentials who champion cooperative international engagement. Failure in the structure of public leadership, i.e., the Congress, the Administration and other public officials and influentials to articulate a hopeful vision of a new world order

- *Private giving*: foundation interest in and support for international issues appears to be waning [check]. Donations to international charities declined by 9% in 1995 — too soon to draw conclusions, but private giving often follows public funding and leadership

Although the "lowered ceiling" is a broader phenomenon, this discussion will focus on public policy arena, where evidence of reduced support is most tangible

2. **Brief history of cooperative international engagement in the U.S.— recurrent strains of both isolationism and internationalism**

    - Calls for international engagement by Theodore Roosevelt pre-world War I; Woodrow Wilson in 1919; isolationism between the wars; Franklin Roosevelt in 1945

    - Cold War galvanized support — Marshall Plan, Bretton Woods Institutions, bilateral aid agencies

    - Rationales: strategic; humanitarian; commercial — presented in a normative framework that linked American values and interests to involvement overseas

    - Cold War offered coherent paradigm for understanding the relationship between national and global interests

- In the wake of the Cold War, foreign policy has lost its strategic and normative compass

3. **Why is support diminishing now?** Why is the public sector retreating from cooperative international engagement just as globalization makes such engagement necessary? Is public opinion driving the retreat?

    Opinion research suggests that there is considerable, if qualified, public support for cooperative international engagement. Polling and focus group research shows:

    - Americans want the U.S. to stay engaged in the world, for humanitarian reasons and because they believe engagement serves U.S. interests, global interests

    However, the public has significant misunderstandings and reservations about specific aspects of cooperative international engagement:

    - Two false perceptions are common:

        - Americans think spending on international programs, as a percentage of the federal budget, is many times greater than it is in fact

        - Americans believe that, compared to other developed countries, the U.S. carries a much larger share of the burden of cooperative international engagement than it does in fact

        - When misperceptions are corrected, most are supportive of cooperative international engagement

    - As always, global issues take a back seat to pressing domestic concerns. More pronounced as budget pressures intensify, pitting international programs against domestic priorities; shapes public perception and debate

    - Support for government is at an all-time low; lack of confidence in public sector solutions generally. Coupled with perceptions that foreign aid is wasted/ineffective (sometimes correct: aid institutions badly in need of reform) and a growing gap between priorities of public/policymakers, which feeds mistrust of government. For example, Clinton and Congress champion NAFTA, while Perot's protectionist appeals resonate with public

- Some forms of cooperative international engagement are more popular than others — e.g. public favors short-term humanitarian aid rather than long-term entanglements; efforts to prevent genocide and care for survivors; multilateral efforts

The public is receptive to cooperative international engagement, if it is properly framed and conceived. Why, then, have policymakers failed to articulate a paradigm for engagement that the public can accept? Answer lies with the complex dynamics of policymaking today:

- *Misreading of public opinion.* The public's misgivings about foreign aid are often misread as lack of support for cooperative international engagement in general.

- *Post-Cold War policy drift.* In the wake of the Cold War, both the rationale and the constituency for cooperative international engagement has broken down:

  - Programs/institutions of cooperative international engagement can no longer use the Cold War security rationale to claim resources

  - In the absence of a strategic/normative rationale, cooperative international engagement is perceived as *charity* — worthwhile but expendable — and is likely to be jettisoned in favor of ever-present domestic priorities

  - Serious questions of efficacy have been raised: Since programs/institutions of cooperative international engagement were designed, in part, to serve Cold War ends, can they perform other functions well? Also, Cold War imperatives are seen as a taint on humanitarian programs

  - The policy community that historically supported cooperation has been split. During the Cold War, cooperative international engagement enjoyed the support of a broad coalition that included the military, the foreign policy community, and humanitarian/development groups. Now, those groups have divided into separate and sometimes hostile camps, with competing visions and interests

When policy drifts, narrow interests prevail over the public good:

- ***The new influentials.*** The old guard supporters of cooperative international engagement (academicians, inside-the-Beltway policy analysts) have seen their influence wane, supplanted by hometown business interests and campaign contributors. As a result, policy is often guided by short-term commercial objectives, not by long-term view of enlightened self-interest. Increasingly, trade and commerce is the centerpiece of the government's foreign policy

- **Policymakers don't hear the public.** Lack of fora (besides voting booth) for general public to communicate priorities to policymakers, and Americans do not base their votes on international issues. Examples: oversampling shows that policymakers don't hear the public; "town meetings" stacked by the political right. Because there is little active grassroots support for cooperative international engagement, policymakers derive no political benefit from championing it. However, they may incur political *costs* — e.g. from anti-abortion groups if they support family planning

- **The news media don't help.** Most media coverage of international issues is superficial and pessimistic about the efficacy of public solutions. Polling is inadequate and misrepresented in media, so policymakers get a skewed perspective on public opinion. Americans increasingly reliant on broadcast news, which offers superficial treatment of international issues

4. **Conclusion: The retreat from cooperative international engagement does not mirror public opinion. Indeed, there is a substantial gap between public opinion and policy, which results from the dynamics of policymaking and — fundamentally — from a foreign policy that has lost its strategic and normative compass. Therefore, public education**

alone will not remedy the problem; a multifaceted effort will be needed to build support for cooperative international engagement

III. *Past efforts to address the problem*

A. *What hasn't worked:* Some efforts to build public support for cooperative international engagement have failed, in part because it is notoriously difficult to develop understanding about international issues. Problem: issues global in scope, but — as the saying goes — "all politics is local"

- **Development education:**
  - Too diffuse
  - Ambivalence about policy targets; could not use AID money to advocate for more money to AID, so only privately-funded projects pushed advocacy
  - Subject to competing loyalties and divergent analyses of what was needed
  - Engaged specialist publics, but never broad base of support

B. *What works:* More recent efforts to build support for specific components of international engagement have enjoyed success. What are elements of successful efforts?

