

PHOTOCOPY
PRESERVATION



THEATER
New light on
O'Neill's 'Long
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MUSIC

Tosca, Mario, Scarpia and a few
thousand people in Central Park.

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Bob Woodward's White House ex-
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file

The New York Times

THE

THURSDAY, JUNE 9, 1994

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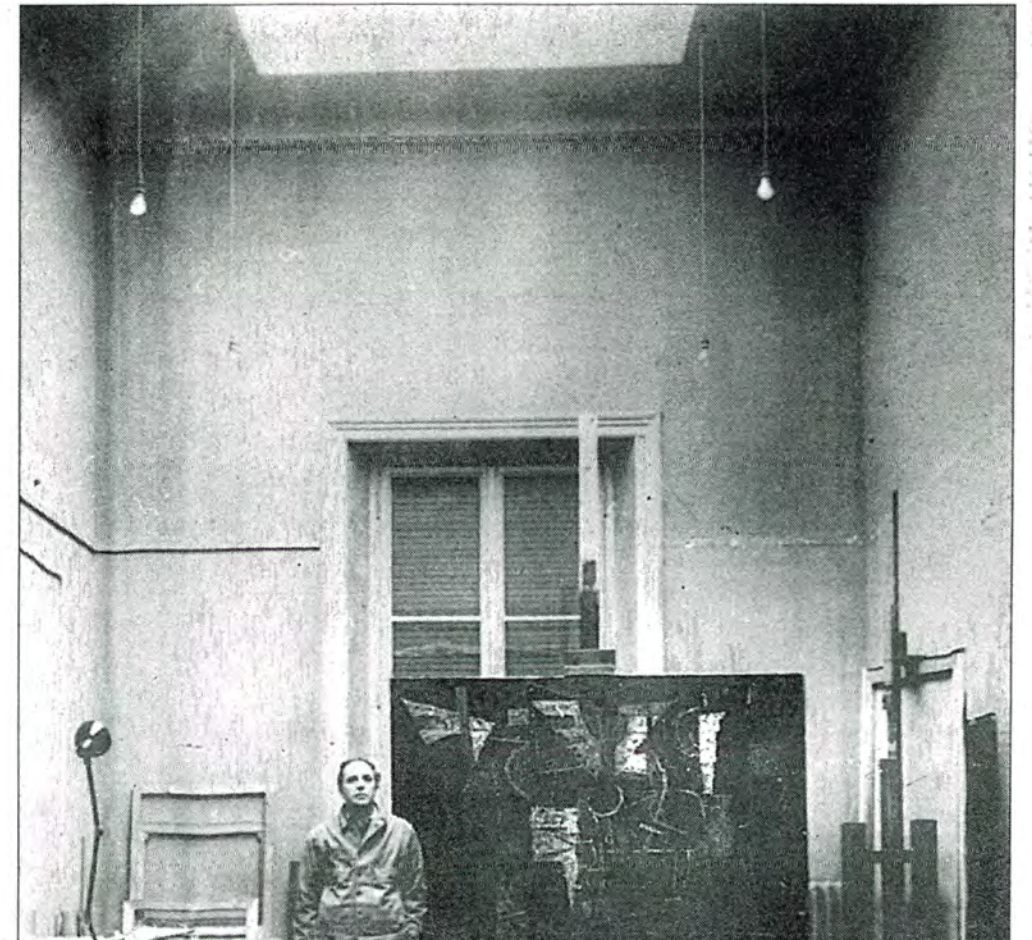
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In Rome, Renovation Worthy of the Medici



Restoring a mural
at the American
Academy.



"The institution was terribly, terribly threadbare.
It gave the impression it could cease to exist."

Adele Chatfield-Taylor
President, American Academy in Rome

By JEAN NATHAN

ROME
ONCE the cocoon of scaffolding came off the neoclassical palazzo on the Janiculum Hill high above the city, tour-bus drivers began hitting the brakes whenever they passed by.

Here is the present splendor that is the American Academy, the Roman sanctuary for American artists and scholars since before the turn of the century. What about this building makes it worth even a drive-by in a place like Rome, where, as Edith Wharton wrote, "the very air is full of architecture" and where the "neophyte . . . coming from the American wilderness to study the fine arts" (in the words of Van Wyck Brooks, a fellow at the academy in the mid-1950's) has long found a haven?

Since 1914, Joseph Brodsky, Aaron Copland, Nadine Gordimer, Mary McCarthy, Philip Guston, Frank Stella, William Styron, Michael Graves, Robert Penn Warren, Oscar Hijuelos and Elizabeth Murray, among others, have come to this palazzo for inspiration. This is

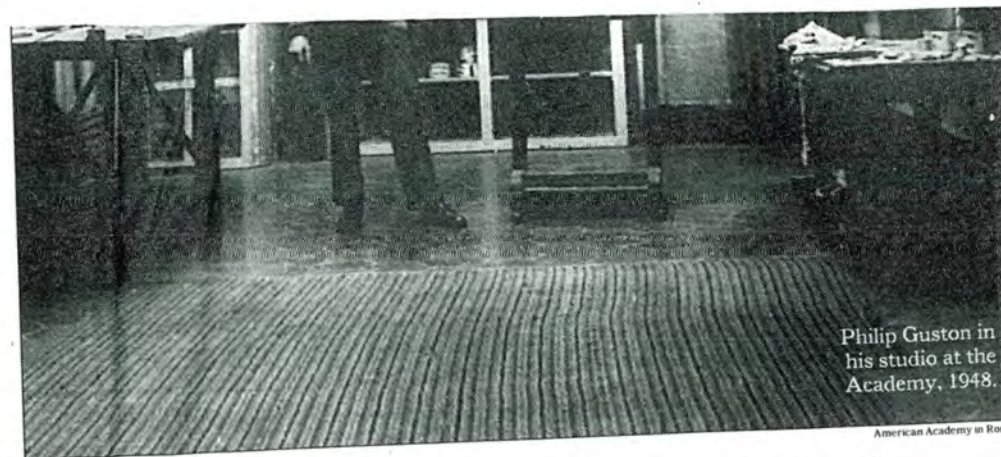
where the trajectory of the lives of creative Americans has been changed forever.

