

MANDELBAUM

SAS

The Paul H. Nitze
School Of Advanced International Studies
The Johns Hopkins University
1740 Massachusetts Avenue, N.W.
Washington, DC 20036-1984

THE PRESIDENT HAS SEEN
1. 24. 84

Barry Long
pretty interesting

President Clinton

20 and also
to get
15
10

Chen

July 1995, Volume 21, No. 1

THE PRESIDENT HAS SEEN

1-24-94

Rory

WORLD POLICY JOURNAL

The Consequences of Somalia *Caleb Carr*

Is Liberal Internationalism Dead? *William Pfaff*

Pride, Prejudice, and Myopia

Greek Foreign Policy in a Time Warp

Nicholas X. Rizopoulos

The Fall of the House of Lenin

Michael Mandelbaum

Europe and Asia Without America *Hugo De Santis*

A Japanese-American Grand Bargain *Yoshi Tsurumi*

The Asian Paradox *Robert A. Manning*

What Mexico—and the U.S.—Wants *James K. Galbraith*

The Intellectual and the State *Jorge G. Castañeda*

Crown Princes to Mandela's Throne *Tom Lodge*

Slovakia's Old Habits *Chandler Rosemeyer*

Remembering Hans Morgenthau *Dan F. Brumberg*

The American Conscience *James Fallon*

BOOKS

Michael Mandelbaum is a professor at the Johns Hopkins School of Advanced International Studies and director of the East-West Project at the Council on Foreign Relations.

The Fall of the House of Lenin

Michael Mandelbaum

Lenin's Tomb: Russia and the Fall of Communism by David Remnick (NY: Random House, 1993); *New Nations Rising* by Nadia Diuk and Adrian Karatnycky (NY: John Wiley, 1993); *The Rise of Russia and the Fall of the Soviet Empire* by John B. Dunlop (Princeton: Princeton University Press, 1993); *The Turn: From the Cold War to a New Era* by Don Oberdorfer (NY: Touchstone, 1992); *At the Highest Levels: The Inside Story of the End of the Cold War* by Michael R. Beschloss and Strobe Talbott (Boston: Little Brown, 1993).

The collapse of the Soviet Union was the great geopolitical event of the second half of the twentieth century. Its effects were felt around the world and will continue to be felt for decades to come. It is one of those events, like the French and Russian revolutions and the two World Wars, that will command attention as long as anyone is interested in the great issues of politics and history. It is also an event likely to become more rather than less difficult to understand over time. What seems initially straightforward about this enormous earthquake in international politics becomes odder and more puzzling upon closer inspection. What happened seems at first to fit familiar historical patterns. The fall of the Soviet Union was a revolution, with a powerful, long-entrenched, cruel tyranny overthrown by oppressed citizens. The failed coup of August 1991 was the moment when the old order crumbled. The collapse of Communist power was also a case of the disintegration of a great multinational empire and the emergence of a series of independent nation-states on its ruins. This was the fate suffered in the twentieth century by the imperial possessions of the Austrian Habsburgs, the Ottoman Turks, the British, the French, and the Romanov predecessors of the Bolsheviks in Russia and its borderlands. The disappear-

ance of the Soviet Union also brought a war to an end, a global conflict between two military and ideological coalitions grouped around two powerful countries: the Soviet Union itself to the east and the United States to the west.

Yet what happened to the Soviet Union between 1985, when Mikhail Gorbachev assumed supreme power, and 1991, when it came to an end as a unified state, does not, upon closer scrutiny, fit the conventional image of revolution, or the best-known historical pattern of imperial collapse, or the familiar manner in which wars come to an end. The fall of the House of Lenin differed in important ways from the great historical events it seems at first to resemble. The books under review, all of which concern the last years of the Soviet Union, each contributes to an understanding of why and how this is so.

Waking Up

David Remnick's splendid book, *Lenin's Tomb*, gives a sense of what it was like to live in the midst of the great collapse. A reporter who worked in Moscow from 1988 to 1991 for the *Washington Post*, he has produced a journalistic photo album of the revolution. *Lenin's Tomb* provides a series of wonderfully observed portraits of the fa-

mous, the infamous, and the obscure. Remnick captures the three who made the revolution: Mikhail Gorbachev, supremely self-confident at the beginning, hapless and pitiable at the end; Boris Yeltsin, "vain, comic, clever, crude"; and Andrei Sakharov, at once saintly and gritty, the description of whose December 1989 funeral is one of the book's many high points.

The author also managed to interview Yegor Ligachev, Gorbachev's chief conservative rival in the upper ranks of the Communist party, and Nina Andreyeva, a true Communist believer from Leningrad whose letter protesting Gorbachev's changes Ligachev and his allies used as the public spearhead of a campaign to reverse them.

Most memorably, *Lenin's Tomb* portrays the ordinary citizens—and thus the chief victims—of the Soviet Union: a doctor who narrowly escaped death in Stalin's last purge; Siberian coal miners who spend their working lives in the grimmest, most dangerous, most stifling conditions imaginable; an itinerant fisherman on the island of Sakhalin off Russia's Pacific coast, as far removed from Moscow, and thus as free, as it was possible to be in the old Soviet Union.

Remnick's book is not only a chronicle of the revolution, it is itself an artifact of the upheaval it describes. It begins as one kind of book and ends as quite another.

At the outset it is part of a venerable tradition: the Russia travel book. The original of this genre, and the best of a distinguished lineage, is the account by the French nobleman, the Marquis de Custine, of his journey through the country in 1839.¹ He found a vast territory, a despotic government, a cowed populace. That is more or less what was portrayed by a generation of Western journalists posted to Moscow in the 1970s and 1980s, beginning with Hedrick Smith of the *New York Times* and Robert G. Kaiser of the *Washington Post*, in the books they wrote based on their tours of duty.² These journalists produced a valuable library of

similar works, which rested on a common premise: the Soviet Union was important, ominous, exotic, and virtually impenetrable. It was Churchill's "riddle wrapped in a mystery inside an enigma" because its all-powerful government cut it off from the rest of the world, even as the tsarist government that de Custine encountered had done. Any information an intrepid reporter could ferret out, anything that could be glimpsed through the cracks in the wall that the tsars and the Communists had built around the people they governed, added to the world's understanding of this strange half-European half-Asian beast.

The country was still partly hidden when Remnick arrived. By the time he left, the curtain of secrecy and fear that had surrounded Russia for centuries had been lifted. The society had become as accessible as any in the world. When de Custine journeyed there in the 1830s, and in the time of Smith and Kaiser as well, the rule that governed the largest country in the world was: anything not permitted is forbidden—and very little was permitted. By the 1990s, anyone could say anything, and it seemed that everybody *was* saying everything—and all at once. There was more to know than any single reporter could absorb. And Western journalists were joined in growing numbers by tourists, business executives, and academics. The basis for the kind of book Remnick had begun to write had disappeared.

Simply by following what was happening, however, he shifted into another literary tradition: the eyewitness account of a great political upheaval. *Lenin's Tomb* may thus be compared with its most famous predecessor in this genre: John Reed's *Ten Days that Shook the World*.³ Reed was an American radical, a member, along with Walter Lippmann and T.S. Eliot, of the Harvard class of 1910, who became an enthusiastic champion of the Bolsheviks and was buried, with full revolutionary honors, in the Kremlin wall, a place reserved for the heroes of communism.

Reed recorded communist power, Reed the most telling of books is one of those to explain how the communist power collapsed completely. Reed's ultimate, heralding the freer world. He described the Red Army Civil War:

From somewhere in the orange in the times reflected streaming out as it moved down the tanka singing, he stood in astonishment. "Long live the Red! Long live the Red! Long live the Red Peasants!" So the great procession the city, growing new red banners old peasants, bow walking hand in mined with child "Well," said one, take away our land. Near Smolny, the up on both sides of delight. The other his comrade, "I am walked on air all the

Things did not turn out as expected. The dominant is different. It is the confused Soviet life at the communist period. Remnick with a man who might be a descendant of Reed's starry-eyed

I was sitting in a car talking with an ancient sweet wreck of a man. I happened to glance

common
important,
impenetrable.
ed in a mys-
ts all-power-
he rest of
vernment
d done. Any
r could ferret
mps
hat the tsars
around the
the world's
alf-European

hidden
time he left,
hat had sur-
d been
as accessible
ustine jour-
n the time of
ule that gov-
e world was:
idden—and
he 1990s, any-
seemed that
ng—and all at
than any sin-
Western
ving numbers
s, and academ-
ook Remnick
eared.
was happen-
another liter-
ccount of a
's *Tomb* may
st famous
n Reed's *Ten*
ed was an
along with
rior, of the Har-
ne an enthusias-
s and was
y honors, in
rved for the he-

Reed recorded the establishment of Communist power, Remnick its destruction. But the most telling difference between their books is one of tone, a difference that helps to explain how the mighty edifice of Communist power collapsed so suddenly and so completely. Reed's tone is breathless and exultant, heralding the birth of a new, better, freer world. He describes, for example, a parade of Red Army troops at the end of the Civil War:

From somewhere torches appeared, blazing orange in the night, a thousand times reflected in the facets of ice, streaming out smokily over the throng as it moved down the bank of the Fontanka singing, between crowds that stood in astonished silence.

"Long live the Revolutionary Army! Long live the Red Guard! Long live the Peasants!"

So the great procession wound through the city, growing and unfurling ever new red banners lettered in gold. Two old peasants, bowed with toil, were walking hand in hand, their faces illumined with child-like bliss.

"Well," said one, "I'd like to see them take away our land again, *now!*"

Near Smolny, the Red Guard was lined up on both sides of the street, wild with delight. The other old peasant spoke to his comrade, "I am not tired," he said. "I walked on air all the way."

Things did not turn out as Reed expected. The dominant tone of *Lenin's Tomb* is different. It is the mordant irony that suffused Soviet life at the end of the Communist period. Remnick reports a meeting with a man who might have been a descendant of Reed's starry-eyed peasants:

I was sitting in a courtyard in Moscow talking with an ancient of the city, a sweet wreck of a man. . . . As he talked, I happened to glance up over his shoul-

der and saw a woman on the tenth floor hurl a cat out her kitchen window.

"Animal," she screamed. "No room for you here! Be gone!"

The cat hit the pavement, and it sounded like the soft pop of an exploding water balloon. Now the two of us, the old man and I, were watching the woman at the window, her face twisted into an angry knot, the cat struggling to get up on his broken legs.

"Ach," the old man said, turning away, "our Russian life."

Communism died of absurdity. But it had been absurd for decades, and filled with horror before that. What created a political movement out of the absurdity, the shabbiness, the hypocrisy, the grand and petty oppressiveness and the multiple failures of the society to which Reed's revolution gave birth was the most subversive innovation that Mikhail Gorbachev introduced into the life of the Soviet Union: the policy of *glasnost*. *Lenin's Tomb* is informed by a theory and the theory is a good one: *glasnost* destroyed communism.

Gorbachev widened the boundaries of permitted speech as a way of enlisting support for his reforms among the most articulate people in Soviet society, the writers, journalists, and academics who combined relatively liberal private views with public loyalty to the Communist system. It was a way of putting pressure on the entrenched officials who were resisting the changes Gorbachev deemed necessary to invigorate the system. It had, in the end, much farther-reaching effects, which Gorbachev himself failed to anticipate.

The word *glasnost* comes from the Russian *golos*, meaning voice. A literal translation would be "voiceness," and that provides a clue to its revolutionary effects. Voice is the link between thinking and acting. It has individual antecedents and social consequences. Communist terror stifled speech, thereby paralyzing both thought and action.