1. **General principles:**
   - **Good research:** Proceed from solid base of research on substantive issues and public opinion
   - **Set clear policy targets**
   - **Use media effectively**
   - **Build coalitions:** use division of labor that capitalizes on different capabilities of member groups
   - **Follow "head, heart, hands" formula:**
     - *Head*: Persuade constituents that there is a compelling reason to take action

- *Heart*: Craft messages that have emotional appeal, appeal to core values, generate hope

- *Hands:* Engage public's good will; make sure constituents have empowering ways to contribute to the cause

2. **Lessons of experience: Case studies of successful efforts on international issues**

Two successful approaches which have been employed singly or in combination:

- **Establish a normative framework:** Compelling arguments for cooperative international engagement "linked the pursuit of American interests to a transformative vision of world order that appealed to the American public." (Ruggie) Case study: FDR and the U.N., Marshall Plan

- **Short-term, single-issue education/mobilization efforts** with clear policy targets. Examples:

  - *International Women's Health Coalition*

    - Campaign set out to learn about reality of women's lives, market solutions

    - After UNCED in 1992, turned attention to Cairo

    - Goal: paradigm shift; new emphasis on reproductive health, while acknowledging concerns about population growth

    - Initiated campaign, picked people who were key in networks, worked to transcend oppositional politics

    - Strategy: strengthen the middle; marginalize extremes

    - Campaign was Southern-led; women of color at table from beginning

    - Used focus groups as an organizing tool

  - Targeted receptive subgroups of the population, e.g. women. Did not conduct general public education, but crafted message with broad appeal

  - Distilled message: family planning is necessary, but not sufficient — common-ground message that all partners could endorse

  - Used media effectively

- *Greenpeace*

  - Began with vision, clear goals; public followed; government followed public

  - First campaign: protesting atom bomb testing in the Pacific, 1982-3; sailed small boat into testing zone

  - David and Goliath approach: chose symbolic issues; told stories with mythical appeal; used media to capture public imagination and heart

  - Transcended coalition politics, helped spur significant changes in public opinion and policy

- *InterAction*

  - In 1993, received USAID funds to conduct public education campaign: sought to assess public's receptivity to cooperative international engagement and develop messages

  - After University of Maryland poll showed public misperception about foreign aid budget, launched "1% campaign"

  - Successfully targeted new members of Congress in 1994; corrected misperceptions, short-circuited attempts to use budget deficit as rationale to cut foreign aid

- Appealed to specialized group: policymakers. Armed them with information to take leadership role with constituents

- Unlike Greenpeace, chose to affirm successes, not target enemies

- Developed "wholesale" messages and materials for organizations to "retail" to their members

- Used polling and focus groups effectively

- ***World Vision***

  - Largest relief organization in the world, faith-based

  - Goal: reconciliation as a foundation for world peace — not a clear policy target

  - Most difficult campaign: Bosnia — complex, confusing, seemingly intractable, no "good guys"

  - Viewed staff as crucial constituency — challenged them by framing as test of ability to work on intractable issue and move beyond relief to reconciliation

  - Appealed to donors by presenting break in the fighting as a chance for breakthrough; convinced them that their contributions would not be wasted

  - Tools: direct mail; videos, which conveyed scope of destruction to donors; presentations by Bosnian women; children's artwork

  - Targeted receptive group: women donors

  - Appealed to heart, appropriate for faith-based group with broader mission of reconciliation

- Success: Fund raising jumped from $0 to $10 million

3. **Conclusion** — Targeted efforts that address specific elements of international engagement have obvious strengths: they can mobilize constituencies and generate passion. But can such efforts add up to more than the sum of their parts? Will organizations working on separate issues work together to "raise the ceiling" of support for cooperative international engagement generally, and inject a recognition of interdependence into the policymaking process? Can the constituents of single-issue organizations be mobilized on behalf of the larger objective? These are key challenges. If not, may continue to win occasional battles, but will ultimately lose the war — as overall support continues to shrink, and public/policymaker understanding of global interdependence fails to grow

IV. *Elements of a campaign for cooperative international engagement — Recommendations*

Evidence suggests that elements of the problem are amenable to change; that the public can be mobilized to support cooperative international engagement; and that it is possible to organize a coalition of single-issue efforts that is larger than the sum of its parts

A. Goals

1. To "raise the ceiling" of support for cooperative international engagement — including foreign assistance, private donations, multilateral institutions, and forms of international governance that promote investments in human well being and moderate the harmful effects of globalization

2. To articulate a common values framework that can mobilize constituents of related issues (health, development, population, human rights) on behalf of cooperative international engagement

3. To help constituent organizations, media, and the public make conceptual links among different elements of cooperative international engagement, in order to increase support for each of those elements

B. **Strategy**

1. Elaborate a new strategic and normative paradigm for cooperative international engagement that resonates with the public's values and sense of national purpose

    - Promote appropriate institutional reform

    - Energize a constituency for the new paradigm

2. Correct distortions in the policymaking process that enable narrow interests to prevail over the public good

    - Identify and educate the new influentials; engage and reward those who support cooperative international engagement

    - Create opportunities for policymakers to hear the public's concerns

    - Educate policymakers about the nuances of public opinion; give policymakers the tools and information they need to take leadership role, make case to public

    - Broaden and deepen mainstream media coverage of global interdependence/cooperative international engagement

C. **Structure**

Coalition of targeted, single-issue efforts, linked by umbrella group that can:

- Orchestrate strategy, streamline efforts, find common ground and strengthen the middle

- Articulate a new rationale for cooperative international engagement, and a common values framework that resonates with public opinion. Framework should be inclusive without sacrificing clarity of purpose. A single drumbeat message (global interdependence; the need for cooperative international engagement) reinforced by many specific examples (population growth, environment, health, jobs, human rights, peacekeeping, etc.) that illuminate the same theme