The American Academy, an overseas center for independent study, officially celebrates its 100th anniversary on June 10; it does so with a new look and determination. When the \$8.2 million renovation was officially unveiled this week, the 130-room travertine-colored palazzo with trompe-l'oeil terra cotta insets could have impressed even a Medici — who, of course, would not have understood about all the new electrical wiring, central heating and electronically controlled shades over the skylights.

The American Academy had its beginning in 1894 when four young architects arrived in Rome to study at Charles Follen McKim's new American School of Architecture. In 1913, he merged it with the American School of Classical Studies, creating the American Academy.

In 1909, a wealthy widow, Clara Jessup Heyland, gave the architecture school the Villa Aurelia, a 17th-century summer palazzo on the Janiculum ridge, the highest hill in Rome, west of the Tiber. It was J. P. Morgan who bought

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Philip Guston in his studio at the Academy, 1948.

American Academy in Rome

"Rome as we left it seems like a distant, golden arcadia. I am hard at work painting, and much that I was thinking about in Rome seems to be coming at long last."

Philip Guston

Painter, in a letter after leaving the academy

AT HOME WITH

Bill Monroe

Lots to Sing, Little to Say

By JASON DePARLE

GOODLETTSVILLE, Tenn.

THE Father of Bluegrass Music was walking slowly and nursing a bruised bottom.

He had risen at dawn in the century-old cabin where he has lived for 40 years and stalked across a buttercup field on his way to feed the hens. He fell and landed on a rock.

"Boy, you really have to watch when you get older," he said later, less to his visitors than to his own, disbelieving self.

A half-century ago, Bill Monroe melded a mandolin and a yodel into an art form called bluegrass, and traveled so relentlessly that his stamina was nearly as renowned as his music. But at 82, he is suffering from more than bruises.

He injured his arm over the winter, fractured his hip in March and all but broke his heart in April, when debts forced him to put his 288-acre homestead here on the auction block.

While Mr. Monroe was too proud to seek money from his scores of musical protégés, the blow of the sale was cushioned by the owner of the Grand Ole Opry, where he has performed for nearly 55 years. The owner, the Gaylord Entertainment Company, bought the property for \$300,000, agreeing to let him use the cabin and the surrounding 14 acres for the rest of his life.

"It's a shame," Mr. Monroe said, speaking of the sale. "You hate to lose anything like that."

A visit with Mr. Monroe on his rustic porch is largely a non-verbal affair. About one question in four moves him to an answer, often a monosyllabic one. He responds to an inquiry about song-writing by asking the cost of a visitor's shoes.

His stubbornness is part of his legend. After Lester Flatt and Earl Scruggs left his band in 1948 to find their own niche in the maturing genre, he refused to speak to them for 23 years.

While Mr. Monroe's friends say he has mellowed, this was not apparent when he told a visitor that his walkway contained a stone from every state. "Really?" the visitor asked.

"Why would I lie?" he snapped, his fierce blue eyes bracketed by white mutton chops. "I ain't a Yankee."

His losses are large, but so too is the air of reverence that surrounds him. Ricky Skaggs, John Hartford and other disciples come to collect songs and stories on his porch. A doting young housekeeper prepares his meals, and a church friend ferries him in a white Cadillac to his weekend ap-



Stick Lawson for The New York Times
Bill Monroe has plenty of miles on his mandolin.

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PARENT & CHILD

Worries About Abuse Are Changing Camps

By CARIN RUBENSTEIN

"DOES anybody know the three safe places to touch a child?"

Bob Ditter, a family therapist who specializes in training camp counselors, posed this question last week to 150 young counselors from Harbor Hills Day Camp in Mount Freedom, N.J., as he led a training session in a nearby school. "Anywhere they don't wear a bathing suit!" yelled several of the more experienced counselors, who knew the rules by heart.

Mr. Ditter nodded approval as he stood by Sandi Arnold, a counselor. "On the shoulder," he said, touching hers. "Or in the middle of the back."

"With younger children," he said, "you can touch them on the hand." He held Ms. Arnold's hand, to show how he might comfort her if she were a frightened 6-year-old.

Then he reeled off other rules: "No lap sitting or tickling or wrestling matches, no sharing a bed or sleeping bag with a camper."

"I don't want you to be accused of something you didn't mean to do," he told the counselors. Mr. Ditter, who lives in Newton

Centre, Mass., has visited nearly 300 camps nationwide in the last few years, and estimates that he has trained 24,000 counselors.

Reacting to parental concern about child abuse and other issues that could provoke lawsuits, more camp directors are hiring consultants like Mr. Ditter to train their staffs.

About five million American children attended 8,500 day or resident camps in 1993, a large increase from the previous summer, said John Miller, executive vice president of the American Camping Association, a nonprofit organization in Martinsville, Ind., that accredits camps and offers staff training.

But extraordinary changes in counselor training is making the camp experience for children a very different one from that of several years ago. While camp counselors have become more professional, they have also had to become less warm and spontaneous with children.

As recently as 10 years ago, counselors simply came to camp a few days early to mow the grass and clean the cabins, and got a lecture from the director about being "friendly, firm and fair," said Mr. Ditter.

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In Rome, Renovation Worthy of the Medici

PHOTOCOPY
PRESERVATION

Continued From Page C1

and donated surrounding land and paid for the construction of the McKim, Mead & White building, finished in 1914, that is the center of the Academy today. The cost was \$250,000, including furnishings.

Over the last century, more than 1,300 fellowships have been awarded to scholars or artists in 18 disciplines, from art history to music composition, from urban planning to set design. Fellows are recipients of the Rome Prize, given each year to up to 29 of more than 1,000 applicants. In addition to the fellows, six to eight eminent artists and scholars are also in residence.

The prize includes about a year at the academy, a stipend of \$5,800 to \$17,800, travel expenses, and work and living space in either the main building or in one of the smaller ones on the 11-acre campus. The total value amounts to about \$50,000.

In addition, fellows have at their disposal the academy's bilingual staff to help with their professional or personal needs, whether it's procuring the best olive oil or arranging a climb up the top of the Vittorio Emanuele monument. "We unlock Rome for them," said Adele Chatfield-Taylor, a former design-arts fellow at the academy who has been its president since 1988.

