

THE WHITE HOUSE

WASHINGTON

August 24, 1995

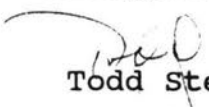
MR. PRESIDENT:

Treasury and the First Lady's Office, working with DPC and NEC, have prepared a proposed Presidential Memorandum directing Secretary Rubin (i) to coordinate all micro-enterprise programs in the executive branch; and (ii) to take the necessary steps to establish a Presidential awards program for outstanding micro-enterprise lenders. The coordinating function would be managed by the Administrator of the CDFI Fund.

The First Lady's Office is seeking your approval of the Memorandum promptly so that the micro-enterprise initiative can be included in the State Department's written agenda for the Beijing Women's Conference, which State is going to print with tomorrow.

OMB and White House Counsel concur.

Approve____ Disapprove____ Discuss____


Todd Stern

THE WHITE HOUSE

WASHINGTON

August 24, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: CAROL RASCO
LAURA TYSON

SUBJECT: Memorandum directing the Secretary of Treasury to coordinate all micro-enterprise programs.

The attached Presidential memorandum directs the Secretary of the Treasury to coordinate all Federal micro-enterprise programs and to administer a Presidential Awards program for outstanding micro-enterprise lenders. This initiative is being undertaken in conjunction with the Beijing Women's Conference.

Self employment by American women is growing at an unprecedented pace. Women constitute the great majority of Americans who gain access to credit through micro-enterprise lending. The U.N World Conference on Women has identified economic opportunity for women as a critical area, and the promotion and strengthening of micro-enterprise and women's access to credit as an important component. The United States has accepted the Conference on Women's challenge to be a "conference of commitments" and identified specific actions to improve economic opportunity for women by the year 2000. Your directive is one of those actions identified by the U.S.

The CDFI Fund would facilitate coordination among the Federal agencies that support micro-enterprise programs. Currently, there are at least 8 to 10 such Federal programs. The Fund would chair an interagency working group that would coordinate development of program requirements, standardization of data collection and reporting, harmonization of regulations as appropriate, help define complementary roles for programs, and explore the feasibility of developing a one-stop shop for micro-enterprise lenders to obtain information offered by Federal micro-enterprise programs.

The Presidential Awards program would recognize the important work of micro-enterprise lenders in the United States, would give awardees greater credibility in obtaining private sector resources, and would underscore for the American public the value and importance of micro-enterprise programs.

The successful implementation of this memorandum is contingent upon the White House insuring that the burdens of Administering these initiatives are not disproportionately borne by the Department of the Treasury and the CDFI Fund. This initiative does require additional personnel from either a foundation or other department.

The Treasury Department recommends that you sign this memorandum. The Domestic Policy Council, the National Economic Council, White House Counsel, the Office of Management and Budget, and the Office of the First Lady concur with Treasury's recommendation.

THE WHITE HOUSE

WASHINGTON

August 26, 1995

MEMORANDUM FOR THE SECRETARY OF THE TREASURY

SUBJECT: Micro-Enterprise Programs

I hereby direct you to take all appropriate actions to coordinate all micro-enterprise programs administered by the Federal agencies and departments. This should be accomplished through an interagency coordinating body chaired by the Administrator of the Community Development Financial Institutions (CDFI) Fund.

I also direct you to take the necessary steps for the establishment of a presidential awards program designed to honor outstanding micro-enterprise lenders, consistent with the mission of the CDFI Fund.

In discharging these responsibilities, you are directed to consult with the heads of other Executive departments and agencies as may be appropriate.

William D. Clinton

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

6389

August 22, 1995

ACTION

MEMORANDUM FOR ANTHONY LAKE

THROUGH: ALEXANDER VERSHBOW *N*
FROM: SUE BREMNER *SB*
SUBJECT: Condolence Letter for Mrs. Frasure, Mrs. Kruzal
and Mrs. Drew; Letters of Thanks to Peter
Hargraves and Dan Gerstein

Attached are letters of condolence for the President's signature to the widows of Bob Frasure, Joe Kruzal, and Nelson Drew, plus letters of thanks to the two individuals injured in the APC accident on the Mt. Igman Road.

Concurrences by: Don *K*arrick, Nancy Soderberg

RECOMMENDATION

That you forward the attached to the President for signature.

Attachments

Tab I Memorandum to the President
Tab A Letter to Mrs. Frasure
Tab B Letter to Mrs. Kruzal
Tab C Letter to Mrs. Drew
Tab D Letter to Peter Hargraves
Tab E Letter to Dan Gerstein *2*

THE WHITE HOUSE
WASHINGTON

ACTION

MEMORANDUM FOR THE PRESIDENT

FROM: ANTHONY LAKE 

SUBJECT: Condolence Letters to Mrs. Frasure, Mrs. Kruzel
and Mrs. Drew, and Letters of Appreciation to Dan
Gerstein and Peter Hargraves

Purpose

To sign condolence letters to the widows of the victims of the APC accident on the Mt. Igman Road and to send notes of appreciation and get-well wishes to the two survivors.

Background

Attached are letters of condolence to the widows of Bob Frasure, Joe Kruzel and Nelson Drew, plus short notes to Dan Gerstein and Peter Hargraves, who survived the accident.

RECOMMENDATION

That you sign the attached letters and add the personal note indicated at each Tab.

Attachments

Tab A	Letter to Mrs. Frasure
Tab B	Letter to Mrs. Kruzel
Tab C	Letter to Mrs. Drew
Tab D	Letter to Dan Gerstein
Tab E	Letter to Peter Hargraves

cc: Vice President
Chief of Staff

THE WHITE HOUSE

WASHINGTON

Dear Mrs. Frasure:

Please accept Hillary's and my deepest condolences on the death of your husband, Bob. His strong commitment to peace and justice in the Bosnian conflict and his brilliant negotiating skills inspired us all.

Throughout his distinguished career as a Foreign Service Officer, including as Ambassador to Estonia, he represented the United States with dignity, honor and wisdom. We will sorely miss his expertise, wise counsel and warmth. We remain determined to continue his last mission -- finding an enduring peace to the tragedy in Bosnia.

At this difficult time, our hearts go out to you and your children, Sarah and Virginia. While mourning Bob's loss, you should be enormously proud of his accomplishments and of the inspiration his life has offered all of us.

Sincerely,

Bill Clinton

Mrs. Katharina Frasure
207 East Columbia Street
Falls Church, Virginia 22046

*I am very grateful
for his remarkable
work - we will miss
him.*

T
A
B

P

THE WHITE HOUSE

WASHINGTON

Dear Mrs. Kruzel:

Please accept Hillary's and my deepest condolences on the death of your husband, Joe. He was an enormously talented man who gave his life to the greatest of causes -- the pursuit of peace.

Joe's contributions as Deputy Assistant Secretary of Defense made a lasting difference. His mark on United States policy on European security issues, including creation of the Partnership for Peace, is indelible. His dedication to ending the tragedy in Bosnia was an inspiration to us all and we remain determined to continuing his efforts. Most of all, his many colleagues and friends will miss his humor, sharp wit and warm friendship.

At this difficult time, our hearts go out to you and to your children, John and Sarah. While mourning his loss, you should be proud of his accomplishments and of the inspiration his life offers to all of us.

Sincerely,

Bill Clinton

Mrs. Gail Kruzel
6600 Briar Hill Court
McLean, Virginia 22101

*I am very grateful
for his extraordinary
service - we will
miss him -*

THE WHITE HOUSE

WASHINGTON

Dear Sandy:

Please accept Hillary's and my deepest condolences on the death of your husband, Nelson. He is an inspiration to all of us as we work to achieve peace in the Balkans.

I was proud to have Nelson serve on the National Security Council staff. During his months at the White House, I depended on his sound advice on one of the most difficult foreign policy issues of our time. His colleagues and I will miss not only his quiet brilliance, sound judgment and selfless commitment to peace, but also his good cheer and warm friendship. We remain determined to continue his last mission -- finding an enduring peace to the tragedy in Bosnia.

At this difficult time, our hearts go out to you and your children, Samantha and Phillip. While mourning Nelson's loss, you should be proud of his accomplishments and of the inspiration his life offers to all of us.

Sincerely,

Bill Clinton

Mrs. Sandy Drew
12769 Flat Meadow Lane
Herndon, Virginia 22071

*I am very grateful for
his outstanding service
and for your courage
and inspiration in
these difficult days.*

THE WHITE HOUSE

WASHINGTON

Dear Colonel Gerstein:

On behalf of the American people, I want to thank you for your service to the nation in the cause of peace.

Your heroic efforts to save your colleagues' lives following the automobile accident on August 19 are an inspiration to us all. I join you in mourning the tragic deaths of Ambassador Frasure, Dr. Kruzel and Colonel Drew, who gave their lives to the greatest of causes -- the pursuit of peace. I am very proud that our country can count on people like you to carry on the work of peace so that innocent lives may be spared.

I wish you a rapid recovery from the injuries you sustained in the accident. Our thoughts and prayers are with you.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Clinton", with a long horizontal flourish extending to the right.

Lieutenant Colonel Daniel Gerstein, USA
Special Assistant to LTG Clark
5101 Joint Staff
The Pentagon
Washington, D.C. 20318-5101

THE WHITE HOUSE

WASHINGTON

Dear Mr. Hargraves:

On behalf of the American people, I want to thank you for your service to the nation in the cause of peace.

Your dedication and bravery as Regional Security Officer at our embassy in Sarajevo, and especially on August 19, are an inspiration to us all. As we mourn the tragic deaths of Ambassador Frasure, Dr. Kruzel and Colonel Drew, we renew our commitment to pursue the cause to which they gave their lives -- that of peace.

I wish you a rapid recovery from the injuries you sustained in the accident. Our thoughts and prayers are with you.

Sincerely,

A handwritten signature in cursive script, reading "Bill Clinton". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

Mr. Peter Hargraves
Regional Security Officer
American Embassy
Sarajevo, Bosnia

Michael
Fax to Barr

b22
0073

—

THE WHITE HOUSE
WASHINGTON

95 AUG 28 P5:48
8-23-95

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO: Michael Barr /Treasury Dept.

Fax Number: 622-0073

Phone Number:

FROM: Todd Stern

SUBJECT: Presidential Memo

DATE: 08/28/95

NUMBER OF PAGES (including cover sheet): 2

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.

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Self employment by American women is growing at an unprecedented pace. Women constitute the great majority of Americans who gain access to credit through micro-enterprise lending. The U.N World Conference on Women has identified economic opportunity for women as a critical area, and the promotion and strengthening of micro-enterprise and women's access to credit as an important component. The United States has accepted the Conference on Women's challenge to be a "conference of commitments" and identified specific actions to improve economic opportunity for women by the year 2000. Your directive is one of those actions identified by the U.S.

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TO: JD 48. 103

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

STATEMENT BY THE PRESS SECRETARY

made important

President Clinton has announced that he will award the Presidential Medal of Freedom, the nation's highest civilian honor, to twelve outstanding Americans. The recipients come from many different walks of life, and have all contributed ~~selflessly~~ ^{with} to the richness of our nation. The President will bestow the medals at a White House ceremony on September 28, 1995. The honorees are as follows:

American experience.

PEGGY CHARREN. Upset that children's television had become saturated with violence, Charren has worked over the past 27 years to improve the quality of children's programming. She founded and led Action for Children's Television and has been a tenacious advocate for media legislation that places the needs of children first.

WILLIAM T. COLEMAN, JR. Throughout a distinguished career, from his earliest days as a clerk for Supreme Court Justice Felix Frankfurter, to his exemplary service as Secretary of Transportation and as the Chairman of the Board of the NAACP Legal Defense and Educational Fund, Coleman has worked tirelessly to ensure equal opportunity for all of our citizens.

JOAN GANZ COONEY. The creator and longtime leader of the Children's Television Workshop, Cooney has consistently advocated for high-quality, even-handed programming in public broadcasting. Her brainchild, "Sesame Street," remains the standard for educational television around the world, and has helped to produce a generation of Americans who embrace the values of tolerance, cooperation, and compassion.

JOHN HOPE FRANKLIN. A prominent and accomplished American historian, Franklin has spent his long and productive life illuminating the history of the South and the roles that African Americans have played throughout our nation's development. He is widely respected for his boldness as an historian and his faith in the value of American diversity.

A. LEON HIGGINBOTHAM, JR. This highly respected judge and academic has worked tirelessly to advance the needs of those who have long been denied access to the American Dream. Whether serving his country as a judge on the Third Circuit of the U.S. Court of Appeals, as a passionate civil rights attorney, or as an inspirational professor at the Kennedy School of Government, he has ~~compelled~~ ^{worked} our nation to honor its promises of freedom and equality.

FRANK JOHNSON, JR. In 1956, as a young U.S. District Judge, Johnson earned national recognition when he ruled that the Montgomery, Alabama, ordinance segregating bus passengers was unconstitutional. As a District Judge, and later as a member of the U.S. Court of Appeals, ~~he~~ ^{he} has spent the past four decades working to dismantle segregation and to protect the rights of the imprisoned and the mentally ill.

more

worked to ensure that

(OVER)

C. EVERETT KOOP. This accomplished physician has consistently distinguished himself by putting sound medical advice ahead of ideological viewpoints. Koop fought to save lives throughout his tenure as Surgeon General and has continued to so do in the years following through his frank and thoughtful pronouncements on such subjects as teen pregnancy, AIDS prevention, and tobacco use.

GAYLORD NELSON. This former Wisconsin State Legislator, Governor, and United States Senator is one of our most fervent and effective voices on behalf of the environment. As the creator of Earth Day, Nelson has encouraged Americans to learn more about our natural resources and to take greater responsibility for the planet's well-being. This past April, on the twenty-fifth Earth Day, President Clinton announced his intention to honor Nelson with the Presidential Medal of Freedom.

WALTER REUTHER. A tool- and die-maker by trade, Reuther was one of the preeminent leaders of the modern labor movement until his death in 1970. He helped to unionize the automobile industry and served as president of the United Auto Workers for nearly 25 years. An outspoken advocate for the rights of America's working men and women, Reuther fought against communism, corruption, and racism throughout his life.

JAMES W. ROUSE. A talented and visionary urban designer, Rouse has advanced ideas and created structures that have revitalized cities, strengthened local economies, and improved the quality of life for many Americans. His skills as a designer -- which spawned the first enclosed shopping malls, Boston's Faneuil Hall Marketplace, Baltimore's Harborplace, and the entire planned community of Columbia, Maryland -- have helped to reverse the trends of urban decay and suburban sprawl in many regions of the country.

WILLY VELASQUEZ. Velasquez founded and managed the Southwest Voter Registration Education Project from 1974 until his death (from cancer) in 1988. Throughout his distinguished tenure, he built on his experiences in Cesar Chavez's farm worker movement, increasing Hispanic voter registration dramatically and helping to nearly double the number of Latino elected officials in our country.

LEW WASSERMAN. A legendary Hollywood studio executive, Wasserman has helped to build our entertainment industry into the world leader it is today. He has donated generously of his time and resources to many charitable causes, particularly those benefitting the blind and visually-impaired.

###

This is
very weak.
Need to build
up. You
could say this
about lots
of studios
these
probably.

Should we be
turning our
noses down
on at suburbs?
(nu)

How did
shopping
centers
reduce
"suburban
sprawl"

THE WHITE HOUSE
WASHINGTON

JD
see
Q.
T

August 27, 1995

MEMORANDUM FOR JODIE TORKELSON

THROUGH: TODD STERN

FROM: JIM DORSKIND

SUBJECT: BLUE (WHITE HOUSE) PASS REQUESTS DUE TO PERSONNEL
CHANGES AND LOSS OF "ACCESS PASSES"

The personnel changes:

JULIA BATOR

Julia has been promoted to the position of Senior Editor, replacing Deborah Pearlstein, who was issued a blue pass when she took that position. As you may know, this position requires frequent visits to the West Wing. Accordingly, I request that Julia be issued a blue pass.

KATHLEEN BARRY

Katie replaced Wendy Towber, a blue pass holder. Although I did not initially request a blue pass for Katie, Alice Pushkar, the Director of First Lady's Correspondence has reminded me how important it is that Katie have a blue pass, especially with the 1995 Holiday Card project moving into full swing - necessitating many trips to the East Wing. Because Sarah Brau has significant supervisory responsibilities over the volunteers, it is difficult for her to leave the office frequently. Accordingly, I also request that Katie be issued a blue pass.

The effect of losing the West Wing "access pass" program:

In the past, for some members of my staff, you have denied blue passes, but put them on the then-existing access list for the West Wing. I believe this list includes **Emily Curtis, Tonia Butler-Bush, Kyle Baker, Julia Bator** (discussed separately, above), **Maureen Lewis, Lark Park, Seth Masket, and Diane Ikemiyashiro**. Unfortunately, the need for these people, especially (in addition to Julia) **Emily Curtis and Kyle Baker**, to visit the West Wing has not diminished, but their ability to do so in any sort of reasonable way has been cut off.

For your convenience, I explain again below why I believe these staff members should be issued blue passes or, if some other form of access is available, that you authorize it to make it possible for them to better do their jobs:

EMILY CURTIS

She has undertaken some of the responsibilities formerly handled by the co-directors of our office of Presidential Letters & Messages, primarily interfacing with policy offices and ensuring the smooth flow of paper between our office and others, including obtaining clearance from policy offices in the West Wing -- thus necessitating frequent visits to the West Wing.

KYLE BAKER

(In addition to working frequently with George Stephanopolous' office in the West Wing, Kyle also works closely with the Military Office in the East Wing).

THE OTHER WRITERS

They could do with the access system, if it existed -- but it no longer does. Most of the writers have to visit the Staff Secretary's office from time to time, in addition to policy offices over there, including IGA.

Jim - I'm not sure
could back
this up if
asked...
let's
TJR

Is there some sort of access short of a blue pass that can be granted? If not, could you please reconsider your decision to deny blue passes for them?

TONIA BUTLER-BUSH

She is the Deputy Director of Student Correspondence and, particularly in the Director's absence, requires access to the East Wing to work with the calligraphers and to the West Wing to work with the photo office, among others. If you can't issue a blue pass for her, is there some form of access that can be provided to facilitate her work?

I appreciate your consideration of our requests. Thanks.

What do we
do for Italians,
Greeks etc?
Procs, right?
1.

to:
ID

TO: TODD STERN
ERSKINE BOWLES

FROM: JIM DORSKIND 

DATE: August 27, 1995

COMMEMORATIVE PROCLAMATION REQUEST

Commemoration Title: German American Day
Commemoration Date(s): October 6, 1995
Requestor Name(s): Werner Muller
Organization: (individual)
Request Date: January 1995
Congressional Support: Request received through Representative Tillie Fowler, but she does not take a position on this proclamation.

~~Contact~~ Telephone
Number:

904-423-8656

History: A proclamation has been issued at the request of Congress since 1987, always for the first week of October.

NOTES: In view of the history of this request and some of the tension over the exclusion of Germany from some of the celebrations of the 50th anniversary of the end of World War II, we should consider issuing a proclamation again this year. I don't feel strongly, though, and I believe that a message might be appropriate, if we are attempting to reduce the number of proclamations. (October is an especially busy time for them.)

Please indicate approval or disapproval of a PROCLAMATION, or another recommendation:

EB _____

TDS  _____

8-24-95

Todd -

Send to Donskind?

Yes



No



C

8-22-95

Our dear Secretary, Staff - Whoever -

Our Parents will be married,
57 years, on Sept. 6, 1995
Were married, Sept. 6, 1938

Would you please send to them a
Congratulation Certificate for their
Wedding from Our President of our
Wonderful United States, also his lovely
wife, Hillary - this would make their day.
Thank you so kindly, sure would appreciate
this for our parents. God Bless our President!

Mr. & Mrs. Elbert Ragle
7303 S. Hwy. 1247
Somerset, Ky. 42501-5956

From their 3 Sons,

James Lee Ragle
Charles Edward Ragle
Roger Jackson Ragle

Parents date of Birth:

Elbert Lee Ragle, born, 3-8-1916
Lula Marie Ragle, born, 7-7-1923

REVISED NOTES

Mr. President:

GOLF

Make sure
I sign the
minutes & send
to ~~the~~ them

THE PRESIDENT HAS SEEN
8-23-95

Nancy Hennrich
Betty Currie
Rebecca Cameron
Photo Office

The following are arranged to meet at Teton Pines Club golf course at 9:30 am tomorrow morning for a 10:00 am tee time with you--

✓ Hank Phibbs
✓ Leslie Petersen

Recommended by Jurate Kazickas and Roger Altman, seconded by Sullivan. Peterson is a former candidate for Congress; Phibbs is an attorney and chairs Jackson Hole Alliance for Responsible Planning (environmentalist).

— Mike Sellett

Publisher of Jackson Hole Daily. Recommended by Mike Sullivan, Wolfensohn, and Charlotte Schexnayder through Craig Smith.

Note: Sellett was told only nine holes--you can invite him to play more if you would like.

John Hanes, the pro at Teton Pines will accompany your party. He is not expecting to play, but if you wish to invite him to play, you may.

Remember that the President of Teton Pines, Clarke Nelson was invited per Jim Wolfenshohn but Clarke is out of town.

Jurate will speak with you tonight and might accompany you some tomorrow.

The main question for tomorrow is whether you want to attempt to add or exchange any people for the back nine.

Other recommendations from your list

The list which appears in your book (with handicaps) was discussed with Wolfensohn and then his recommendations were discussed with Sullivan. Sellett emerged as the universal favorite, so you should feel good about playing with him.