D. **Messages**

Develop messages that resonate with the public's values and beliefs. Opinion research suggests that these messages would be effective:

- Enlightened self interest: global investments in human well-being promote prosperity, stability, democracy — and they are in keeping with American values
- Responsibility to contribute our fair share to multilateral efforts
- Links between international and domestic issues
- Stewardship: obligation to current, future generations
- Need for comprehensive, holistic approaches
- Role for public institutions/limitations of private sector
- Success stories: investments in human well being have been shown to improve the quality of people's lives
- Transparency/measures to reduce corruption
- U.S. leadership still important

E. **Partners/stakeholders**

A multifaceted effort will require cultivating partnerships with several sectors, each of which brings a unique set of strengths and liabilities

1. **NGOs:**

Role/s:
- Vehicle for campaigns, policy advocacy
- Service provision
- Explore solutions
- Integrate approaches

Assets:
- Commitment, passion for issue

- Expertise/substantive understanding
- Constituencies/networks
- Credibility from work in the field

Liabilities:

- Competition — dependence on shrinking donor support forces groups to compete, protect market share, avoid cooperation
- Fear of politics — also a product of dependence on foundation and government donors
- Different visions/agendas
- Specialization/tunnel vision
- Lack of sophistication about strategy and communications
- Some organizations lack credibility

2. **Foundations:**

Role/s:

- Provide funding for NGO efforts
- Leadership/priority-setting
- Explore solutions, approaches
- Support for policy change

Assets:

- More flexibility than public donors
- Capacity for innovation, leadership
- Often knowledgeable about international issues
- Potential for greater continuity than policymakers; can see beyond next election
- Access to influentials

Liabilities:
- Fear of politics
- Competitive with other funders, averse to cooperation
- Have trouble staying the course
- Lack of public trust

3. **Public**

Role/s:
- Grassroots support

Assets:
- Voters have ultimate control over policymakers, policy

Liabilities:
- Hard to gauge public opinion
- Too numerous to target broadly

Even broad-based public education efforts must segment the public in order to craft appropriate messages. Within targeted subsets, must identify influentials, opinion leaders. Need to target three key groups:

- *Women* — Polls show a "gender gap" on humanitarian aid; women are generally more supportive than men (e.g. World Vision Bosnia campaign, IWHC)
- *People of faith* — Religious Americans give generously to charities that work overseas, yet represent a largely untapped source of support for cooperative international engagement
- *Youth* — Young people are more idealistic and more likely to "think globally" than their elders, but many are unsure whether the U.S. can afford cooperative international engagement. Aging donor base of charities that work overseas: average CARE donor is 65. Raises concern for the future: Is it simply that younger people have not yet developed the habit of giving, or does this trend represent a more significant attitudinal shift?

4. **Government — Administration, Congress and bureaucracy:**

Role/s:
- Leadership (legitimization and authority): set agenda, articulate rationale
- Energize and implement reform efforts
- Liaison to other governments

Assets:
- Despite distrust in government, leadership still crucial — public *expects* leadership on foreign relations issues
- Controls substantial funding; can leverage more

Liabilities:
- Institutional inertia: resistant to reform
- International issues not a priority
- Lack of public trust
- Relies on superficial reading of public opinion to guide policy
- Reluctance to assume leadership on issues thought to be unpopular

5. **Multilateral institutions**

Role/s:
- Implement reform efforts: offer greater transparency, accountability in return for increased funding
- Define shared global agenda

Assets:
- Public supports concept of multilateral efforts, shared responsibility

Liabilities:
- Institutional inertia: resistant to reform
- Seen (sometimes correctly) as part of the problem

6. **Business community**

Role/s:

- Influence Congress, Administration
- Identify market-based solutions
- Develop "rules of the road" that set normative values for economic life

Assets:

- Political clout
- Interested in expanding markets abroad, creating stable environment for trade
- Greater understanding of economic interdependence than general public
- Controls private capital flows that dwarf government spending overseas
- Multinational presence
- More flexibility than public sector

Liabilities:

- Often thinks narrowly about the issues
- No agency, framework for involvement
- Resistant to public priority-setting
- Investment flows to very few countries; little investment in countries where need is greatest

7. **Media**

Role/s:

- Arbiters of salience, shape people's experience of the world

Assets:

- Unparalleled access to hearts and minds
- Multinational presence

Liabilities:

- Superficial understanding, coverage
- Preoccupation with domestic concerns
- Tendency to focus on bad news internationally; reinforces hopelessness
- Can't control coverage, and difficult to counter mainstream media imagery with small-scale public education campaign

IV. *Conclusion*

- The seeds of support for cooperative international engagement exist, although in dormant form; could be channeled and mobilized
- For that support to blossom, must create new paradigm for cooperative international engagement — in reality and in public perception — and address distortions in the policymaking process that do not serve the public interest
- Challenges ahead: scope of issue will require great mobilization of resources, both direct expenditures and resources leveraged through cooperation with other sources; second-tier issue; weight of institutional and individual inertia in both public and private sectors
- But growing commitment to address problem; recognition that in an era of increasing interdependence, domestic and international issues must be addressed in a global framework

file foreign assist'ce!

USAID

U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

FEB 8 1996

The Administrator

EYES ONLY

NOTE TO MELANNE VERVEER

Dear Melanne,

I would very much appreciate it if you would show the attached letter to the President to the First Lady. It relates to a rather shocking OMB passback on foreign aid. I of course realize that budget times are tough, but this proposed request would not even enable us to preserve a status quo that is itself unacceptably low.

Please thank Mrs. Clinton for her ongoing support of our programs. Without her, we would be history. Many thanks to you as well.