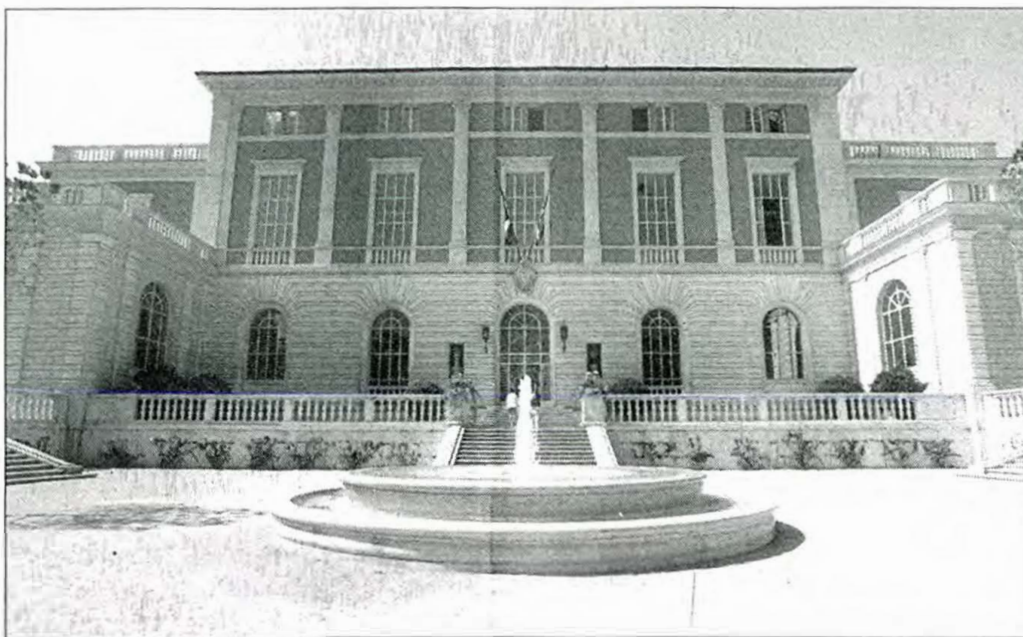
Gregory Bucher of San Diego, 30, a current fellow in classical studies and a graduate student at Brown University, had never even been to Europe before. "There's no comparison between reading about this stuff in a book and seeing it first hand," Mr. Bucher said, taking a break from reading an ancient Greek text on a Macintosh Powerbook. "It's been extraordinary to see the material remains, to breathe the same air and feel the grit between your teeth that the ancient Romans did."

Besides focusing on their own work, fellows benefit from cross-fertilization, living in a sort of ne-plus-ultra dormitory setting, dining and doing laundry together, taking afternoon tea in the salon or playing billiards. Past fellows describe the experience as a sort of "trip down the Nile," during which lifetime associations were forged.

For some it provides chances for encounters of a more personal kind. "There's a long tradition of coming here and dumping your wife and getting another one," said one fellow, who did not want to be identified for fear of embarrassing friends who had done just that.

William Valerio, 30, a Ph.D. candidate at Yale University in 20th-century Italian art, who was a fellow in 1990, said: "The academy changed my life. You go in with one life and come out with another."

It was Louis XIV who established the first foreign national institution here, the French Academy, in 1666 in the Villa Medici. There are now 23 national academies in Rome that are supported by their governments. By contrast, the American Academy has always



Vittoriano Rastelli for The New York Times

The newly renovated American Academy in Rome. Designed by McKim, Mead & White, it opened in 1914.



American Academy in Rome

An aerial view of the academy complex with the remains of a wall that dates from the Renaissance.



American Academy in Rome

A 1914 picture of the billiards room shows a copy of a Raphael fresco, painted by a fellow.



Vittoriano Rastelli for The New York Times

Adele Chatfield-Taylor, president of the Academy, has raised \$15 million to secure its future.

"They wanted to bring the Academy up to the 20th century, but at the same time not change its intimate soul."

Roberto Einaudi

The architect for the renovation project.

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basement has been cleaned and readied for concerts and art exhibitions. Lidia Bastianich, who owns the New York restaurant Felice, has been asked to overhaul the

day life at the academy goes on. During dinner one evening recently, the menu an odd trans-Atlantic mix of french fries and prosciutto, talk among the fellows turned to the

[The New York Times, Thursday, June 9, 1994, page C6]

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It was Louis XIV who established the first foreign national institution here, the French Academy, in 1666 in the Villa Medici. There are now 23 national academies in Rome that are supported by their governments. By contrast, the American Academy has always been primarily privately financed.

But the future was not at all assured when Ms. Chatfield-Taylor, the former head of the design-arts program for the National Endowment for the Arts, arrived a decade ago. "The institution was terribly, terribly threadbare," she said. "It gave the impression it could cease to exist."

While ruins have never been considered a troublesome esthetic in the Eternal City, the McKim, Mead & White building had fallen into a state of dangerous disrepair. By 1988, visiting scholars had taken to wearing layers of clothes in bed to combat the cold. They carried flashlights through dark hallways on nocturnal visits to the communal bathrooms. The stove was down to one working burner.

In their studios, fellows found themselves wrapping pipes and leaking skylights. Christo-style. Some recall the time a scholar in the library tossed his jacket over a heater with exposed wires. The jacket burst into flames, and could have destroyed the Academy's priceless collection of 112,000 books.

Balustrades were crumbling. Piles of original furnishings were rotting in the basement, which was taken up by vestigial coal bins and wood storage areas. Only 5 percent of the building's original hardware remained, shutters dangled from their hinges and the building needed a paint job.

But at the same time, the academy was catching up to the present time in other ways,

An aerial view of the academy complex with the remains of a wall that dates from the Renaissance.

as the types of people receiving fellowships changed. While the first fellows were single young men, the academy now admits men and women of all ages, single or not, although spouses and companions did not always feel welcome in the bleakly functional bachelor rooms.

"It's hard for a couple to live in one room, even if it is free," said Caroline Bruzelius, a fellow in 1985, who became the academy's director this year.