There is a general divergence between the three sources of recommendations. Wolfensohn's names are more often national/international vs. Wyoming, and they are less likely to be Democrats. Altman's list was prepared by Peterson and seems to be aimed more towards "interesting" people-not politics.

(201Y34'3943)

EXECUTIVE OFFICE OF THE PRESIDENT

18-Aug-1995 10:54am

TO: Rebecca A. Cameron
FROM: Stacey L. Rubin
Legislative Affairs
CC: Ann M. Cattalini
SUBJECT: Rep. Boehner in Jackson Hole

Bob Schellhas with Rep. Boehner (OH) has notified our office that the Congressman is in Jackson Hole (tentatively until the 19th -- but may stay longer) and is interested in playing golf with the President. Bob can be reached 225-6205. If you would like me to follow up on this, please call me at 6-2230. Thanks.

THE PRESIDENT HAS SEEN

8-23-95

main sum
I sign this
pics and send
to him →
Peg

Nancy Heinrich
Betty Currie
Rebecca Cameron
Photo Office

THE NEW YORK TIMES, SATURDAY, AUGUST 19, 1995

THE PRESIDENT HAS SEEN
8-23-95

Dan W. Dodson, 88, Foe and Scholar of Racism

By ROBERT Mc G. THOMAS Jr.

Dr. Dan W. Dodson, a Texas sharecropper's son who submitted his sun-baked boyhood prejudices to such a searing intellectual analysis that he became one of the nation's leading advocates of racial equality, died on Aug. 5 in Austin, Tex. He was 88 and had lived in Texas since 1972, when he retired as a professor of sociology at New York University.

Known as the philosopher of inter-group relations for the torrent of scholarly research papers he produced as director of the N.Y.U. Center for Human Relations Studies, Dr. Dodson did more than provide the theoretical underpinnings for the movement to achieve racial and ethnic harmony.

From the time he joined the faculty in 1936 and took an apartment in Harlem, he was on the front lines, becoming such an authority on desegregation that he eventually helped draw plans to integrate schools in Washington and elsewhere.

In 1944, he took a leave from the university to serve four years as executive director of the new Mayor's Committee on Unity. Largely because of his work, the committee, which was formed by Mayor Fiorello H. La Guardia to deal with inter-group conflicts, became a model for Federal, state and municipal human rights commissions that proliferated two decades later.

It was a measure of his effectiveness that a single report produced by Dr. Dodson in 1946, which found that major universities maintained secret quota systems to limit the admissions of Jewish, Catholic and black students, was credited with abolishing the practice in New York.

Education was his main focus, but Dodson fought prejudice on every front.

When Harlem residents picketed white merchants on 125th Street in 1948, for example, Dr. Dodson negotiated a settlement in which the merchants agreed to a variety of reforms.

And when Dr. Dodson got wind of plans to publish 5,000 copies of the notorious anti-Semitic forgery "The Protocols of the Elders of Zion," he persuaded the printer to destroy the type as he looked on, then persuaded the New York Printing Employers

A son of the old South was a father to desegregation.

Association to adopt a policy against printing hate literature of any kind.

Beginning in 1946, Dr. Dodson worked quietly with Branch Rickey, the Brooklyn Dodgers president, on plans to break baseball's color barrier. And after the Dodgers hired Jackie Robinson in 1946, Dr. Dodson urged the Yankees and Giants to follow suit.

When he concluded that agitators with ulterior motives had made "studied attempts" to discredit the police by making false accusations of police brutality against black suspects, Dr. Dodson was as outspoken as ever, denouncing "Bilbos of the North and South of both races, white and Negro, who make their living exploiting race prejudice."

His main focus, however, was breaking what he saw as a vicious circle of ignorance. As he put it in a speech in 1948: "It is now clear that not only does prejudice produce segregation, but segregation produces prejudice."

If some were startled to hear such

words delivered in a deep Southern accent by a tall, rangy white man, Dr. Dodson made no apologies. Yes, he had been born in the tiny East Texas town of Papther's Chapel, and, yes, he had absorbed all the familiar prejudices of an uneducated rural area of the former Confederacy.

But for Dr. Dodson, who received his early schooling at his local Methodist church, later worked his way through McMurray College in Abilene and obtained a master's degree from Southern Methodist University in Dallas, such prejudices could not survive scrutiny.

"Most of us accept current prejudices when we're not exposed to the facts," he said in 1946, "but I gradually dropped them as I learned the facts."

For all his scholarly prominence, Dr. Dodson followed a curious route to sociology. According to his daughter, Beverly Houghton, who announced his death this week, her father was an English major who became so fascinated by the underlying human relationships in novels that he decided to pursue their study beyond literature.

In addition to Mrs. Houghton, of Piermont, N.Y., he is survived by his wife, Evelyn, a son, Dan Jr., of Austin and a grandson.

Federal Agencies Start to Plan For Problems From Budget Delay

By KEITH BRADSHAW

WASHINGTON, Aug. 18 — President Clinton's budget director has authorized Federal agencies to begin planning for the possibility that Congress and the President will not agree on a budget until long after the next fiscal year begins on Oct. 1.

If a budget is not approved until November or December, as appears increasingly likely, then the Federal Government could be temporarily shut down. If budget cuts were ultimately adopted, they would be retroactive to the beginning of October, complicating spending plans for the entire year.

The Office of Management and Budget released late this afternoon a memo that Alice M. Rivlin, its director, sent on Thursday to the heads of all executive branch departments and agencies. "As the start of fiscal year 1996 approaches, prudent management requires that we take action now to plan and prepare for possible contingencies, including reduced funding," Ms. Rivlin wrote.

"You have the full range of management tools at your disposal, including reductions in procurements or service contracting, furloughs, and reductions in force," she added.

The memorandum mainly warns agencies that they may find well after Oct. 1 that their budgets have been reduced for the 12-month period

beginning on that date. The document does not mention planning for a Government shutdown, but leaves some room for senior officials to begin doing so.

Ms. Rivlin mentioned the possibility that Congress would pass continuing resolutions that would allow the Federal Government to continue operating at current levels while Congress and the Administration struggled for a budget deal.

Treasury Secretary Robert E. Rubin said in an interview on Wednesday that the Administration hoped to woo moderate Republicans into an alliance with Congressional Democrats that would allow the passage of President Clinton's budget proposal. That proposal calls for balancing the Federal budget within nine years, as opposed to the House and Senate Republicans' plans to seek balance within seven years with much deeper spending cuts that would also be used to offset some reductions in taxes.

But he said he was unsure whether that tactic, emphasizing opposition to Republican initiatives on Medicare, education and the tax credit for the working poor, would succeed.

"It is a reasonable objective to work toward attracting enough Republican moderates to pass the President's budget," Mr. Rubin said. "Whether you accomplish it or not is another matter."

Handwritten: Showing family members

Handwritten: Todd - 8-23-95
Who should send this to?
Daskind

THE PRESIDENT HAS SEEN
8-23-95

Tobacco Giants Quietly Quash Medical Coding of Second-Hand Smoke By Myron Levin- (c) 1995, Los Angeles Times-

America's tobacco companies are facing their sharpest regulatory challenge ever, with the White House and the Food and Drug Administration's move last week to declare nicotine an addictive drug and limit young people's access to tobacco products.

But President Clinton has taken on a formidable foe. The story of how tobacco giant Philip Morris, Inc. this summer kept second-hand smoke from being listed as a cause of illness in standard medical codes is just the latest proof of the industry's masterful political skills.

Following an intensive lobbying campaign, the federal Office of Management and Budget recently blocked a move by health authorities to add second-hand smoke to their coded list of causes of injuries and illnesses. Hospitals and doctors' offices use the codes in filing medical claims under Medicare, Medicaid and other insurance plans.

In a sophisticated campaign, the lobbyists raised the specter of bogus health statistics that would cloud medical understanding while managing to avoid either a discussion of second-hand smoke or the disclosure of who employed them.

An OMB official, speaking on condition of anonymity, said the agency decided the case on its merits, adding that he neither knew nor cared whom the lobbyists worked for. "You don't want to start reacting to who made the comments, but the substance of the comments," he said.

Speakeading the effort was Multinational Business Services Inc., a privacy Washington lobbying firm that specializes in trade and regulatory matters. According to interviews and public records reviewed by the Los Angeles Times, the firm produced an impressive stack of legal and technical reports and assigned at least six lobbyists to the campaign including Thorne Auehter, head of the Occupational Safety and Health Administration under President Reagan, and Jim Tozzi, a senior OMB official during the Reagan and Carter administrations. Multinational even orchestrated comments from a medical group that OMB later cited as support for its decision.

In response to questions from The Times, the firm would not say who it was working for, stating only that a variety of its business clients could be harmed by inaccurate health statistics.

But Philip Morris was not so reticent, acknowledging it retained MBS "because of its well-known expertise in (health) risk assessments and causation issues."

Although all but invisible, the dispute reflects the aggressiveness of the tobacco industry's counterattack against rising concerns about second-hand smoke, the driving force behind a barrage of recent restrictions on smoking in public.

(Begin optional trim)

The arcane dispute concerns a set of codes named the International Classification of Diseases, 9th Revision, Clinical Modification. In essence, it is a medical lexicon that assigns numbers to hundreds of distinct symptoms, injuries, illnesses and medical treatments. These numbers are the shorthand used to transcribe notes from patient files to Medicare and Medicaid claim forms.

A small section pertains to external causes of injuries mostly events like car wrecks and falls from ladders, but in some cases environmental hazards. According to safety organizations, these external cause codes, known as "E-codes," are an important tool for tracking injury trends and designing prevention measures.

Each year, a panel co-chaired by two agencies within the Department of Health and Human Services considers

additions to the code. When these agencies the Health Care Financing Administration and the National Center for Health Statistics decided early last year to designate a new E-code for second-hand smoke, Multinational Business Services swung into action.

In meetings and correspondence with officials of the agencies, the lobbying firm argued, among other things, that the code would generate unreliable data, because chronic illnesses have many potential causes.

(End optional trim)

Multinational officials were on familiar ground at OMB. A number of them had worked there, including Tozzi. Tozzi is "the consummate Washington insider," said David Vladeck, director of the Public Citizen Litigation Group, a consumer-oriented legal organization in Washington. He "knows OMB business better than OMB, because I don't think there's a job at OMB that Jim didn't do at one point," Vladeck said.

At OMB, Multinational's chosen weapon was the Paperwork Reduction Act. Under the law, when federal agencies ask business or the public to furnish information, OMB must review the requests to assure the data being sought has "practical utility." Multinational argued that the medical codes had never been reviewed by OMB under the act. Furthermore, the firm contended, E-codes (codes used on medical forms for external causes for injury) for environmental hazards would generate inaccurate data and therefore lacked "practical utility."

In studies and reports with such daunting titles as, "Inaccurate Health Statistics: An Emerging Threat to the Federal Budget," and "E-Code Confusion: The Problem of Attributing Causation To Remote, Non-Proximal Events or Sources," Multinational presented itself as a defender of good science, not tobacco. In these documents, no reference was made to the new code's potential effect on tobacco companies. Instead, the likely victim of bogus data was identified as the federal government, which "could be exposed to financial liability for injuries, such as those that could be coded as being caused by exposure to electromagnetic radiation generated by radar towers," the lobbyists said.

When OMB last spring sought public comment on the dispute, Multinational contacted medical groups to seek support for its position. But again, the firm was vague as to whom it represented.

"They were lobbying everyone and their cousin to support the non-reporting of E-codes," recalled Celeste Kirschner of the American Medical Association. When Kirschner asked about rumors they were representing tobacco companies, the lobbyists acknowledged having tobacco clients, "but did not indicate that they were ... talking with us at their behest," she said.

(Begin optional trim)

When officials with the American College of Surgeons posed the question, the lobbyists replied that "they had a couple of clients that were interested in the E-code issue, and they told us they were utility firms," said Sally Garnecki, spokeswoman for the group.

Impressed by Multinational's logic, the American College of Surgeons fired off a helpful letter to OMB. For chronic illnesses with many possible causes, the use of E-codes "offers very little scientific merit and holds significant potential for causing the dissemination of misleading and inaccurate information," it said in the June 9 letter.

Three weeks later, OMB quoted the letter in its decision

(End optional trim)

8-23-95

Todd -

Should I send to Michael Waldman? Yes No

THE WALL STREET JOURNAL FRIDAY, AUGUST 18, 1995THE PRESIDENT HAS SEEN
8-23-95

Todd -

8-23-95

Who should I
send to? Ickes
Yes Tyson
No Leon P.
Kitty C

Flying the Tangled Skies

This month air traffic controllers in Miami, Oakland and Seattle suffered communications breakdowns that had planes on their own for up to an hour. In the past four months, computers have also failed over 20 times at control centers in Washington, Chicago, Dallas, Cleveland and New York. A Federal Aviation Administration spokesman says: "It's aging equipment, and it's an issue that the FAA is working on." In fact, the FAA has been working on the problem for decades, but its bureaucratic procurement system can still only buy yesterday's technology the day after tomorrow at government prices. Our air traffic control system is a disaster waiting to happen, and it's high time Congress listened to aviation experts and converted it to a user-funded, private corporation.

Former Transportation Secretary Jim Burnley says that travelers can expect "major congestion and horrendous delays" in coming years if reform isn't initiated now. Safety is only maintained now by spacing out planes and keeping them on runways every time a problem develops.

It currently takes the FAA seven to 10 years to install a new system. In 1991, a National Academy of Sciences panel found that the FAA's failings are "a reflection of problems with management that are inherent within a government agency." It recommended turning it into either a private corporation or independent government entity.

Last year, the Clinton Administration agreed and proposed legislation that would "corporatize" the FAA. Government would still own the radars and control towers, but the airlines would run the system and update

the equipment. Unfortunately, the Administration has been so lax in building support for its plan that no one in the Republican Congress is willing to push the concept, which reflects poorly on them.

Morale in many control towers is so low that controllers in Pittsburgh are threatening to stay home from work next Monday. The controllers and their labor union favor privatization, figuring nothing could be worse than FAA managers.

The U.S. is a world laggard when it comes to modernizing air traffic control. The Reason Foundation reports that 10 other countries, including Germany, have created user-funded corporations to handle air traffic and dramatically reduced delays. New Zealand has completed two full technological upgrades since 1987 and cut the cost of its air traffic control by 33%. Britain, which has already privatized its airports, is converting its control system into a fully private company.

Speaker Newt Gingrich routinely displays a vacuum tube in front of audiences and tells them that the FAA is the nation's largest purchaser of that outdated device. However, the GOP chairman of the House aviation subcommittee, Rep. John Duncan of Tennessee, is only interested in redrawing the bureaucratic boxes at the FAA.

The next time airline passengers sit on a runway for an hour waiting for takeoff, they might profitably spend that time writing a letter to Rep. Duncan or their own Congressman. They might want to ask why the same nation that builds 67% of the world's passenger aircraft has to put up with such a Mickey Mouse air traffic control system.

I think this is a Big deal

Asides

Paula's Pass

So RTC Investigator Jean Lewis did reveal something pertinent during the Leach Whitewater hearings after all. Ms. Lewis testified that her referrals on Madison Guaranty S&L named "multiple suspects," among them Jim and Susan McDougal and Arkansas Governor Jim Guy Tucker. Yesterday, Independent Counsel Kenneth Starr indicted Jim McDougal on 19 felony counts, his wife on eight

counts and Gov. Tucker on 11—most for fraud of various kinds. So Jean Lewis was onto something. What now needs to be explained is why Friend-of-Bill federal attorney Paula Casey in Little Rock refused to investigate Lewis's case and why she earlier refused the plea and cooperation of Judge David Hale, whose Capital Management Services is also named in the indictments. A 15-year-old mystery? No, Paula Casey passed on all this less than two years ago.

Aug. 15 / 95

95 AUG 15 ALL: 26
THE WHITE HOUSE
THE PRESIDENT HAS SEEN
8-23-95

Mr. President,

John G. Brown gave you some
very good counsel in my opinion. —
Common-sense, homespun BUT on the
mark from a successful politician
and Businessman — as well as
a good friend over the years.

His point re Kennedy & FDR vs.

Handwritten: ~~John G. Brown~~
~~8-23-95~~

LBJ, Carter, & Bush was a very
good one.

Wof

JOHN Y. BROWN, JR.

~~PERSONAL AND CONFIDENTIAL~~

August 11, 1995

President Bill Clinton
The White House
1600 Pennsylvania Avenue
East Wing #214
Washington, D.C. 20500-2000

Dear Mr. President:

Your last letter asked "what's the answer?" I was talking about this being the greatest economy ever - record profits - record stock market. Your concern was stagnant wages, lower consumption, downsizing.

You're at a point in your term where you basically did what you said you would do and kept the faith. To get elected you saw the big picture idea of government being fair and sensitive to the people. But, I feel like Bill Clinton has gotten too engrossed in the small issues of correcting our problems and lost focus of the big picture which is making people feel good about their country, themselves and the Presidency.

Here unfortunately, we're talking about perception. Events and accomplishments in your administration will be left to the historians. I would just like to see you take advantage to sell yourself and the great times we live in to get re-elected. To be a great salesman doesn't mean you have to compromise your integrity in anyway. Selling is usually pretty simple but you don't have to be a doctor and review every ailment in the body, because all that really matters is that the person is healthy and feels good.

Jimmy Carter spent his presidency trying to fix everything and got credit for nothing. Ronald Reagan's presidency spent little time doing anything but was able to take credit for most everything. He made the American people feel good about their country, about themselves and confident of their future. Unless you want to be academic about the subject matter I think what Reagan offered is what the public wanted and was willing to vote for.

DETERMINED TO BE AN ADMINISTRATIVE

MARKING INITIALS: JB **DATE:** 7/2/19

President Bill Clinton

August 11, 1995

Page 2

Unfortunately we live in an imperfect world and if you can make the public feel positive about their country and their future then I think investors will continue to invest and create more and better jobs and in time will take best advantage of our nation's opportunities. If you can continue the great economic acceleration that's presently going on in this country I think you'll be surprised at how quickly the problems will take care of themselves. As JFK said "A rising tide lifts all boats."

✓ In our lifetime there's been two very popular presidents - Franklin D. Roosevelt and John F. Kennedy. What they gave most was hope and a positive outlook for the future. As you've stated, FDR had a solution for every problem but more important than whether or not it worked was that he made the American people believe in their future. The public wants their President to give them confidence - more than consolation.

As a comparison of Presidents in our lifetime there were three handwringers in Presidents Johnson, Carter and Bush. There's an old saying that the optimist sees the opportunities in every difficulty and the pessimist sees the difficulties in every opportunity. Not to be critical but only to be constructive of my President and friend, I feel the first part of your term has been more of the pessimist instead of the optimist. Paul Harvey used to give an inspirational speech titled "Don't tell me what's wrong about America - tell me what's right about America."

✓ Playing defense never started a business, created an invention, won a war or a sporting event. The only way this great nation has been pioneered and built is letting the entrepreneur take the risk and build their dreams. This takes the mind set of not worrying about the problems so much as taking advantage of the opportunities. You have established yourself as a leader that relates to the average American and understands and is sympathetic to their interests and I suggest you keep that same sensitivity but also compliment it more with the image of being a builder. I think the most important thing that can be given to a child, a student, an athlete, an employee or a voter is confidence in themselves and their future. This probably is the most important role that a President of the United States has to fill in leading the nation. If you give people hope and confidence they'll fix most problems.

President Bill Clinton
August 11, 1995
Page 3

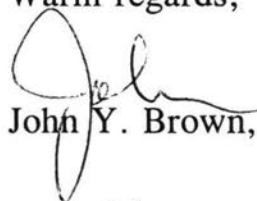
May I use my personal experience as an example. In the past ten years I've had two quadruple by-passes, ARDS respiratory ailment where only 37% survive, three hip replacements, a herniated disc, a broken leg and a drop foot. Personally, I didn't spend ten minutes worrying about any of these developments and now I'm enjoying my greatest business success in having started three very successful food chains from scratch. Also, I just got a major life insurance policy indicating I'm in good health and my frame of mind has never been better. If I'd ever stopped to worry about my problems I wouldn't have been able to build my future.

I only hope that the real Bill Clinton that grew up in Hope, Arkansas and wound up at Oxford and the young fellow that gave hope and belief in themselves to one of our poorer states can regain the same confidence and optimism that brought him to the Presidency. What I remember most positively about your campaign was when you stood in those throngs of people pointing your finger and speaking with passion and conviction. In modesty, I think you underestimate yourself.

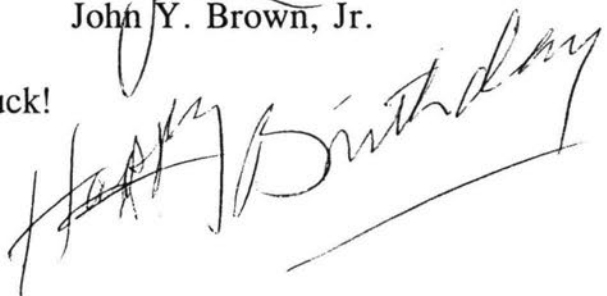
Frankly, you have everything to be proud of (the Washington Monthly's Truman comparison is proof) and nothing to defend and I think the public is only wanting you to give them the old Roosevelt and Kennedy touch and remind them what a great nation we live in and what a great future we all have. I hope you don't think I'm being presumptuous with this advice but it's seldom I get the opportunity to communicate with you. My thoughts are only an accumulation of watching you very closely as well as communications with others who think of you as a friend and confidant.