Brian

J. Brian Atwood

Attachment: A/S

320 TWENTY-FIRST STREET, N.W., WASHINGTON, D.C. 20523 ■ PHONE: (202) 647-9620 ■ FAX: (202) 647-1770

EYES ONLY

U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

FEB 8 1996

The Administrator

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

In the almost three years I have served you as Administrator of USAID, I have tried not to burden you with the travails of defending foreign aid in a difficult budgetary environment. We have thus far managed to preserve a crucial program against the fiercest attacks possible while reengineering the agency to the point where it has become a model for government reinvention. Now I need your help.

Upon my return yesterday from South Africa and Angola -- countries where our aid is making a real difference -- I learned that OMB is proposing reducing our development assistance request by $559 million. This is $120 million below what Congress enacted in FY 96. They also propose reducing our operating expense budget to a point wherein we would be unable to function without drastic reductions of personnel. This would take us far beyond our own reductions in spending and below the severe cuts in the FY 96 budget the Congress forced upon us.

Mr. President, I fear that submitting such a budget request to Congress would signal to the world that both American political parties are retreating from engagement. At the behest of the Europeans, this year's G-7 meeting will focus on development assistance. Because of Congressional cuts, we will already be on the defensive. If we submit this proposed budget, you may have a difficult time separating your position from that of our isolationist Congress as you did so well during President Chirac's visit. In addition, most importantly, Mr. President, this budget would deny you the tools to engage the USG in effective crisis prevention and transition management efforts in Haiti, Bosnia, Cambodia, Rwanda/Burundi, and Angola, and seriously undermine your initiative in the Greater Horn of Africa initiative.

Congress will cut at least 10 percent from the budget, so I cannot conceive of protecting a straight-lining of even the FY 96 level unless we get at least that much leeway in your request. Moreover, if the OMB passback proposal is sustained, the important constituency that supports international population, environment and democracy programs will see this as a retreat by this Administration from supporting a sensible and effective aid program crucial to achieving our foreign policy goals.

I urge you to step in to assure that this foreign aid request reflects the values and approaches you have so forcefully and effectively enunciated over the past three years. I would be pleased to discuss this with you in more detail.

Best personal regards.

Sincerely,

Brian

J. Brian Atwood

Mr President, your personal support saved us, now OMB has to give us enough to show we were worth saving!

The Des Moines Register

A GANNETT NEWSPAPER

THE REGISTER'S EDITORIALS

Reinventing foreign aid

Streamlined and refocused, AID has an important mission.

Even supporters called AID — the United States Agency for International Development — bloated, overloaded and mission-blind.

Its enemies wanted to eliminate the agency and stop giving money to foreigners.

Enter Bill Clinton and Al Gore, a president and vice president who said they would reinvent government. In March 1993, Gore kicked off a six-month National Performance Review of government that included AID.

Two months later, Brian Atwood took AID's helm, looked around and made it the first government agency to declare itself a "reinvention laboratory."

The result: a business-style makeover. AID cut 1,800 staff people, 90 organizational units, four bureaus and reams of red tape to get a narrower but sharper focus on "sustainable" development.

AID set up a regional strategic-planning process, slashed paperwork, pushed results-oriented projects and built stronger local partnerships to avoid duplications and maximize impact.

The change wasn't just a White House wish, it was a national necessity.

The Cold War against communism has been eclipsed by a hot struggle against chaos — from nations pulling themselves apart to extremist Christians, Jews and Muslims condoning inter- and intra-faith murder. Underlying these: AIDS, hunger and famine — each spreading like water.

Jeered at as welfare for foreigners, AID actually invests in a global infrastructure that the United States can't do without.

The agency supports stronger legal systems in Latin America, better agribusiness in Russia and more public-health initiatives in Africa. These and thousands of other programs are part of the four areas — democracy, health and population, environment and economic growth — that AID emphasizes.

And by spending almost 80 percent of its money in all 50 states — some $29 million in Iowa in the '94 fiscal year — the agency boosts the U.S. economy and stimulates overseas business for U.S. companies.

Busily making more out of less, AID is nonetheless hounded by financial anemia. Though the agency runs on less than 1 percent of the federal budget, Congress cut its 1996 fiscal year funding by 18 percent.

Revamping government is a start. But future prosperity may soon demand the reinvention of more generous support.

USAID

U.S. AGENCY FOR
INTERNATIONAL
DEVELOPMENT

FEB 9 1996

The Administrator

NOTE TO MELANNE VERVEER

Dear Melanne,

Per my note of yesterday concerning the OMB passback for USAID, I thought you might find the attached editorial in the Des Moines Register of interest. This is what the Republican candidates for President read Thursday morning. This was pure serendipity -- and timely.

Brian

J. Brian Atwood

Attachment: A/S

foreign aid

WHITE HOUSE SITUATION ROOM

PRT: HRC
SIT: NSC SCHWARTZ

<PREC> PRIORITY <CLAS> UNCLASSIFIED <DTG> 031724Z OCT 95

FM USEU BRUSSELS

TO RUEADWW/WHITE HOUSE WASHDC PRIORITY
RUEHC/SECSTATE WASHDC PRIORITY
INFO RUEHMD/AMEMBASSY MADRID PRIORITY
RUEHGV/USMISSION GENEVA
RUCNDT/USMISSION USUN NEW YORK
RUEHXQ/ALLEU COLLECTIVE
UNCLAS SECTION 01 OF 02 BRUSSELS 010280

WHITE HOUSE SITROOM FOR MRS. CLINTON'S STAFF AND
NSC/ERIC SCHWARTZ
USAID FOR A/ATWOOD, BHR/STAFFORD, BHR/FFP KRAMER
STATE FOR PRM/OAKLEY AND EUR/ERA

E.O. 12356: N/A
TAGS: PREL, EAID, PREF, UNHCR, ICRC, WFP, SP
SUBJECT: BONINO ADVANCES PLANS FOR EXCEPTIONAL MADRID
MEETING OF HUMANITARIAN LEADERS