When Gorbachev restored their voice to the Russians and the other peoples of the Soviet Union, he unintentionally liberated them.

Silence smothers thinking. What cannot be said is ultimately not even thought. Psychologists have shown that with enough social pressure people can be brought to say, and believe, things that are plainly not true. If the whole world says black is white, if it is dangerous to say that white is white, ultimately people will not only say, but believe, that the evidence of their own eyes is false. That is how politics can obliterate truth, which is what happened in the Soviet period. The resources of a mighty state were devoted to imposing upon the population the proposition that black was white. And that is why, in the words of the Czech writer Milan Kundera that Remnick uses as his book's epigraph, "The struggle of man against power is the struggle of memory against forgetting."

Once Russians and the other peoples of the Soviet Union could speak they could think. Once free to think, they made connections that swept away the psychological and political foundations of Communist rule. They connected their personal tragedies with those of others and the common tragedies of their society with the Communist system that governed it. The disasters that had befallen them—the terror, the purges, the famines—had occurred, they realized, not despite but because of the people and the ideology that the 1917 revolution enthroned. They drew the appropriate conclusion: "The Party has to go," one Russian told Remnick. "The rest is details."

They acted on the conclusion. Political speech begat political acts. Indeed, speech *is* a political act. Simply to know something is a psychological fact; to know that others know it is a political fact.

Andrei Sakharov was a hero because he spoke and acted alone. Few have the courage to do so when all about them are ignorant or intimidated. But the courage required to speak is inversely related to the number of

other people who will speak as well. As the numbers multiply, speaking, and then acting, become normal.

Once Soviet citizens heard one another, they found one another. They began to assemble the foundations of a normal society—groups of people with a variety of common interests and purposes, including political purposes. But this subverted the system, at the heart of which was the party's monopoly of authority in every social realm. *Glasnost* gave rise to centers of activity and potential power beyond Communist control.

The era of *glasnost* produced a series of moments, repeated across the country, when, individually and collectively, the people of the Soviet Union experienced the shock of recognition. These were the moments when, figuratively, the lights went on, when connections among what had seemed unrelated fragments of personal and political histories were suddenly illuminated.

Remnick begins *Lenin's Tomb* with one such moment: a military official digging up the bodies of Polish officers murdered on Stalin's orders fifty years earlier, the responsibility for which had been consistently denied by Soviet authorities despite considerable circumstantial evidence pointing to the killers. He records another at the Red Proletariat machine tool factory in Moscow. A candidate for the parliament is to be selected. The party-appointed factory manager is nominated. He is about to be confirmed, when "someone on the aisle rose and asked . . . the first impertinent question of the afternoon: 'Are there any other candidates proposed?' There followed a moment of tense silence. Clearly, this question was not part of the script."

A discussion ensued. Much of it was given over to routine, Communist-style praise for the factory manager, but one worker protested that no other candidates were being offered. "There was some hissing and booing, but just as many workers in the audience were quiet or nodding slightly, as

if in a
there

For
ment
reacto
and pe
practic
ers cat
party
cow tr

For
of *glas*
tieth a
that h
rule. C
them
against

Th
union
Deput
haps th
ments.
period
lic disp
party v
cized, t
them t
this on
believe
reports
lated d
live." T
ment w
viet Ur
took or

Cor
overthr
that cu
called r
meanin
the mo
tion loc
their ch
or the V
itself is
of the p
for that
Comm

ak as well. As the
ng, and then act-

heard one another,
they began to as-
a normal society—
variety of common
cluding political
ted the system, at
e party's monopoly
l realm. *Glasnost*
vity and potential
t control.

duced a series of
the country,
ollectively, the
n experienced the
se were the mo-
the lights went
ong what had
its of personal and
ddenly illuminated.
's *Tomb* with one
official digging up
rs murdered on
earlier, the respon-
n consistently de-
despite consider-
nce pointing to the
r at the Red Prole-
y in Moscow. A
nt is to be select-
actory manager is
be confirmed,
le rose and asked
question of the af-
her candidates pro-
moment of tense
tion was not part

Much of it was
nminist-style
ager, but one
other candidates
e was some hissing
any workers in the
dding slightly, as

if in agreement. Something had happened;
there had been a breakthrough."

For millions of Ukrainians such a mo-
ment came with the accident at the nuclear
reactor at Chernobyl, which poisoned land
and people for miles around. The shoddy
practices of the reactor's Communist manag-
ers caused the accident; after it happened
party officials from the municipality to Mos-
cow tried to cover it up.

For the people of the Baltic the moment
of *glasnost* came on August 22, 1989, the fi-
fth anniversary of the Hitler-Stalin pact
that had consigned them to Communist
rule. On that day hundreds of thousands of
them participated in a public protest
against the agreement and its consequences.

The sessions of the newly elected all-
union parliament, the Congress of People's
Deputies, in the summer of 1989, was per-
haps the most powerful of all these mo-
ments. For the first time in the Soviet
period real political discussion was on pub-
lic display. Ideas not sanctioned by the
party were proposed, Gorbachev was criti-
cized, the most sacred institutions, among
them the KGB, were challenged—and all of
this on television. "People simply could not
believe what they were hearing," Remnick
reports. What they heard was "the accumu-
lated debates of seventy years broadcast
live." This was the turning point, the mo-
ment when the process of change in the So-
viet Union escaped Gorbachev's control and
took on a life and a destiny of its own.

Communism in the Soviet Union was
overthrown by a revolution; if the events
that culminated in its destruction cannot be
called revolutionary the word is empty of
meaning. But those events fit poorly with
the most widespread idea of what a revolu-
tion looks like: oppressed people shaking off
their chains, rising up, storming the Bastille
or the Winter Palace. Of course the image
itself is a distorted picture of the revolutions
of the past, and much of the responsibility
for that distortion rests with the Russian
Communists themselves. Still, in the history

of modern revolutions the one that destroy-
ed the Soviet Union is distinctive. It in-
volved an entire populace not so much
rising up as waking up.

It was like one of the cases in Freud's
Interpretation of Dreams, in which the patient
throws off an encumbering phobia by re-
membering the traumatic event that under-
lies it. The patient dredges up a repressed
memory from deep in the unconscious and
is finally liberated. The heart of the revolu-
tion, the climax of which came in 1991, was
a huge catharsis, and the trigger of that
mass awakening, the sudden dawning of rec-
ognition for millions of people, was *glasnost*.

Political Lifeboats

The end of the Soviet Union was an instance
not only of revolution but of imperial col-
lapse. The Communist state was what nine-
teenth-century opponents had called its
tsarist predecessor: a prison-house of na-
tions. It held in its suffocating embrace fif-
teen officially recognized nationalities, each
with its own union republic, and dozens of
smaller ethnic groups. When it broke apart,
the fifteen republics became sovereign states.

This was not at all what Mikhail Gor-
bachev had expected. An ethnic Russian
who, unlike previous Soviet leaders, had
never held office outside the Russian Federa-
tion and had thus never dealt directly with
non-Russians, he seems actually to have be-
lieved the propaganda that painted the So-
viet Union as a harmonious commonwealth
of peoples faithful to the union and striving
to perfect their common Soviet citizenship.
He was apparently under the illusion, at
least at first, that the reforms he proposed to
introduce would strengthen the commit-
ment to a unified state of Russians and non-
Russians alike.

Like other imperial rulers before him, he
vastly overestimated the loyalty of his sub-
jects. And like Austrian, Turkish, British,
French, and tsarist imperial authorities in
the twentieth century, he saw the empire he
governed dissolve into a series of sovereign

successor states. In the twentieth century, nationalism has been the dynamite of empire. National movements have mobilized millions of people all over the world against imperial rule. The pattern is familiar: indigenous peoples decide that it is wrong for foreigners to make the decisions that govern their lives. They organize themselves. Their ranks swell, in the case of the largest and most successful nationalist movement, the Indian National Congress, coming to include millions of people. The forces of imperial rule give up and go home.

To what extent did such a sequence of events destroy the Soviet Union? The book by Nadia Duik and Adrian Karatnycky provides the basis for a preliminary answer to that question. *New Nations Rising* is the first comprehensive account of how the former Soviet republics became independent, and how they have fared thus far in their brief term of freedom. The picture of nationalism in the last days of the Soviet Union that emerges from its pages is a mixed one. In a few parts of the old union classical nationalist movements did arise; in most of it, however, especially in the two largest and most important new states, Russia and Ukraine, the role of nationalist sentiment was modest, or complicated, or both.

Nationalism was strongest, national movements most clearly responsible for securing independence, in the three Baltic states: Estonia, Latvia, and Lithuania. Since modern nationalism was born in western Europe it is not coincidental that these are the most western—geographically and culturally—of the fifteen former Soviet republics. Unlike the others, these three had recent histories of independence: they had been liberated from tsarist rule by World War I and the Russian Revolution, and had not been recaptured by the Communists until 1940. These are the three in which nationalist movements most clearly served, in Duik and Karatnycky's words, as "breeding ground(s) for dynamic new civil societies, giving birth to new political parties, private

entrepreneurs, trade unions, environmental groups, and civic associations."

The Baltic republics played the role in the Soviet Union that Poland assumed for the Soviet empire in Eastern Europe: they were the vanguard, the places where resistance to imperial rule was most fully developed and the first peoples to seize the opportunity for independence.

Elsewhere, however, the force of nationalism was more modest. In the five predominantly Islamic republics of Central Asia it was virtually nonexistent. There were no mass movements and virtually no independent organizations of the kind that sprouted in the Baltics. In the Caucasus, Armenians and Azeris mobilized against each other (rather than against Moscow) over the status of Nagorno-Karabakh, a largely Armenian enclave within the borders of Azerbaijan. In Georgia, the killing by police of peaceful demonstrators in the capital city of Tblisi on April 9, 1989, served as a rallying point for anger at the central authorities.

Ukraine is, in Duik's and Karatnycky's term, "the pivotal nation." It is the largest and most important of the non-Russian states, and its status defines Russia's international role. For the three centuries during which it controlled Ukraine, Russia was a European imperial power; Ukrainian independence has made Russia a Eurasian nation-state. In their excellent chapter, Duik and Karatnycky emphasize the rise of nationalist feeling in Ukraine, especially in its predominantly Catholic west, the home base of the nationalist movement *Rukh*. But Ukrainian nationalism was never as fully developed as the Baltic varieties, as is clear from the first full-length study of independent Ukraine, Alexander J. Motyl's *Dilemmas of Independence: Ukraine After Totalitarianism*.¹ Motyl argues that perhaps the most urgent task facing the new state is that of forging a national identity.

Moreover, in Ukraine, as elsewhere in the former Soviet Union, non-Russian Communist officials embraced the cause of na-

tionalism b
lapse of con
power. The
Kravchuk,
the Soviet C
many years
Ukraine, w
out any sign
Communist
similar tacti
They, too, e
to preserve t
they had ob

Commun
came late to
During the
supported B
made possib
cow. They w
unwilling be
old order. Th
international
Leninists, the

Independ
because powe
had worked f
eth century,
the internatio
cal organizati
nity decreed t
divided into
nist leaders, s
viet shell, pro
be nation-state

The dissol
separate states
wreck. The gr
like a huge oc
and sank. The
republics—scr
lifeboats know
ceptacles were
gers themsel
them by the ir
the sturdiness
it remains to b
afloat.

environmental

ed the role in
assumed for
Europe: they
where resis-
ost fully devel-
seize the

force of nation-
e five predomi-
entral Asia it
ere were no
y no inde-
kind that

e Caucasus, Ar-
d against each
scow) over the
a largely Ar-
rders of Azer-
g by police of
capital city of
d as a rallying
authorities.