In 1991, the city established more stringent codes for electrical wiring. The palazzo had to be brought up to code by 1993, necessitating the total renovation. The building had virtually outlived all of its systems. But with an annual operating budget of \$4.1 million a year, there was no money for improvements.

"Only for death," goes a Roman saying, "is there no solution," and that seemed to be the credo adopted by Ms. Chatfield-Taylor. She took the city's new code as a catalyst to persuade the academy's 42 trustees to support her in a campaign to upgrade the institution.

It was a slide show at a meeting of trustees in New York that kicked off the race to the checkbooks. By the time the carousel finished its tour of broken water taps and crumbling balustrades, Lily Auchincloss had pledged \$1 million. (To date, about three-quarters of the academy's \$20 million fundraising goal has been raised.)

By June 1991, fund-raising had progressed enough for the board to approve a master

plan drawn up by the trustees, including the architects David Childs and Michael Graves (himself a former fellow), the designer Mark Hampton and the landscape architect Laurie Olin. In Rome, they worked with the architect Roberto Einaudi.

The renovation was made more complicated by the trustees' mandate that the work come under the category of "improvement without change."

Mr. Einaudi said: "They told us the building shouldn't look as though it had just been finished yesterday. They wanted to bring the academy up to the 20th century, but at the same time not change its intimate soul."

Even a process as relatively simple as the painting of the facade became a subject of major debate. In the end, they fixed on a combination of colors for the trompe l'oeil travertine and the trompe l'oeil terra cotta, and applied it through spugnatura, a sponge method, to achieve the desired vibrancy of surface. (The result was so successful that the Florentine paint manufacturer who worked with the team on the special blends has gone commercial with the result. Italians can now buy Roma No. 1, as it is called, not to mention No. 2, No. 3 and No. 4, which were also concocted for this project.)

One of the more inventive spatial solutions was to transform 40 walk-in closets into bathrooms. A new heating system has been installed throughout, windows have been restored, as have the original McKim, Mead & White lighting fixtures and furnishings. The

A 1914 picture of the billiards room shows a copy of a Raphael fresco, painted by a fellow.

basement has been cleaned and readied for concerts and art exhibitions. Lidia Bastianich, who owns the New York restaurant Elio, worked with the team to overhaul the kitchen and update all the American essentials, including grills and a pizza oven.

These days, the academy is a hive of activity, with Ms. Chatfield-Taylor as its queen bee. (Even the most head-in-the-cloud scholars take note of the bumblebee jewelry she is never without: gold bee earrings for day, diamond for evening.)

One scholar likened the renovation project to "restoring the dilithium crystals of the Starship Enterprise." But there's still work to be done.

Ms. Chatfield-Taylor's next mission is to raise the academy's visibility. She fired her first salvo in New York last December with a housewarming for 800 at the academy's new offices in New York, at the Metropolitan Club, another stately McKim, Mead & White building at Fifth Avenue and 60th Street. She spends most of her time in New York, where she lives with her husband, the playwright John Guare.

Then Ms. Chatfield-Taylor interested Hillary Rodham Clinton in announcing the Rome Prize at the White House on April 21. And on June 2, Mrs. Clinton visited the academy itself and left clutching a gift of a piece of roof tile from the renovation that had been fashioned into a medallion bearing the academy's initials and hers.

Apart from all the public events, day-to-

day life at the academy goes on. During dinner one evening recently, the menu an odd trans-Atlantic mix of french fries and prosciutto, talk among the fellows turned to the recent changes, and the question of whether Paradise, as it were, had been paved over.

One fellow, who would not be identified for fear of offending his benefactors, said he thought the landscaping work made the grounds resemble "a corporate headquarters in Westchester County."

The rededication ceremony is to take place at the academy on June 10. But 100 years after its founding, is there still a role for such an institution?

"It's more urgently needed today than it ever has been," Ms. Chatfield-Taylor said. "This dimension of a person's education is harder to get now. Getting a chance to think is so much harder to come by. We're fulfilling a need that very few others are at this point and it's one of the last things available that's free. All you need to win it is to be the best."

The academy is still, in many ways, a work-in-progress. "Now we have to metaphorically break down the walls," said Ms. Bruzelius, the director. "The academy can't continue to be an isolated enclave of Americanism. We have to have a more dynamic presence in the city and represent American culture, not just a mirror of Europe back to itself."

"We must interact with the Italian artistic and intellectual community. Otherwise we might as well be in Wisconsin."

THE ARTS ACADEMY
PRESERVATION

[The New York Times, Thursday, June 9, 1994, page C6
Continued]

RIGHT Gregory Bucher, 30, a fellow in classical studies from San Diego, in his room.



Photographs by Vittorio Rastelli for The New York Times

"It's been extraordinary to see the material remains, to breathe the same air and feel the grit between your teeth that the ancient Romans did."

Gregory Bucher
A fellow in classical studies



Vittorio Rastelli for The New York Times

ABOVE Sanda Iliescu, 35, a fellow in architecture, did a series of drawings based on a found piece of workmen's wire she found during the renovation.

FAR LEFT Formal gardens were part of the major restoration of the academy's 11-acre campus.

LEFT A renovated artist's studio has skylights and

[The New York Times, Thursday, June 9, 1994, page C6 continued]

Bucher, 30, a fellow in classical studies from San Diego, in his room.



Photographs by Vittoriano Rastelli for The New York Times

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Sheila Nardulli



Vittoriano Rastelli for The New York Times

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FAR LEFT Formal gardens were part of the major restoration of the academy's 11-acre campus.

LEFT A renovated artist's studio has skylights and suspended lighting.



even some vegetables and herbs are being sold in rather thick peat pots. Theoretically, at least, the roots will be answered individually. Those of general interest will be published. Unpublished questions cannot be answered individually.

file Italy

April 24, 1998

Melanne:

I heard so many positive comments about the First Lady during my recent trip to Italy that I wanted to pass this short note to you upon my return.

As part of the U.S. - Italy working group on trafficking of women and children, Bonnie Cambell (representing Justice) and I traveled to Rome to meet with the Italians and hammer out a joint action plan on trafficking. Our plan will be one of three deliverables announced during the Clinton - Prodi meeting in May.