REF: USEU BRUSSELS 10191

1. THIS IS AN ACTION MESSAGE. SEE PARA 13 BELOW.

2. BEGIN SUMMARY. COMMISSIONER EMMA BONINO CONTINUES TO DRIVE PLANS FORWARD FOR AN EXTRAORDINARY MEETING OF THE HANDFUL OF HUMANITARIAN ASSISTANCE LEADERS IN MADRID DECEMBER 14, ON THE EVE OF THE EU SUMMIT. SHE WANTS HIGH-LEVEL U.S. PARTICIPATION TO DRAMATIZE THE SOLIDARITY OF THE TWO DONORS -- THE U.S. AND EU -- THAT PROVIDE 86 PERCENT OF HUMANITARIAN AID WORLDWIDE. VISITING USAID FOOD FOR PEACE DIRECTOR ROBERT KRAMER AND MISSION OFFICERS TOOK PART IN A PREPARATORY SESSION LAST MONTH. BONINO RAISED THE MADRID MEETING WITH USAID ADMINISTRATOR ATWOOD DURING HIS SEPTEMBER 21-22 CONSULTATIONS IN BRUSSELS, NOTING THE EVENT'S POTENTIAL IMPORTANCE AS A MEANS TO DRAW INTERNATIONAL ATTENTION TO HUMANITARIAN ISSUES AND URGING HIM TO ATTEND. BONINO UNDERSTANDS WHY MRS. CLINTON IS UNABLE TO TAKE PART IN PERSON, BUT HAS RENEWED HER REQUEST FOR MRS. CLINTON TO PROVIDE A VIDEOTAPE MESSAGE. BONINO ALSO BELIEVES THE MADRID MEETING SHOULD BE PART OF THE ACTION PLAN FOR THE

TRANSATLANTIC INITIATIVE UNDER PREPARATION FOR THE U.S.-EU SUMMIT. ACTION ITEMS FOLLOW IN PARA 13. END SUMMARY.

ATWOOD-BONINO
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3. DURING CONSULTATIONS BETWEEN THE EU COMMISSIONER WITH RESPONSIBILITY FOR HUMANITARIAN AFFAIRS, EMMA BONINO, AND USAID ADMINISTRATOR BRIAN ATWOOD ON SEPTEMBER 22, BONINO EXPLAINED HER THINKING ON THE DECEMBER 14 MEETING OF HUMANITARIAN LEADERS IN MADRID. THIS MEETING, SHE SAID, WILL BE AN IMPORTANT OPPORTUNITY TO RAISE THE PROFILE OF HUMANITARIAN ISSUES IN BOTH EUROPE AND THE U.S. SHE HOPES IT WILL ENCOURAGE PRIVATE FUND-RAISING AND HELP FORESTALL CUTS TO PUBLIC HUMANITARIAN BUDGETS. THE QUEEN OF SPAIN, HERSELF ONCE A REFUGEE, IS VERY SUPPORTIVE OF HUMANITARIAN CAUSES, BONINO EXPLAINED, AND WILL PARTICIPATE IN THE MEETING.

4. BONINO SAID SHE WOULD LIKE TO SEE THIS MEETING REFERENCED IN THE DOCUMENTATION FOR THE DECEMBER 3 TRANSATLANTIC SUMMIT. SHE IS WORKING WITH THE EUROPEAN COUNCIL TO SEE HOW BOTH THE U.S.-EU SUMMIT (DECEMBER 3) AND THE EU'S OWN SUMMIT (DECEMBER 15-16) MIGHT "PUT THE POLITICAL SPOTLIGHT" ON THE HUMANITARIAN MEETING. FOLLOW-UP TO THE MADRID MEETING COULD BE ARRANGED UNDER THE ITALIAN PRESIDENCY NEXT YEAR, SHE SUGGESTED. (EUROPEAN COMMUNITY HUMANITARIAN OFFICE -- ECHO -- DIRECTOR GOMEZ-REINO HAD EARLIER MENTIONED TO MISSIONOFFS THE POSSIBILITY OF A FOLLOW-UP SESSION TO THE MADRID MEETING IN 1996, POSSIBLY HOSTED BY THE UNITED STATES.)

5. BONINO SAID SHE UNDERSTOOD THAT IT WOULD NOT BE POSSIBLE FOR MRS. CLINTON TO ATTEND THE MADRID MEETING BECAUSE OF SCHEDULING DIFFICULTIES. ATWOOD AND BONINO DISCUSSED THE POSSIBILITY OF HAVING MRS. CLINTON TAPE A VIDEO FOR THE EVENT WHICH COULD BE SHOWN AT AN APPROPRIATE MOMENT IN THE PROGRAM. ATWOOD MADE NO COMMITMENT, BUT SAID HE WOULD LOOK INTO IT WHEN HE RETURNED TO WASHINGTON. BONINO ALSO SAID THE COMMISSION WAS CONSIDERING MAKING A BRIEF FILM ABOUT REFUGEES TO SHOW DURING A RECEPTION ON THE NIGHT OF THE 14TH.

6. ATWOOD STATED THAT IT WOULD BE USEFUL IF CITIZENS ON BOTH SIDES OF THE ATLANTIC HAD A BETTER IDEA OF THE EXTRAORDINARY RANGE OF NEEDS WHICH MUST BE ADDRESSED.

HE SUGGESTED THAT THE MADRID COMMUNIQUE LIST THE MAJOR HUMANITARIAN CRISES, WITH A FOCUS ON WOMEN AND CHILDREN VICTIMS.

7. BONINO OFFERED TO ARRANGE A BRIE
F PREPARATORY
MEETING OF SENIOR OFFICIALS IN NEW YORK ON/ABOUT OCTOBER 22 ON THE OCCASION OF THE 50TH ANNIVERSARY OF THE U.N. TO REVIEW THE PROGRAM FOR MADRID. ATWOOD NOTED THAT SCHEDULING WOULD BE TIGHT AT THAT TIME, BUT SAID THAT HE WOULD DISCUSS IT WITH CONCERNED PARTIES IN WASHINGTON TO SEE IF IT WAS POSSIBLE ON THE U.S. SIDE.