Karatnycky's
is the largest
n-Russian
ussia's interna-
uries during
Russia was a
rainian inde-
urasian nation-
er, Duik and
e of nationalist

in its predomi-
e base of the
out Ukrainian
developed as
from the first
ent Ukraine,
of *Independ-*
ism.' Motyl
urgent task fac-
ing a na-

lsewhere in
Russian Com-
cause of na-

tionalism because it seemed, with the col-
lapse of communism, the only way to retain
power. The Ukrainian president, Leonid
Kravchuk, was until 1991 a loyal servant of
the Soviet Communist party. He spent
many years as chief of propaganda in
Ukraine, with responsibility for stamping
out any signs of Ukrainian nationalism. The
Communist leaders of Central Asia adopted
similar tactics, and for the same reason.
They, too, embraced independence in order
to preserve the power and the privileges that
they had obtained under Soviet socialism.

Communist officials outside Russia
came late to the cause of national liberation.
During the August 1991 coup attempt few
supported Boris Yeltsin, whose victory
made possible their separation from Mos-
cow. They were the unintended and initially
unwilling beneficiaries of the defeat of the
old order. They were also the beneficiaries of
international norms that, as good Marxist-
Leninists, they had never accepted.

Independence was there to be seized not
because powerful nationalist movements
had worked for it but because, in the twenti-
eth century, the nation-state had become
the internationally recognized form of politi-
cal organization. The international commu-
nity decreed that the world should be
divided into nation-states; so the Commu-
nist leaders, stripped of their protective So-
viet shell, proclaimed what they governed to
be nation-states.

The dissolution of the Soviet Union into
separate states may be compared to a ship-
wreck. The great multinational state was
like a huge ocean liner that struck a rock
and sank. The passengers—its constituent
republics—scrambled for safety in political
lifeboats known as sovereign states. These re-
ceptacles were not fashioned by the passen-
gers themselves but rather were provided for
them by the international community. But
the sturdiness of these lifeboats is in doubt;
it remains to be seen how long they stay
afloat.

The most powerful and internationally
important of the nations of the Soviet em-
pire was the Russian one. The emergence of
an independent Russian state, the smallest
in well over a century and the least multina-
tional—although still harboring many non-
Russians and still by territory the largest
country in the world—is the most signifi-
cant consequence of the collapse of the So-
viet Union. Russian nationalism itself has a
curious history. Russia was the dominant na-
tion in the Soviet Union; yet Russians felt
themselves deprived, the victims of discrimi-
nation. They did not, for example, have the
republic-wide institutions that the other re-
publics did; there was no Russian academy
of sciences, although the all-union academy
was dominated by Russians.

The Communists were ambivalent to-
ward Russian nationalism. On the one hand,
it loomed as a threat, an alternative to Marx-
ism-Leninism as a focus for popular loyalty.
On the other, associating the party with
Russian patriotism offered a way to increase
the popularity of the Communist enterprise.
Stalin found this tactic particularly useful
during World War II.

Perhaps the most curious feature of Rus-
sian nationalism is that before 1992 it never
really had a non-imperial phase. There was
never a clearly defined border within which
the Russian nation was at home. Histori-
cally, Russian identity was bound up with
expansion, with rule over others, with em-
pire. Other European nations acquired impe-
rial vocations, of course, but almost always
after a period of national consolidation. Rus-
sians skipped this stage; or rather, they
came to it only at the end of 1991.

John Dunlop's excellent book, *The Rise
of Russia and the Fall of the Soviet Empire*, de-
scribes both the end of the Soviet Union and
the concomitant rise of the two principal
forces in Russian politics that are contend-
ing for power in the new Russian state. Each
has laid claim to the mantle of nationalism;
but neither is conventionally nationalist. In
addition to providing the most detailed

Russian liberals, led by Boris Yeltsin, were the winners in the revolutionary struggle. It was they who came to power in Moscow. The liberals were in some ways the natural adversaries of empire. The Communist system they fought was inextricably bound up with the union. The main Communist institutions—the party, the army, the KGB—were organized on an all-union basis. And Russians were unlikely ever to enjoy self-government for themselves as long as their state aspired to govern others who, if left to determine their own futures, would choose to escape from Russian rule. Empire and democracy do not coexist easily over the long term.

As accidental a development as the order in which elections were held in the Soviet Union influenced what subsequently happened. The first partly free elections were held in 1989 for the all-union legislature, the Congress of People's Deputies. The next year elections were conducted for the republican parliaments. These were freer still. In Russia the liberals, the beneficiaries of the deep public resentment of the Communist party, did well. They gained a strong position in the Russian parliament, which be-

Yeltsin was comfortable with the idea of the Soviet Union that he was prepared to sign a new union treaty when the coup was launched. True, the treaty would have given the union republics far more power, and Moscow far less, than under the existing dispensation. The coup-plotters tried to seize power in part to forestall the treaty because their power was based on all-union institutions. Still, the new treaty would have preserved the union. Moreover, Yeltsin was one of the founders of the Commonwealth of Independent States, an association of former Soviet republics that he seems to have believed would become a more coherent body than it has in fact turned out to be. The forces whose champion Yeltsin became were above all anticommunist, and to a lesser extent liberal. They were not conventionally nationalist.

The Russian liberals' reactionary opponents also appeal to nostalgia for empire. The appeal has some resonance. Russians have always been part of a multinational empire. Many who live in the new Russia are ethnically only partly Russian; they thus

The chief Western ally during the Cold War in the United States. The book compares the one by Michael Strobe Talbott chronicling the two global rivals in the 1990s, which turned out

which to oppose
ment became the
Communist re-
of convenience
conviction.

enough with
n that he was pre-
treaty when the
the treaty would
policies far more
s, than under the
coup-plotters
to forestall the
was based on all-

the new treaty
union. Moreover,
iders of the Com-
States, an associa-
policies that he seems
come a more co-
fact turned out to
pion Yeltsin be-
mmunist, and to
y were not conven-

le themselves "pa-
amalgam. In their
remnants of the
what they can of
"—out-and-out
They do not ap-
ventionally de-

ent. They promise
al change and eco-
y will restore or-
ual nostalgia for
Russia of simple
unspoiled villages.
ot only pre-Com-
strial Russia,
pastoral England

reactionary oppo-
gia for empire.
ance. Russians
multinational em-
new Russia are
sian; they thus

face a problem of potentially divided loyalties that did not arise in the old Soviet Union. All have friends, relatives, and fellow nationals among the twenty-five million Russians living in places that were only yesterday part of a Russian-dominated union and are now foreign countries. So the political struggle in postrevolutionary Russia is a battle between liberals and reactionaries to define Russian nationalism in a way that appropriates the term for their particular political preferences. That struggle has just begun; its outcome is not at all certain.

The Right Mistakes

The disintegration of the Soviet Union is to be understood not only as the consummation of a revolution and the collapse of a great multinational empire but also as the conclusion of a war.

It was an unusually decisive conclusion. The Soviet Union was not merely defeated by the West, it was destroyed. But there was no formal acknowledgement of defeat, no equivalent for the Cold War of the Japanese surrender to the United States on the battleship *Missouri* in Tokyo Bay that ended World War II. Moreover, the Soviet Union was not destroyed by those who defeated it; nor was the defeat anticipated, or indeed even at first welcomed, by the victors.

The world of business supplies a more appropriate metaphor for the strange death of the Cold War than does the history of warfare. It was as if, after decades of fierce competition between two firms, one began to falter and the other attempted to prop it up—calculating that a familiar environment was preferable to an uncertain one, or at least that a sudden collapse would be dangerous. But the effort at rescue failed.

The chief Western rival of the Soviet Union during the Cold War was, of course, the United States. The book by Don Oberdorfer and the one by Michael Beschloss and Strobe Talbott chronicle relations between the two global rivals during the Gorbachev era, which turned out to be the final chapter

of Soviet history. That era divides into two parts. The first, from 1985 to 1989, was the period in which Gorbachev tried to reshape the Soviet system according to his reformist, but still Communist, designs. From 1989 until the end in 1991 events escaped his control. He tried, and failed, to keep up with them. Gorbachev dealt with two American presidents. As it happened, each was his chief interlocutor during one of the two periods.

Ronald Reagan and George Bush had strikingly different political temperaments. Reagan, the subject of most of *The Turn: From the Cold War to a New Era*, was a radical and a romantic, a politician who operated by instinct. He launched bold initiatives—large tax cuts without concomitant reductions in government expenditure, a Strategic Defense Initiative to provide the United States with a leakproof defense against nuclear attack—simply because in his heart he believed in them.

George Bush, whose policies toward the Soviet Union Beschloss and Talbott record in *At the Highest Levels*, was by contrast cautious and conservative. Reagan declared the Soviet Union "a sad bizarre chapter in human history whose last pages even now are being written" in 1983, well before Gorbachev had even assumed power. It was the kind of thing Bush could not bring himself to say even when the last pages manifestly were being written, even after they had been written and the book, in effect, published.

Thus Reagan might seem to have been better suited to the second, more radical phase of Gorbachev's term and Bush to the first. Yet the opposite sequence, which is what occurred, turned out to be a fortunate one. Reagan was quick to embrace Gorbachev as a Soviet leader, and did so before his fellow conservatives were prepared to follow; this encouraged Gorbachev's opening to the West. With several notable exceptions, Bush remained passive as communism collapsed. Not wanting to do anything that might interrupt the process, he did very lit-

tle, which proved, in the end, a sensible approach. Bush's contribution to the revolution in the Soviet Union—and it was an important contribution—was to do nothing to stop it.

Reagan and Gorbachev established a deeper, farther-reaching version of the détente of the 1970s. The Soviet leader made concessions unthinkable under his predecessors in each of the three main categories of the Soviet-American relationship. In arms control, the main arena of negotiations during the second half of the Cold War, he and Reagan concluded an accord on Intermediate Range Nuclear Forces (INF) in 1988 that eliminated several thousand missiles from Europe and involved more intrusive methods to verify their removal than the Soviet side had ever before been willing to permit.

The second category of Soviet-American relations concerned "regional conflicts." These were small wars in Asia, Africa, and the Caribbean in which the two great nuclear powers armed, trained, and supplied warring parties. For the United States the most objectionable of these was in Afghanistan, a conflict triggered by a cross-border Soviet invasion. In early 1989 Gorbachev withdrew the last Soviet soldier from Afghanistan.

Since the 1970s the United States had belabored the Soviet government for its failure to respect human rights—the third principal item on the Soviet-American agenda. The best publicized cases of human rights violations were Soviet Jews denied permission to emigrate to Israel. By the time Ronald Reagan left office most of these "refuseniks" had been permitted to leave the country.

During Bush's term of office the Soviet-American agenda was transformed. With the radicalization of events in the Soviet Union, domestic discord mounted. Gorbachev was buffeted by simultaneous and conflicting demands—for faster and more profound change and for an end to the dangerous

experimentation with Marxist-Leninist orthodoxies. Internal affairs increasingly preoccupied him and his foreign minister Eduard Shevardnadze, who began to share his preoccupations with his chief American interlocutor, Secretary of State James Baker.

In the inner councils of the Bush administration the focus of policy toward the Soviet Union shifted. The Bush-Gorbachev summit meeting in Malta in December 1989, was a turning point. The American side brought to the meeting not, as at similar encounters over the previous four decades, a list of grievances, but rather a series of measures designed to bolster Gorbachev's efforts to change the Soviet Union.