I promise you one thing, you have a slam dunk if you keep going to the basket - all you can do dribbling is lose the ball. Remember you've always been a scorer.

Warm regards,


John Y. Brown, Jr.

P.S. You've got it all going - Good luck!


Happy Birthday

THE WHITE HOUSE

WASHINGTON

August 17, 1995

✓
MR. PRESIDENT:

I am trying to keep your paper to a bare minimum, but George indicated that you specifically asked for this.

Hope you're having some fun out there.

✓
10/21/95
Stern

THE PRESIDENT HAS SEEN
8-23-95

✓
10/21/95
Costa pretty good
See notes throughout
R

Memorandum for the President

From: George Stephanopoulos

August 17, 1995

Affirmative Action Follow-Up

Eskine

Todd

John Angell

95 AUG 17

Follow-up to your affirmative action speech falls into three broad baskets, all of which will require significant attention in September:

1.) Political/Legislative -- Alexis is completing the broad mailings of your affirmative action speech, and Administration officials have attended major conventions to outline your position. Both the House and Senate Democrats have prepared amendments to appropriations bills that embody your "mend-it don't end it" approach within the context of Adarand. We fully expect floor votes in September to eliminate set-asides, and these amendments would be used to counter that attack. In addition, hearings on broader affirmative action issues are likely, and we are preparing to testify.

2.) Policy -- The attached memo from the Justice Department outlines the process they have established to ensure compliance with the Adarand decision. We in the White House are deliberately maintaining a modified arms-length relationship from that process to help insulate you from political pressure, but Counsel's office and I are monitoring the process closely.

The first big decision we'll face in this process deals with procurement set-asides. The "rule of two" has been challenged in Court, and we believe an alternative will have to be proposed relatively quickly. We believe that the best approach might be to announce a reform package sometime in late-September or early October that combines eliminating the rule of two with our "anti fronts, anti-fraud" package and some fleshing out of the empowerment contracting proposal. Such a package will show that we're serious about Adarand and should help give cover to Democrats in the House and Senate as they oppose Republican initiatives to eliminate affirmative action.

3.) California Initiative -- We need to make a decision within 8 weeks on whether to propose a counter-initiative to the California Civil Rights Initiative. Many of us in the White House believe that an alternative is essential, but many others -- including John Emerson and Bill Carrick -- question whether that's the best course. John convened a meeting today, and we

Must conform to the standards of the ADA and ADA rules. We should discuss with the Justice Dept. and the House.

Affirmative Action Follow-Up
Page Two

all agreed that we need to put a process in place immediately to determine our course of action. John Emerson will prepare a separate memo outlining the steps that need to be taken over the next 6 weeks to reach an intelligent decision. This matter needs attention at the highest levels.

I've also attached a short explanation from the Justice Department on the Hopwood v. Univ. of Texas case. Right now the Justice Department is not involved in the suit, and in my opinion we should continue to stay out of it. It's pretty clear to me that Texas established a flawed program.



Washington, D.C. 20530

August 16, 1995

MEMORANDUM

TO: George Stephanopoulos
Senior Adviser to the President

FROM: Nancy E. McFadden *NEM*
Principal Deputy-Associate Attorney General

Susan M. Liss *ml*
Chief of Staff to the Assistant Attorney General

RE: Status Report on Post-Speech Affirmative Action Issues

This memorandum reviews the status of the affirmative action initiatives now underway. It reports on the review of the constitutionality of programs being led by the Department of Justice, summarizes pending litigation challenging federal affirmative action programs, and details the status of reform initiatives. The other pending initiative to arise from the President's review, empowerment contracting, is being handled by the Vice President's staff.

I. STATUS OF THE POST-ADARAND REVIEW

The Department of Justice is supervising the effort to review affirmative action programs to determine whether they comply with Adarand.

- o **Task Force.** A Task Force chaired by Associate Attorney General John R. Schmidt has been formed at the Justice Department to work with agencies in conducting the post-Adarand review. The Task Force includes representatives from various Department components, including the Civil Rights Division. The efforts of the Task Force are being coordinated closely with those of the Department attorneys handling litigation challenging affirmative action programs.
- o **Meetings with General Counsels.** In mid-July, meetings were held with the General Counsels of approximately 25 key agencies to discuss how best to organize and conduct the review, and to answer any questions regarding the guidance on Adarand issued by the Office of Legal Counsel on June 28, 1995.

- o *Workplan.* The Task Force has developed an overall workplan and is now active, moving on two fronts: (i) it is collecting factual and statistical information bearing on the extent to which Federal affirmative action programs serve compelling governmental interests; and (ii) it is working with agencies as they review individual programs to determine whether they are narrowly tailored to serve demonstrated government interests. We will continue to work with the agencies to ensure that it will take action with respect to their programs consistent with the President's directive.
- o *The Library.* The Task Force is collecting and indexing broad-scoped materials that bear on the need for a wide range of affirmative action programs -- information that would be impractical to have each agency develop individually. These materials are being organized in a library and include: (i) key legislative history materials; (ii) disparity studies that have been commissioned by State and local governments to document the need for their affirmative action programs; and (iii) a collection of materials from Government research components and private institutions.
- o *Agency Inventories.* The agencies have each produced a comprehensive inventory of all their affirmative action programs. The inventories have been reviewed and are now being indexed and computerized to allow for the ready identification of programs with similar features. Task Force members have begun to work with key agencies including the Departments of Defense, Transportation, Education, Energy and Housing and Urban Development, as well as the Small Business Administration and the Environmental Protection Agency. In this phase of the review, Task Force members have been focusing on individual federal procurement programs. By August 25, 1995, when the analysis of the inventories will be completed, workplans will be developed for all other major Federal agencies.
- o *Timetable.* The Task Force is moving as expeditiously as possible. It is reasonable to expect that substantial progress will be made towards completion by October 1, 1995. However, we are not stating publicly any specific completion date.

III. PENDING LITIGATION

The Department is engaged in, or closely examining, eight actions in which federal affirmative action programs are under review after Adarand. In each case, a federal program requires some race-conscious action on the part of a recipient of federal funds, and plaintiffs contend that Adarand establishes that such race-conscious actions violate the Constitution. None of the cases has progressed to the point of a decision determining the constitutionality of a federal program.

1. C.S. McCrossan Construction Company, Inc. v. Sutton (Department of Defense) (McCrossan I), (D.N.M.). The complaint in this action sought to enjoin bidding for construction contracts at the White Sands Missile Range, New Mexico. These contracts were to be bid only to small disadvantaged businesses (SDB's) under a Department of Defense rule which permits the Department to designate a project for such businesses when

there are two such firms in the bidding area capable of doing the work. Before the cc took any action, the Army decided not to apply the rule to this contract; the plaintiff is seeking a declaration that the Army's SDB program is unconstitutional.

2. C.S. McCrossan Construction Co., Inc. v. Clamey (Air Force)(McCross (D.N.M.)). This case involves an Air Force runway repair contract at Holloman Air I Base, New Mexico, limited to small disadvantaged businesses. The Air Force is consid delaying the bid openings or, in order to avoid scrutiny under Adarand, opening the bk to all businesses.

3. Converse Construction Company, Inc. v. Massachusetts Bay Transportati Authority and Peña (U.S. Department of Transportation), (D. Mass.). Plaintiff has challenged the several state or local projects in Massachusetts, some of which include U.S. Department Transportation funds that require minority contracting goals.

4. Russian and East European Partnerships (REEP) v. West (Department of Army and the SBA). This case seeks to enjoin the award of a language services contract a special forces unit at Ft. Carson, Colorado that the Army proposed to procure without competition from a contractor certified by the Small Business Administration as a small disadvantaged business.

5. Morton Manufacturing Co. v. MTA & DOT, (S.D.N.Y.). The complaint in case challenged a Minority/Disadvantaged Business Enterprise program maintained by New York City. Some of the contracts were funded by the DOT, and included minority contracting provisions. While DOT had been dismissed prior to Adarand, a motion to reinstate DOT as a party was filed after Adarand was issued, and is still pending.

6. Michelle Doe v. National Science Foundation & Texas A&M University (S. Texas). This complaint was filed by a 13-year old white girl denied admission to a summer camp run by Texas A&M and funded by the NSF, because the camp was limited to minority students. The NSF funding limitation was designed to implement a statute that directed the NSF to encourage minority students to enter scientific fields. Even before Adarand, NSF agreed to change its policy so that the camps it funds will not be racially exclusive.

7. Safeco Insurance Co. v. Eatherly Construction Co. and White House, Tennessee (M.D. Tenn.). An Environmental Protection Agency procurement regulation sets forth a series of steps that recipients of EPA financial assistance must take to recruit and consider minority, small and women owned businesses for use on EPA funded construction projects. A low bidder who was denied a project for refusing to comply with the regulation claims that Adarand renders the regulation unconstitutional.

8. Adarand Constructors, Inc. v. Peña, (D. Col.) has been returned to the district court for further proceedings regarding the constitutionality of the DOT program.

III. DEVELOPMENT OF REFORMS

The Affirmative Action Review proposed a number of regulatory reforms, particularly with regard to federal procurement reforms, and directed the Administrator of the Small Business Administration, the Deputy Director for Management of OMB, and White House staff to formulate government-wide proposals for change. We understand that this process has recently begun. The reforms to be addressed include:

- o tightening the economic disadvantage test to prevent businesses from hiding assets through a spouse or the value of a personal residence;
- o tightening requirements for graduation from sheltered competition by applying the 8(a) program's graduation requirement to all SDB programs and directing agencies to establish industry-specific graduation criteria;
- o enforcing safeguards against fronts and pass-throughs, including creation of an effective certification process and periodic audits of contractors; and
- o taking steps to reduce regional and industry-sector concentrations;

In addition, it is clear that one further significant regulatory reform will be necessary in the very near future. Spurred by litigation, the Department of Defense is considering whether to adopt an alternative to the so-called Rule of Two, and what that alternative should be. That rule requires that DOD award a contract to a minority firm whenever there are qualified minority contractors in the bidding area.

All of these reforms should be announced as a package. That announcement should come as early in September as possible, since it is possible that Congress will turn its attention to this area during consideration of appropriations bills and because it is likely that the Rule of Two, at least, will be the subject of fast-moving litigation.

Prior to announcing the reform package, it will of course be necessary to touch base as we have in the past with all interested parties -- Members of Congress, civil rights and women's groups and representatives of the minority business community.



Deputy Associate Attorney General

Washington, D.C. 20530

August 10, 1995

MEMORANDUM

TO: George Stephanopoulos
Assistant to the President

FROM: Nancy E. McFadden
Principal Deputy Associate Attorney General

SUBJECT: Hopwood v. Texas

NEM

Attached is a brief description of Hopwood v. Texas, the University of Texas Law School affirmative action case.

The case is currently pending before the Fifth Circuit. As is noted, the Administration has played no role in the case nor have we made any public statements

Please let me know if you need anything else.

Attachment



Deputy Associate Attorney General

Washington, D.C. 20530

August 10, 1995

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Assistant to the President

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Attachment

Hopwood v. Texas
The University of Texas Law School Affirmative Action Case

Hopwood v. Texas is a case currently on appeal in the United States Court of Appeals for the Fifth Circuit. It is a suit in which several white students who had been denied admission to the University of Texas Law School sued to challenge the school's affirmative action plan. The Department of Justice is neither party nor an amicus in this case; it has played no role, made statements and submitted no papers.

In Hopwood v. Texas, 861 F. Supp. 551 (W.D. Tex. 1994), the trial court struck down a law school affirmative action admissions program where minority and nonminority applicants were considered by separate committees and under different quantitative admissions standards, i.e., the cutoff for minority applicants' test scores was lower than that of white applicants. The court found that the program served two compelling state interests: (1) remedying continuing effects at the law school of past discrimination in both the University of Texas and the state educational system as a whole, and (2) obtaining an ethnically diverse student body. The court also found that the program was narrowly tailored in all respects but one, but held that it was unconstitutional because the law school failed to compare applicants on an individual basis as required by Justice Powell's opinion in Regents of the Univ. of Calif. v. Bakke, 438 U.S. 265 (1978). The court refused, however, to order prospective injunctive relief, since the law school had subsequently established a new admissions procedure that appeared to eliminate the defects found by the court. The court also found that the white plaintiffs had not established that they would have been admitted in the absence of the program, and thus declined to award compensatory damages or order that they be admitted to the law school.

The plaintiffs have appealed the denial of relief, asserting, in particular, that the district court erred in not issuing an injunction barring the law school from considering race in admissions. The state did not cross-appeal. The plaintiffs' appeal was argued on August 8, 1995 and is currently pending in the appellate court.

THE PRESIDENT HAS SEEN
8-23-95.

THE WHITE HOUSE

WASHINGTON

August 18, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: LEON E. PANETTA
Chief of Staff E.B.

SUBJECT: FRIDAY ACTIVITIES

POLITICAL ISSUES

Lt. Governor Huckabee

Lt. Governor Huckabee has formed an exploratory committee to examine a bid for Senator Pryor's seat.

Iowa Straw Poll

In a poll of 700 likely GOP caucus-goers, conducted by WHO-TV/IA News Network, Senator Dole was the front runner in the 10-way field with 34 percent of the vote. Senator Gramm came in second with 8 percent. Forty percent of those polled were undecided. When Speaker Gingrich and Colin Powell were added to the field, Senator Dole still led with 22 percent, and Colin Powell came in second with 10 percent. Senator Gramm finished with 6 percent, and Speaker Gingrich received 5 percent.

Abortion Politics

The Boston Globe reported that the National Coalition for Life "has been frustrated" by Senator Dole's refusal to sign a pledge affirming the rights of the "unborn child". Dole "has quietly brushed off the coalition's pledge, even though five other GOP Presidential candidates have endorsed it." The five are: Buchanan, Dornan, Gramm, Keyes, and Lugar.

Senator Bradley

Senator Bradley was on CNN's Inside Politics and PBS' Charlie Rose last night. The Senator did say that he had a "good conversation" with Colin Powell; Bradley declined to endorse the Clinton-Gore reelection bid.

Ross Perot

Ross Perot called Mack McLarty's office this morning. Perot wanted you to know that he has not spoken to Bill Bradley. Press reports have indicated that Senator Bradley has placed calls to Colin Powell, Lowell Weicker and to Perot.

Demings
205 to
Rain

DNC Report

Attached is a summary of the DNC bi-weekly report dated August 15, 1995, forwarded by Harold.

DOMESTIC ISSUES

Grazing

The Department of Interior is going forward with its grazing regulation on Monday, August 21, 1995. You have a letter from many Western senators asking you to delay the implementation for 90 days. Your response is being prepared and will be sent out next week, but Secretary Babbitt is going forward on the 21st. Governor Roemer and Secretary Babbitt are planning to announce the Colorado Regional Advisory Council, created by the regulation, on Tuesday, August 22. The California Regional Advisory Council will also be announced on Tuesday, and all other Western states Regional Advisory Councils will be announced on September 1, 1995.

FAA Safety Inspection Program

The New York Times is expected to run a story over the weekend that is critical of the FAA's safety inspection program. The four main areas of concern are: not enough inspectors, insufficient training of inspectors, inadequate targeting of resources to problem areas, and the slow introduction of automated systems which would improve inspections.

The FAA believes the basis for this story is a GAO report with similar findings. The Times has spoken to FAA inspectors and outside experts, but neither DOT nor FAA has been asked for an official Administration response.

Our '96 budget has requested more money for additional inspectors and increased training. Congress has proposed to cut the FAA operations account by \$150 million making it virtually impossible to increase inspectors and training.

Welfare

At the beginning of next week HHS will be ready to grant welfare waivers for Ohio and Hawaii. The Hawaii waiver announcement will be coordinated with your visit.

Crime

The Department of Justice is planning a week of activities

to commemorate the passage of the Crime Bill. In addition to the different events, they are preparing a one-year progress report for you. The report will be released on September 13th.

Immigration

The smuggling crack-down along the Southern California border is showing results. Operation Disruption, which involves more than 30 Border Patrol officers and began May 1, has targeted 71 alien smuggling holding sites or "drop houses" and has led to the arrest of more than 3300 illegal aliens. The Administration recently completed the first month of our L.A. County Jail criminal alien deportation pilot. During this period we tripled the processing of deportable criminal aliens. We are working on plans for expansion of this program, as well as initiating a similar program in San Diego.

Also, INS plans on holding its first press conference next week to announce the monthly deportation numbers.

Sweatshop Labor

A federal grand jury issued indictments yesterday against nine Thai nationals on charges of conspiracy and concealing and harboring illegal aliens in the L.A. garment sweatshop case.

Tonowanda, NY Pipeline Explosion

At approximately 4:35 a.m. EST today, a plant operated by FMC Corporation in Tonowanda, NY (north of Buffalo, New York) exploded. The cause of the incident is unknown at this time. Emergency officials have secured the plant facility due to toxicity of the chemicals. Unconfirmed reports indicate that six people have been injured.

ECONOMIC UPDATE

Consumer sentiment improves

The University of Michigan's index of consumer sentiment rose in August to its highest level since January. (These results are preliminary and are not for public use.) The increase resulted from improved attitudes on personal finances and buying conditions for household durables--especially furniture, appliances, and home electronics. Households with below-median incomes accounted for the entire gain; the outlook of upper-income households was unchanged from July. The higher level of overall confidence

could signal increased consumer expenditures in the year ahead.

Inflation outlook

Inflationary pressures in the economy remain subdued. Excluding the volatile food and energy components, consumer and producer price inflation were both just 0.2 percent in July. Looking to the future, the inflationary outlook remains encouraging for a variety of reasons: labor cost pressures are modest (unit labor costs have risen just 1 percent in the year-to-date), inflation is low at the crude and intermediate levels (producer prices for crude materials actually fell by 0.8 percent in July), and the recent appreciation of the dollar may further restrain inflation, albeit only slightly. The outlook for inflation will undoubtedly be one of the topics of discussion at next Tuesday's Federal Open Market Committee meeting.

Base Closure -- Panetta Trip to McClellan

Following up on Congressman Vic Fazio's request to conduct a "capital summit" on privatization, Deputy Secretary John White and I traveled to McClellan Air Force Base on Thursday to meet with local leaders. We were well received and had a very productive day of meetings with the community.

DISASTER RELIEF

Hurricane Felix

As of 11 am today, all emergency support teams were pulled out of North Carolina and Virginia. Felix is no longer considered a threat.

Minnesota Disaster

Based on FEMA's recommendation, we arranged today for a major disaster to be declared in Minnesota. On July 3, 1995, Swift County experienced severe storms; on July 9, a tornado touched down in Kittson County; and from July 12-14 the northwest and northcentral areas of the state experienced high winds and severe storms. Successive days of high winds resulted in over 5 million downed trees and disrupted transportation systems and electric power in many rural areas.

DEMOCRATIC ★ NATIONAL ★ COMMITTEE

Donald L. Fowler
National Chair

Christopher
Gener

MEMORANDUM FOR THE PRESIDENT

CC: Vice President Gore
First Lady Hillary Rodham Clinton

FROM: National Chair Donald L. Fowler
General Chair Christopher J. Dodd

DATE: August 15, 1995

RE: Biweekly Report of the Democratic National Committee

Attached please find the biweekly report of the DNC. This cover memo is followed by more detailed descriptions from each individual division.

Over the past few weeks, Chairman Fowler has attended state party, fundraising and outreach events in five states: California, Iowa, Vermont, Massachusetts and South Carolina. In addition, he met with State Party Chairs from Maine, Florida, California, Vermont, Massachusetts and Iowa. Chairman Fowler also addressed DNC training sessions in Washington, DC and Iowa. The Chair met with the Congressional Black Caucus (CBC) on the same day as your Affirmative Action speech, which was well received by members of the caucus.

Chairman Dodd's time has been consumed by the Whitewater hearings; however, both he and Chairman Fowler addressed the Democratic governors at the NGA summer meeting in Vermont.

FINANCIAL:

The Marketing Division fundraising programs continue to perform beyond projections. Through direct mail and telemarketing, we have brought in 197,750 new members to date in 1995 -- that's 920 for every single day of this year. Our appeals to existing DNC donors have brought in over \$6.3 million for the year.

Our FEC report was filed July 31, 1995. It showed contributions from all sources, including prospect mail and the state party direct mail program, at over \$20 million. The Chief Financial Officer reports that as of this date, the loan from NationsBank now has an outstanding balance of \$200,000, paid down from the original \$3,250,000.

Based on the FEC report, we released a statement announcing that the DNC had raised more money in the first six months of 1995 than in any comparable period in history, that our debt is sizably cut and that we have received a record number of new donors.

POLITICAL:

We have been communicating with our base vote communities regarding Affirmative Action and have sent out targeted mailings within the Jewish and Latino communities.

A poll conducted July 23-25 by the Political/Media Research polling group of 815 registered voters, with a margin of error of $\pm 3.5\%$, showed that despite an approval rating slide, New Yorkers still prefer President Clinton over Senate Majority Leader Bob Dole. The poll showed that in a two way general election, Clinton would defeat Dole 46% to 38%. In a three way general election with President Clinton, Dole and Colin Powell, Clinton would receive 32% of the vote and Powell and Dole would each receive 29%. The poll showed that 48% of New Yorkers rate President Clinton's approval rating as excellent or good, compared to 55% in May.

Republicans are spearheading an effort to gut many of the voting rights provisions in the National Voter Registration Act. It appears many Democratic Secretaries of State may be willing to support some of the technical changes. Chairman Fowler and Dodd sent a letter to all the Democrats on the Committee asking them to reject all amendments in the 104th Congress. It would be helpful if the White House were to weigh in on this matter.