WORKING GROUP MEETING
UNCLAS SECTION 02 OF 02 BRUSSELS 010280

WHITE HOUSE SITROOM FOR MRS. CLINTON'S STAFF AND NSC/ERIC SCHWARTZ
USAID FOR A/ATWOOD, BHR/STAFFORD, BHR/FFP KRAMER
STATE FOR PRM/OAKLEY AND EUR/ERA

E.O. 12356: N/A
TAGS: PREL, EAID, PREF, UNHCR, ICRC, WFP, SP
SUBJECT: BONINO ADVANCES PLANS FOR EXCEPTIONAL MADRID MEETING OF HUMANITARIAN LEADERS

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8. ECHO CONVENED A MEETING IN BRUSSELS SEPT 18 TO PURSUE WORK ON THE SPECIFICS FOR THE MADRID MEETING. IT WAS AGREED THAT THE THEME OF THE SESSION WILL BE "HUMANITARIAN ACTION - ITS ROLE AND LIMITS." ATTENDEES WILL INCLUDE UN HIGH COMMISSIONER FOR REFUGEES OGATA, WORLD FOOD PROGRAM DIRECTOR BERTINI, UNICEF DIRECTOR BELLAMY, ICRC PRESIDENT SOMMARUGA, PETER HANSEN FROM THE DEPARTMENT OF HUMANITARIAN AFFAIRS, EU COMMISSIONER BONINO, AND A SENIOR LEVEL DELEGATION FROM THE USG, EXPECTED TO BE LED BY USAID ADMINISTRATOR ATWOOD.

9. IT WAS AGREED THAT EACH PARTICIPANT WOULD MAKE A BRIEF STATEMENT OF NO MORE THAN 10 MINUTES (AS THE MEETING WILL ONLY LAST THREE HOURS, THE TIME LIMIT MUST BE STRICTLY ADHERED TO). COMMISSIONER BONINO WILL THEN CHAIR A ROUNDTABLE DISCUSSION. AT THE END OF THE MEETING, A "MADRID DECLARATION" WILL BE RELEASED. A DRAFTING SESSION FOR THAT DECLARATION WILL BE HELD IN BRUSSELS OCTOBER 16 (THE POL MINCOUNSELOR AND USAID AND

STATE/PRM MISSIONOFFS WILL ATTEND). IN ADDITION, ECHO HAS REQUESTED THAT EACH PARTICIPATING ORGANIZATION SUBMIT A BRIEF PAPER BY OCTOBER 9 ON KEY ISSUES TO BE DISCUSSED IN MADRID.

10. FURTHER AD HOC AGREEMENT WAS REACHED THAT THERE WILL BE A PRESS BRIEFING ON THE EVENING OF DECEMBER 13, A PHOTO OPPORTUNITY BEFORE THE MEETING BEGINS ON THE 14TH, AS WELL AS A PRESS CONFERENCE AFTER THE MEETING. JOURNALISTS WILL NOT BE PERMITTED TO ATTEND THE MEETING ITSELF. A PREPARATORY MEETING FOR PRESS OFFICERS FROM PARTICIPANTS' ORGANIZATIONS WILL TAKE PLACE IN BRUSSELS ON OCTOBER 18 (OUR MINCOUNSELOR FOR PUBLIC AFFAIRS WILL ATTEND).

NONGOVERNMENTAL ORGANIZATIONS
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11. AFTER MUCH DISCUSSION, IT WAS AGREED THAT THREE NGO REPRESENTATIVES WOULD "SIT AT THE TABLE" WITH PRINCIPALS: A REPRESENTATIVE OF "CLONG" (A EUROPEAN NGO UMBRELLA ORGANIZATION), A REPRESENTATIVE FROM AN NGO WHICH IS NOT IN CLONG, AND A REPRESENTATIVE OF THE U.S. GROUP INTERACTION. IT WILL BE UP TO THE NGO'S, PARTICIPANTS AGREED, TO SELECT THE INDIVIDUALS WHO ATTEND.

12. GOMEZ-REINO FROM ECHO SAID HE HAD HEARD RUMORS THAT NGO'S WERE PLANNING A PARALLEL "ALTERNATIVE MEETING" IN MADRID. GOMEZ-REINO SAID HE HOPED THAT THIS WOULD NOT HAPPEN ONCE IT WAS ANNOUNCED THAT NGO REPRESENTATIVES COULD PARTICIPATE IN THE MEETING "AS EQUALS."

ACTION REQUESTED
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13. PLEASE PROVIDE GUIDANCE ON THE FOLLOWING POINTS:

-- THE COMPOSITION OF U.S. DELEGATION FOR MADRID;
-- WHETHER THE WHITE HOUSE CONSIDERS IT APPROPRIATE FOR MRS. CLINTON TO TAPE A VIDEO FOR THE MEETING;

-- IF SENIOR U.S. OFFICIALS ARE INTERESTED IN MEETING WITH COMMISSIONER BONINO AT THE UNITED NATIONS ON/ABOUT OCTOBER 22; AND

WHITE HOUSE SITUATION ROOM

-- THE TEXT OF A DRAFT PAPER FOR SUBMISSION TO ECHO BY OCTOBER 9.