This was the moment when the most important bilateral relationship of the second half of the twentieth century crossed over, to use a cliché that for once is entirely appropriate, from conflict to cooperation. Thereafter the two leaders forged something like what Gorbachev was seeking: a partnership that made them, among other things, military allies in 1990 and 1991 in a war against a former Soviet client, Saddam Hussein of Iraq.

Bush never really abandoned his efforts to help his friend Mikhail Gorbachev, even when Gorbachev's commitment to liberal change seemed to flag, even when Boris Yeltsin emerged as a political figure equally formidable and more committed to genuine political democracy and market economics. This was not because Bush lacked pertinent information about the drift of events in the Soviet Union. One of the many virtues of Beschloss and Talbott's book is that it presents to the reader the able officials at the second tier of the Bush administration who were responsible for the details of Soviet policy: Dennis Ross of the State Department and Robert Blackwill, David Gompert, Condoleezza Rice, and the late Ed Hewett of the National Security Council. The authors also gained unprecedented access to the corps of Soviet analysts at the Central Intelligence Agency, in particular Fritz Ermarth, George Kolt, and Grey Hodnett, whose collective re-

cord in predicting from impressions the rise of Yeltsin. They said that and, soon after, that it would.

It was Bush's realism and serenity that derpinned him in Gorbachev's retrospect. He committed the Soviet Union to a case to be made.

The force of the coup and the failure owed much to Mikhail Gorbachev, born under the old regime in strength to democratic principles. He could have waited until August 1991, when associates were embarked on a back. His independence movement in January 1991, was killed by Soviet forces in Riga. Bush went into a full-scale operation at the time that the operation succeeded. Gorbachev remained.

There was a fortune in this. It was one. And that reversal had presided over the basis for his and not insight into Gorbachev's fortune. A conservative concern.

His popularity even as the revolution (This was, at the time, getting what it was. The people could not see it.)

xist-Leninist
s increasingly pre-
gn minister
o began to share
s chief American
state James Baker.
f the Bush admini-
toward the Soviet
Gorbachev sum-
December 1989,
American side
t, as at similar en-
four decades, a
er a series of meas-
orbachev's efforts
n.
when the most im-
ip of the second
ary crossed over, to
s entirely appropri-
ration. Thereafter
nothing like what
partnership that
things, military al-
a war against a for-
Hussein of Iraq.
ndoned his efforts
Gorbachev, even
tment to liberal
en when Boris
tical figure equally
mitted to genuine
arket economics.
n lacked pertinent
ft of events in the
many virtues of
ook is that it pre-
e officials at the
ministration who
etails of Soviet pol-
ate Department
vid Gompert, Con-
e Ed Hewett of the
l. The authors also
ess to the corps of
tral Intelligence
z Ermarth, George
whose collective re-

cord in predicting the Soviet future ranged from impressive to uncanny. They foresaw the rise of Yeltsin and the fall of Gorbachev. They said that a coup attempt was likely and, soon after it was launched, concluded that it would fail.

It was Bush's temperamental conservatism and sense of personal loyalty that underpinned his apparently unshakable faith in Gorbachev. He seemed at the time, and in retrospect, to have remained too strongly committed to the last Communist leader of the Soviet Union for too long. Yet there is a case to be made for Bush's persistence.

The forces of liberalism that resisted the coup and took power in Moscow after its failure owed their existence, indirectly, to Mikhail Sergeyevitch Gorbachev. They were born under the auspices of *glasnost* and grew in strength through the opportunities for democratic politics that he established. He could have suppressed them at any time until August 1991. Many of his Communist associates urged this course on him, and he embarked on it several times, only to draw back. His war of nerves with the Baltic independence movements turned violent in January 1991, when peaceful demonstrators were killed by Soviet security forces in Vilnius and Riga. But these episodes did not turn into a full-scale Thermidor, despite fears at the time that this would occur. The revolution succeeded, communism fell, because Gorbachev refused to shoot.

There were, no doubt, several reasons for this fortunate reluctance. Personal decency was one. Another was his understanding that reversing the changes over which he had presided would sweep away the political basis for his own leadership. But a third, and not insignificant, reason for Gorbachev's forbearance was his almost obsessive concern with his standing in the West.

His popularity abroad remained high even as the mood in his own country soured. (This was, after all, logical. The West was getting what it wanted: Soviet concessions. The people of the Soviet Union were not get-

ting what Gorbachev had promised them: socialist prosperity.) He placed particular value on his camaraderie with Western leaders, especially the most powerful of them—the president of the United States. Lacking legitimacy at home, he seems to have sought it in the esteem of those he regarded as his peers.

Gorbachev was loath to do anything that would jeopardize the relationships he valued. He knew that with the use of force on a large scale he would forfeit them. Soviet-American communication during the Bush administration became an exercise in mutual reassurance: from Gorbachev that he remained committed to the course that both sides called reform; from Bush that this course continued to enjoy his support.

The policies that Bush was endorsing did not, Beschloss and Talbott make clear, include the dissolution of the Union of Soviet Socialist Republics. But Bush's commitment to the continued existence of the union reinforced Gorbachev's desire to please his friend in the White House. The American president therefore facilitated the collapse of the Soviet Union precisely because he did not believe in it. As for Gorbachev, in the end he lost his empire but kept the good opinion of his former adversaries. This was an historically noteworthy—even noble—bargain, regardless of whether Gorbachev ever intended to make it.

In April 1990, Bush revealed the rationale for his approach to the Soviet leader. He wanted, he said, to see

progress in the Soviet Union go forward without having some elements that are opposing Gorbachev on all of this crack down and set the clock back to a day that we all remember of a Cold War mentality and confrontation. . . . I love the old expression of Yogi Berra's. You say, "What happened to the Mets, Yogi?" He said, "Well, we made the wrong mistakes." I expect in this job I'll make plenty of mistakes, but I don't want to make the wrong mistakes.

ts. Coit D. Blacker
 "new thinking" on se-
 of which was the
 nuclear age security
 side able to gain a
 ge over the other,
 ente and ulti-
 cooperation, was it-
 's economic crisis.
 rivalry was deeply
 Gorbachev came to
 Blacker, that he
 t military competi-
 central goal was to
 z. Gorbachev thus
 War had become
 et Union.

as due to the poli-
 administrations—
 ldup of the early
 n—and to what ex-
 re general policies
 nent pursued con-
 residencies, from
 ject for historians
 te, as well, another
 , because they are
 s of the Cold War
 : Soviet-American
 not address: to
 me of the Cold
 Western policies at
 : consequence of
 munist societies
 harmonious asso-
 states?

outed more to the
 what we did or

the great conflict
 twentieth century
 upable. In the age
 he two rivals pos-
 to annihilate
 r, a conventional
 as not in the
 a position to con-
 -merican version

of the scene in Tokyo Bay in 1945 could
 never have happened. Odd though it was by
 historical standards, the Cold War's ending
 —with the Soviet Union, in effect, expiring
 in the embrace of the United States —was
 the only one possible.

On Their Own

Asked to assess the French Revolution, Mao
 Zedong is said to have replied: too soon to
 tell. It is surely too soon after the fall of com-
 munism to give anything like a full assess-
 ment of the consequences of the manner in
 which it collapsed for the future of the coun-
 tries that have emerged from the wreckage.
 As is always the case, the past will affect the
 present far into the future. But it is already
 apparent that the oddness of the way com-
 munism ended, the differences between
 what happened and the familiar patterns of
 international history, impose some burdens
 on the people of the former Soviet Union as
 they struggle to build modern societies.

The lack of revolutionary fervor that
 marked the anticommunist revolution has
 mercifully spared the former Soviet Union
 the kind of murderous ideology that the Bol-
 sheviks brought to the task of governing
 what they conquered. But it has also meant
 that those who unexpectedly inherited
 power were not fully prepared to exercise it.
 Boris Yeltsin has lacked a large, committed
 constituency for the arduous work of estab-
 lishing democracy and free markets that he
 has begun.

Similarly, the fact that the successor
 states to the Soviet Union were not created
 by determined, cohesive national move-
 ments means that they have weak identities.
 The sense of Kazakh, or Ukrainian, or Rus-
 sian citizenship is not particularly strong,
 which makes their governments shaky and
 prone to demagogic appeals and authoritar-
 ian methods of governance.

Finally, because the Cold War ended
 peacefully rather than in a bloodletting, the
 West has felt itself to have only a minor
 stake in the future of the former Soviet Un-
 ion. Had the costs of victory been steeper,
 the Americans, the western Europeans, and
 the Japanese might have been willing to in-
 vest more in the countries they defeated in
 order to forestall the rise of political forces
 that would renew the conflict.

All this means that the political and eco-
 nomic structures that have succeeded com-
 munism are fragile, and the fate of what was
 once the Soviet Union is unclear. Two
 things, however, do seem certain. One is
 that what happened is irreversible. As a
 blueprint for the life of Russia or any other
 European country, Marxism-Leninism is
 dead. A journalist for an economic news-
 paper told David Remnick: "I don't cover
 communism or any other religions in these
 pages. That's not my business."

The other certainty is that the people
 of Russia will henceforth determine their
 own future. In the absence of any successor
 ideology, with the collapse of imperial rule,
 with the disinterest of the West and of the
 rest of the world, for the first time in a thou-
 sand years, for better or worse, they are on
 their own. ●

Notes

¹ Published in English as *Journey for Our Time: The Russian Journals of the Marquis de Custine* (Washington, DC: Regnery Gateway, 1987).

² Hedrick Smith, *The Russians* (New York: New York Times Book Co., 1976); Robert G. Kaiser, *Russia: The People and the Power* (New York: Athenaeum, 1976).

³ New York: Boni and Liveright, 1919.

⁴ New York: The Council on Foreign Relations Press, 1993.

⁵ Beschloss and Talbott, p. 205.

⁶ New York: Council on Foreign Relations Press, 1993.



Africa Today



Presenting Africa's concerns and achievements to North America and the world since 1954

With a special emphasis on Human Rights in each issue through the **Africa Rights Monitor (A.R.M.)**

Editor Jendayi Frazer

published by Africa Today Associates in cooperation with the Graduate School of International Studies at the University of Denver

SUBSCRIBE NOW!

Begin or renew your subscription now.

Four issues per year

Back issues available - write for list

Subscription Rates: Individuals

1 year \$18.00

2 years \$32.00

3 years \$44.00

Student 1 year \$15.00

Institutions

\$ 48.00

\$ 80.00

\$110.00

Subscribers outside the U.S.A. add: \$2.00 per year for surface mail.
\$10.00 per year for air mail.

AFRICA TODAY

GSIS, University of Denver, Denver, Colorado 80208 U.S.A.

Please ☐ enter ☐ renew my subscription to AFRICA TODAY for 1 yr. 2 yrs. 3 yrs.

At the institutional _____, individual _____, student _____ rate.

(If student, where enrolled _____ remaining years of study _____)

My payment is enclosed _____ Please bill me _____

Name _____

Address _____

City _____ State _____ Zip _____

Country _____

Payment must be in U.S. Dollars

Bard Journal of Social Sciences

Vol. II, No. 3-4

November-December 1993

LAURIE CURRY

U.S. Involvement in Yugoslavia During
World War Two and Tito's Rise to Power

JAY OTTAWAY

The Troubles of Germany
The Changing Political Landscape of a United Germany

ROBERT W. TUCKER

The Future of the Transatlantic Relationship

WILSONIANISM RESURGENT?

Interview with Michael Mandelbaum

RUSSIA'S COMMITMENT TO DEMOCRACY

Interview with Gennady Shkliarevsky

JOHN MORTON BLUM

FDR and the Wilsonian Heritage

ALEX JOHN LONDON

Private Intentions in a Public World

Guilt in Hegel's Phenomenology

ANDRE MELE

Killing me Softly: Oil in the Water

THE PRESIDENT HAS SEEN
1.24.94

By

Wilsonianism Resurgent?