COMMUNICATIONS:

Medicare Anniversary

We hit the Republicans hard on the 30th anniversary of Medicare with a release highlighting GOP plans to slash Medicare. We criticized Senator Phil Gramm and Representative Dick Armey on their fight to cut Medicare.

In addition, the DNC sent birthday greetings to Senator Bob Dole, drawing a parallel between his birthday and the anniversary of Medicare, and urging him to reconsider the Republican plan to slash Medicare to pay for tax cuts for the wealthy. We did a press hit on the anniversary of Dole's vote against Medicare, did targeted hits to Texas press on Armey's and Gramm's record on Medicare, and designed t-shirts that we delivered to key members of the media with the slogan, "Save Medicare, Vote Democratic."

The DNC's visibility is steadily increasing in the African American media. We have targeted releases on Medicare, Dole/Affirmative Action, and the 30th Anniversary of the Voting Rights Act. In addition, an Op-Ed was also sent out to African American newspapers on the Voting Rights anniversary, and Chairman Fowler did two interviews on African American radio stations -- WVAS-FM in Montgomery, AL and WWRL's "Drive Time" in New York City.

Over the past few weeks, the DNC has booked several speakers on talk radio to discuss the Whitewater hearings, Medicare cuts, environmental cutbacks and Affirmative Action.

We are embarking on a new initiative to book State Chairs to discuss Democratic issues in their own states, including the Governor's races in Kentucky, Louisiana and Mississippi.

THE PRESIDENT HAS SEEN
8-23-95

THE WHITE HOUSE
WASHINGTON

August 21, 1995

MEMORANDUM FOR THE PRESIDENT

FROM: LEON E. PANETTA LP/ak
Chief of Staff

Subject: Monday's Activities

POLITICAL ISSUES

ABC Poll

Enclosed is a summary of the latest ABC News poll which was released on Saturday. Note that you beat Senator Dole in a head-to-head, 51 percent to 42 percent. In a three way with Senator Bradley, you still lead: 40 percent Clinton, 35 percent Dole, 18 percent Bradley.

Senator Bradley

Attached is a summary of reactions both from across the country and New Jersey to Senator Bradley's announcement.

Former Governor Jim Florio held a press conference today to discuss his interest in entering the race to succeed Senator Bradley. Former Governor Tom Kean is also considering a run for the seat.

RNC Talking Points

Also attached are the latest RNC talking points. Of particular interest is the memo from Haley Barbour discussing Senator Bradley's retirement.

Ben Nighthorse Campell

The Associated Press is reporting that some Colorado voters feel that Senator Nighthorse Campell may be losing interest in being a U.S. Senator. Some constituents complained that they had hoped to meet with Campell during the Senate's August recess. Curiously, the Senator has not scheduled any meetings or events. Campell has said that he has not ruled out running for a second term or for governor in 1998.

DOMESTIC ISSUES

Plane Crash

An Atlantic South East "Cedarline" aircraft affiliated with Delta Airlines crashed at 1:10 p.m. (Eastern) near Carrollton, Georgia. The plane, traveling enroute from Atlanta to Gulfport, Mississippi, carried approximately 29 individuals. Two are reported dead (although unconfirmed). This Brazilian made aircraft is a fairly commonly used commuter plane in this country. We will continue to monitor this situation.

FAA Follow-up

As a follow-up to the New York Times front page story on the FAA, Harold Ickes, Steve Silverman and Michael Deich held a conference call with Deputy Transportation Secretary Mott Downey and FAA Administrator David Hinson to discuss the veracity of the allegations and the Administration's response. The primary area of concern is staffing. The Department will prepare a memo for tomorrow that will outline their substantive responses to the Times' allegations. Secretary Pena and David Hinson will prepare an Op-Ed for the New York Times. So far, there have been no press calls.

*Sum
Silverman
Deich*

Change in Measuring Immunization Rates

The Centers for Disease Control has developed an improved method of measuring infant immunization rates, with the new estimate of current immunization rates higher than the old estimate. Along with OMB, DPC staff has suggested that CDC continue to report immunization rates under both methods so that no one can charge that the change is intended to make it easier to achieve our immunization goals. CDC agrees with this plan, and expects to announce the new method at the end of the month.

Workplace Safety and Health

Today the AFL-CIO is unveiling a \$1 million radio and television advertising campaign to defend workplace safety and health regulations against proposed Republican budget cuts. The ads will be targeted at 26 congressional districts, and will run for two weeks. The AFL-CIO is most concerned about cuts of 30% to the NLRB and cuts of 15% to OSHA (including a 33% cut in OSHA's enforcement programs enacted by the House).

Deportation Numbers

On Thursday, INS Commissioner Meissner will hold a press conference to announce the most recent deportation numbers. The press conference will focus on the number of total deportations

and criminal deportations, and it will show that our numbers are up compared to the Bush administration. This will be the first of a newly-scheduled deportation press conference to occur each month.

Arizona Child Support Case

The Attorney General will hold a press conference this week to announce that the Justice Department will appeal a recent decision in an Arizona Federal Court holding the federal Child Support Recovery Act unconstitutional. The Attorney General plans to defend the legislation which aims to prosecute parents failing to pay child support to children living in different states. The court ruled that child support, like the possession of a fire arm, does not affect interstate commerce and cannot be regulated by federal law.

Handwritten signature/initials

FOREIGN POLICY

Bombing in Jerusalem

It has been confirmed that one U.S. citizen, a 44-year-old woman named Joan Devaney, was killed in the bus attack this morning. Her parents reside in Israel. The Israeli Cabinet did announce that it will continue talks with the Palestinians in Eilat. Secretary Christopher spoke with Prime Minister Rabin and Foreign Minister Peres this morning; Rabin told him that he had spoken with Arafat and that Arafat was being very helpful.

The Israelis are continuing to plan for the September 7 Washington event, although pressure may mount to postpone it. Likud and settlers are planning protests at the site of the attack.

(FYI - a press statement was done from Wyoming condemning the attack and sending condolences to the victims' families.)

Bosnia

An emotional wasceremony held today at Andrews Air Force Base honoring Bob Frasure, Joe Kruzel and Nelson Drew. All three families displayed remarkable strength and courage. We should be very proud of them. The Principals Committee meet Tuesday afternoon to discuss next steps.

Haitian Migrants

The U.S. Coast Guard and the Bahamian Defense Force yesterday rescued some 400 Haitian migrants from an 80-foot vessel in Bahamian waters. At least five were reported dead on the scene.

===== POLL UPDATE =====

*18 ABC NEWS: DOLE DROPS IN MATCH-UP VERSUS CLINTON
 507 adults surveyed 8/18 by Chilton Research; margin of
 error +/- 5% (release, 8/19).

	NOW FAV/UNFAV	7/17 FAV/UNFAV	6/8 FAV/UNFAV
Clinton	48% / 41%	--	53% / 43%
Dole	39 / 33	49% / 34%	50 / 31
Powell	59 / 7	65 / 9	59 / 10
Perot	39 / 47	39 / 50	---
Bradley	29 / 9	--	---

GENERAL ELECTION MATCHUPS

	NOW	7/17
Clinton	51%	48%
Dole	42	48

	NOW		NOW
Clinton	40%	Clinton	36%
Dole	35	Dole	27
Bradley	18	Powell	31

LIKELIHOOD TO VOTE BRADLEY
 IF POWELL WERE RUNNING-MATE

More likely	26%
Less likely	5
No difference	66

LIKELIHOOD TO VOTE POWELL
 IF BRADLEY WERE RUNNING-MATE

More likely	14%
Less likely	7
No difference	73

SATISFACTION WITH A CLINTON VS. DOLE MATCHUP

Would be satisfied	46%
Would want a 3rd party cand. to run	49

BRADLEY: MOST SAY HE'S ALL ABOUT 2000, NOT 1996

In a NEWSWEEK interview, Bill Bradley insisted he still belongs to the Dem Party: "I am a Democrat, and I have not talked of leaving the party. What I said, when asked, was that I wouldn't rule out an independent candidacy" (8/28 issue). More Bradley: "I care a great deal about the Democratic Party and getting the process reinvigorated" (Cohen, NEWHOUSE, 8/21). Appearing on "Face the Nation," Bradley was asked whether he would announce for pres., giving the network "a real nice scoop." He responded, "I'm sorry I can't oblige you. I'm not a candidate." Asked if he would run as VP on a ticket with Colin Powell: "I'm not a candidate for anything now. And I think it's way premature because as I understand Colin Powell, he's going on a book tour from September to October" (CBS, 8/20). Bradley said rumors about a "serious conversation with Colin Powell about an independent candidacy" were "totally untrue": "My interest is in trying to focus people away from candidates and candidate talk to the underlying problems in the democratic process. Talk about particular candidacies or tactics is just not where I am" (NEWSWEEK, 8/28 issue). Appearing on Mario Cuomo's radio show 8/19, Bradley denied saying he would "consider the possibility of running." He sought to clarify his position by saying: "As someone who has spent a long time with words, I said I wouldn't rule it out" (McGill, AP/BOSTON GLOBE, 8/20). Lowell Weicker, appearing on "Meet the Press," wasn't discouraged. Asked about Bradley, Weicker said, "I'd have no hesitation at all in backing Bill Bradley." Weicker, asked about the strength of Bradley-Powell or Powell-Bradley: "That would be a very strong ticket. No question about that" (NBC, 8/20).

(c) The American Political Network, Inc.
The Hotline, 8/21/95

Here are two GOP talking points issued for last weekend. The first is talking points on the Bradley retirement from Haley Barbour encouraging all Republican leaders to try to make news on this subject--the last paragraph suggests that by talking about Bradley Republicans can obscure the Medicare and welfare reform debates. The second bulletin is more Medicare stuff from the GOP--note the claim there were 38 Committee hearings on this one issue (so much for downsizing government...)

August 17, 1995

MEMORANDUM FOR REPUBLICAN LEADERS

FROM: HALEY BARBOUR

RE: SENATOR BRADLEY'S RETIREMENT AND
CONSIDERATION OF AN INDEPENDENT
CANDIDACY

Several of you called yesterday, seeking guidance about Senator Bill Bradley's retirement and his announcement that he is considering a run for President as an Independent.

Obviously, the Republican National Committee is not privy to Senator Bradley's thinking, and I cannot predict what he will do. However, two things are clear:

1. Bradley's consideration of running against President Clinton as an independent is a flat statement that he does not think Clinton deserves reelection.
2. Bradley's retirement and the retirement or party switches by seven other Democrat Senators is more evidence that the Democrat Party is bereft of ideas, and its increasingly partisan and negative tactics in the Senate are taking a toll.

Today, Brian Lunde, Democrat campaign consultant, is quoted in The Washington Times as saying, "For a Democratic Senator to say what he (Bradley) said is an indictment of the Democratic Party and the President. We could be on the verge of a full-scale desertion from the President in the Party."

While it is impossible for any of us to know what Bradley will ultimately do or to predict the exact effect of a Bradley independent candidacy on next year's election, the fact he is publicly discussing it speaks volumes about Clinton. Bradley does not think Clinton deserves to be reelected.

It is also clear the negative, partisan delaying tactics practiced by Senate Democrats is taking a toll. Bradley's comment that the political system is broken is understandable when you watch the Senate Democrats oppose bill after bill, simply for the sake of opposition. For months, they have thrown up every roadblock, used mountains of amendments for the purpose of delay and filibustered everything significant as well as many things that are insignificant. While Bradley has a relatively liberal

voting record, he has always been considered a serious member of the Senate, so it is easy to understand his frustration.

Of course, Bradley is not the only Democrat "to vote with his feet." He is the sixth Democratic Senator to announce his retirement and two more -- Richard Shelby of Alabama and Ben Nighthorse Campbell of Colorado -- have switched to the Republican Party. This is 1/6 of the entire Senate Democratic Caucus! Along with three House Democrats who have changed parties, this is the greatest number of Members of Congress to switch parties since the days of the Whig Party in the 1860s.

We have been very focused on policy, especially with the budget and Medicare. Those two issues along with welfare reform will dominate Congress for many weeks after Labor Day. It is important, however, that we also make news on purely political subjects like the implications of the Bradley retirement and his consideration of an independent candidacy. Please let me know if you need any more information.

cc: Republican Senators
Republican Members of the House
Republican Governors

RNC Daily Fact Check
August 18, 1995

MEDICARE FACT
VS.
MEDICARE FICTION

The Democrats' FICTION: Yesterday, the Democrats took negative campaigning to new heights. In Philadelphia, President Clinton's Secretary of Health and Human Services Donna Shalala joined with House Democrat Leader Richard Gephardt to scare senior citizens with the fraudulent charge that "Republicans are not only out to gut Medicare but to eliminate it altogether," as reported by the Philadelphia Inquirer (August 18, 1995)

The FACTS: Donna Shalala is one of the Medicare Trustees who signed the report issued in April 1995, warning the President and Congress that Medicare will be bankrupt in 2002 if nothing is done. Her own Trustees' report made it plain Medicare would, in effect, be eliminated -- by running out of funds -- if it is left on its current path. Shalala and her fellow Trustees reported: "(We) believe that prompt, effective, and decisive action is necessary." (Status of the Social Security and Medicare Programs: A Summary of the 1995 Annual Reports, The Social Security and Medicare Boards of Trustees, April 1995)

The new Republican majorities in Congress passed a budget that averts Medicare's impending bankruptcy and sets the program on a path to solvency. Under the Republican plan, Medicare spending will increase 54 percent over the next seven years, from \$4800 per-beneficiary, per year, to \$6700 per-beneficiary, per year.

The Republican Congress has held 38 public hearings on Medicare's fiscal crisis, and is devoting the August congressional recess to sounding out their constituents for the best solutions to preserve, protect and improve Medicare.

8/19/95

Kean mulls campaign for Senate

By JIM GOODMAN
Staff Writer

TRENTON — Former Gov. Thomas H. Kean is "seriously considering" running for the U.S. Senate seat that will be vacated next year by Democrat Bill Bradley, close advisers to Kean told *The Times* yesterday.

Kean called Rep. Dick Zimmer of Delaware Township, the most visible candidate for the GOP Senate nomination, yesterday afternoon to inform him he is actively and seriously thinking about a Senate campaign, a Zimmer aide confirmed.

He is believed to have told Zimmer he would make a decision within a few weeks.

The possible Kean candidacy sets up a scenario in which two former governors could end up going head to head for the Senate seat.

In Florio, the former Democratic governor ousted by Christie Whitman, also has indicated some interest in using the Senate race to stage a political comeback. Florio told the *Associated Press* yesterday he will "think about it."

There has been speculation about Kean as a possible U.S. Senate candidate several times since he left office six years ago to become president of Drew University in Madison.

The former governor turned down previous attempts by national GOP leaders to draw him into a Senate campaign on the grounds that he wanted to concentrate on rebuilding Drew University. Some friends of

Kean, however, say he has grown bored with the job.

U.S. Sen. Phil Gramm of Texas was one of the GOP leaders who tried to get Kean to run for the Senate against Bradley as early as last year.

Greg Stevens, a Washington-based political consultant and former chief of staff to Kean during his first term as governor, said Kean turned down that request because he was unwilling to "fight" against Bradley, with whom Kean has had a long and friendly political and personal relationship.

KEAN, A4

Kean

continued from A1

Larry Weltzer, Zimmer's campaign consultant, confirmed late yesterday that Kean had talked to Zimmer to let him know what is going on.

Weltzer said Zimmer will stay in the campaign no matter what Kean decides.

The consultant said he also had talked to some key Republicans who said they had spoken with Kean "and who felt that Kean is talking about running but are not convinced Kean is serious."

But Stevens said Kean is "very seriously" contemplating running.

Tony Cicculli, a longtime political confidant to Kean, said, "The thing here is not that Tom Kean wants to run against Dick Zimmer but how important it would be for the Republican presidential campaign to have someone of Kean's stature at the top of the ticket in New Jersey for the 1996 elections."

Peter Verniero, Whitman's chief of staff, said the governor is aware of Kean's actions but is not going to interfere in the GOP primary at this point.

While Whitman has contributed \$1,000 to Zimmer's primary campaign, the donation is not equivalent to an endorsement.

Verniero said the governor is on record as saying the Republican Party should take more time to find out how many party members are really interested in running for the Senate.

"All the dynamics of the campaign have changed radically in the last 72 hours," said Cicculli, referring to Bradley's announcement Wednesday that he would not run for a fourth Senate term.

"It doesn't take anything away from Dick Zimmer to realize the advantages Tom Kean would have as a freshman senator over Ziehlman," he said. "He would instantly be recognized as a national leader for the party."

But Weltzer said he has no doubt Zimmer will be the Republican candidate, even through the GOP pri-

mary is still 10 months away.

"Forty percent of the Republicans who will vote in the primary are already represented in Congress by Zimmer and many of the party's leaders and most of its leading fund-raisers are already backing Zimmer," Weltzer said.

Bradley's decision not to run has opened both political parties to potential new candidates for the Senate.

On the Republican side, the possible candidates range from state Sen. President Donald DiFrancesco of Wallfield to state Sen. Dick LaRocca of Ewing Township.

For the Democrats, Rep. Robert Torricelli of Englewood is the presumed front-runner but other Democrats are also floating trial balloons, including Florio.

"Don't rule him or anyone out," said one top Democrat. "And don't forget that Florio has run in three statewide elections and has never gotten less than 49 percent of the vote."

"It's true that he lost two of those three races for governor but he only lost by 1 or 2 percentage points in the two losses."

One of those losses, in 1981, was won to him by Kean. The other, in 1983, was at the hands of Whitman.

fantalizing but a mere 'fantasy'

Sen. Bill Bradley (D-N.J.) says he has no game plan as he faces the independent candidacy for the presidency, but will just move forward the way he sees it. He is not even considering the possibility of running for the White House, but he is not ruling out the possibility of running for the White House.

Democratic and Republican strategists are trying to figure out how to deal with Bradley, who this week announced that he will seek re-election to the U.S. Senate in June and may be asked to run for the White House. Bradley is not even considering the possibility of running for the White House.

It is possible the strategists say, that President Carter could be hurt by the independent candidacy of Bradley. The strategists say that the independent candidacy of Bradley would hurt Carter's chances of winning the White House.

That he will do it, said Stone, "he just wants to influence the election and make Clinton a little bit better."

In his controversial Tuesday, Bradley publicly announced that he had called and spoken to President Carter about his decision. He also said he had called but at that time had not reached Ross Perot and former Connecticut Gov. Lowell Weicker.

Among those contemplating independent bids for the presidency, with few exceptions, many are running in the polls and great name gains in the primary season and even in the general election. In the Senate races, Sen. Bill Bradley, a Republican, said and pollsters now working for his party's best interest. Sen. Bob Dole of Kansas has to go to page 5.

DiFrancesco defers to Kean in Senate race

By DAN WEISSMAN

Senate President Donald DiFrancesco (R-Union) confirmed yesterday that he is "thinking about" becoming a candidate for the Senate seat being vacated by Sen. Bill Bradley (D-N.J.). But in an interview, DiFrancesco said his decision would be based on what former Gov. Thomas Kean decides to do.

DiFrancesco, whom Republican State Chairman Ozrobert Hayden characterized as a formidable candidate, said if Kean decides to seek the nomination "he forecloses the field because he is so well-known, and so popular. I am really waiting to see what he is going to do."

But Edward McElroy, his former chief of staff, has said conditions are right for the former governor to enter the race. On the Democratic side, meanwhile, Sen. John Adler (D-Camden) said he is considering running. "I am looking at it," Adler said. He said a final decision is "still some way away."

"If he runs, I don't," DiFrancesco

Kean was not available for com-

He will decide after he returns from a vacation next week in Nag Head, N.C.

'At the end of the day, I don't think he will do it. He just wants to influence the debate and poke Clinton a little.'

-Roger Stone, Republican consultant

Continued from Page One
Kean said that public probably would give a victory to the retired general and the New Jersey senator support of 35 percent. He said both men have compelling personal stories and would get tremendous mileage out of that for a while.

"But somebody has to be the presidential candidate and somebody the vice president, and it's hard to imagine Colin Powell wanting to be Bill Bradley's vice president in a very long-shot campaign," said Belinfante.

DiFrancesco said he would certainly make the bid and with the "fantasy" said Stone. DiFrancesco said he does not expect that Bradley will get much attention as he travels around the country after the bid that inevitably wears off. And if Clinton loses or is badly damaged by Bush, he said, Bradley will not automatically be awarded the trophy.

"If something happens to the president, and I don't think that will happen, Bradley will not be a factor. He will be a factor in the election, but he will not be a factor in the election."

Over the weekend, Bradley will take part in a conference in Colorado organized by the Aspen Institute, a public policy think tank. Yesterday morning, he was seen on the CBS program "Face the Nation," and started his day with the week of the

DiFrancesco will be fighting with Clinton

Republican Senator and Two of His Constituents Illustrate Debate on Tax Break for Working Poor

By DANA MILBANK

Staff Reporter of THE WALL STREET JOURNAL

WILMINGTON, Del. — To Republican Sen. William Roth, the major federal program to aid the working poor is a disaster. To his Delaware constituents Melinda Heck and Donna Bratton, it's a godsend.

Sen. Roth has introduced legislation to make vast cuts in the Earned Income Tax Credit, a tax break for low-income workers that until recently was hugely popular on both sides of the aisle. His two constituents receive the credit and stand to lose it. The views of these three people capsize much of the current debate in Congress over whether the huge tax-credit program needs to be drastically overhauled.