(DRAFTED:POL:NKENNELLY;CLEARED:POL/AID:JCLOUTIER,
USIS:SDUBROW(SUBS);APPROVED:POL:JGREENWALD)
EIZENSTAT
BT
#0280

NNNN
<MSGID> M1884836

file foreign aid

Time for a Reunion:
The UN, the US, and Development Cooperation

James Gustave Speth
Administrator
United Nations Development Programme

Final Text

Foreign Policy Association
New York City
19 September 1996

FINCA® INTERNATIONAL, INC.
1101 14th Street, N.W. • 11th Floor • Washington, DC 20005 • 202-682-1510 • FAX 202-682-1535 • EMAIL: finca@villagebanking.org

file foreign

21 October 1999

DETERMINED TO BE AN ADMINISTRATIVE MARKING INITIALS: JH DATE: 1/30/2014

~~CONFIDENTIAL~~ TO:
Ms. Melanne Verveer
Office of the First Lady
The White House
Washington, DC 20500

Subject: FINCA Programs in Kosovo, Azerbaijan, Kyrgyzstan and Russia

Dear Melanne:

As you requested, I am outlining below some of the issues we are facing with USAID/Kosovo in implementing our program. I have also taken the liberty to discuss an even graver problem in Azerbaijan. Phone calls from your office stating the White House's interest in the programs may be sufficient to move things in the right direction. Finally, I thought I would share with you the exceptional progress we are making in Kyrygzstan and Russia.

Kosovo

Earlier this month, FINCA signed a cooperative agreement with USAID for $4 million to implement a village banking program to provide self-employment loans to over 7,000 families in the next three years. Melissa Brinkerhoff, the USAID Microenterprise Officer for Eastern Europe and the Newly Independent States, supported our efforts to develop the program, because of our ability to deploy microfinance programs rapidly in difficult operating environments. She had the complete support of her superiors, including Don Pressley, Assistant Administrator. Republicans and Democrats on the House International Relations Committee also expressed a keen interest in the program as an example of the kind of activity they wanted to fund through the supplemental funds allocated to Kosovo.

Notwithstanding the support of Congress and USAID/Washington management, Craig Buck, the newly appointed mission director for Kosovo made many administrative moves to nix the program. Although he supported it in public, USAID/Washington conceded that he was doing everything to stop the program behind the scenes. Mr. Buck, an economist, is widely criticized in the NGO community for the way he managed USAID's program in Bosnia, when he was mission director there. A priori, he does not support the work of NGOs and prefers to finance large-scale macroeconomic programs. NGOs suggest that the bulk of USAID financing in Bosnia was channeled through for-profit consulting firms. You may remember that Mr. Buck was also recently interviewed in the New York Times about the loss of large amounts of funds through USAID/Bosnia's large scale banking project.

Most importantly, Mr. Buck does not support microenterprise. Despite the efforts of many NGOs, the World Bank and Mrs. Clinton herself to promote microenterprise in Bosnia, Mr. Buck categorically refused to support microenterprise in the country. He left it to the World Bank. The Bank proved that it could work, but did not have the mechanisms to support the development of a strong microfinance institution.

Now that the FINCA agreement has been signed, Mr. Buck has already suggested that he will be making things difficult for FINCA. ~~He has~~ said that he does want FINCA to finance the small trading activities of market women; rather, he just wants us to support activities that he deems "value-added", such as manufacturing and services. As you know, trade is the principal activity in which women and the poorest entrepreneurs engage because of its low capital requirements. Moreover, market vendors in Kosovar are now paying over 10% per month to moneylenders to finance their capital requirements. We hope to argue with him on these points, but his negative disposition towards the program will make it all the more difficult to implement as FINCA faces its most formidable operating environment to date.

We are wary of sharing these concerns because Mr. Buck is very powerful. The most we would ask for from your office is that maybe you speak to the NSC about the program and that they would then convey the importance that the White House places on supporting the FINCA program and helping to make it a success.

Azerbaijan

After a very promising start in Azerbaijan, where FINCA was able to provide credit to over 3,000 families, the Azeri government ruled that FINCA must cease lending operations pending the issuance of a non-bank financial institution lending license. (While FINCA is locally registered as an NGO, such a license has never been required in any country in which we operate.) Since July, FINCA Azerbaijan has suspended lending leaving the families without recourse to other sources of capital. If and when this license is issued, FINCA and other NGOs still face the threat of taxation both of their grants and on the incomes of expatriate personnel.

We, and the rest of the NGO community, would be grateful if the White House could convince the U.S. Ambassador to Azerbaijan to take up our concerns directly with the President of Azerbaijan. At this point, FINCA is appealing to the British Ambassador because the U.S. Ambassador has not made the issue a priority for reasons we do not understand. The details of the taxation situation, which poses the gravest threat, are outlined below.

Currently in Azerbaijan, there is no bi-lateral agreement in place between the United States and Azerbaijan, due to Section 907 of the Freedom Support Act of 1992, which states that "United States assistance under this or any other Act may not be provided to the Government of Azerbaijan (GOA) until the President determines, and so reports to the Congress, that the GOA has taken demonstrable steps to cease all blockades and other offensive uses of force against Armenia and Norgorno-Karabakh."

For FINCA and other NGOs, this means USAID funded projects, such as ours, are not exempt from taxes in Azerbaijan. In the past nine months, a tax-working group has diligently pressed forth the issue and has drafted a presidential decree asking for issuance of a moratorium on taxes for humanitarian organizations. The U.S. Embassy pledged to convey the group's efforts to the relevant officials of the GOA. Representatives of the World Bank and International Monetary Fund advised taking the issue to the President of Azerbaijan, to avoid the intermediate levels of bureaucracy. To date, the tax issue has not been presented to the President, or to any officials of the Government who have the authority to make relevant decisions regarding taxation.

We believe that we could make considerable progress if the U.S. Ambassador were to impress upon the President the importance of both resolving these taxation issues and of expediting licensing of microfinance institutions like FINCA.

Kyrgyzstan

We are happy to report that FINCA Kyrgyzstan has been extremely successful reaching over 15,000 clients. The IFC of the World Bank is now interested in assisting FINCA Kyrgyzstan to convert into a commercial bank. This would be the first microfinance bank focused on the poor in the former Soviet Union.