Throughout our visit, we were struck by the Italian's interest and admiration for the First Lady. Government, press, and NGOs commented on her dedication and determination to campaign for the rights of women, her sustained support to eliminate violence against women in all its forms, and her understanding of the plight of women around the world.

The most striking event occurred during our trip to Bologna where we meet with NGOs who provide assistance and shelter to young women trafficked to Italy (mainly from Ukraine, Albania, and Nigeria). A Catholic priest, Father Don Oreste Benzi runs one of the NGO programs which offer the women on the street safehouses from their traffickers.

Estimates show that as many as 30,000-40,000 women and girls are trafficked into northern Italy alone, and some 800 women have been given shelter so far by the NGOs in the area. We interviewed five women who told us of their plight. Three of these women filed charges with the government against their traffickers and were awaiting trial. Don Benzi requested that we tell the First Lady about his work and the victims he works with. He said, "everyone knows of the First Lady's interest in the plight of women." He then inscribed a book which contains stories by the victims and asked Bonnie to pass it on to Mrs. Clinton. He invites the First Lady to come to see what is happening to these girls by these traffickers who have no regard for human life. Given his keen interest and strong statements about the First Lady, I asked Don Benzi when he last visited the States...he laughed and said, "1958 but I follow her work!"

The Italian officials (particularly the ministries of Justice and Equal Opportunity/Human Rights) felt that her statements and high visibility on these issues were heard around the world, particularly by women. One official said, "she gives us hope that we are not alone as we bring these issues forward to the press, the government, and the people; these are not popular issues but she is not afraid."

We were very proud to hear people from another country speaking so warmly about a woman that they have never and may never meet.

*Aida Bolli**cc: Theresa Hoar*



EMBASSY OF ITALY

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Washington, D.C. 20009

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3rd way Embassy of Italy
Washington

The Minister

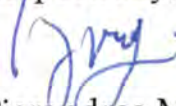
August 6, 1999

Dear Mrs. Verveer,

It is my pleasure to transmit a letter addressed to the First Lady, conveying the text of a message addressed to Mrs. Clinton from the President of the Council of Ministers of the Republic of Italy, Massimo D'Alema, on the "Progressive Governance for the 21st Century" Seminar, scheduled to take place in Florence on November 20-21, 1999.

Thank you in advance for ensuring that the enclosures are received by the First Lady.

Respectfully,



Pierandrea Magistrati
Chargé d'Affaires ad interim

Mrs. Melanne Verveer
Chief of Staff to the First Lady
Old Executive Office Building - room 100
Washington, D.C.

*Embassy of Italy
Washington*

The Minister

August 6, 1999

Dear Mrs. Clinton,

It is my honor to convey to you the enclosed message from the President of the Council of Ministers of the Republic of Italy, Massimo D'Alema, on the "Progressive Governance for the 21st Century" Seminar, scheduled to take place in Florence on November 20-21, 1999.

With the continued assurances of my highest esteem and consideration, I remain

Respectfully,



Pierandrea Magistrati
Chargé d'Affaires *ad interim*

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



*Al Presidente
del Consiglio dei Ministri*

UCD/3707

Roma, 6 AGO. 1999

Cara Hillary,

sono particolarmente lieto di poterti comunicare che l'idea di cui abbiamo parlato a Napoli lo scorso maggio si sta realizzando. D'intesa, oltre che con Bill, con Blair, Jospin e Shroeder, stiamo infatti organizzando un nuovo incontro, che si terrà a Firenze nei giorni 20-21 novembre p.v., per delineare una strategia di "progressive governance" per il nuovo secolo.

A differenza delle altre occasioni, questa volta si tratterà di un evento a sè stante, indipendente da altri appuntamenti di politica internazionale, probabilmente l'ultima occasione di ritrovarci insieme prima dell'inizio del nuovo millennio.

Sul piano dei contenuti, la mia proposta è di concentrare la nostra discussione su alcuni temi specifici, in tema di gestione di problemi internazionali (gestione delle crisi, difesa dei diritti umani, riforma delle istituzioni internazionali), e di politiche-economico-sociali in ambiente globalizzato (riforma dei sistemi di "welfare", istruzione e impiego, nuove tecnologie e crescita economica).

Sul piano organizzativo, la cornice dei lavori sarà offerta dall'Istituto Universitario Europeo e dalla New York University. Il formato sarà quello di un seminario ristretto: oltre ai cinque leaders la mia proposta è che ognuno di noi inviti un intellettuale, con il compito di introdurre un punto specifico per il dibattito. Abbiamo pensato di avere un pubblico selezionatissimo, complessivamente 200 invitati fra americani ed europei, scelti tra accademici, giornalisti ed imprenditori.

Signora
Hillary R. Clinton
La Casa Bianca
WASHINGTON



*Al Presidente
del Consiglio dei Ministri*

Ti sarei davvero grato, conoscendo ed apprezzando il tuo impegno nell'affrontare le tematiche sociali, se volessi accogliere il mio invito a partecipare a questa iniziativa, e, in particolare, desidererei che accettassi di introdurre i lavori con un "key note speech" per la cena inaugurale in programma sabato 20 novembre. Avrei pensato di invitare, nella stessa occasione, Romano Prodi a presentare agli ospiti una prospettiva europea.

Per quanto riguarda la parte italiana, ho affidato la preparazione del seminario al mio Consigliere Diplomatico, Francesco Olivieri, e al mio Consigliere di relazioni internazionali, Marta Dassù, che manterranno i contatti con le due istituzioni universitarie. L'Istituto Universitario Europeo conta di inoltrare i dettagli organizzativi agli inizi di settembre.

La tua disponibilità è essenziale per assicurare il pieno successo di questa nuova tappa del nostro progetto comune, per il quale non credo possa esserci momento di sviluppo più adatto, in questa fine di secolo e a chiusura di un anno così intenso e significativo per le relazioni internazionali.

In attesa di ritrovarci insieme a Firenze, ti ringrazio fin d'ora per la tua collaborazione, con un augurio di buone vacanze ed i saluti più cordiali.