Sen. William Roth

Ms. Heck, a recently divorced mother of three says she needs her \$1,500-a-year credit for child care so she can keep her job, pay the mortgage and stay off welfare. "If I lose this, it could be the last straw," she says.

Ms. Bratton, another single mother, saves her annual credit of about \$700 for when the pipes burst or the heating breaks in her mobile home and her \$19,000 income won't cover it. "It's like being punished," she says. "I'm trying as hard as I can."

But to Mr. Roth, both are beneficiaries of a program gone awry. Their incomes, above the poverty line, are higher than those originally targeted. Recent and planned expansions of the credit have turned what was once a cushion against payroll taxes into the fastest-growing poverty program. Costs will hit \$27 billion next year. Conservatives who have soured on the EITC say the growth has invited vast fraud and given money to the less needy.

"The program was basically to help the poor get off welfare and into meaningful jobs," Sen. Roth says. He declines to comment on Ms. Heck and Ms. Bratton. But "in these days of limited resources, we're trying to scale this back to help those it was intended to help," he says.

Sen. Roth's bill would take \$66 billion out of the program over seven years, mostly by cutting off those at the top and ending inflation-indexing. Ms. Heck would lose her credit immediately under Mr. Roth's changes. Ms. Bratton would lose hers gradually. A smaller Senate proposal would cut \$21 billion.

But even some conservatives worry about badly wounding a rare species: a welfare program that, on balance, succeeds. Only those who work qualify. The Center on Budget and Policy Priorities says the Roth bill would ultimately cut the program in half, amounting to a tax increase on 19 million of America's poorest working families. Most of these families, because they don't pay income tax, wouldn't benefit from a proposed \$500-a-child credit.

Mr. Roth says the EITC is "probably the most abused program on the books," with fraud and error rates in the 30% to 40% range. This has been a huge problem because the Internal Revenue Service didn't check children's Social Security numbers and verify earnings. But after a clampdown this year, the IRS says violations are "rapidly approaching" the 14% to

17% of other tax programs.

That leaves the argument about whether the program is benefiting the right people. Because there's no test for assets, interest income or child support, Mr. Roth argues, the EITC "lacks a sense of fairness." The credit benefits three groups: those earning less than \$9,000 (for a two-child family), who get an increasing credit for each dollar they earn; those earning \$9,000 to about \$12,000, who get the maximum credit of \$3,560; and those earning about \$12,000 to \$28,000, who receive a declining credit.

Just about everyone agrees the first and second groups have a strong incentive to work, and the cuts would have a smaller impact on them. The dispute is over the third group—twice as large as the first—which has a slight disincentive to work more and, arguably, may not need the money as much.

Drive up to Mindy Heck's \$100,000, three-bedroom home in north Wilmington and it seems to justify the complaints. She has a computer, a microwave, a refrigerator with an ice maker and two air conditioners running. Since learning of the credit, she has amended old returns to get more money. Her income—which she asks not be disclosed — puts her in the upper EITC bracket. "I'm a borderline case," she concedes. If her child-support income were included it would boost her earnings 50% and keep her out of the program entirely. Critics call excluding sizable support payments the "Ivana Trump loophole."

But look into her finances as she displays them on the kitchen table, and another story unfolds. She's 10 days late with a mortgage payment but doesn't have enough in the bank. Ms. Heck would have lost the house since her divorce two years ago if not for her mother, who has paid much of the mortgage and given her a station wagon to drive. Even so, Ms. Heck got into trouble with debt and had to have it restructured; she now has difficulty getting credit.

The family's furniture and clothing come from Goodwill Industries, where she works, bought with coupons she wins for hitting sales goals. She puts house-brand cereal in a Rice Krispies box so her kids think they're getting the real thing. "Another few dollars is life or death to me," she says.

The EITC, she says, averted disaster after her divorce. Her child support didn't cover her day-care costs of \$400 a month for her three kids. Without the extra \$1,500, she says, she couldn't afford the child care. "If I can't afford child care, I lose my job, lose the home, and I'm on mom's front porch," she says. "I'm getting to the point where maybe I can keep my house and keep my kids in day care without bouncing checks."

Still Needing the Credit

Some of Ms. Heck's co-workers at Goodwill make half as much as she does and are in the lower EITC bracket. But she figures she needs the credit just as much. "Maybe my house is in a nicer neighborhood, but I'm in the same boat," she says.

Working as a secretary in a Wilmington office park a few miles from Ms. Heck's home, Donna Bratton also thinks she should get the credit. Unlike Ms. Heck, Ms. Bratton freely concedes she could survive without her credit, which is all of \$692 a year. But she feels she deserves it. "I'm not asking the government to give me anything I didn't earn," she says.

THE PRESIDENT HAS S

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THE WALL STREET JOURNAL WEDNESDAY, AUGUST 16, 1995

The proud Ms. Bratton, who has a three-year-old daughter, has never received welfare benefits and never expects to. Even with her credit, she still winds up giving the government money, not taking it. Her credit didn't offset Social Security taxes of \$1,202 last year, Medicare taxes of \$281 and hundreds in state taxes.

For her, the credit is like two extra weeks of pay each year. "To me, it's safe money in case of emergency, and there's always an emergency," she says. "For me the extra \$60 a month means an extra week of day care or a new muffler and oil change, or two weeks of groceries, or if I have to call a plumber if the pipes burst."

Unlike Ms. Heck, Ms. Bratton gets no child support. But she — or people like her at the upper end of the EITC income limit — would be phased out of the program in the next few years.

Ms. Bratton finds laughable the senator's claim that the credit discourages her from working or getting married and encourages her to lie about income. "I work more to get more money — I don't have a job to get the credit," she says. She's struggling to reduce a few thousand dollars of credit-card debt and is paying off her car.

Ms. Bratton plans on marrying her boyfriend in a couple of years. Though it means losing her credit because of the EITC's "marriage disincentive," she isn't worried. "It's \$692 vs. \$17,000," she says, referring to his income. "I'd rather have him there."

Sen. Roth, she figures, is missing the point. "If the senators really want to know what's going on," she says, "they should make the money of a single parent."

THE PRESIDENT HAS SEEN
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Today's debate: AVOIDING CHILD SUPPORT

Stiff laws nab deadbeats

OUR VIEW Jailing of the biggest deadbeat dad of them all shows aggressive enforcement works.

The sight of deadbeat dad king Jeffrey Nichols nabbed, cuffed and jailed in New York for ducking \$580,000 in child support ought to shake up other scofflaws.

A few years ago, Nichols almost surely would have escaped his responsibilities. His wealth enabled him to run to Toronto, Boca Raton, Fla., and Charlotte, Vt., and he got away with it for five years. He defied three states' court orders to pay up.

He was finally caught because in the past few years local, state and federal governments have finally gotten serious about child support.

A law Congress passed in 1992 required the FBI to chase child-support cheats when they cross state lines. Nichols became a target, culminating in his arrest.

As the scale of such enforcement has grown, it has prompted occasional criticism — particularly about use of Internal Revenue Service records to track down deadbeats. But there's no doubt it's needed.

There are 7 million deadbeat parents, 90% of them dads. If all paid what they are supposed to, their children would have \$34 billion more — money that sometimes has to come from the taxpayers instead.

Some 300,000 mothers and 400,000 children could get off welfare if all the support ordered were paid. Taxpayers would save

\$4.2 billion in 10 years, says the Department of Health and Human Services.

That reality, and public pressure, gradually has forced officials from Washington to city hall to seek new ways to crack down.

For instance, Hamilton County, Ohio, is going to turn over some of its most difficult collections to a private company. Officials want to create competition between the public and private collection agencies.

Twenty-nine states have some form of license-revocation law to enforce child-support orders. Parents who don't pay can lose driving and professional licenses.

Some states publish "most-wanted deadbeats" lists. A father turned himself in after 16 years and \$25,000 in missed payments when he appeared on Indiana's list.

When state powers are thwarted by interstate flight, the federal government steps in.

The IRS can withhold income tax refunds from parents who don't pay court-ordered support. And the Child Support Recovery Act makes it a federal offense to willfully miss more than \$5,000 in payments for a child in another state. Offenders are subject to jail sentences and fines.

Critics complain the Justice Department has been too slow in setting the 3-year-old law into action. They're right. So far, only 77 parents have been charged and 21 convicted, and 549 cases are in progress.

But picture a successful businessperson handcuffed by the FBI, paraded through a media gantlet, facing time behind bars, a fine and payment of back child support.

That ought to make a lot of deadbeat dads and moms write checks immediately.

Dad often gets the shaft

OPPOSING VIEW Too many so-called 'deadbeats' end up with little to live on and little contact with their kids.

By Joseph A. McMillen

There is this notion that we should treat parents who are behind on child support like houseflies and swat them every chance we get. Some folks want to use the Child Support Act of 1992 to lock up some deadbeats and use license revocation to destroy the livelihood of others.

Yet, while we keep passing laws that look like better fly swatters, we continue to ignore the old adage that you can catch more flies with honey than you can with...

After paying their taxes and child-support payments, millions of non-custodial parents try to live on less than one-quarter of their gross income.

Many parents must work three jobs, move in with their parents or live in a friend's basement to be able to personally survive and still pay their child support. In return for their sacrifices, most non-custodial parents don't ask for much except for the ability to see their children and remain involved in their lives.

Unfortunately, most non-custodial par-

ents must file multiple court motions to be able to see their children and to get such basic information as the name of their children's doctor.

Eventually, many of these parents lose faith in the justice available in our family court systems and take the attitude that if she's going to get the gold mine, I'm also going to give her, the courts and everybody else the shaft.

A bigger child-support stick will not make these parents pay their child support, but a little understanding might.

The state of Michigan has the highest compliance rate by non-custodial parents on the payment of child support. It is not coincidental that the state of Michigan also has some of the best programs to assist non-custodial parents to remain involved in their children's lives.

Funds spent on parental education, parental access and mediation programs will go much further toward collecting child support than get-tough child-support enforcement laws.

Sure, it's gratifying to swat houseflies, but we all know that when we try to swat them, most just buzz away.

Joseph A. McMillen is assistant operations director of the National Congress for Fathers & Children, Kansas City, Kan.

USA TODAY • WEDNESDAY, AUGUST 16, 1995

Jim Dorskind

Please coordinate the reply.

Chavez/Bauer
Memo to me - say we can get an agreement on provisions for our child support

U.S. takes an unfair whipping

We're a favorite target for outrageous human-rights claims; we shouldn't let people get away with slander.

GENEVA — The report of a United Nations official described shocking human rights abuses: record numbers of black women shot in the street, others lynched, dozens of men and women kidnapped and hunted for fun by white supremacists. Where and when did these outrageous acts occur? Why, in the United States during the 1880s, of course.

The U.N. official, Maurice Giele-Ahanhanzo from the West African country of Benin, reached these conclusions after an 11-day U.S. visit. His mission was part of a worldwide study of "racism, racial discrimination, xenophobia and related intolerance" authorized by the 53-nation U.N. Human Rights Commission.

The United States, one of the commission's member states, remains a favorite target in the U.N. system. The U.N.'s human rights bodies often ignore gross rights abuses in countries such as China, Cuba, India or Syria where political imprisonment and even torture occur with total impunity. Yet they are obsessed with race relations in the U.S. and other Western democracies like Germany and Great Britain.

Three years ago, when I attended my first session of the U.N. Human Rights Subcommittee, I was amazed to hear group after group testify to the panel on "human rights abuses" in the United States. Most of those testifying were Americans themselves, representing organizations I had never before encountered — the International Association Against Torture, the December 12th Movement, Lift Every Voice Inc. They described an America filled with political prisoners, where blacks and Hispanics are almost routinely killed for political or racial reasons, beaten — even killed — by their jailers, and sentenced to death on the basis of fabricated testimony and evidence.

Listening to their passionate statements, one might wonder why people of color aren't fleeing the U.S. in droves rather than pouring in from Latin America and Asia by the millions. But such logic never seems to occur to the American witnesses or their Third World allies.

Now I've become almost inured to the anti-American, anti-Western rhetoric from members of the U.N.'s rights panel and the non-governmental organizations that testify.

Nonetheless, I was surprised by Giele's report, introduced on the subcommittee agenda last week. Here, after all, was an official U.N. document, and one that relied for much of its "evidence" on material presented by the same fringe groups that testify before the panel each year.

Unfortunately, the document, which had been officially presented to the Human Rights Commission in March, provoked only a mild rebuke from the head of the American delegation, who said, "Several elements of (the) analysis are incomplete or inaccurate."

Apparently you can say anything about the United States — no matter how inaccurate or outrageous. But it's impolite, not to mention impolitic, to correct the record. The United States itself seems in no hurry to object — an official Justice Department review of the report has yet to be completed and filed.

Thankfully, I'm unfettered by any required diplomatic niceties since I serve on the panel in an individual capacity, not as a government representative. I denounced the report, chapter and verse, in the subcommittee as "scandalously misinformed, containing factual errors and highly politicized comments," angering many of my colleagues and Giele.

Americans didn't always hold their fire at the United Nations. Both Daniel Patrick Moynihan and Jeane Kirkpatrick, who served as U.S. ambassadors to the U.N. in the 1970s and 1980s, respectively, were staunch defenders of America.

The Cold War's demise should have reduced anti-U.S. bias at the U.N. since much of it was nurtured by the Soviets. But old habits die hard, particularly when there is no price to be paid for indulging them.

Perhaps the U.S. can never win the Third World's love and admiration. But the U.S. can — and should — insist that U.N. officials refrain from publishing anti-American propaganda in the name of human rights.

COUNTERPOINTS' four columnists provide views from diverse perspectives on today's issues. Thursday: Susan Estrich on the gender gap on the Internet. Mondays: Tony Snow. Tuesdays: Michael Gartner. Wednesdays: Linda Chavez.



COUNTERPOINTS
By Linda Chavez

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THE WALL STREET JOURNAL WEDNESDAY, AUGUST 16, 1995

CAPITAL JOURNAL

By Gerald F. Seib

A Young Turk's Lonely Struggle To Clean House

ROSS PEROT ISN'T LETTING any grass grow under his feet. On Monday, just after his ballyhooed political conference in Dallas had ended, Mr. Perot was on his car phone, talking to Washington.

The state of Washington, that is. On the other end of the line was a previously



obsure freshman congresswoman from Vancouver named Linda Smith. Rep. Smith, a Republican, was one of the stars of the Perot conference, simply because she issued a clarion call for cleaning up the polluted system by which politicians finance their campaigns.

It's a call that some GOP elders would just as soon not hear, given that they're now the big beneficiaries of the system. But it hit home with the Perotistas, and with Mr. Perot himself. "He wants the issue," Rep. Smith said in an interview after her chat with the Texas billionaire. "He wants the issue, and we're trying to talk and decide the best way to make it happen."

Mr. Perot may want the issue. But in truth, this issue belongs to Rep. Smith and her young House classmates.

Every freshman eventually faces the big test that proves his or her mettle. For the 73 Republican freshmen in Congress, who fancy themselves as the capital's true revolutionaries, campaign finance has just emerged as their big test. They are the ones who will or won't make change happen.

THAT'S BECAUSE OTHERS more steeped in the current system will run away from change if given half a chance. By contrast, Rep. Smith and a fellow freshman Republican, Sam Brownback of Kansas, are pushing a bill that would begin a frontal assault on today's campaign-finance system.

The legislation's essential aim is to get campaign financing out of the Washington-lobbyist loop and back to lawmakers' home turf. It would allow congressional candidates to take contributions only from residents of their states and committees of their own political party. Political-action committees could still exist, but they would be banned from contributing to congressional candidates, and the amount of so-called

"soft money" they could give to the national parties would be curtailed. That would at least start to change current practices, under which wealthy contributors skirt individual contribution limits by donating to special-interest PACs, which then distribute money to campaigns and parties en masse.

The bill also would radically curtail candidates' practice of lending personal money to their campaigns, then using special-interest donations to pay themselves back after winning. The bill also would stop members of Congress from advertising themselves through free mass mailings just before an election, and ban gifts to lawmakers.

This legislation isn't flawless. The constitutionality of banning out-of-state contributions to a candidate is unclear. The bill also ducks one measure that would go a long way toward leveling the playing field between incumbents and challengers: the provision of free television time for campaign messages.

But Rep. Smith, who championed campaign reform in her own state, is aggressively

practical. She says she's open to alterations, provided they strengthen rather than weaken her bill. Her most important contribution is simply in creating momentum for change. In the Senate next month, conservative



Rep. Linda Smith

Republican John McCain of Arizona and liberal Democrat Russ Feingold of Wisconsin will join in with a bill proposing even bigger changes.

Until now, Congress's Republican leaders, replicating the mistake of their Democratic predecessors, have underestimated the thirst for reform. Early this year, for instance, Reps. Smith and Brownback wanted to push a bill banning gifts to lawmakers. But Rep. Smith says congressional leaders herded them into a room, said their bill would interfere with the "Contract With America," and promised instead to schedule hearings for May. The hearings never happened.

Nowadays, "Campaign finance is on everybody's mind right now," says Platt Thompson, director of Mr. Perot's United We Stand organization in California and Idaho.

Linda Smith wants to keep it there. One of her challenges will be to keep fellow freshmen on board. That may not be easy, considering a Common Cause study this week showing that House newcomers are rapidly becoming as addicted to PAC funds as their predecessors were. But Rep. Smith intends to prevail. Her message to congressional leaders is simple: "We're going to carry the load, build the consensus. All you have to do is schedule a vote."

Jim Dorskind

Please coordinate
the reply.

THE NEW YORK TIMES, WEDNESDAY, AUGUST 16, 1995

Schools, Not Rules, for Immigrant Kids

To control overcrowding and cut expenses, school districts often require proof that students actually reside in the community. For many families, coming up with proof-of-residency requirements, like rental agreements and utility bills, is merely an inconvenience. For immigrant families, though, it can be a burden. Some of these families, doubled up with relatives, do not make payments in their own names. Others may have fled their native countries for their lives, leaving documents behind.

Several Long Island school districts are now insisting on strict residency rules, which critics think discriminate against immigrant children. Districts surely have the right to determine whether the children they educate live in the neighborhood. But in their zeal, some districts may be skirting the edges of the law.

The New York State Education Department takes a flexible view. Its guidelines suggest that residence could be based on a student's physical

presence within the district. Thus, proof might be established by a simple affidavit, not a rental agreement. The problem here is arbitrariness; districts pretty much set their own rules. In Hempstead, for example, Hispanic parents charge that residency rules are randomly applied, with some district workers accepting one form of proof that others reject.

Last year the town of Elmont circulated registration forms that, in effect, requested green-card numbers. That could be subject to legal challenge under a 1982 U.S. Supreme Court ruling that states may not deny a free public education to undocumented immigrant children.

Districts certainly have a right to know where students live. But immigrant children also have a right to be educated. The key here is flexibility; if districts showed more restraint in requiring proof of residence, then more immigrant children would be encouraged to attend school.

The Gift of a Lifetime

Multimillion-dollar gifts to colleges and universities have become almost routine. Bill and Camille Cosby gave \$20 million to Spelman College. Henry Rowan, who runs a manufacturing business, and his wife, Betty, gave \$100 million to Glassboro State College, which was then renamed Rowan College of New Jersey. The billionaire Walter Annenberg gave \$25 million to Harvard and \$120 million to the University of Pennsylvania.

So why is it even noteworthy when Oseola McCarty, an elderly black woman, donates \$150,000 to the University of Southern Mississippi? In the case of Ms. McCarty, it is the heart behind the gift, and the lifetime of effort that went into it.

Ms. McCarty, now 87, earned her money washing clothes for people in her hometown of Hattiesburg, Miss., which is also the home of the university. With no husband or children, no travel or expensive hobbies to claim the dollars and change she earned,

she just continued to save it up over the years. After taking out what she needs to maintain her modest life style, she is donating \$150,000 to the university for scholarships for black students. The University of Southern Mississippi was first opened to blacks only 30 years ago.

Ms. McCarty, whose one major regret in life is that she never finished school after having to drop out in the sixth grade, is living proof to impatient young people that dignity and reward in work is what you make of it. She exemplifies donors who struggled to achieve a measure of success in one generation and then reach forward to help the next generation.

The first recipient of one of Ms. McCarty's scholarships, Stephanie Bullock, plans to major in business and has all but adopted her benefactor. Ms. Bullock and subsequent scholarship winners can be grateful for a special gift from a special woman.

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REVIEW & OUTLOOK

Where's the Seventh Fleet?

China's escalation of its war of nerves against Taiwan has Asians asking a plaintive question: Does the Clinton administration care? So far, there is little evidence that it does. But if it continues to treat the threats to Taiwan with nonchalance, it will risk new political instability in a region that has been the major contributor to global economic growth.

The first round of China's "test" missile shots into the waters north of Taiwan forced the diversion of hundreds of international flights and ships. Now an area 50 times larger has been unilaterally declared off limits, amounting to a partial blockade of Taiwan, the world's 14th-biggest trading nation. A new 10-day live ammo naval exercise that began Tuesday is unlikely to be the last. Military sources in Beijing say the demonstrations will continue right up to Taiwan's presidential election next March.

The principal target here is Taiwan's bold and popular president, Lee Teng-hui. Beijing thinks he is getting too uppity and would like to scare the Taiwanese into sidelining him as a candidate in Taiwan's first popular presidential election. In fact, the tests have done little damage to Mr. Lee's popularity. But they have rattled stock markets in Taiwan and Hong Kong, raising doubts among the wealthy overseas Chinese in Hong Kong and Taiwan who have been financing most of China's so-called "economic miracle."