Interview with Professor Michael Mandelbaum

On the last weekend of October, 1993 a Conference was held at Bard College under the title Wilsonianism Resurgent: The Democratizing Mission in the National Interest. As conceived by Professor James Chace of Bard College, scholars from several U.S. universities and think tanks, representing a wide range of foreign policy-related disciplines, debated the central question: What direction should American Foreign Policy take now, that the Soviet Union and the system of Communist satellite states collapsed? Reflecting on the ideological heritage of Woodrow Wilson, an American President who was present at the birth of another era in world politics at the time of the First World War, the participants discussed the challenges of the present. Bard Journal of Social Sciences Editor, Zoltan Bruckner asked Professor Michael Mandelbaum of Johns Hopkins University about some of the practical aspects of the Wilsonian heritage.

Bard Journal of Social Sciences: My first question is related to the Conference. Many people see the end of the Cold War as the recurrence of the 19th century world of the classical balance of power game in Europe as well as on the global level. There seems to be increasing skepticism about the United Nations and other multilateral institutions. NATO without a clear purpose, is experiencing an "existential crisis." Nevertheless there are more cooperative-regulatory institutions in the world than ever in history -- Wilsonianism, according to one definition seems to go against the politics of independent actors with a strong emphasis on international cooperation as well as American leadership. Some people are afraid of isolationist tendencies and some are worried about the recurrence of the idea of America as a crusader. Do you see a trend in American foreign policy to reaffirm the Wilsonian heritage?

Michael Mandelbaum: The reason that Woodrow Wilson and his thought are popular again is that we now find ourselves in a situation similar to the one Wilson confronted at the end of his presidency. We have come to the end of the third great global conflict of the twentieth century. As after the first two, there is a natural and powerful impulse to find a way to organize the world to make it more stable, more peaceful and more just than it was in the preceding period. Wilson addressed himself to

this question. He was the first American to do it. He was the most articulate. He was the most visionary, if he was not always precise. Therefore, those who think about what the post-Cold War world will be like and how it might be organized naturally look back to Wilson, to see what he has to say and to try to decide which of his ideas are relevant, which are irrelevant, which were right and which were wrong.

BJSS: Do you think that his ideas are going to be prevail and help restructure international organizations or realpolitik will eventually hold sway in the future?

MM: There is an important parallel between the present moment and Wilson's time because Wilson was a great believer in a strong international organization, the League of Nations; and, at the outset of the post-Cold War era, great faith has been invested in the successor organization to the League of Nations, the United Nations. Wilson, in retrospect, harbored unrealistic expectations about what the League of Nations could be counted on to do. In fact, it did very little in the inter-war period and it is not at all clear that it would have been that much more effective had the United States joined. In the post-Cold War era, similarly, we have experienced a disappointment with the United Nations, which

was born of somewhat unrealistic expectations. The United Nations is an association of sovereign states, but it does not have the attributes of sovereignty itself. The United Nations can pass resolutions indicating desirable outcomes all over the world, but it cannot enforce those resolutions, except on a very modest scale because enforcement generally requires the resources that only sovereign states have.

Wilson and Wilsonians discovered that the mere existence of the League of Nations was not in itself enough to keep the peace, after World War I. What we have discovered, thus far, in the post-Cold War era about the United Nations is its very considerable dependence on the United States. The United Nations cannot do more than we want it to do and that we are willing to do under its auspices. We are still sorting out the question of what we are willing to do, with and without the U.N.

BJSS: Does this mean that the fate of the United Nations, in its present form, is now sealed?

MM: There is, I think, no immediate prospect of the United Nations becoming the core of an effective, functioning world government. There is going to be no supra-national authority to enforce order throughout the international system. There will be no international police force. There will be no international legislature with the power to issue decrees that the whole world will obey. The United Nations can be a useful adjunct to the efforts of the principal powers in the international system to make the world more orderly and more just. Just how useful an adjunct the United Nations can be remains to be seen. We are just at the beginning of the post-Cold War era and we don't know how much the United Nations can do. What we do know is that it cannot do all that some of us would like it to do.

BJSS: The North Atlantic alliance has had a markedly different function from the United Nations in the past. According to one argument, in the transformed power structure of post-Cold War Europe, NATO could become the new structure for cooperative security with a possible extension to Central and Eastern Europe, and maybe even Russia. What do you think of this?

MM: Thus far, the Russian government has been lukewarm to the idea of extending NATO to

Central Europe because Mr. Yeltsin and his advisers feel that this would put them on the defensive in their contest with their political adversaries. So I think that formal extension of NATO is not going to happen in the foreseeable future. Nonetheless, I think three things can be said.

First, NATO will try to find ways to multiply its ties with -- in particular -- the three Central European countries: Poland, Hungary and the Czech Republic. This will not involve formal association but it will probably involve a number of informal channels.

Second, NATO, that is the Western alliance, needs to adopt some approach to the former Soviet Union, and in particular to Russia and Ukraine. It needs to find a way to conduct a security dialogue with these countries and to bring them into a larger security system. Unfortunately, no one knows quite how to do that at this point.

The third thing that can be said with certainty is that with the collapse of the Soviet Union and the as the *purpose* for which NATO was founded has ceased to exist, if no new purpose is found the organization is likely to eventually wither.

BJSS: In the same vein, do you think that the United States is going to remain a significant player in European politics after the Cold War?

MM: I think that the American role in Europe is uncertain. European governments want the United States to remain in Europe as a stabilizing force; similarly, the governments of East Asia want the United States to remain there because an American military presence creates confidence that there will be no strategic vacuum that their neighbors would be tempted to fill. As long as the United States patrols the Western Pacific, it is unlikely that Japan will become overly concerned about China and that China will become overly concerned about Japan. Therefore, neither will feel the need for sudden dramatic increases in their military forces.

The same is true in Europe. So the United States continues to play a useful security role in East Asia and in Europe despite the fact that the adversary that drew it to these regions, the Soviet Union, no longer exists. But in the absence of the Soviet Union it is, I think, uncertain whether the American public will continue to support

American military deployments in these regions over the long term. I personally hope that the United States remains a military presence overseas in some form as long as other countries desire this, but I don't believe we can be certain that the American public will agree.

BJSS: Is this clearly a question of public opinion? Is it not in the power and responsibility of the administration to articulate and, by doing so, form and shape the "national interest"?

MM: All policy, all public policy in the United States depends ultimately on the sanction of public opinion. If the public does not support an American presence in Europe and East Asia, then there will be no American presence in Europe and East Asia. But public opinion, especially on foreign policy, is traditionally responsive to the cues and the arguments of American leaders, in particular, the American president. So, this president and his successors will have the opportunity to shape public opinion or, -- to put in more positive, and more accurate terms -- the president has the opportunity to lead

BJSS: In the present war of Bosnia-Herzegovina, many have argued that a combination of weak American leadership with regard to the Europeans as well as on the home front has brought about the international inaction. Do you agree with this?

MM: Let's remember that at the outset of the disintegration of the former Yugoslavia, the Europeans told the Bush Administration, that they would take charge. They said that this was their terrain, their turf and their issue. The absence of American leadership in the first instance was something that the Western Europeans wanted.

It now seems clear that without American leadership it is difficult for the Western Europeans to act in a concerted manner where military issues are concerned; but by the time this became apparent, the disintegration of Yugoslavia had gone too far. The violence had spread so far that intervention to put an end to the war would have required considerable resources.

Two American presidents have been unwilling to commit those resources because both of them, in the end, calculated that the price was too high to pay. The American public would balk at dispatching large numbers of troops, with a

vague mission, for indefinite duration, to a part of the world that is unfamiliar to Americans, and not obviously important to the United States. This applies especially in the absence of a clear and present danger as of the kind posed by the Soviet Union during the Cold War. It did not help much either that the Western Europeans themselves were reluctant to commit themselves militarily on a large scale. This, of course, turns out to be a chicken-egg problem: the Europeans won't move without the United States, but it would be difficult for any American president to argue in favor of large-scale deployments to the Balkans because Americans and their elected representatives would say, "Why should we spend our blood and treasure in that part of the world when our Western European allies, who are much closer and much more directly affected, are not willing to do the same?"

BJSS: A number of recent publications, notably one by the Cato Institute, are warning of the danger of the United States looking for new entanglements, new challenges in the post-Cold War world. Missions to Somalia or potential military deployments to Haiti or Bosnia are treated with utmost skepticism claiming that the United States is searching for new enemies. Others, as for instance Samuel Huntington in *Foreign Affairs* [Spring 1993], argue that some points of fracture, based on inherent differences in culture and religion will inevitably arise. Which one, do you think is closer to the truth?

MM: Well, first, I don't think the United States is looking for adversaries. I think that the disposition of the American public is to avoid conflict wherever possible. This is a country that does not feel an imperial vocation. There is a greater demand in other countries for an American presence abroad than there is in the United States.

Secondly, as to the main cleavages in international politics in the future, that we simply don't know. I am a bit skeptical that the great conflict between Islam and Christendom of the early modern period will be recreated. As for the clash of civilizations in general, I'm not sure about that either. But I think that the debate on the subject testifies to the uncertainty, the fluidity and the confusion that dominate international affairs and thinking about international affairs in the wake of the Cold War.

The PLO Needs to Change Its Ways

By Michael Mandelbaum

THERE ARE only three issues blocking the implementation of the first steps of the Sept. 13 Israel-PLO agreement — the size of Jericho, where autonomy is scheduled to begin, the protection of Jewish settlers in the Gaza Strip, and the control of border crossings between the West Bank and Jordan and between Gaza and Egypt. All three are likely to be resolved in several weeks. After that, as extensive conversations with Palestinians and Israelis in the region earlier this month made clear, the future of Israeli-Palestinian relations will depend on three different issues.

The first, which is political, will determine whether there will be autonomy not only in Gaza and Jericho but also ultimately in all the territories Israel won in 1967. The second, a military matter, will decide whether autonomy will prove to be the basis for a permanent settlement of the Israeli-Palestinian conflict. The third, an economic issue, will shape the government the Palestinians will build for themselves.

Each will be decided in 1994. And each requires that the Palestinians and their leaders discard the habits and policies of decades.

The political issue concerns the personality and leadership style of Yasser Arafat. The Palestine Liberation Organization chairman has the task of organizing a civil government with responsibility for public health, education, welfare, tourism and taxation, as well as the management of a local police force, first in Gaza and Jericho, then throughout the West Bank.

By all accounts — Israeli and Palestinian alike — he is doing badly. As the leader of a guerrilla organization far from the territory it aspired to rule and dependent on political and financial support from

others, Arafat acted in an autocratic and secretive manner. Now, he must learn to share information and power in order to build an administration that merges PLO cadres that have spent their working lives far from the West Bank and Gaza with people who live there.

Arafat is accustomed to keeping all options open until the last moment. Now, he must act decisively. Since Sept. 13, Palestinian and Israeli negotiators have agreed on a variety of issues only to have Arafat refuse to ratify — or to change — what they have decided. His chronic indecision is partly responsible for the delay in implementing the accord.

The PLO chairman is adept at playing off one faction of his organization against another to preserve his own power. He has, for instance, promised important positions in Gaza and Jericho to several different people, then refused to decide among them. This is not a blueprint for an effective administration.

Unless Arafat can change his ways — or the people in the West Bank and Gaza can work around him — the autonomy envisioned in the Sept. 13 Declaration of Principles will not take root.