Massimo D'Alema

Unofficial Translation

Letter from the President of the Council of Ministers of the Republic of Italy
Addressed to the First Lady, Mrs. Hillary Clinton

.....
"Rome, August 6, 1999

Dear Hillary,

I am particularly pleased to let you know that the idea we discussed in Naples last May is now coming to fruition. Together with Bill, Blair, Jospin and Schroeder, we are in fact organizing a new Seminar that will take place on the 20th and 21st of November next, aimed to trace a strategy of "progressive governance" for the next Century.

Unlike previous occasions, this one will be a self-contained event, independent of other meetings of international politics, and perhaps the last opportunity to get together before the new Millennium.

Conceptually, I propose to focus our discussion on certain specific topics, such as the management of international issues (management of crises; defense of human rights; reform of international institutions), or the socio-economic dimension of the politics of a global environment (reform of the welfare system; education and employment; new technologies and economic growth).

The organizational framework will be planned through the Istituto Universitario Europeo (European University Institute) and New York University. The Seminar will be restricted in format: together with the five leaders, I would suggest that each of us invite an intellectual whose task would be to introduce a specific issue of the debate. We are thinking to have an extremely selected audience, with a total of 200 American and European invitees, chosen amongst academics, journalists and entrepreneurs.

Knowing and appreciating your dedication toward social issues, I would be very grateful if you could accept my invitation to participate to this

initiative and, more particularly, if you could agree to inaugurate the Seminar with a “keynote speech” at the Opening Dinner, scheduled for Saturday, November 20. For this occasion, I have also thought to invite Romano Prodi to present a European perspective to the guests.

As far as Italy is concerned, I have given the task of organizing this Seminar to my Diplomatic Counselor, Francesco Olivieri, and to my Counselor for International Relations, Marta Dassù, who will both keep in contact with the two Universities. The Istituto Universitario Europeo will most likely submit the organizational details during the first week of September.

Your willingness to participate is essential to ensure the full success of this very important step of our shared project, which falls at perhaps the best possible time, at the end of this Century and at the conclusion of a year so intensely significant to international relations.

As I wait to see you in Florence, allow me to thank you in advance for all your assistance in this endeavor. I wish you a good and restful summer. With my most cordial regards,

Massimo D'Alema/sgnd”

file 13rd way

SPECIAL REPORT

We believed that free markets and democracy would prevail after communism. The turmoil in Russia has shattered our faith. BY FAREED ZAKARIA

So Much for Globalization

THE POST-COLD-WAR WORLD ENDED LAST WEEK. WE have lived in it comfortably—complacently—for almost a decade. Peace and prosperity seemed assured, markets and technology triumphant and American influence unquestioned. But the crisis in Russia may prove to be the high-water mark of the age of globalization, ushering in a world considerably less friendly to American interests and values.

Fittingly this era has come to a close in Moscow, where it began. It was the collapse of the Soviet Union, the discrediting of socialism and the liberation of Eastern Europe that moved countries all over the world to accept, even embrace, the sole surviving superpower and the sole surviving ideology—democracy and capitalism. And now Russia has become the first major country to move away from this model, placing state controls on its economy and moving toward a fairly old-fashioned Latin-American-type oligarchy, composed of politicians and businessmen.

The familiar figure of Boris Yeltsin has led many to believe that Russia has “stayed the course.” In fact, the Russia of the early 1990s is another country altogether. The pro-Western Foreign Minister Andrei Kozyrev has given way to the old communist apparatchik Yevgeny Primakov; the energetic reformer Anatoly Chubais to the oligarch Viktor Chernomyrdin. Seven years ago Russia was debating whether to outlaw the Communist Party. Today the party runs the legislature. All that remains is the ghostly figure of Yeltsin. As the communists in Parliament wrest power from him, as his unpopularity mounts and as his desire for reform evaporates, he survives as a preserved figurehead. One can only hope that he does not become Russia's version of Field Marshal von Hindenburg, the aging World War I hero who presided over Adolf Hitler's rise to power.

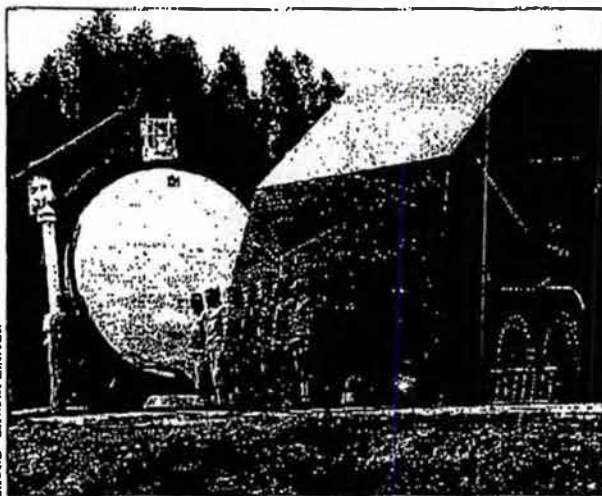
The Russian government has defaulted on its foreign debt. As important, it has announced that it will take over SBS-Agro, the country's third largest bank. In two days last week 10 of Russia's 15 largest banks announced plans for merger or government control. Russia's large banks operate at the nexus of its economic and political system—lending to the state, financing industrial empires and moving money back and forth for favored clients. Thus the effective nationalization of the banking industry cements the connection between Russia's big business interests and its politicians. Who better to lead this new government than Chernomyrdin, himself part politician, part tycoon? Coxying up to the communists in Parliament, he has already called for controls on the market, an industrial policy and a new direction for Russia and then said the opposite one day later to keep the IMF happy.

As all this happened, markets around the world plunged. On the

face of it, this is puzzling. Russia, after all, counts for little in the world of money. Its economy is the size of the Netherlands'. The loans it defaulted on probably add up to no more than the value of one new Internet company. After all, Japan, the world's second largest economy, has been in a steep recession for five years, and most Western markets have cheerily ignored it. Why Russia?