The Clinton administration seems to think it can ignore China's saber-rattling. But if it continues to do so it can expect the People's Liberation Army to continue pushing its luck until it finally provokes a serious confrontation. Symbolic of the U.S. security policy stance these days was the President's call last week—against the wishes of his military advisers—for a total ban on nuclear weapons testing. Symbolic of China's stance was the response of a Chinese official that the U.S. can stop tests if it wishes but don't expect China to follow suit. As to the U.S. Seventh Fleet, with Taiwan under threat, the timing could hardly be better for the White House to display and publicly draw attention to U.S. naval strength in the East China Sea. For once a message from outside could have an improving effect on the vector of China's inter-

nal politics. Jiang Zemin, head of the Communist Party, is a weak leader but has clothed himself as the liberator of Taiwan.

This is a mission that larger men—Mao and Deng—saw as distinctly lacking in urgency, indeed as a distraction from the more important matter of governing a nation of 1.2 billion. It's hard to figure how reunification has suddenly become the most pressing Chinese national interest.

On the contrary, it can only jeopardize the investment flow from Taiwan, the overwhelming impetus to China's growth. Mr. Jiang himself once insisted that "social stability" was China's No. 1 priority, and with good reason. China has 80 million jobless peasants, combustible inflation in the cities and 50 million surplus state workers.

The suspicion must be that Mr. Jiang finds framing policy under these circumstances too intractable and seeks an easy way out by offering at least one constituency everything it wants. The PLA has been redesigning itself from a mass land army designed to fight the Soviets to a more high-tech, mobile force for dominating the South China Sea. But this was supposed to be a long-term project, and like the skeletal German army occupying the Rhineland in 1936, the PLA must be dizzy now to find the world clearing a path for its aged jets and frigates. By threatening a peaceful neighbor, a weak leader suddenly finds himself on the sort of winning streak that has eluded him in domestic matters. That's a bad precedent to leave standing for Mr. Jiang and anybody coming along after him.

The U.S. has held back out of fear of seeming provocative over what looked like a shadow-boxing exercise. But that has sent the wrong message, as China's escalation of the tests has demonstrated. What is called for is a U.S. carrier task force in the area to impress China's military. Putting some real force just over the horizon would be to invite the PLA's staff planners to remember how they match up against real opposition. The U.S. and its allies have left the PLA to believe these waters are its undisputed territory. Surely, after Saddam, Milosevic and the Kims of Korea, the U.S. should have learned that inattention or weakness of resolve invites bigger trouble down the road.

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THE WASHINGTON POST
THURSDAY, AUGUST 17, 1995

JACK ANDERSON and MICHAEL BINSTEN

Land Mines: A Danger That Won't Go Away

Most of the world's 20 million refugees would love to return home, yet for many of them a single evil stands in their way: land mines.

The world is in the midst of a mine crisis. Experts at the United Nations estimate there are about 100 million active land mines in the world today, spread across 62 countries. These mines kill or injure more than 26,000 people each year, mostly in Third World countries that have been beset by civil war or other strife.

One-third of the victims are children. In many cases, these deadly weapons continue to take life and limb indiscriminately long after the conflicts they were designed for have subsided.

Nobody is more passionate about the subject than U.N. Secretary General Boutros Boutros-Ghali, who notes that mines are often placed in commercial or civilian areas rather than military venues to prevent innocent people from moving about.

"There is a global land mine crisis going on, and we need to do more about it," he told our associate Dale Van Atta in a recent interview. "They put them everywhere—in village fields, so the people have been fearful to plant crops, at power stations, in water treatment plants—everywhere. So even when people want to return home, they can't. They must wait for the mines to be cleared and that is taking longer than we hoped."

Cambodia is a good case in point. Ravaged for years by fighting between the Khmer Rouge and other factions, the country has since become a symbol of triumph for U.N. peacekeepers. After peace was restored several years ago, the United Nations launched a largely successful program to repatriate all Cambodian refugees by promising land. But it had to renege because so much land was unusable because of mines. So the United Nations simply paid out cash grants of \$50 per adult and \$25 per child for returning.

The United States currently contributes most of the nearly \$40 million that the United Nations spends each year on the effort. Though Boutros-Ghali wouldn't say so, his aides claim he is very disappointed at the small amounts of money that donor nations—particularly those that produced the mines—are willing to give to the mine-clearing effort.

Without international assistance, U.N. officials

note, the mine problem is only going to get worse. In Cambodia, where one of every 236 citizens is an amputee because of mine blasts, an estimated 7 million to 9 million mines remain scattered across the countryside.

The United Nations estimates that the total cost for removing a single mine is between \$200 and \$1,000. Cambodia's annual per capita gross domestic product is only \$200 per person, meaning the cost of mine-clearing would take every penny produced in the economy for the next one to five years.

Even countries that can afford to clear mines find they can't do it fast enough. At a cost of \$700 million, the Kuwaiti government has cleared more than 1.6 million mines since the end of the Persian Gulf War. But the effort claimed the lives of 84 workers, and more mines remain.

While the U.S. government and U.N. officials are trying to reduce the problem, more mines are being laid—at the rate of 500,000 to 1 million a year. Experts estimate that \$33 billion would be required to remove all mines worldwide, but at the current pace it would take more than 1,000 years to do it—and that's only if new mines are not planted.

In many cases, the effort has failed to gain the attention of the very people it would benefit. U.N. de-mining chief Patrick Blagden told us of a recent project in Cambodia where minefields were marked with plastic signs.

"But soon we found the villagers were taking them to use them as roof tiles," Blagden said. "So we poked holes in them to make them permeable, but they still disappeared. Now we sometimes mark the minefields with stones colored with paint, and they aren't removed as rapidly."

President Clinton, who has railed against this grave danger several times, has a chance to put his words into action next month when world leaders gather in Vienna to review the 1980 Convention on Conventional Weapons. State Department officials say the Clinton administration will press for tighter restriction on the use of land mines, including an injunction that all new mines contain non-exploding self-destruct measures.

If successful, these measures would be a small first step in ridding the world of a menace that often kills long after the final bullets of war are fired.

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David Berenbaum

The Unfair Housing Provision

The insurance lobby has taken the debate over civil rights and affirmative action to a new extreme. It persuaded the House, as part of an appropriations bill, to bar the U.S. Department of Housing and Urban Development from enforcing the U.S. Fair Housing Act.

This is an attack on civil rights legislation and the authority of HUD to act upon Title VIII violations. Rep. Joseph Kennedy offered an amendment to strike this provision, but it was defeated 265 to 157. Members of the Senate should not fall prey to the industry's smoke screen—that regulation of the insurance industry is a "home rule" issue best left to the states. Ensuring that insurance companies comply with individual civil rights is an appropriate federal activity.

The insurance lobby is responding to complaints that have been filed with HUD's Office of Fair Housing and Equal Opportunity. Civil rights complaints have also been filed by the Department of Justice and by fair housing groups in federal court alleging that major players in the market, such as Nationwide, Allstate, State Farm and American Family, have discriminated on the basis of race and/or national origin. Testing has documented the fact that redlining—excluding poor people from access to services—and discrimination based upon the characteristics of individual applicants remain as prevalent in 1995 as they were prior to the passage of the Fair Housing Act.

The impact of these institutionalized practices is to promote racial and economic segregation and inhibit home ownership opportunities for Americans. What is the difference between a mortgage lender and an insurance company with a discriminatory policy? Nothing. The most invidious and widespread examples of insurance discrimination involve charging higher rates for insurance for housing in minority communities or based upon the characteristics of the applicant. "Redlining" is no longer tolerated in mortgage lending and should not be condoned in the insurance industry. Insurance companies respond that they are insuring for "risk and not race." To this date the insurers have not been able to substantiate this defense with data in the markets where complaints have been filed.

THE WASHINGTON POST
WEDNESDAY, AUGUST 16, 1995

HUD regulations promulgated in 1989 under President Bush provide that property insurance discrimination is covered by Title VIII. Federal courts have ruled that this form of discrimination is a civil rights issue that Congress intended to be covered under the Fair Housing Act.

If the appropriations bill remains unchanged, HUD will be barred from fulfilling its obligations under the Fair Housing Act to enforce the law against discrimination in the property insurance industry. The bill will circumvent the intent of the Fair Housing Act and deny the protection of basic civil rights laws to victims of housing discrimination. The bill would suspend all HUD activities "pertaining to property insurance," including government assistance and legal representation; stop all current investigations, settlement negotiations and litigation effective Sept. 30; end administrative hearings on the issue; prohibit accepting new complaints or referral of complaints to other private or public groups; and prohibit the use of temporary injunctions as a civil rights mechanism.

One of the reasons why the Office of Fair Housing and Equal Opportunity remains valuable in civil rights is its ability to promote voluntary compliance and serve as a technical resource to facilitate fair housing planning in all HUD programs. Further, through the HUD administrative complaint process, conciliation is emphasized. This benefits all parties to a complaint.

Fair housing should not be confused with affirmative action. By definition, the Fair Housing Act benefits all Americans and addresses civil rights violations that are occurring today. The insurance industry would have the average middle-class taxpayer believe otherwise. The majority of fair housing complaints being filed today are being filed by middle-income Americans whose rights have been violated. Fair housing cannot be labeled as a "low-income issue."

Maintaining the integrity of the Fair Housing Act will cost the average homeowner nothing and will serve to correct civil rights violations that continue to plague our real estate industry. Like real estate and lending officers before them, insurance company executives fearful of fair housing practices must ultimately recognize that equal housing opportunity makes good business sense.

The writer is a vice president of the National Fair Housing Alliance and executive director of the Fair Housing Council of Greater Washington.

THE PRESIDENT HAS SEEN
8-23-95

Richard C. Sullivan

Should we do more
writing? — BC

A Letter to Granddad, The Tobacco Farmer

THE PRESIDENT HAS SEEN
8-23-95

*My Granddad
was a
big
man*

Jim Doriskind
Please coordinate
the reply.

By Allan Gurganus

DURHAM, N.C.
Dear Granddad,
I remember being 8 years old, bound for church, wearing a little seersucker monkey suit and — as we walked toward your Packard — you turned and chuckled from pure pleasure. You'd seen your fields spread below us, 40 acres, still varnished with dew. You said, "Is that tobacco not happy tobacco?" This occurred in '38 in North Carolina, mid-July and the heat was already a standing presence, the horizon seemed jellied. But those green plants stood tent-high, sure and promising as food.

"Isn't it a beautiful looking plant?" you asked. My smile died. The way you said that, I knew you knew. I would've preferred you innocent or dumb.

At the local service station, I'd heard other farmers call cigarettes "cancer sticks," and "coffin nails." Now, tentative, over-polite, I nodded toward your neighbor's cotton field, "Why not grow that?"

"Son, this one acre is worth nine of those. My great-grandfather grew this same thing, just here. It's all our people know."

If you are born into a rice paddy, I guess you just farm rice? With a kid's nose for hypocrisy, I told myself that if a man as famously decent and tender as you, Granddad, could grow cancer-stick fillings, then the world was going to be lots tougher to figure.

You said: "Young man, you'd best remember two things. The history of America is the history of tobacco. Our Founding Fathers grew it. smoked it, too. Why, they put tobacco leaves on that first \$5 bill and..."

"You all-ways say that. What's the other thing?"

He squatted, your face large before mine, you held my shoulders in hard hands. "Don't you ever smoke. You hear me? Promise. Mustn't even try it. They get you hooked."

They?

Just behind your head, our family's own perfect tobacco stretched money-green as far as I could see.

• In London, in the 1590's, a pound of the best cost the equivalent of \$125.

• From the very start, a healthy confusion. Sir Walter Raleigh received the first seeds from North Carolina (six acres per teaspoonful). He grew a crop on his Irish estate, then settled down to smoke some. A servant, bringing Master a tankard of ale, noticed that Master's head was wreathed in fumes. He dumped the drink all over Master's pate. Wasn't that his duty, to protect? Human heads didn't seem designed to accept the sustained smoke that, say, hams need.

• An estimated 100,000 carved cigar-store Indians stood before late 18th century tobacco shops; that was roughly half the population of living Native Americans.

• My hometown movie theater was named "The Golden Leaf." The local radio station's call letters spelled W-E-E-D. During market days, our tar streets were paved with gold leaf — tattered cured tobacco blown from farm trucks. And the smell! If the stuff tasted as good as it smelled before burning, we'd all choose it as a form of suicide. A scent autumnal, healthy, luxurious — like living safe inside the Lord's own humidior.

Allan Gurganus is author of "Oldest Living Confederate Widow Tells All" and the forthcoming "Folk Art," a collection of novellas.

• From the beginning, tobacco has demanded the best talent of American advertising. People will buy bread, whatever the brand or motto. But a toxic product needs to be made attractive long enough to lure, soothe, addict. Any child who has ever kept treasures in a gilded, opulent cigar box knows the allure of such no-expenses-spared come-ons. The names of plug and smoking tobaccos from the early days still charm, cajole and deny: Climax, Gay Blooms, Fat Gal, World for a Dime. There was a Brooklyn plug called Daddy Wouldn't Buy Me a Bow Wow.

One friend, my address book's oldest living impenitent smoker, just returned from a trip to China's more obscure outposts. Leaving, she'd worried most about bad Diet Coke withdrawal. She'd heard that cigarettes were everywhere — a nation of one billion, many already utterly hooked.

In China, she discovered a whole new reason to quit. At first she made do with picturesquely packaged if harsh-tasting Chinese brands. Finally, she broke down and bought some costly Marlboros, her home brand. She ripped open the pack and found the cigarettes water-stained in wavy black. They seemed rolled of the stems and sticks judged unsuitable for anything but export. Chinese Marlboros were like her usuals in two ways only: their packet and addictiveness.

"I must say I felt betrayed," she later admitted, holding her "works" — the gold lighter and red pack, clasped with the meditative succor usually accorded rosary beads. "I mean, I've been faithful to them for so long." That's one word for it. Consumption as addiction, as monogamy, as faith. But, her surprise was so touching.

To be an American is to live within such push-pull battles of profit, promise and jeopardy. Now that our adults are finally admitting that cigarettes cause painful lingering deaths, only the young are still fair game. And so, it's just good business to go after them.

President Clinton takes political risks in even mentioning an epidemic of smoking among children. He adds greatly to his luster — as a father of a young Joe Camel target, and as a genuine leader. He is saying

'Don't you
ever smoke,'
you told me.
'They get
you hooked.'

a word so rarely uttered since the Reagan Revolution. He is saying, "Enough."

"Behind every great fortune, there's a crime," Balzac tells us. Is the history of America just the history of tobacco? No, Granddad.

Columbus and his scurvy crew waded ashore expecting to find mounds of spices, gold; instead, awed native people held out exotic fruit, wooden spears and, the captain's record tells us, in a strange and oddly chilling phrase, "certain dried leaves."

Sailors, their teeth loose from beri-

beri, gobbled the fruit; the weapons got saved as souvenirs, but those first leaves were dropped on the mud of that beach. Their true use seemed "savage," odd. You inhaled the leaves' smoke after wrapping leaves with maize "in the manner of a musket."

This new Eden offered produce from the Tree of the Knowledge of Good and Evil. Here, you smoked it. Tobacco is the quintessential American product. It fulfills no appetite but the one it creates. Predicting a throwaway culture, it is rendered useful only by being destroyed. Along with autos, movies, jazz and striptease, it remains our abiding gift to world culture.

Since many of my childhood friends had fathers in the industry, cigarettes were often scattered around their homes as decorative "accents." I remember a brandy

A scent autumnal,
luxurious — like
living safe inside
the Lord's
own humidior.

snifter big as a goldfish bowl and full of loose packs — Winston and Salems and other brands named for Carolina cities. Since I wanted to look exactly like James Dean, and since these freebies seemed placed here for guests, I was just fishing out a pack of Winstons when my buddy's pretty mom chanced by. She gave me such a look.

"Darling, you do know about them, don't you?" She was living in a semi-mansion bought with their proceeds. Her husband spent the hottest part of each summer in stifling Georgia warehouses, grading tobacco. He was breathing pure snuff; and every year he'd come home hacking and, under the pretense of "a pesky summer cold," would check directly into the hospital. He would ask for his favorite room. His pals were nearby in theirs, just back from the same market; a party. He would be dead at 54.

"I know," I replied. "Grand told me early. But these are just to, like, roll in my sleeve."

"Well, so long as they're for show. We love you too much to let you get started doing all that to yourself."

I nodded but glanced back, with wonder, at the 60 packs, all red and blue, stuffed into a crystal bowl — like kept pets — looking out.

Finally, at 14, I decided to "work tobacco." This job was undertaken only by strong black people or desperate white ones. Granddad, I thought it'd please you, my laboring in your fields. You just shook your head, laughed, "Go ahead, but don't do it for me. I warn you, it's work."

I felt insulted. Hadn't I spent a summer as country club lifeguard? Hadn't I trimmed my parents' acre of lawn, even before we got the riding mower?

I turned up at the farm at 5 A.M. wearing bid madras shorts and a French sailor shirt. I was amazed to see elderly black women wound in long sleeves, hidden under kerchiefs and huge straw hats.

The sun was just getting serious and the plants stood tall as good-sized men. Each looked complete as a Christmas tree and it seemed a sort of a shame to pick at them. One of the veteran black women showed

me harvesting techniques used since the 17th century: tie leaves to sticks, hang sticks in smoking barns. I acted frisky and polite and quizzed her about her grandchildren in Detroit, two becoming dentists.

"Yeah," I answered a question she'd not asked. "I wanted to see how all this was done. Figured I'd snag me some spending money and work on my tan."

She gave a snort, "By evening, that tan might could be working on you." It was not just a sunburn I received; it was how nicotine, when touched, goes direct through your skin into your bloodstream. My hands were soon coated with a dark essence that caked like opium, and I was so near hallucinating that when I touched a massive tobacco worm, a white thing of surpassing ugliness whose sting took me beyond pain, I knew I had met a caterpillar literally hooked on tobacco, and not a bit interested in quitting.

At this job, I lasted four days. And if you think I'm apologizing, you're wrong. Bragging.

Living with the life of tobacco, North Carolina has prospered, has been deformed. If you know that your major crop kills, you need big-time spin control. You need a pit-bull single-issue politician who will make a militant merit of his state's lowest-common-denominator xenophobia. You need somebody smart who's still willing to yuk it up with the good old boys at tobacco warehouses. A man of preternatural energy willing — in a familiar Southern mode — to play the fool to disarm any enemy. Meet Jesse Helms.

I am sometimes asked how a state, as progressive as North Carolina can choose this man to represent it. I have a one-word answer: Tobacco.

Now, restaurants and airplanes forbid smoking. The fashion has turned against it. From the start the industry has seen this crisis coming. Every time a shameless spokesman told another Congressional hearing, "We deny the addictive properties of nicotine and feel further studies are needed," that tobacco consortium went right out and bought a computer factory, a cookie conglomerate. Diversifying, getting ready.

Granddad, though you died in 1944 of "natural causes," I'm writing you this letter. Wanted you to know how the Tobacco Interest is treating its small farmers (most North Carolina farms are still family ones). The growers must now be counted among this industry's many victims. "We deny the addictive qualities of both smoking and growing tobacco, for however many generations." These farmers need help in finding some new crop; it's the sort of help now being offered former coca growers in Peru.

Dear Granddad, it hasn't turned out quite the way we thought, has it? Cultivating beautiful plants was not enough. I keep a garden of my own now, perennials. My main joy is concentrating on old roses, lilies, foxglove and beautiful domesticated specimens of a plant you'd know, "Nicotiana glauca." Gardening is sort of addictive, actually.

I end by sending, across the hundreds of years, through all the terrible filters that separate those still breathing from those not.

Love,
Allan

P.S. "They" haven't hooked me yet.

THE PRESIDENT HAS SEEN
8-23-95

Washington's Computer Insecurity

By Whitfield Diffie

Like the oceans of 200 years ago, the Internet is a far from safe place. Pirates lie in wait to penetrate computer systems, steal trade secrets and cheat people out of their wares. The only way to secure Internet commerce is by building security into the programs through encryption, the process of scrambling information so that only people who hold the secret keys can decode it.

Unfortunately, the strong encryption systems that should be in every spreadsheet, word processor and e-mail program are not readily available. The reason is simple. The Federal Government has refused to allow companies to export such systems, insisting that cryptography is a military weapon. Since the companies can't export these programs, it's not worthwhile to produce them for the domestic market only.

On Thursday, Clinton Administration officials said they were willing to be more flexible about the export of encryption systems. But, unfortunately, their notion of flexibility does not adequately address the concerns of the computer companies.

If the Administration does not fundamentally alter its position, it is likely that our high-tech industries, which sell more than half their products outside the country, will continue to be forced to sell programs with weak security systems that meet export standards or programs that lack security systems altogether. This will pave the way for foreign companies, under fewer constraints

by their governments, to grab what is expected to become a huge market for properly safeguarded computer communications.

Thursday's announcement is just a

Whitfield Diffie, an engineer at Sun Microsystems, invented security systems for the Internet.

reworking of a plan the Government announced two years ago. Then, it said that it would allow the export of a strong encryption system which used a mechanism known as "key escrow." The hitch was that this system, called the "Clipper chip," allowed the Government to read all communications encoded with that

chip. The Government's principal justification for this scheme was that cryptography could interfere with police wiretapping. The Government played down the more important issue that strong encryption might interfere with our ability to spy on enemies and allies alike.