If autonomy is established, the Palestinians must demonstrate that self-rule for them is compatible with personal security for Israelis.

Palestinian police will have to clamp down on terrorist attacks on Israelis. The moment the recent accord was signed, Palestinian groups dedicated to sabotaging it — because they reject coexistence with Israel — started a campaign marked by attacks on both Palestinians and Israelis. They can be expected to try to continue their killing. If they succeed, the Israeli public will demand, and get, an end to the movement toward Palestinian independence that the new declaration set in motion.

To stop the terror will require a reversal of one of the fundamental tenets of Palestinian politics. Arafat, his associates and the Palestinians in the terri-



Newsday / Gary Viskupic

against

tories won by Israel in 1967 have battled against Israel's army and security services. Now they will have to cooperate with both groups — radicals within the PLO and Islamic fundamentalists — with which they were previously allied.

The Palestinians want a state of their own. If they can satisfy the Israelis on the issue of security, they have a chance to get one. It will certainly have no military forces. Beyond that, the kind of state it will be will depend in large part on economic policies that are being established now.

Arafat wants to follow the pattern he established over three decades: channeling resources from other countries to buy loyalty. This strategy

— Continued on Next Page



Michael Mandelbaum is director of the Project on East-West Relations at the Council on Foreign Relations and a professor at Johns Hopkins University's School of Advanced International Studies.

To Succeed, the PLO Needs to Change Its Ways

— Continued from Preceding Page

has a short-term logic: He needs to win the kind of support that money can buy in the West Bank and Gaza from those skeptical of the Sept. 13 agreement. But it also has a long-term economic cost. It would lead to a top-heavy bureaucracy, expensive and unproductive networks of patronage and low economic growth.

Israel, the United States and the western Europeans, all of which have pledged to assist the Palestinians, are insisting that their contributions be used differently — to build the roads, schools and power plants that can serve as the foundation for long-term prosperity. Many Palestinians with successful business experience in the Mideast, Europe and North America are sending Arafat the same message.

To follow their advice, the PLO would have to break not only with its own deeply ingrained habit of three decades but also with the pattern that predominates throughout the Arab world — where rulers use funds obtained either from other countries or from the sale of oil to cement their own rule rather than investing in the building blocks of a well-functioning economy.

The next year will reveal whether Arafat and his

colleagues can make the decisions that can lead to stable coexistence with Israel. Whether they can establish effective structures for interim self-government, manage them so as to give Israelis confidence that the Palestinians can be trusted with full-scale independence and organize their economic affairs in a way that makes prosperity possi-

ble all remain unclear.

The delay in putting into practice September's Declaration of Principles does not mean that the Palestinians are doomed to fail. But neither do the abundant good will and determination to see the agreement through ensure that they will succeed.

NEWSDAY, WEDNESDAY, DECEMBER 29, 1993

THE WHITE HOUSE
WASHINGTON

94 JAN 24 P4:42

*sent -
pat*

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: THE HONORABLE LLOYD BENTSEN

Fax Number: (202)622-0073 **Phone Number:** (202)622-2000

FROM: JOHN PODESTA

SUBJECT:

DATE: JANUARY 24, 1994

NUMBER OF PAGES (including cover sheet): THREE (3)

MESSAGE:

If all pages are not received, please call 202/456-2702

The document accompanying this facsimile transmittal sheet is intended only for the use of the individual or entity to whom it is addressed. This message contains information which may be privileged, confidential or exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any disclosure, dissemination, copying or distribution, or the taking of any action in reliance on the contents of this communication is strictly prohibited.

LYNN GALLAGHER,
MINORITY CONSULTANT

The Honorable Bill Clinton
January 7, 1994
Page 2

!! I believe if the U.S. does not radically change its approach to development in rural areas, we will see a backlash far greater than anything we experienced last month. It is critical that technical assistance focus significant attention on establishing a climate and institutional infrastructure necessary for the creation and development of a successful operating market. We do not have the time or the capital to "remake" the Former Soviet Union into a model of the U.S. Western aid organizations need to increase their focus on programs aimed at increasing the economic opportunities of the rural and urban populations currently being left behind by the reform process.

* { It is not enough to privatize firms and farms in Russia: we must also help Russia create a climate that will allow private entrepreneurs to prosper. This includes training and retraining rural leaders, providing long-term advice on needed public policy changes, and creation of market-oriented institutions. In the last regard, money for assistance to the former Soviet Union will diminish sharply in the coming years. If we do not use today's money to build market oriented institutions, we will find that today's billions spent on assistance left little lasting impression. Among the highest priorities I see are creation of agricultural and rural finance and credit institutions, a Russian system for education of farmers and rural entrepreneurs, and continued assistance to the Russian government on revamping of Soviet-era laws which inhibit the transition to a market economy.

Mr. President, our opportunity to facilitate lasting change in Russia is fleeting. U.S. and Russian companies will only be successful to the degree that the surrounding environment allows them to function. By developing training programs, building the indigenous infrastructure and including rural areas in small-scale investment programs, the United States will lay the groundwork for real reforms in Russia and the Former Soviet Union and provide the average Russian citizen with some tangible hope for the future.

I wish you every success on your trip to Russia.

Sincerely,

Jim

Timothy J. Penny
Chairman

P.S. So Sorry to learn of your mother's death. Our Thoughts and Prayers are with you and your family.

THE WHITE HOUSE
WASHINGTON

94 JAN 24 P4:42

*Sent
pat*

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: THE HONORABLE MIKE ESPY

Fax Number: (202) 720-5437 **Phone Number:** (202) 720-3631

FROM: JOHN PODESTA

SUBJECT:

DATE: JANUARY 24, 1994

NUMBER OF PAGES (including cover sheet): THREE (3)

MESSAGE:

If all pages are not received, please call 202/456-2702

The document accompanying this facsimile transmittal sheet is intended only for the use of the individual or entity to whom it is addressed. This message contains information which may be privileged, confidential or exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any disclosure, dissemination, copying or distribution, or the taking of any action in reliance on the contents of this communication is strictly prohibited.

JANE SHEY,
STAFF DIRECTOR

LYNN GALLAGHER,
MINORITY CONSULTANT

January 7, 1994

Dear Mr. President:

As you prepare for your summit with President Yeltsin, I wanted to share a few ideas with you on the role the United States can play in promoting democracy and privatization in Russia through our agricultural development programs.

I believe the recent elections in Russia were a wake-up call to the U.S. and its allies and should cause us to reconsider some components of our assistance program. It is particularly noteworthy that rural areas, which constitute roughly one quarter of Russia's electorate, apparently largely supported the conservative Communist and Agrarian Parties. With the political changes in Russia during the last couple of years, the U.S. was forced to move quickly into an unknown environment and respond to overwhelming needs. We have seen a progression of assistance which includes airlifting food, providing credits for the purchase of U.S. agricultural commodities, and, following the temporary default on credit payments, assistance through Food for Progress.

In addition, the Agency for International Development (AID) established an office in Moscow and began to promote private sector development. While this is certainly a laudable goal, much of the assistance has been used to hire U.S.-based consultants and fund the development and marketing work of large companies. Unfortunately, it appears our assistance has not reached the average Russian voter and the December election results reflected the dissatisfaction with the status quo, particularly among the rural population. Until these groups feel like they have a stake in the new economic structures, they will continue to feel marginalized in the political process.

LYNN GALLAGHER,
MINORITY CONSULTANT

and Hunger
Building

Tony / ce UP / Rubin
Turn in a
good letter
legally much
of the Tony to follow up
meeting -

any

The Honorable Bill Clinton
January 7, 1994
Page 2

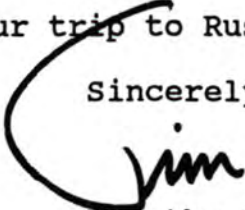
!! I believe if the U.S. does not radically change its approach to development in rural areas, we will see a backlash far greater than anything we experienced last month. It is critical that technical assistance focus significant attention on establishing a climate and institutional infrastructure necessary for the creation and development of a successful operating market. We do not have the time or the capital to "remake" the Former Soviet Union into a model of the U.S. Western aid organizations need to increase their focus on programs aimed at increasing the economic opportunities of the rural and urban populations currently being left behind by the reform process.

* { It is not enough to privatize firms and farms in Russia: we must also help Russia create a climate that will allow private entrepreneurs to prosper. This includes training and retraining rural leaders, providing long-term advice on needed public policy changes, and creation of market-oriented institutions. In the last regard, money for assistance to the former Soviet Union will diminish sharply in the coming years. If we do not use today's money to build market oriented institutions, we will find that today's billions spent on assistance left little lasting impression. Among the highest priorities I see are creation of agricultural and rural finance and credit institutions, a Russian system for education of farmers and rural entrepreneurs, and continued assistance to the Russian government on revamping of Soviet-era laws which inhibit the transition to a market economy.

Mr. President, our opportunity to facilitate lasting change in Russia is fleeting. U.S. and Russian companies will only be successful to the degree that the surrounding environment allows them to function. By developing training programs, building the indigenous infrastructure and including rural areas in small-scale investment programs, the United States will lay the groundwork for real reforms in Russia and the Former Soviet Union and provide the average Russian citizen with some tangible hope for the future.

I wish you every success on your trip to Russia.

Sincerely,


Timothy J. Penny
Chairman

P.S. So Sorry to learn of your mother's death. Our Thoughts and prayers are with you and your family.

THE PRESIDENT HAS SEEN 1/24

THE WHITE HOUSE

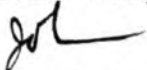
WASHINGTON

January 23, 1994

MR. PRESIDENT:

Attached is a memo from Secretary Shalala and Secretary Reich recommending presenting welfare reform and dislocated workers legislation through a unified thematic approach.

Since this is really an argument for presentation in the State of the Union, I'm forwarding it directly to you without a reaction from Rubin and Rasco. I have sent copies to David Dreyer as well as Bob and Carol, George, and David Gergen.


John Podesta

94 JAN 21 P7:40

JAN 21 1994

MEMORANDUM FOR THE PRESIDENT

From:


Donna E. Shalala
Secretary of Health and Human Services


Robert B. Reich
Secretary of Labor

To Carlos et al
cc: Dier
GS et al

SUBJECT: A Possible Joint Strategy for Welfare Reform and Dislocated Workers

Two major domestic initiatives will soon be moving forward: dislocated workers and welfare reform. As these proposals have developed, we have become increasingly aware of some common underlying themes and elements. This memo considers the logic of coordinating both the substance and the message of the proposals. In particular it raises the possibility of linking them thematically as part of the State of the Union address.

Work, Training, and Responsibility for All Workers

Both welfare reform and the dislocated workers initiative focus on transforming current systems of income support into ones emphasizing and facilitating work. Both proposals (and, indeed, a third--the School-to-Work Opportunities Act) reflect the Administration's themes of the importance of work, of education and skills training, and of the need to ease labor market transitions. Both contemplate an early assessment of the participants' needs and prospects. Depending on the outcome, a combination of job search assistance and education/training is the next step. Both systems are geared towards employment or reemployment into jobs of reasonable quality. Legislative action on both bills will be concentrated in the labor and finance committees. Both proposals are also concerned with reinventing government, either through simplification and coordination of program eligibility and benefits (welfare reform), or through replacing a fragmented system with a one-stop approach servicing all eligible workers (dislocated workers). And both offer access to training and income support, but put responsibility on individuals to take advantage of them and move forward.

Of course, the two proposals have important differences. Welfare reform is targeted at poor single mothers, many of whom lack skills or have spent little time in the labor market. The dislocated workers proposal is targeted at experienced workers who may have outdated skills.