The answer lies not in economics but in politics. Japan is an advanced industrial country that can weather a recession, even one as bad as its current slump. Russia's embrace of capitalism and democracy, however, was the cornerstone of the new world order. (And Russia is still the world's second largest nuclear power, spans three continents, is rich in resources and has a veto on the Security Council.) If

Russia's experiment with the Western model collapses, efforts in other countries might follow. Already, in response to the Asian crisis, politicians from Venezuela to India to Malaysia have begun clamoring to slow down, even halt, economic reforms. If this new domino effect continues, the benign course of events that governments and markets in the West have assumed might not come to pass. Instead of living in a world of rising wealth and stability in which war seems absurd (or worse, unprofitable!), we might well return to a world in which the Western nations thrive as islands of prosperity in a sea of poverty and turbulence. This might be viable economically, but it is not viable politically. And as



REVIVING OLD FEARS: Despite a massive arsenal, Russia's economy is the size of the Netherlands'. Moscow's turmoil shook the world because it signaled the end of optimism.

last week's tumultuous events remind us, stable politics is the base on which market economics flourish.

Much of this has happened for reasons beyond any one country's power; the world is, after all, a chaotic place. But the United States has been uniquely placed to help stabilize the post-cold-war world. And in many instances it has fallen short. Distracted by televised hot spots of the moment—Haiti, Somalia, Bosnia—not to mention more recent distractions, Washington has spent little time, energy and political capital strengthening the central balance of world power upon which global peace and prosperity rest. Its relations with Japan have been consistently poor and with Western Europe unattended. With China it has swung from unnecessary condemnation to premature declarations of partnership. And with Russia, the Clinton administration's most important policy initiative—undertaken with hallojajhs from congressional Republicans—was NATO expansion. Far from trying to build a framework into which Russia could fit, we built one specifically designed to exclude it.

It may be too late to change course, and President Clinton seems in no mood or position to take on an ambitious foreign policy. But the costs of not doing so are now clear.

From the West

By Martin Malia

The only certainty in Russia's present crisis is that it marks the end of an era — the Yeltsin years for sure and quite probably the end of the theory, widely trumpeted just a decade ago, that market democracy has triumphed as a universal ideal. In 1991, it was clear that Communism in Russia was going to collapse. And there seemed to be little debate that Russia and all post-Communist states would follow the Western norms in some form. But now it's impossible to foresee the shape of a post-Yeltsin Russia.

Why? Let's look at our three previous models for understanding post-Communist Russia, all of which are now being trotted out to fix blame for the crisis and to propose remedies.

The first model, market democracy, has been advocated by the Clinton

Reagan-Thatcher revolution.

The second model, however, has never been tried in pure form. In the mid-1990's, voters in Poland and Hungary, hurrying from the turn to a new liberal economy, returned Communists to the leadership. Adam Michnik, a leader in Poland's Solidarity Party, called the elections a "velvet restoration."

The Communists added an affordable safety net to the prosperity generated by Poland's liberal "shock therapy" of 1990, the first cold-turkey transition to capitalism, which was highly successful. In other words, the second model could work only if economic liberalization had already generated the needed money.

A third model, advanced especially in Socialist and academic quarters, is more radical than the second. According to this theory, Mikhail Gorbachev had already made the transition from Stalinist Communism to a market social democracy. Real reform, therefore, should have continued on that course until "Socialism with a human face" was reached at last.

In this perspective, Mr. Yeltsin was a spoiler, who turned to unbridled capitalism and ruined the country. This model is a fantasy whose time has passed: the Hungarian and East German Communist regimes tried it in 1989 and 1990, and it led to their demise.

In retrospect, it is clear that the debate among these three models has been as much a contest between competing Western economic and social ideologies as a debate about Russian problems — just as the debate about Communism between Western hawks and doves was always in part a debate about how far to the right or the left Western societies themselves should move.

In practice, however, the liberal West could support only a liberal market democracy for Russia. Now that this course has collapsed, we are left with no effective model for making sense of Russia's predicament.

Still, at first it seemed as if the liberal model might work for Russia, which did try to make a real transition to a privatized economy, however diluted by barrier and riddled with corruption. At the same time, freedom of expression and elections, however manipulated by the business oligarchy, have been accepted as the norm. And the younger generation of Russians, in the cities if not in the countryside, has become genuinely attached to these principles. Moreover, the 20th-century record overall is clear: in the long run, there does exist a distinct correlation between free markets and free politics.

So why did the Yeltsin-I.M.F. course end in the present debacle? Why was the Yeltsin regime unable to collect taxes, to pay wages, to regulate its banks and to finance its debt? Surely, this was not the result of faulty fiscal and monetary policy alone. The deeper reason is the legacy of the leviathan Soviet state, which when it collapsed left behind only administrative and economic rubble, devoid of the judicial, accounting and police procedures necessary for a modern society — an institutional abyss not present in Eastern Central Europe when it made its transition to a market economy.

This heritage along with a sporadically doctrinaire liberalism produced

So much for market democracy as the global ideal.

Administration and the International Monetary Fund with the support of all Western European governments.

Namely, "reform" means a transition to market democracy through price liberalization, privatization and a stable ruble. In due course, these policies, their advocates predicted, would restructure Russia along Western lines.

President Boris Yeltsin, for all his faults, was deemed indispensable to this policy, for he alone could defend reformers against the forces of resurgent nationalism and neo-Communism.

Yet Russia's liberal experiment has now collapsed in a spectacular and completely unexpected fashion, leaving the country both bankrupt and without a government — in a sense, in worse straits than after Communism's collapse.

These events have given greater credibility to the second model, one that embraces a market economy with a welfare state more expansive than any in the West. Supporters of this model have long charged that a quick turn to a strict market economy was inappropriate to both Russian national tradition and post-Communist conditions.

Forcing Russia into a market economy, in this view, was to turn over, at fire sale prices, the nation's industries and natural resources to the old nomenclature and to new robber barons, while dilapidating the savings and pensions of vulnerable citizens, especially the elderly. Within Russia, Grigory Yavlinsky, who heads the political party Yabloko, has been the most prominent exponent of this position, and in the West it has been propounded by progressives distressed by the

Martin Malia is professor emeritus of Russian history at the University of California, Berkeley, and the author of "The Soviet Tragedy: A History of Socialism in Russia, 1917-1991."

fair
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Washington

The Minister

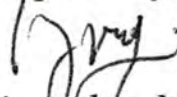
August 6, 1999

Dear Mrs. Verveer,

It is my pleasure to transmit a letter addressed to the First Lady, conveying the text of a message addressed to Mrs. Clinton from the President of the Council of Ministers of the Republic of Italy, Massimo D'Alema, on the "Progressive Governance for the 21st Century" Seminar, scheduled to take place in Florence on November 20-21, 1999.