In addition to its blatant Big Brother aspect, the Clipper chip used secret military technology (an encryption algorithm designed by the National Security Agency) and required that it be embedded in tamper-resistant hardware.

Business leaders and civil libertarians were adamantly opposed to this plan. Not only did the Clipper chip system violate the privacy of individuals, but it was unnecessarily expensive because of the hardware required. Despite this outcry, "key escrow" was adopted as a Federal standard. It bombed in the marketplace.

The new plan the Government hinted at on Thursday would be a bit of an improvement. It would be carried out entirely in software, and outside escrow agents, rather than

Government officials would hold the decoding keys. These could be obtained with a search warrant.

But "Clipper chip II," as it is dubbed, won't work either. While other nations may share our interest in reading encrypted messages for law enforcement purposes, they are unlikely to embrace a system that

limit the length of keys, and hence the sophistication of the encryption codes it allows for export. Up till now, the Government generally did not allow export of codes with more than 40-bit keys, though on Thursday it indicated a willingness to increase keys to 64 bits. But just this week a French computer hacker broke a code with a 40-bit key. Even 64-bit keys are not expected to be adequate.

As for the Government's concern that encryption will interfere with police wiretapping, so far there is little evidence that criminals are hiding their activities through encryption. Furthermore, if such a problem develops, there will be chance enough to rein in cryptography later.

The more pressing problem is the lack of adequate security on the Internet that is stifling business and easing computer penetration by criminals. If Washington will ease its controls on commercial encryption products, industry will be free to build the security mechanisms needed to protect the new medium of world commerce. □

Tight curbs on encryption sales hurt business and won't stop hackers.

leaves them vulnerable to U.S. spying. They will reject any system that gives decoding ability to agents in the United States.

Our Government also wants to

Batting Fourth, No. 7... Jerry Garcia

By Andrew Postman

Confused? Take a number.

The other morning I found myself listening to a Jerry Garcia tribute on the radio for 10 minutes before I realized it was actually a Mickey Mantle tribute.

When I reported this to a friend, she said the same thing had happened to her; another friend said the reverse had happened to him.

At first glance, you wouldn't think these two legends

Andrew Postman is author of "Now I Know Everything," a novel.

would be united in anything but the week of their passing. But on closer inspection similarities begin to emerge. Each led arguably the most successful organization in his chosen profession — for The Mick, the New York Yankees, a team that has won the most World Series by far in major league history; for Jerry, the Grateful Dead, likely the only rock group never to play before an empty seat.

Each stood head and shoulders above his peers. Each had a name that seemed almost to guarantee his destiny. Each had a winsome, couldn't-hurt-a-fly quality. Following is a guide for those who, in the misty melancholy of August, a time for pennant fever and Lollapalooza V, may have clouded the two.

THE NEW YORK TIMES, SATURDAY, AUGUST 19, 1995

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Survey Finds 6 Million, Fewer Than Thought, in Impermanent Jobs

By ROBERT D. HERSHEY Jr.

WASHINGTON, Aug. 18 — Six million Americans hold jobs they do not consider permanent, far fewer than experts expected, the first Government survey of its kind has found. These workers are markedly youthful and slightly more likely than workers over all to be female and black.

Only a third of these so-called contingent workers, a group that includes students, were satisfied with their situation, while the rest said they would prefer permanent jobs, according to the survey, released today by the Bureau of Labor Statistics.

And relatively few had their own health insurance.

But while the study confirmed that such workers are much more common in the United States than in Europe and other industrial countries, specialists said the results tended to undermine a popular conception that the number of workers with indeterminate job futures was growing rampantly.

Some estimates have placed the share of contingent workers, who are not necessarily part-time employees, as high as 35 percent instead of the 4.9 percent found by the Bureau of Labor Statistics. Time magazine, for example, estimated in a promi-

nent 1993 article entitled "The Tempering of America" that contingent workers would make up half of the labor force by the year 2000.

Speaking of the Labor Department survey, Mitchell S. Fromstein, chairman of Manpower Inc., the Milwaukee-based temporary help company, said, "It sets to rest a lot of notions of a work force dominated by temporary and contingent workers." His company sent W-2 tax statements to 750,000 people last year. Mr. Fromstein said the Government figures, collected in February 1994 and analyzed over the last six months, closely matched those of his own company.

But while others acknowledged the importance of the Federal effort to tally such workers, they insisted that even the broadest of the Federal survey's three definitions of contingent workers was too narrow and thus undercounted them.

"Most labor market analysts will find these levels of contingent employment surprisingly low," said Eldeen Appelbaum, associate research director of the Economic Policy Institute in Washington, a research group with a liberal orientation. She noted that the Government deemed workers contingent only if they expected

Continued on Page 33
Continued From First Business Page

their jobs to end within a year or, under the broadest definition, "some time in the future."

The survey would have shown a considerably higher contingent work force had it included part-time workers who wanted full-time jobs, regardless of expectations about how long their employment might last, Ms. Appelbaum said. Still, she praised the Government's effort as "very important" and said she eagerly awaited a chance to examine the data in detail.

Since this was the first survey of its kind, asking workers directly whether their jobs were intended for a limited period, it produced no information about trends. But Thomas Nardone, a supervisor of the project, said the bureau hoped to repeat the study at two-year intervals, a schedule similar to its survey on displaced workers — those who have lost jobs — that began in 1984.

Underlying the debate over definitions is disagreement about the desirability of contingent employment.

Audrey Freedman, a New York consultant and Manpower director who is credited with coining the phrase, stressed the role of such jobs in enhancing a worker's skills and giving businesses a flexibility that raises the nation's productivity.

Others, however, fret about possibly low wage levels, underemployment and a lack of health insurance and other benefits.

Among the other findings, the report concluded that the educational attainment of adults in contingent jobs was quite similar to those with secure futures; about 29 percent of those in each group have college degrees. Somewhat fewer contingent workers, however, have high school diplomas.

The proportion of contingent workers with health insurance from any source ranged from 57 to 65 percent, the study found. This was 17 to 25 points less than for secure workers, and the contingents were less likely to get their coverage from their employers.

Over all, the ranks of contingent workers were estimated to range from 2.7 million to 6 million workers. The higher total would account for 4.9 percent of all those with jobs.

The survey also concluded that 8.3 million workers were independent contractors, 2 million worked "on call," 1.2 million worked for temporary help agencies and 652,000 worked for firms that provide services under contract at their customers' sites.

A person's employment could be both contingent and overlap into one of the alternate categories.

The number working at temporary help agencies was about one-half the total shown in the Labor Department's monthly report by business establishments. That suggested, Ms. Appelbaum said, that many temps lose track of whose employees they are.

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THE NEW YORK TIMES, SATURDAY, AUGUST 19, 1995

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SATURDAY, AUGUST 19, 1995

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LETTERS TO THE EDITOR

Federal 'Goals and Timetables'

Robert Samuelson's excellent op-ed column of Aug. 9 helps clear up the often murky definition of affirmative action. But he erred in one detail. He wrote: "In 1987 the federal government abandoned 'goals and timetables' for its own agencies' hiring and promotions; it has also de-emphasized their use in the affirmative action programs of contractors."

If that's the case, then nobody told President Clinton. In his July speech on affirmative action, Mr. Clinton said that "employers should not treat a

flexible goal as a quota" and that "America has used goals and timetables . . . to urge businesses to set higher expectations . . . and to realize those expectations. But we do not and we will not use rigid quotas to mandate outcomes." In other words, "voluntary goals and timetables" that "encourage outcomes" continue to be acceptable.

And they have been even since 1987. The Small Business Administration requires federal agencies to establish goals for minority business contract procurement. The Equal

Employment Opportunity Commission demands that large federal contractors submit affirmative action plans with goals and timetables for minority hiring. Last year, Navy Secretary John Dalton issued an order establishing a minority officer goal of 29 percent—"a percentage approximately equal to the racial makeup of the populace."

With the federal government as an example, you can't blame employers for treating goals like quotas. Fixing affirmative action is going to take more than just tinkering at the edges, as Mr. Clinton suggests. It's going to take a major overhaul.

JORGE AMSELLE

Policy Analyst
Center for Equal Opportunity
Washington

Unions Are Obsolete

It strikes me that Robert Kuttner's Aug. 11 column ["Unions Turn a Page"] not only misses the mark but is also a textbook example of historical revisionism. One would think, after reading his gloss-over of history, that all this country needs is a return to the good old days of union organization victories.

Not so fast!

Mr. Kuttner asserts that management has learned to play "rough." Has he forgotten about union goon squads from the good old days? Has he forgotten the newsreel and television images of union organizers, workers and sympathizers physically harassing honest people trying to do honest work? Shouldn't Mr. Kuttner's accolades for the likes of such contemporary union leaders as John J. Sweeney, Thomas R. Donahue and Bruce Raynor be tempered with memories of Jimmy Hoffa and his ilk?

And isn't it more logical to cite unions as the problem in American labor rather than the solution? Wasn't it union featherbedding that caused the decline of the railroads? Wasn't it John L. Lewis's coal workers who tried to bring America to its knees after World War II? Didn't PATCO try to strangle the airlines? Didn't the United Auto Workers put the brakes on one of America's strongest industries?

Aren't unions to blame for the demise of many great newspapers? And haven't the unions of professional athletes cast a huge cloud over past and present national pastimes?

Unions are the hopeless anachronisms Mr. Kuttner only rhetorically alludes to in his one-sided review.

Whatever benefits unions achieved early in this century have given way to a mindless, self-sustaining bureaucracy rivaled only by the federal government. Unions don't create jobs. Unions cost jobs.

The business of the United States is business, not unions. Let's get America working, unencumbered, again.

PAUL R. BERGERON
Alexandria

Another Pakistani Denial

It is most regrettable that despite repeated and emphatic denials by the government of Pakistan and in the absence of any credible evidence, R. Jeffrey Smith ["An M-11 Missile Violation by Any Other Name . . .," Federal Page, Aug. 3] continues to peddle the allegations that Pakistan has received so-called M-11 missiles from China. It is a measure of Mr. Smith's bias that while asserting that "the entire community of U.S. analysts maintains the missiles are sitting in crates at a Pakistani air force base," he offers no independent evidence to corroborate this brazenly serious charge.

The fact is that there is no such evidence. What we surely have is disinformation and propaganda masquerading as "facts." We would like to reaffirm that Pakistan has not acquired the M-11 or any other missile from China that violates the Missile Technology Control Regime.

RIFAAT HUSSAIN

Press Minister
Embassy of Pakistan
Washington

The Washington Post

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Eshin
should we go
anyway about
this? — B.

INSIDE:
IRS



Agency Bookkeeping Draws Failing Grade

Auditors Report Comes at Awkward Time

By Albert B. Crenshaw
Washington Post Staff Writer

The Internal Revenue Service, which is about to launch detailed audits in which 153,000 taxpayers will be required to account for every dollar of their income and deductions, still is having trouble balancing its own books.

The General Accounting Office, which under a 1990 law is charged with acting as an outside auditor for the IRS, went over the agency's records and found a lot of things did not add up. Indeed, the confusion was such that the GAO said it was "unable to express an opinion on the reliability" of the IRS's principal financial statements for last year.

This is the third straight year this has happened, and members of Congress, such as Sen. John Glenn (D-Ohio), were quick to comment, saying the agency had again "flunked its own audit."

The situation has improved, the GAO said, and it credited the agency with considerable progress despite its antiquated computers and the fact its systems were not designed with this sort of sophisticated audit in mind.

However, the report comes at an especially awkward time for the tax agency. Not only is its budget still awaiting final approval in an atmosphere of government "downsizing," the new Republican majority in Congress, especially on the House side, has made no secret of its dislike for taxes and the agency that collects them.

Hoppers on Capitol Hill are bulging with legislation designed to overhaul the nation's tax system, and a theme running through many of these bills is scaling back the IRS and getting it "off the backs" of the people.

Thus any slip-up or new development at the agency is greeted

with more than the usual flurry of excitement by Republicans in Congress. And while some of it is the usual grandstanding for folks back home, many inside the agency fear that this year legislation could translate into real efforts to cut the agency's tax-collecting ability. When IRS Commissioner Margaret Milner Richardson noted to a House oversight panel last month that the agency would soon

Hoppers on Capitol Hill are bulging with legislation to overhaul the tax system, and the theme running through many of these bills is scaling back the IRS.

begin a new round of "Taxpayer Compliance Measurement Program" (TCMP) audits, members were shocked, *shocked*, at such a burdensome proposal.

These audits, which the IRS generally conducts every six or seven years, have been going on for 30 years, and the agency regards them as essential to keep up with what taxpayers are doing in a rapidly changing economy.

They involve selecting a sample of taxpayers in different businesses and income levels and requiring them to justify every entry on

their tax return. The idea is to determine the overall level of compliance and to spot new methods taxpayers may have devised to underpay. Richardson has likened the audits to jury duty—no fun but necessary—and noted it was the TCMP program that uncovered the fact that millions of taxpayers during the 1980s were taking deductions for nonexistent dependents, costing the government roughly \$1 billion a year.

After Congress required taxpayers to supply Social Security numbers for dependents, there seems to have been a "Martian invasion" in which 7 million American children were carried off.

Objections to the TCMP program so far have been limited to verbal assaults, but it appears there may be real cuts in an IRS program to boost revenue with stronger enforcement. Both houses have voted to reduce funding for the "compliance initiative," under which the agency planned to increase sharply its enforcement efforts, even though there is wide agreement such efforts more than pay for themselves in the long run.

"We were on a track" in the compliance initiative bringing in slightly more than the \$9.2 billion in anticipated additional revenue, and unless the cuts are restored, that revenue is "going to taper off radically," IRS Deputy Commissioner Michael P. Dolan said.

The House would cut funding for the initiative to \$266 million a year over seven years, down from \$405 million a year over five years. The Senate would eliminate funding altogether.

The agency has been trying to make its case in public forums and behind the scenes, and is doing its best to roll with the punches.

Many of the GAO criticisms are valid, senior officials said, although in some cases the discrepancies are caused by such things as lags in the way the agency posts receipts and the fact unpaid taxes are not exactly like private sector receivables. In addition, they noted, the GAO agreed that the agency did in fact collect the \$1.3 trillion it said it did.

That said, though, "We'd like to get a clean opinion [from GAO] and we're going to do everything we can to do it," Dolan said. "We think it's important both in terms of how the taxpayer feels the system works but also for our own financial integrity. . . . We ought to be held to that standard."

THE PRESIDENT HAS SEEN
8-23-95

Excluded
We should
look into this
BC

By MERTON H. MILLER
AND CHRISTOPHER L. CULP

A recent enforcement action by the Commodity Futures Trading Commission against MG Refining & Marketing Inc. and MG Futures Inc. renders uncertain the enforceability of an important class of commercial derivatives transactions. Based on the ruling, which held certain MG Refining & Marketing contracts to be "illegal off-exchange futures," losing counterparties on numerous similar contracts—and remember, every derivatives contract must have a loser—may have a choice: pay up and eat the loss, or refuse to pay, claiming their contracts are illegal, too.

In calling attention to the CFTC's July 27 action, our purpose is not to defend or attack MG Refining & Marketing itself. Our concern, rather, is with the egregious overreaching that the ruling represents. The time has come for Congress to rein in an agency seemingly more concerned with establishing turf than with the damage it may be doing to the markets.

A Doomed Quest

Because futures contracts have no specific economic attributes of their own other than exchange trading to distinguish them from ordinary forward contracts or swaps (a forward contract is any contract for the future purchase of a commodity at a fixed price, and a "swap" is merely a package of forwards), the quest for any objective definition of "off-exchange futures" among contracts not already exchange-traded is doomed from the start. An overzealous regulator fishing for "illegal off-exchange futures" thus confronts a virtually unlimited supply of possibilities.

To lawyers, the seeming oxymoron of "off-exchange futures" has legal meaning thanks to the Commodity Exchange Act of 1936. That law, designed in the main to protect exchanges from competition by free-riding "bucket shops," requires all "futures" to trade on an organized and regulated exchange. The term "futures contract," needless to say, is not explicitly

defined in statute law. Nevertheless, a determination by the CFTC that a financial contract is a "futures contract" immediately renders that contract illegal unless it is traded on a regulated exchange or specifically exempted.

Congress has attempted several times to remedy the inevitable legal uncertainties in the act over what is a "futures contract" by limiting the jurisdiction of the CFTC. Ordinary commercial forward contracts, for example, are specifically excluded from the act. In 1992, Congress also urged the CFTC promptly to exempt certain off-exchange transactions, including some swaps, from most regulation under the act. The agency did so in 1993.

The action against MG Refining & Marketing by the CFTC ruled some of the

derivatives are *not* used either to speculate or hedge, what are they used for?

Exclusions and exemptions from the act may ensure the continued legality of some existing products. But the applicability of such exemptions—covering certain forward, swap, hybrid, energy and trade option contracts—was not analyzed by the CFTC in its written ruling, suggesting that it may be signaling its intention to narrow some exemptions.

For other products not clearly covered by an exemption, of course, the consequences of the MG Refining & Marketing settlement may be even worse. Swaps on equities and certain swaps on securities, for example, are not covered by the swaps exemption and hence are not protected from the CFTC's new three-point acid test. MG Refining & Marketing's firm-flexible

derivatives are *not* used either to speculate or hedge, what are they used for? Exclusions and exemptions from the act may ensure the continued legality of some existing products. But the applicability of such exemptions—covering certain forward, swap, hybrid, energy and trade option contracts—was not analyzed by the CFTC in its written ruling, suggesting that it may be signaling its intention to narrow some exemptions. For other products not clearly covered by an exemption, of course, the consequences of the MG Refining & Marketing settlement may be even worse. Swaps on equities and certain swaps on securities, for example, are not covered by the swaps exemption and hence are not protected from the CFTC's new three-point acid test. MG Refining & Marketing's firm-flexible

Muscling In

Nor are futures commission merchants the only companies on which the CFTC has set its micromanagement sights. The MG Refining & Marketing settlement follows the Bankers Trust settlement last fall, in which the CFTC used Bankers Trust's presumed status as a "commodity trading adviser" to get its regulatory foot in the company's door. As in the MG Refining & Marketing case, once inside, the CFTC applied its regulatory muscle to Bankers Trust's other internal management activities as well. More important, by relying in both cases on its police authority, the CFTC establishes what are, in effect, industry standards, while circumventing the usual regulatory safeguard in which comments from the public, other agencies and Congress are solicited before rules are promulgated.

Last November, Americans elected a Congress that promised to rein in regulatory agencies whose actions far exceed their public mandates. The MG Refining & Marketing ruling and the uncertainties it has caused clearly put the CFTC in this category. Congress must limit even further the jurisdiction of the CFTC before this bull in the china shop does irreparable damage to our financial markets and their participants.

Mr. Miller, a professor emeritus at the University of Chicago's Graduate School of Business, won the 1990 Nobel Prize in economics. Mr. Culp is senior fellow in financial regulation with the Competitive Enterprise Institute in Washington.

Its extremely broad definition of futures calls into question the legality of numerous financial transactions.

firm's privately negotiated oil derivatives contracts—called "firm-flexible" contracts—illegal futures. In support of its position, the CFTC argued that those commercial marketing contracts met "all the essential elements of a futures contract." In almost total disregard of its previous rulings and statements, the CFTC defines a future as any financial contract that: (1) calls for future delivery at a price or formula set at the contract's inception, (2) can be satisfied either by physical delivery or an offsetting transaction, and (3) is used either to speculate or hedge rather than to take delivery.

The CFTC's extremely broad definition of "all the essential elements" of futures inevitably calls into question the legality of numerous financial transactions. After all, every derivatives contract contains some reference price or formula. Because the terms of many derivatives allow some form of cash settlement, they may also meet the second part of the test. And if de-

contracts, moreover, are essentially the same as many other agreements commonly negotiated by oil and gas companies, sometimes called "take-or-pay" contracts. Are these, too, now illegal?

The CFTC denies that the settlement sets any sweeping precedents for the regulation and legality of swaps—what else would you expect it to say?—but "in-the-money" counterparties everywhere are, and should be, worried that some losers will now refuse to pay up. The CFTC's repeated public denials of wider applicability, after all, carry no probative weight when a private lawsuit is filed on the basis of a ruling already on the record for all to see (and cite).

In the settlement, the CFTC also raised its micromanagement of "futures commission merchants" to a new level. The CFTC required MG Futures, a futures commission merchant, to submit its risk management systems to review by a new "Special Oversight Committee" comprising com-

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The Washington Times

THURSDAY, AUGUST 17, 1995

INSIDE THE BELTWAY

Swapping Bill for Ron

Walk into the Capitol Coin & Stamp Co. on L Street NW and you'll stumble upon merchandise bearing the presidential seal — some of it supposedly obtained from White House staffers.

For \$850, for instance, you can buy a full set of blue leather luggage, complete with the coveted seal, which store owner Nelson Whitman insists in an interview that he obtained, in a trade, with a Secret Service agent.

If you can't afford the full set, Mr. Whitman will sell individual pieces at prices ranging from \$150 to \$300.

Mr. Whitman said he was told that President Clinton gives away this luggage to heads of state and the Secret Service agent who swapped it "wanted older political memorabilia from Reagan and Bush" in return.

Asked how a Secret Service agent came to have the special luggage in his possession, Mr. Whitman said he didn't bother to ask him.

Lt. Marty Ratchford, spokesman for the Secret Service, told us he knows that White House staffers sometimes peddle cuff links, tie tacks, pens and other "trinkets" bearing the presidential seal at Capitol Coin & Stamp. But he said he's "never heard of anything of the magnitude" of the luggage Mr. Whitman possesses.