Part of the motivation behind welfare reform is the belief the current welfare system seriously impedes and discourages many recipients from working and that some are not doing enough to find work. There is much less concern about these problems for the unemployment insurance system. The unemployment system is an insurance system--financed by payroll taxes. Welfare is paid from general revenues.

Moreover, while the dislocated workers proposal is almost purely a reemployment and retraining initiative, welfare reform ranges well beyond employment issues, including elements to make work pay and collect child support. The motivation behind changing from an unemployment to a reemployment system is that in today's economy--dominated by technological change, corporate downsizing, and international trade--most unemployed workers will not get their old jobs back. And because of the difference in target groups, the political contexts for the proposals are dissimilar, too.

Nonetheless, the similarity in philosophy and approach suggest that a coordinated strategy may be appropriate.

A Coordinated Strategy and a Common Message

DOL and HHS are seeking to forge coherent links and effective alliances between the two programs. We are working to eliminate duplication, administrative rigidities, and contradictory rules and regulations that make it difficult for communities to create a coherent training strategy. Welfare reform contemplates increased access for welfare recipients to education and training programs provided through the Departments of Education and Labor. Information systems developed for DOL's one-stop displaced worker initiative can be made available for welfare recipients. We also suggest establishing some form of Human Resource Development Board comprised of the Secretaries of HHS, DOL, Education, DOD and possibly other departments with authority to waive regulations and cut through bureaucracy when states and communities come forward with comprehensive reform proposals for helping workers prepare for and find new jobs.

Because of the very different populations served, the nature of existing funding streams, committee structures, political constituencies, and administration, we do not believe a single fully integrated program with a single piece of legislation makes sense currently. Later, as the "one-stop" idea grows to cover all workers and state and local governments gain experience, we can move toward a truly integrated system of training and retraining for all those in need of service.

Nonetheless, the commonality in the underlying ideas suggests a simple and powerful message about work in America. As you have repeatedly emphasized, work gives structure and meaning to our lives. The old strategy for the poor has been welfare, not work or training. The old strategy for displaced workers emphasized unemployment compensation, not reemployment into new jobs. Government's first role ought to be helping people move into jobs--jobs with a future--rather than providing cash as a substitute for a paycheck. The needs of different populations differ: some single parents on welfare need to move into their first job, some people need education to move into better jobs, displaced workers need

retraining to compete for the higher skill jobs of the 90s. High school students who will choose not to go to college need skills to move from school to work. Indeed, it might make sense to include an even broader range of issues under the work theme, including the School-to-Work Initiative, and an explicit effort to improve the employment prospects of disadvantaged teens. Because the populations differ, the strategies will differ. But the basic message will not. Work is the foundation of the new direction plotted by the Administration. We have initiatives involving welfare-to-work, school-to-work, and work-to-work.

Some Key Questions

In thinking about how the proposals should be described and linked, we should be aware that focussing on the proposals together will lead to inevitable comparisons and at least a few tough questions.

- Are the poor and dislocated workers being treated fairly relative to each other? People will ask whether the poor are getting access to some services that displaced workers are not. Are resources allocated fairly between the groups? Others may wonder whether more is being asked of the poor (with sanctions and participation requirements) than is asked of displaced workers, and if so whether that is justified?
- Is the job focus of the initiatives different? Are displaced workers being trained for the high skill jobs of the 90s while welfare recipients are being placed in low-skill, low-paying jobs? (Answer: Both programs provide access to education and training, and for people who have little or no work experience, often the best way to get a good job is to start with any job and then build up skills and experience to move forward.)
- Who is left out? The two proposals cover most unemployed job losers who qualify for unemployment insurance and unemployed welfare recipients. But what about the group of workers -- often the working poor or job seekers -- who fall into the gaps between the unemployment insurance and welfare systems? Currently, both proposals go only part of the way toward filling these gaps.

Of course many of these are legitimate concerns that will have to be addressed whether or not the programs are closely linked rhetorically and thematically. They do bear discussion.

Recommendation

It probably makes the most sense to link the proposals thematically, but to keep them separate legislatively. In certain settings, such as the State of the Union address, the thematic links can be expressed. Building support for the principles underlying the proposals can help move them forward and can lay the groundwork for further complementary initiatives. This will provide a sense of direction and coherence in overall policy. Nevertheless, the linkage should be done carefully, so that some of the distinguishing features of the proposals remain clear.

THE PRESIDENT HAS SEEN 1/24

TIMOTHY J. PENNY, MINNESOTA,
CHAIRMAN
CHARLIE ROSE, NORTH CAROLINA,
VICE CHAIRMAN
THOMAS J. BARLOW III, KENTUCKY
CYNTHIA A. MCKINNEY, GEORGIA
SCOTTY DAESLER, KENTUCKY
CHARLES W. STENHOLM, TEXAS
E (KIKI) DE LA GARZA, TEXAS,
EX OFFICIO MEMBER

JANE SHEY,
STAFF DIRECTOR

WAYNE ALLARD, COLORADO,
RANKING MINORITY MEMBER
TOM LEWIS, FLORIDA
JOHN T. DOOLITTLE, CALIFORNIA
CHARLES T. CANADY, FLORIDA
TERRY EVERETT, ALABAMA
PAT ROBERTS, KANSAS,
EX OFFICIO MEMBER
LYNN GALLAGHER,
MINORITY CONSULTANT

U.S. House of Representatives
Committee on Agriculture
Subcommittee on Foreign Agriculture and Hunger
Room 1301, Longworth House Office Building
Washington, DC 20515

January 7, 1994

The Honorable Bill Clinton
The President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

As you prepare for your summit with President Yeltsin, I wanted to share a few ideas with you on the role the United States can play in promoting democracy and privatization in Russia through our agricultural development programs.

I believe the recent elections in Russia were a wake-up call to the U.S. and its allies and should cause us to reconsider some components of our assistance program. It is particularly noteworthy that rural areas, which constitute roughly one quarter of Russia's electorate, apparently largely supported the conservative Communist and Agrarian Parties. With the political changes in Russia during the last couple of years, the U.S. was forced to move quickly into an unknown environment and respond to overwhelming needs. We have seen a progression of assistance which includes airlifting food, providing credits for the purchase of U.S. agricultural commodities, and, following the temporary default on credit payments, assistance through Food for Progress.

In addition, the Agency for International Development (AID) established an office in Moscow and began to promote private sector development. While this is certainly a laudable goal, much of the assistance has been used to hire U.S.-based consultants and fund the development and marketing work of large companies. Unfortunately, it appears our assistance has not reached the average Russian voter and the December election results reflected the dissatisfaction with the status quo, particularly among the rural population. Until these groups feel like they have a stake in the new economic structures, they will continue to feel marginalized in the political process.

Handwritten notes:
Tony/CUP/Ruth
This is a
great idea
to follow up
on the
Russian
elections

The Honorable Bill Clinton
January 7, 1994
Page 2

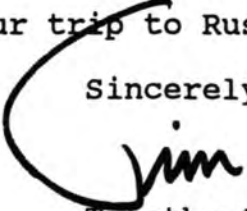
!! I believe if the U.S. does not radically change its approach to development in rural areas, we will see a backlash far greater than anything we experienced last month. It is critical that technical assistance focus significant attention on establishing a climate and institutional infrastructure necessary for the creation and development of a successful operating market. We do not have the time or the capital to "remake" the Former Soviet Union into a model of the U.S. Western aid organizations need to increase their focus on programs aimed at increasing the economic opportunities of the rural and urban populations currently being left behind by the reform process.

* { It is not enough to privatize firms and farms in Russia: we must also help Russia create a climate that will allow private entrepreneurs to prosper. This includes training and retraining rural leaders, providing long-term advice on needed public policy changes, and creation of market-oriented institutions. In the last regard, money for assistance to the former Soviet Union will diminish sharply in the coming years. If we do not use today's money to build market oriented institutions, we will find that today's billions spent on assistance left little lasting impression. Among the highest priorities I see are creation of agricultural and rural finance and credit institutions, a Russian system for education of farmers and rural entrepreneurs, and continued assistance to the Russian government on revamping of Soviet-era laws which inhibit the transition to a market economy.

Mr. President, our opportunity to facilitate lasting change in Russia is fleeting. U.S. and Russian companies will only be successful to the degree that the surrounding environment allows them to function. By developing training programs, building the indigenous infrastructure and including rural areas in small-scale investment programs, the United States will lay the groundwork for real reforms in Russia and the Former Soviet Union and provide the average Russian citizen with some tangible hope for the future.

I wish you every success on your trip to Russia.

Sincerely,


Timothy J. Penny
Chairman

P.S. So Sorry to learn of your mother's death. Our Thoughts and Prayers are with you and your family.

THE WHITE HOUSE
WASHINGTON

DATE: 1/23/94

The Vice President, Carol Rasco,
TO: Bob Rubin, David Dreyer, George S.,
David Gergen

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

The attached has been forwarded
to the President.

050855

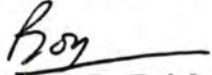
94 JAN 21 P 7:40

JAN 21 1994

MEMORANDUM FOR THE PRESIDENT

From:


Donna E. Shalala
Secretary of Health and Human Services


Robert B. Reich
Secretary of Labor

SUBJECT: A Possible Joint Strategy for Welfare Reform and Dislocated Workers

Two major domestic initiatives will soon be moving forward: dislocated workers and welfare reform. As these proposals have developed, we have become increasingly aware of some common underlying themes and elements. This memo considers the logic of coordinating both the substance and the message of the proposals. In particular it raises the possibility of linking them thematically as part of the State of the Union address.

Work, Training, and Responsibility for All Workers

Both welfare reform and the dislocated workers initiative focus on transforming current systems of income support into ones emphasizing and facilitating work. Both proposals (and, indeed, a third--the School-to-Work Opportunities Act) reflect the Administration's themes of the importance of work, of education and skills training, and of the need to ease labor market transitions. Both contemplate an early assessment of the participants' needs and prospects. Depending on the outcome, a combination of job search assistance and education/training is the next step. Both systems are geared towards employment or reemployment into jobs of reasonable quality. Legislative action on both bills will be concentrated in the labor and finance committees. Both proposals are also concerned with reinventing government, either through simplification and coordination of program eligibility and benefits (welfare reform), or through replacing a fragmented system with a one-stop approach servicing all eligible workers (dislocated workers). And both offer access to training and income support, but put responsibility on individuals to take advantage of them and move forward.

Of course, the two proposals have important differences. Welfare reform is targeted at poor single mothers, many of whom lack skills or have spent little time in the labor market. The dislocated workers proposal is targeted at experienced workers who may have outdated skills.

Part of the motivation behind welfare reform is the belief the current welfare system seriously impedes and discourages many recipients from working and that some are not doing enough to find work. There is much less concern about these problems for the unemployment insurance system. The unemployment system is an insurance system--financed by payroll taxes. Welfare is paid from general revenues.

Moreover, while the dislocated workers proposal is almost purely a reemployment and retraining initiative, welfare reform ranges well beyond employment issues, including elements to make work pay and collect child support. The motivation behind changing from an unemployment to a reemployment system is that in today's economy--dominated by technological change, corporate downsizing, and international trade--most unemployed workers will not get their old jobs back. And because of the difference in target groups, the political contexts for the proposals are dissimilar, too.

Nonetheless, the similarity in philosophy and approach suggest that a coordinated strategy may be appropriate.