Moreover, President Akayev sent a letter last December to President Clinton lauding him for the program. I am attaching a copy of the letter. If President Clinton ever responded to President Akayev, we were never sent a copy.

Russia

Finally, FINCA's program in Samara just opened this summer and we have been able to reach over 200 clients thus far. The regulatory barriers which poor microentrepreneurs face are enormous. In January or February, FINCA will be organizing with Ohio State University a conference on regulatory issues faced by the microenterprise sector in Russia. We would welcome the participation of any interested White House officials.

Sincerely,

Lawrence Yanovitch
Director of Policy & Research

TRANSLATION of
LETTER TO FINCA
FROM PRESIDENT
ASKAR AKAYEV
(KYRGYZSTAN)

Dear Mr. President:

Let me express my sincere gratitude to you and to all American people for the invaluable support of political and economic reforms in Kyrgyzstan. We feel the continuous support of the United States of our ideas and undertakings.

The initiatives of the United States in the area of advancement and development of microcrediting projects received wide recognition and are of great success in many countries. We admire the tireless efforts of First Lady Hillary Clinton in implementing the projects under which the state creates such financial conditions for groups of poor people, under which they can independently improve their well-being and use their skills, contributing to the progressive development of the entire nation.

In Kyrgyzstan, as in many other countries of the world, there is a problem of poverty. At present 60% of the population live below the poverty level. During the short period of independence of our state, we succeeded in laying a foundation for reforms in the social sector, directed at the alleviation of poverty and today we already have the first successful results on a number of projects implemented with the participation of USAID, the World Bank and other financial organizations. We strongly believe that involvement of socially disadvantaged groups into a microcrediting program will be the right policy in the conditions of Kyrgyzstan.

Specifically, I would like to commend the contribution of the Foundation for International Community Assistance (FINCA). The branch of this project funded by the USAID was established in our country over three years ago and was given the name of FINCA-Kyrgyzstan. The activity of FINCA-Kyrgyzstan received the highest evaluation of First Lady Hillary Clinton during her visit to our country.

Presently, more than 10 thousand people have received approval of their projects in regional branches of FINCA-Kyrgyzstan. Over 46,000 loans totaling USD 5.5 mln were allocated to Kyrgyzstani citizens. The people of Kyrgyzstan fully support the introduction of microcrediting and have high expectations for microcrediting in the Kyrgyz Republic. We believe that the activities of FINCA-

Kyrgyzstan will facilitate further progress in microcrediting.

Esteemed Mr. President, the people of Kyrgyzstan regard you as the guarantor of further strengthening of the process of economic reforms in our country. We are looking forward to your understanding and personal support regarding the possibility of expanding the activities of FINCA-Kyrgyzstan within the framework of the U.S. strategy of increased financial assistance to CIS. We are sure that this support will produce the most favorable impact upon deepening and further development of a market economy in the Kyrgyz Republic.

With best regards.

Respectfully yours,

(Signed)

Askar Akayev

КЫРГЫЗ РЕСПУБЛИКАСЫНЫН ПРЕЗИДЕНТИ
ПРЕЗИДЕНТ КЫРГЫЗСКОЙ РЕСПУБЛИКИ

Уважаемый господин Президент!

Позвольте выразить Вам и всему американскому народу глубокую благодарность за неоценимую поддержку политических и экономических реформ в Кыргызстане. Мы чувствуем постоянную заботу со стороны США и заинтересованность к нашим идеям и начинаниям.

Инициативы США в деле продвижения и развития проектов микрокредитования получили широкую известность и огромный успех во многих странах. Мы восхищены неутомимой работой первой леди Хиллари Клинтон по воплощению идеи о том, что государство должно создать такие финансовые условия для бедных слоев населения, при которых они сами самостоятельно могли бы поднять свой уровень благосостояния, использовать свое мастерство и, тем самым, стать составляющей роста благосостояния всей нации.

В Кыргызстане, как и во многих странах мира, существует проблема бедности. В настоящее время 60% населения находится за чертой бедности. За короткое время независимости нашего государства мы сумели заложить основы реформ в социальном секторе, направленные на снижение уровня бедности, и сегодня уже получены первые успешные результаты ряда проектов, осуществляемых при содействии ЮСАИД, Всемирного банка и других финансовых организаций. Мы глубоко убеждены, что вовлечение социально-уязвимых слоев населения в программу микрокредитования будет верной политикой в условиях Кыргызстана.

Особо хочу отметить весомый вклад Фонда по содействию международному сообществу (ФИНКА). Прошло более трех лет с тех пор, как у нас в стране было открыто его подразделение, получившее название ФИНКА-Кыргызстан, которое финансирует ЮСАИД. Деятельность ФИНКА-Кыргызстан получила самую высокую оценку первой леди США Х. Клинтон во время ее визита в нашу страну.

В настоящее время свыше 10 тысяч человек смогли получить одобрение своих проектов в региональных филиалах ФИНКА-Кыргызстан. Более чем 46 000 кредитов на общую сумму 5,5 млн. долл. США было выдано кыргызским гражданам. Народ Кыргызстана всецело поддерживает процесс внедрения основ микрокредитования и возлагает большие надежды на развитие микрокредитования в Кыргызской Республике. Мы уверены, что работа ФИНКА-Кыргызстан будет способствовать дальнейшему развитию этого процесса.

Уважаемый господин Президент, в Вашем лице народ Кыргызстана всегда будет видеть гаранта дальнейшего укрепления процесса экономических реформ в нашей республике. Мы надеемся на Ваше понимание и личную поддержку в рассмотрении вопроса о возможности расширения деятельности ФИНКА-Кыргызстан за счет увеличения финансирования в рамках стратегии помощи США странам СНГ. Мы уверены, что эта поддержка окажет самое плодотворное влияние на углубление и будущее развитие рыночных основ в Кыргызской Республике.

С уважением и наилучшими пожеланиями,

АСКАР АКАЕВ

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