Thank you in advance for ensuring that the enclosures are received by the First Lady.

Respectfully,



Pierandrea Magistrati
Chargé d'Affaires *ad interim*

Mrs. Melanne Verveer
Chief of Staff to the First Lady
Old Executive Office Building - room 100
Washington, D.C.

*Embassy of Italy
Washington*

The Minister

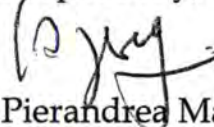
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With the continued assurances of my highest esteem and consideration, I remain

Respectfully,



Pierandrea Magistrati
Chargé d'Affaires *ad interim*

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



*Al Presidente
del Consiglio dei Ministri*

UCD/ 3707

Roma, 6 AGO. 1999

Cara Hillary,

sono particolarmente lieto di poterti comunicare che l'idea di cui abbiamo parlato a Napoli lo scorso maggio si sta realizzando. D'intesa, oltre che con Bill, con Blair, Jospin e Shroeder, stiamo infatti organizzando un nuovo incontro, che si terrà a Firenze nei giorni 20-21 novembre p.v., per delineare una strategia di "progressive governance" per il nuovo secolo.

A differenza delle altre occasioni, questa volta si tratterà di un evento a sè stante, indipendente da altri appuntamenti di politica internazionale, probabilmente l'ultima occasione di ritrovarci insieme prima dell'inizio del nuovo millennio.

Sul piano dei contenuti, la mia proposta è di concentrare la nostra discussione su alcuni temi specifici, in tema di gestione di problemi internazionali (gestione delle crisi, difesa dei diritti umani, riforma delle istituzioni internazionali), e di politiche-economico-sociali in ambiente globalizzato (riforma dei sistemi di "welfare", istruzione e impiego, nuove tecnologie e crescita economica).

Sul piano organizzativo, la cornice dei lavori sarà offerta dall'Istituto Universitario Europeo e dalla New York University. Il formato sarà quello di un seminario ristretto: oltre ai cinque leaders la mia proposta è che ognuno di noi inviti un intellettuale, con il compito di introdurre un punto specifico per il dibattito. Abbiamo pensato di avere un pubblico selezionatissimo, complessivamente 200 invitati fra americani ed europei, scelti tra accademici, giornalisti ed imprenditori.

Signora
Hillary R. Clinton
La Casa Bianca
WASHINGTON



*Al Presidente
del Consiglio dei Ministri*

Ti sarei davvero grato, conoscendo ed apprezzando il tuo impegno nell'affrontare le tematiche sociali, se volessi accogliere il mio invito a partecipare a questa iniziativa, e, in particolare, desidererei che accettassi di introdurre i lavori con un "key note speech" per la cena inaugurale in programma sabato 20 novembre. Avrei pensato di invitare, nella stessa occasione, Romano Prodi a presentare agli ospiti una prospettiva europea.

Per quanto riguarda la parte italiana, ho affidato la preparazione del seminario al mio Consigliere Diplomatico, Francesco Olivieri, e al mio Consigliere di relazioni internazionali, Marta Dassù, che manterranno i contatti con le due istituzioni universitarie. L'Istituto Universitario Europeo conta di inoltrare i dettagli organizzativi agli inizi di settembre.

La tua disponibilità è essenziale per assicurare il pieno successo di questa nuova tappa del nostro progetto comune, per il quale non credo possa esserci momento di sviluppo più adatto, in questa fine di secolo e a chiusura di un anno così intenso e significativo per le relazioni internazionali.

In attesa di ritrovarci insieme a Firenze, ti ringrazio fin d'ora per la tua collaborazione, con un augurio di buone vacanze ed i saluti più cordiali.

Massimo D'Alema

Unofficial Translation

Letter from the President of the Council of Ministers of the Republic of Italy
Addressed to the First Lady, Mrs. Hillary Clinton

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"Rome, August 6, 1999

Dear Hillary,

I am particularly pleased to let you know that the idea we discussed in Naples last May is now coming to fruition. Together with Bill, Blair, Jospin and Schroeder, we are in fact organizing a new Seminar that will take place on the 20th and 21st of November next, aimed to trace a strategy of "progressive governance" for the next Century.

Unlike previous occasions, this one will be a self-contained event, independent of other meetings of international politics, and perhaps the last opportunity to get together before the new Millennium.

Conceptually, I propose to focus our discussion on certain specific topics, such as the management of international issues (management of crises; defense of human rights; reform of international institutions), or the socio-economic dimension of the politics of a global environment (reform of the welfare system; education and employment; new technologies and economic growth).

The organizational framework will be planned through the Istituto Universitario Europeo (European University Institute) and New York University. The Seminar will be restricted in format: together with the five leaders, I would suggest that each of us invite an intellectual whose task would be to introduce a specific issue of the debate. We are thinking to have an extremely selected audience, with a total of 200 American and European invitees, chosen amongst academics, journalists and entrepreneurs.

Knowing and appreciating your dedication toward social issues, I would be very grateful if you could accept my invitation to participate to this

initiative and, more particularly, if you could agree to inaugurate the Seminar with a "keynote speech" at the Opening Dinner, scheduled for Saturday, November 20. For this occasion, I have also thought to invite Romano Prodi to present a European perspective to the guests.

As far as Italy is concerned, I have given the task of organizing this Seminar to my Diplomatic Counselor, Francesco Olivieri, and to my Counselor for International Relations, Marta Dassù, who will both keep in contact with the two Universities. The Istituto Universitario Europeo will most likely submit the organizational details during the first week of September.

Your willingness to participate is essential to ensure the full success of this very important step of our shared project, which falls at perhaps the best possible time, at the end of this Century and at the conclusion of a year so intensely significant to international relations.

As I wait to see you in Florence, allow me to thank you in advance for all your assistance in this endeavor. I wish you a good and restful summer. With my most cordial regards,

Massimo D'Alema/sgnd"