A Coordinated Strategy and a Common Message

DOL and HHS are seeking to forge coherent links and effective alliances between the two programs. We are working to eliminate duplication, administrative rigidities, and contradictory rules and regulations that make it difficult for communities to create a coherent training strategy. Welfare reform contemplates increased access for welfare recipients to education and training programs provided through the Departments of Education and Labor. Information systems developed for DOL's one-stop displaced worker initiative can be made available for welfare recipients. We also suggest establishing some form of Human Resource Development Board comprised of the Secretaries of HHS, DOL, Education, DOD and possibly other departments with authority to waive regulations and cut through bureaucracy when states and communities come forward with comprehensive reform proposals for helping workers prepare for and find new jobs.

Because of the very different populations served, the nature of existing funding streams, committee structures, political constituencies, and administration, we do not believe a single fully integrated program with a single piece of legislation makes sense currently. Later, as the "one-stop" idea grows to cover all workers and state and local governments gain experience, we can move toward a truly integrated system of training and retraining for all those in need of service.

Nonetheless, the commonality in the underlying ideas suggests a simple and powerful message about work in America. As you have repeatedly emphasized, work gives structure and meaning to our lives. The old strategy for the poor has been welfare, not work or training. The old strategy for displaced workers emphasized unemployment compensation, not reemployment into new jobs. Government's first role ought to be helping people move into jobs--jobs with a future--rather than providing cash as a substitute for a paycheck. The needs of different populations differ: some single parents on welfare need to move into their first job, some people need education to move into better jobs, displaced workers need

retraining to compete for the higher skill jobs of the 90s. High school students who will choose not to go to college need skills to move from school to work. Indeed, it might make sense to include an even broader range of issues under the work theme, including the School-to-Work Initiative, and an explicit effort to improve the employment prospects of disadvantaged teens. Because the populations differ, the strategies will differ. But the basic message will not. Work is the foundation of the new direction plotted by the Administration. We have initiatives involving welfare-to-work, school-to-work, and work-to-work.

Some Key Questions

In thinking about how the proposals should be described and linked, we should be aware that focussing on the proposals together will lead to inevitable comparisons and at least a few tough questions.

- Are the poor and dislocated workers being treated fairly relative to each other? People will ask whether the poor are getting access to some services that displaced workers are not. Are resources allocated fairly between the groups? Others may wonder whether more is being asked of the poor (with sanctions and participation requirements) than is asked of displaced workers, and if so whether that is justified?
- Is the job focus of the initiatives different? Are displaced workers being trained for the high skill jobs of the 90s while welfare recipients are being placed in low-skill, low-paying jobs? (Answer: Both programs provide access to education and training, and for people who have little or no work experience, often the best way to get a good job is to start with any job and then build up skills and experience to move forward.)
- Who is left out? The two proposals cover most unemployed job losers who qualify for unemployment insurance and unemployed welfare recipients. But what about the group of workers -- often the working poor or job seekers -- who fall into the gaps between the unemployment insurance and welfare systems? Currently, both proposals go only part of the way toward filling these gaps.

Of course many of these are legitimate concerns that will have to be addressed whether or not the programs are closely linked rhetorically and thematically. They do bear discussion.

Recommendation

It probably makes the most sense to link the proposals thematically, but to keep them separate legislatively. In certain settings, such as the State of the Union address, the thematic links can be expressed. Building support for the principles underlying the proposals can help move them forward and can lay the groundwork for further complementary initiatives. This will provide a sense of direction and coherence in overall policy. Nevertheless, the linkage should be done carefully, so that some of the distinguishing features of the proposals remain clear.

Chen.
THE WHITE HOUSE
WASHINGTON

DATE: 1/23/94

THE VICE PRESIDENT
MACK MCLARTY
DAVID GERGEN
GEORGE STEPHANOPOULOS
TO: MARK GEARAN
ROBERT RUBIN

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

The attached has been forwarded
to the President.



MEMBER

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D.C. 20500

94 JAN 21 P 8:14

January 21, 1994

MEMORANDUM FOR THE PRESIDENT

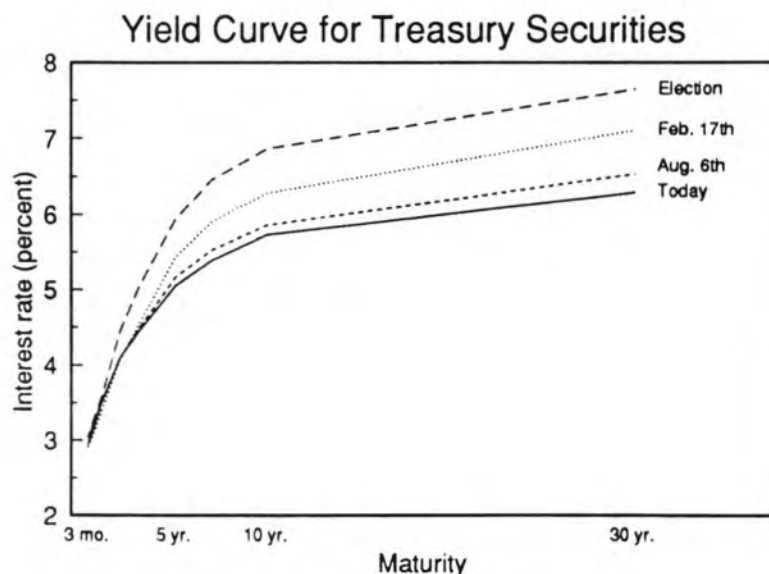
FROM: ALAN S. BLINDER

SUBJECT: Interest Rates and the Stock Market, Week Ending Friday, January 21, 1994

Interest rates changed little this week. Changes in Treasury borrowing rates were as follows:

	Close 1/14/94	Close 1/21/94	Change
3-month bills	2.97	2.95	-0.02
10-year notes	5.78	5.73	-0.05
30-year bonds	6.30	6.29	-0.01

The stock market closed mixed for the week. The broad-based S&P index closed Friday at 474.72, virtually unchanged from the preceding Friday's close. Blue chips did better: the Dow Jones Industrial Average reached record highs four times this week, and closed Friday at a new record of 3914.48, up 1.2 percent for the week.





EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D.C. 20500

MEMBER

January 21, 1994

94 JAN 21 P8:14

MEMORANDUM FOR THE PRESIDENT

FROM: ALAN S. BLINDER *ASB*
SUBJECT: Foreign Economic Developments

Exchange Rates: The value of the dollar was virtually unchanged this week. The yen gyrated sharply today following the failure of the Diet to pass the Prime Minister's political reform bill, but changed little by the end of the day.

Value of the Dollar in terms of:	Week Ending 1/14/94	Week Ending 1/21/94	Percent change from:	
			Week ago	Year ago
Deutschemark	\$1 = 1.7485 DM	\$1 = 1.7490 DM	+0.0%	+8.4%
Yen	\$1 = 110.90 Yen	\$1 = 111.20 Yen	+0.3%	-10.9%
Multilateral (March 1973 = 100)	96.73	96.62	-0.1%	+4.7%

Japan: ▶ The trade surplus totalled \$120.4 billion for 1993, up from \$106.6 billion in 1992. Because of the rise in the yen, the surplus has fallen in yen terms since mid-year while continuing to rise in dollar terms. Industrial production rose 2.2% in November, but is down 3.3% from a year ago.

Prime Minister Hosokawa stated that work on a stimulus package would proceed despite the problems with his political reform bill. Current reports suggest that the package will be announced next week and that it will include a tax cut of at least ¥6 billion and spending and loan increases of nearly ¥7 billion. Combined, these amount to about 2.8% of GDP. The Ministry of Finance has reportedly agreed to a three-year gap between an income tax cut and a consumption tax increase.

Europe: ▶ West German producer prices fell 0.1% in December and are 0.1% below a year ago. The November trade surplus was unchanged from October at DM8.2 billion.

▶ French industrial production rose 0.6% in November. Fixed investment fell to 11.5% of GDP, down from at least 20% of GDP in the past three years.

▶ UK GDP rose 0.7% in the 4th quarter and is now 2.5% above a year ago. Retail prices rose 0.2% in December and 1.9% in 1993. Retail sales fell 0.2% in December, but are 4.0% higher than a year ago. Consumer confidence rose sharply in January.

Other Countries: ▶ Canadian consumer prices fell 0.2% in December and are 1.7% higher than a year ago. The leading indicators rose 0.7% in December and are 7.7% higher than a year ago.

▶ Chinese industrial production rose 23% in 1993, led by strong growth non-state-run enterprises.

THE WHITE HOUSE
WASHINGTON

DATE: Jan 23, 1994

TO: Dave Gergen, George S., Harold
Ickes

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

FYI

January 23, 1994

MEMORANDUM TO DAVID DREYER AND BOB BOORSTIN

FROM: JOHN PODESTA

RE: STATE OF THE UNION/HEALTH CARE POSITIONING

I am probably the proverbial voice in the wilderness, but I think the health care veto threat in the current SOTU draft is playing the other side's game. It seems to me that this draft lays down a marker in a fight between us and Cooper, when the real fight is going to be between us and Dole. Doesn't laying down this line in the sand help Dole round up the 41 votes he boasted this weekend he would need and he would get to stop us from implementing national health reform?

Dole has given us a huge opening off of which we can pivot. People are sick of sides squaring off in Washington. We can use the speech to not only attack the special interests who would benefit from blocking health reform, but also those who would do it purely for partisan reasons. We can lay down our principles and ask the center to resist the calls of partisanship and ideology. Instead of a pen, we can offer a hand to work constructively to seek a practical, comprehensive solution which guarantees every American health care that is always there and can never be taken away.

JAN 23(3)

THE WHITE HOUSE
WASHINGTON

DATE: 1/23/94

TO: Jody Greenstone

FROM: JOHN D. PODESTA
Assistant to the President and
Staff Secretary

FYI

National Archives



Archivist of the United States

Washington, DC 20408

94 JAN 21 P6:53
FACSIMILE COVER PAGE

Jody Greenstone

Date: January 21, 1994

To: Ms. Jody Greenstone
White House

From: Marc H. Monheimer
National Archives

Mr. John Podesta
White House

Mr. Marvin Krislov
COUNSEL'S OFFICE

Comments/Instructions: Attached is a copy of the Acting Archivist's reply to President Reagan's letter of Dec. 27th requesting that certain of his records be held as personal, not presidential records, which I thought would be of interest to you and David Gergen. ~~I am very glad we had the opportunity to talk about this and related issues on Tuesday. We expect to have draft revisions to the PRA guidelines to Marvin Krislov by Wednesday.~~

Number of pages including cover page 2

Document will also be mailed No

Phone numbers: 456-2215

Phone numbers:

Office: _____

Office: 202-501-5130

FAX: 456-2215

FAX : 202-501-5244



Washington, DC 20408

January 21, 1994

The Honorable Ronald Reagan
2121 Avenue of the Stars
34th Floor
Los Angeles, California 90067

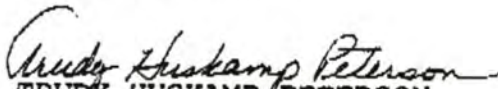
Dear Mr. President:

Dr. Ralph Bledsoe, Director of your Presidential library, referred to me your request that records identified in your letter to him of December 27, 1993 and now in the care of the Reagan Library be separated from your Presidential records and treated as "personal records."

We in the National Archives fully recognize and appreciate the statutory distinction between Presidential and personal records. I assure you that the records you cite, which had been misfiled during your Administration, will be treated in accordance with your wishes.

Thank you for bringing this matter to our attention. Please let me know any time the National Archives or I can be of assistance to you or Mrs. Reagan.

Sincerely yours,


TRUDY HUSKAMP PETERSON
Acting Archivist of
the United States

cc: Ralph Bledsoe, Director, Ronald Reagan Library