Lt. Ratchford said he also questions whether it was actually a Secret Service agent who traded the luggage.

"How does he [Mr. Whitman] know it was a Secret Service agent?" the lieutenant asked. "It could have been a staffer from some other [White House] office who said he was from the Secret Service."

There was skepticism of another sort at the executive mansion. "There is no missing luggage at the White House," spokesman Neel Lattimore said.

Mr. Lattimore also said he's "not aware" of Mr. Clinton ever giving luggage to a foreign dignitary. "The traditional gift is a piece of crystal."

Worse than we thought

Let's hope our nation isn't litter-

UNITED STATES GOVERNMENT MEMORANDUM

THE LIBRARY OF CONGRESS

DATE:

TO:

FROM:

SUBJECT:

Are they trying to tell us something over at the Library of Congress?

ally coming apart, as the memorandum we obtained from the Library of Congress would have us believe.

The memo reads: "Untied States Government."

Planning ahead

We're told of a strategy meeting held on Capitol Hill this week to be certain this time around that conservatives are placed in key positions in the next Republican administration — assuming President Clinton loses his reelection bid.

Among those attending the session, organized by conservative Leadership Institute founder Morton Blackwell, were several former Reagan administration appointees, as well as current and former staff of key conservative House and Senate members.

"We discussed how to target the most significant positions in a way that conservatives will occupy these posts no matter which Republican is elected president," one Reagan appointee at the meeting told us yesterday.

Hung out to dry

President Clinton might have given Larry Forgy, who hopes to become Kentucky's first GOP governor in 28 years, the boost he needs to defeat Lt. Gov. Paul Patton, who beat four other Democrats in the primary.

This column obtained a transcript of remarks made by Mr. Patton last week, in which he disclosed that on the previous evening he had talked with Mr. Clinton for 20 minutes about the president's intention to regulate tobacco as a drug.

"To call tobacco a drug is a slap in the face to every tobacco

farmer in Kentucky," Mr. Patton said in his later remarks. "This is just the first step in the anti-tobacco lobby's effort to outlaw tobacco."

Then, Mr. Patton went so far as to pledge: "If this proposed regulation becomes law, I cannot support the president for reelection."

Have to do something

While the administration continues weighing what action, if any, it will take with regard to the continuing crisis in the Balkans, the Voice of America this week went ahead and hooked up a hot line to enable refugees in the war-torn former Yugoslavia to send messages to relatives.

"With so many people uprooted from their homes and dislocated, we want to do something to help them keep in touch with loved ones," explained VOA Director Geoffrey Cowan.

A recent survey ranked the VOA, the international radio service of the U.S. Information Agency, as No. 1 in Sarajevo, with 32 percent of the listening audience. To be sure it reaches all sides, VOA beams one hour of Croatian, two hours and 45 minutes of Serbian, and 40 minutes of Slovenian to the region each day.

Common occurrence

An envelope that arrived in our mailbox this week — 11 days after being dropped in the mail by Freddie Mac in McLean — had this explanation stamped (we must not be the first) over it by the U.S. Postal Service: "Found In Supposedly Empty Equipment At The Mailbag Depository Landover, MD."

Endline
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JACQUELINE MELVIN, 1995/96 CFBPW
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FAX TO: PRESIDENT BILL CLINTON

AT FAX NO. (202) 456-6703

DATE OF TRANSMISSION: 08/18/95

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COMMENT: THIS IS TO ENCOURAGE YOU, MR. PRESIDENT, TO SHOW STRONG SUPPORT FOR WOMEN BY SENDING HILLARY CLINTON TO THE WOMAN'S CONFERENCE IN BEIJING. THERE IS NO ONE AMONG THE STRONG WOMEN WHO ARE ATTENDING THIS CONFERENCE ON BEHALF OF THE UNITED STATES WHO CAN MAKE A STATEMENT ON BEHALF OF WOMEN AS CAN HILLARY RODHAM CLINTON. THE MATTER OF MR. WU CAN BE HANDLED IN OTHER WAYS - SURELY NOT AT THE EXPENSE OF WOMEN'S RIGHTS.

IF YOU DO NOT RECEIVE THE SPECIFIED NUMBER OF PAGES OR HAVE DIFFICULTY READING THE TRANSMISSION, PLEASE CALL (818) 225-1760.

FROM: JACQUELINE A. MELVIN



Stacy Gery

To JD for reply

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THE PRESIDENT HAS SEEN
8-23-95

THE WHITE HOUSE
WASHINGTON

August 18, 1995

MEMORANDUM TO ERSKINE BOWLES & LAURA TYSON

From: Gene Sperling

Subject: Upcoming Planning for Budget Working Group

This memo is designed to layout our current plans for the next few weeks for the Budget Working Group. We are proceeding on all of these fronts so that we are ready to hit the ground running in September.

1. SEPTEMBER MEDICAID STRATEGY: To box in Republicans seeking to lessen Medicare cuts, we are planning an effort to make clear how harmful the current cuts to Medicaid are not only in terms of children and disabled Americans, but for middle class families whose parents are in nursing home and other longterm care facilities. We have a several parts to our strategy. Chris Jennings and Jen Klein are doing a excellent job pushing and following through on these projects, and we are getting strong help from Jean Lambrieu and Melissa at HHS.

Medicaid Education Booklet: We are close to completion of the Medicaid book --- that is the equivalent of the one we have done for Medicare. HHS has sent us a draft, and Chris, Jen Klein and myself will be working on editing it. I have also have research being done on how the Republicans are attacking Medicaid so that our booklet incorporates how we

On September 6th-9th: Release of State-by-State Nursing Home/Disabled and Children Impact: We released Medicaid state-by-state earlier, but it did not get much fanfare. We think the best angle for a new hook is to break-out the number of nursing home beneficiaries affected per state --- breaking it out of the 8.8 million number of children, disabled, and elderly who would lose coverage in 2002 according to the Urban Institute. HHS is working on this and we expect to be ready for release the first week back of September.

*Key -> August on
HHS meet all families
Nursing home, teaching - The teaching
Hospitals have a lot of clout w/ Congress
New Board members - BC*

September 7-8: Push on Medicaid Education Press: On these two days we will do a major push for tongs, regional press roundtables and bureau visits so that we can replicate our Medicare education. Lorrie McHugh and her shop are working to set these up, and Laura Tyson and others economic team members will lead them. We will use the hook of the state by state releases (above) to draw reporters for these walk-throughs.

Formula Impact: Preparation is also being made to show the formula impacts, so that release of such information can play into the welfare debate at the appropriate time.

Study on Impact of Recessions: Because Republicans will surely use baseline arguments to blur the difference between our Medicaid savings and theirs, the health care working group is also work on making the argument about how serious the impact of a recession will be with a block grant (as opposed to our per-person cap). We will preview this argument in our Medicaid education booklet, but save this as a separate release for the second week in September.

2. MEDICARE

- **Medicare Education Project:** The Medicare Trust Fund education sessions with the press continue to pay off. We have done the presentation to virtually everyone in town, but we will continue to reach people on a selected basis and more in September when reporters return from vacation. Laura, Chris and I did the CNN bureau last Thursday, and I am doing Newsweek next Tuesday.

- **September 8, Lead Surrogate Meeting:** On September 8, Marilyn Yager is taking the lead on inviting 50 health care leaders from around the country who we would bring in for talks and workshops with senior staff. We would walk through materials and sample op-eds, letter to the editors etc. We would do both Medicare and Medicaid. These people -- hospital executives, organizers etc. -- could be troops we could call on later. If this is successful, we could do another one later.

- **Economists Meetings:** Chris is working on inviting in our key health care economists so that we can work on getting them to validate our health care plans and Medicare and Medicaid numbers.

- **Budget/Medicare Stump Speech for Administration Officials:** We have produced a stump speech draft that cabinet affairs is distributing that allows cabinet members to speak on their issues, yet in a context that keeps everyone on a common message that stresses our balanced budget plan but our differences on Medicare.

- **Op-Eds:** From Leslie's validator chart and Marilyn's group, we will look for local leaders who could do validation op-eds in key markets.

3. METROPOLITAN-BY-ANALYSIS: OMB has done a good metropolitan-by-metropolitan study of 47 cities -- with the encouragement of Secretary Cisneros and long hours by Bob Litan at OMB and his staff. This analysis breaks down the impact for major metropolitan areas of Medicare, environmental, education, housing and transportation cuts. We have been working with HUD to ensure that we developed a release plan to ensure that these cumulative numbers were released with local press releases that showed the metropolitan -- not just the city urban -- impact. John Hart and Larry Haas (OMB) have been working well with HUD and the National Organization of Counties and Mayors to devise a plan. This is important because we want the message to come from cities AND the suburbs. To that end we plan a series of coordinated press conferences around the country with Mayors and County Executives. The current plan is:

On August 24th, Secretary Cisneros will address a group of Mayors in Seattle. Following the Cisneros address, the mayors will release a their own survey of the impact of Congressional cuts.

September 6: Mayors conduct a national news conference in Washington citing national numbers followed by a series of background press briefings and interviews.

September 7: Mayors together with County Executives will release the metropolitan impact in their locality. We feel if this is done right, it could produce a major story in their local market. United States Conference of Mayors have arranged for a "war room" with four full time staff just to coordinate in press conference in largest 100 cities.

September 8th thru 12th: Mayors and County executives will conduct a series of regional press conferences in New England, New York, Atlanta and Chicago to amplify the impact of Congressional cuts on their region.

4. RURAL CROSSCUT: We can make a major hit by putting together the case that this budget is one of the most anti-rural budgets in history. I called together people from Agriculture, OMB, Transportation and others to go over how we can broaden Glickman's attacks by showing the rural impact across the board. As the FY96 appropriations cuts for domestic discretionary is around 5%, we can show how cuts in other areas, -- such as rural development are cut up to 45%.

In order to go beyond the normal list, Kris Balderston (Cabinet Affairs) has asked each of the Departments to seek to isolate the rural cuts. We have just got the first draft and Kris, Larry Haas, T.J., and I will go through this. From here, we can hopefully get OMB to push forward.

Possible Uses for Rural Cross Cut:

- **Rural Dear Colleague:** A full list of excessive cuts on rural America could be used by Senators Conrad and Harkin and others to make the case to other members of Congress and the public that this is an anti-rural budget. This could lead Republican members to put pressure on their fellow Republicans and further boxes them in.
- **Provide for Major News Analysis:** We could provide the information so that we create a major news analysis in a major newspaper.
- **Regional/Farm Newspaper Distribution:** Already, we have seen that stories like this can play very well in rural papers.

5. EDUCATION BACK TO SCHOOL: We are underway on our plan. We have good team working together including Don Baer, Jeremy, Gaynor, Leslie Thornton, Julia Moffett, Kris Balderston, Mike Schmidt, Lorrie McHugh and Vicky Rivas-Vazquez, Paul Dimond and we are making good progress on a solid Back-to-School Roll-Out. Below are the major items.

A. SUMMARY OF PRE-BACK TO SCHOOL WEEK EFFORTS: Lorrie McHugh with her staff are doing their usual excellent job -- together with Kay Kohler of Education -- to get out significant mailings for right after the Labor Day week-end period. While education has already sent out an extremely large mailing on budget cuts as part of their back-to-school presentation, Don Baer believes there is much to be gained by doing an "alert" mailing from the White House, and we plan to do so to the widest number of papers possible.

- A White House mailing to hundreds of newspapers and editorial boards with easy-to-understand materials.
- Mailing to 1750 Colleges: Possible POTUS op-ed included. 
- Press Releases to Newspapers in Targeted areas with the specific university impact of cuts.
- Visits by Secretary Riley and Secretary Reich to network bureaus
- College Presidents and Regional Op-eds: Derek Bok and several others will write.
- Possible Education Metro-by-Metro release (pulled from the overall Metro-by-Metro release)

B. BACK TO SCHOOL WEEK: Our goal is to blitz on college opportunity on Monday, September 11, 1995. Jeremy, Leslie, Gaynor, Mike Schmidt and myself have had very encouraging meetings with the student aid groups and I will meet again with them next week. They are excited and believe they can use the involvement of the President and the Administration to help spur events across the nation.

- **A Presidential kick-off Monday September 11, at a major college.** We will have the site locked in by Wednesday. Possible ideas include:

- **College President Invite:** We are considering an idea by Josh Silverman to invite other college Presidents to appear with the President at his site, making it a more national speech and ensuring major coverage in those areas.

- **Major Satellite Hook-Up:** United States Students Association, College Democrats and other groups are enthusiastic about their ability to mobilize around the Presidential hook-up.

- **POTUS Television Interviews:** After the speech, the President could do several television interviews into media markets where there has been a major college event.

- **Cabinet Roll-Out:** Riley had already asked the cabinet to participate in back-to-school week and many have already made plans. Where possible, we would like to get these cabinet members to also do a college that we would coordinate with the student groups.

- **Radio and Call-Ins by Major Administration Officials:** Even where Administration officials cannot travel, calls to events by the Vice President, Mrs. Clinton, Mrs. Gore, Leon Panetta, Henry Cisneros, Ron Brown and George Stephanopolous, could allow us to triple the number of events we participate in across the nation.

- **MTV/College Radio:** We will connect with MTV and college radio stations to inform them of the event and see how we can encourage their coverage.

- **POTUS Op-Ed in Hundreds of College Newspapers:** As mentioned above, we would like to consider having an Presidential op-ed that would be sent out to hundreds of school newspapers for publication on September 11. If some feel that this is not appropriate for the President, Secretary Riley could do the op-ed. Don Baer would like it to be from the President.

- **University Specific Press Release:** Lorrie McHugh and Kay Kohler (Education) will work on press releases with university specific information

The bigger the meeting the better
BC

on cuts in targeted areas that would be sent not only to the college paper, but to the regional dailies associated with those universities.

C. EVENT TWO; SUPERINTENDENT/TEACHER HOOK-UP: Tuesday, the plan is for the President to do a regional call with several Superintendents from around the nation. One idea is to have a superintendent host the event but invite an exceptional teacher or parent (though we would have to control the time). We would work with the superintendents to ensure that they invited in the local media to film and cover the phone call and that they did releases with the budget cuts and specific stories of local impacts. The Education Department are working on a list that is acceptable to Susan Brophy of key media markets to look for superintendents.

D. POSSIBLE TELEVISED TOWNMEETING OR INTERVIEWS: Press is checking into the possibility of a televised townmeeting (Jennings or Koppel) in which the President would have an opportunity to talk about his full range of education issues -- from Head Start to Skill Grants. Vicky is checking into this with Mike.

6. OTHER EDUCATION ISSUES:

• **Letter to School Districts on Reduction in Services:** The suggestion had come from the message meetings to send out what George called RIS (reduction in services) notices -- to school districts to let them know that they may need to plan for upcoming cuts. Dick had asked whether the Secretary could send out such letters on Title I, Drug and Safe Free Schools and GOALS 2000. Leslie Thornton has pulled together the experts there and has found that we could send out letters on these areas -- and Secretary Riley has agreed that he is interested -- as long as they do not look political. There had been interest in knowing whether the letter could ask the districts to report back to DOE as to what impacts on layoffs or services provided the cuts could have (we could make it the seven year impact.) The reply report, would provide the newsmaking specifics on local impacts. Secretary Riley appears interested in this. Education should have the drafts of the what the letters would look like by early next week -- prior to the Wednesday meeting.

• **Numbers on GOALS 2000, Safe & Drug Free School Impact:** I am meeting with the Education Department on Monday to work through with them whether we can tease out more specifics on these programs.

7. NATIONAL PRESIDENTIAL GOAL: TECHNOLOGY LITERACY FOR ALL

AMERICANS: As part of our effort to explore executive action in the area of education, there is real interest in expanding the vision behind our Technology Learning Challenge. There is great enthusiasm for this idea among the staffs at OSTP, the Vice President's office, Commerce and the NEC and DPC and Bill Curry has been strongly pushing this idea.

This could be a major idea if we took it seriously. We start with the premise that:

- the President's vision is that to empower Americans to with the skills they need to earn high wages and live the American Dream, *we need to focus not only on literacy, but technological literacy.*
- All of our schools must empower all of our children with the capacity to be technologically literate and to learn how to learn.
- Yet, we have barriers to this vision: 1) Lack of trained teachers and personnel in our schools; 2) Lack of equipment; 3) Lack of external connection from schools to libraries all over the country; 4) Lack of connectivity within schools; 5) Lack of curriculum -- more need for creative learning devices -- not just "Mortal Combat."
- 6) Innovative methods of technology learning for students.
- The President is launching an all-out nation challenge to overcome these barriers. The initiative include a series of executive actions, new legislative or budget proposals, and a challenge and partnerships with CEOs, entertainment, teachers and universities.
- Executive Actions are being worked on, but could include promotion of Technology Corp that gets technology experts in the classroom. Also, making excess federal satellite capacity or equipment available, expanding the Technology Learning Challenge, examine opportunities within Charter Schools, Title I (many people in Commerce, OSTP, education are currently brainstorming).
- Corporate Challenges: There is excitement that we could include people like Bill Gates, George Lucas and maybe Eisner in a corporate challenge that could go to both involvement in schools and communities, but also challenge to channel create corporate energies to not only new nintendo and Mortal Combat games, but exciting ways to inspire technology learning in classrooms.
- In sum, if we could come up with five or six tangible executive actions, proposed expansion of Technology Learning Challenge, and serious involvement of notable private sector participants, this could go beyond a one day story or a Labor/HHS hit to being a memorable Presidential

initiative that could show the President's growth and future oriented vision that differentiates him from the Republicans.

8. DEBT LIMIT VALIDATION: When we enter September, there will be great interest in "trainwreck" scenarios. We will work with Secretary Rubin and others to find validation op-eds that stress the irresponsibility of linking the debt limit to votes on any particular balanced budget amendments.

9. EARNED INCOME TAX CREDIT: Republicans have a \$21 billion tax increase through cuts in the EITC, and now Senator Roth is talking about a \$66 billion cut. Secretary Rubin is will give a speech on EITC, we are still working the press, and will continue to try to find strong supporters to make the case in the House and Senate. Secretary Rubin has suggested that we might try to use radio ads in perhaps one state, so as to see the effectiveness on hitting the Republicans for this hypocritical tax increase on the working poor.

10. PROPERTY TAX IMPACT: I had asked Alicia Munnell to repeat an exercise we did during the Contract -- and was used by Time -- of what the overall loss of state and local grants are per state and what the percentage of state taxes would have to be raised to make up the loss. The Medicaid loss is a main part of this analysis, and we could use this to dramatize the loss to states, and the formula fight heats up.

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informed as these issues are refined for decision.

California Affirmative Action Initiative:

This morning, John Emerson, George Stephanopoulos and Bruce Lindsey met with Californians who have been researching the anti-affirmative action initiative (CCRI). Bill Wardlaw also attended. The focus of discussion was the advisability of pursuing an alternative initiative on affirmative action. While opinions differed on the subject, all agreed that we must draft and test initiative language, so that an informed decision can be made in sufficient time to qualify the initiative if that route is chosen.

Under California law, initiative proponents have 150 days to collect the qualifying signatures. To the extent that an initiative is submitted to the Attorney General for approval after October 2, the number of days will be reduced accordingly. Initiative experts believe that 120 days is ample time to collect the necessary signatures. Accordingly, we need to make a final decision by the end of October. John Emerson has prepared a timetable, with budget and recommended assignments, for drafting, testing, and redrafting an initiative within this time frame.

Community Development Financial Institutions

As you are aware, the FY95 Rescission Bill transferred the operations of the CDFI Fund to the Department of the Treasury. Treasury is now rapidly drafting the regulations. The DPC has advised OMB/OIRA and the CEQ that as soon as the Treasury/CDFI regulations come over, they need to be put on a fast track. If we do not get the regulations signed off on by September 30th, the new requirements of the reauthorized "Paperwork Reduction Act" would delay the publishing of the CDFI regulations for 4 to 6 months and we would not be able to make any grants until next summer.

Violence Against Women

The Bureau of Justice Statistics released a National Crime Victimization Study about violence against women in 1992 and 1993. Key findings include: (1) women were attacked 6 times more often by offenders with whom they had an intimate relationship than were male victims of violence; (2) women were the victims of more than 4.5 million violent crimes each year; (3) women victims' friends or acquaintances committed more than half the rapes and sexual assaults, present or former husbands or boyfriends committed approximately one quarter, and strangers committed about one in five; (4) in 1992, 28 percent of female homicide victims were known to have been killed by husbands, former husbands or boyfriends while only slightly more than 3 percent of male homicide victims

THE PRESIDENT HAS SEEN
8-23-95


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Congress' V-chip requirement won't achieve anything

If you're a parent and you own a television set, you probably think Congress just got tough with TV violence by requiring the so-called V-chip in all new television sets made and sold in the United States.

Well, you'd be wrong. It's funny how these things work when you start to look closely at the fine print. And the fine print, in this case, says that Congress got tough with TV manufacturers. But they caved in to the TV networks and cable companies.

Yes, it is true that both the Senate and House passed amendments to the telecommunications bills requiring the V-chip in all new TVs. Front-page headlines screamed this fact to the public when it was passed.

But, thanks to fierce lobbying by



broadcasters, Congress conveniently forgot the other half of the equation — a mandatory requirement that the broadcasters transmit a rating code to trigger the V-chip.

Without that rating system, the V-chip is worthless. Actually, worse than worthless. It will cost the TV makers a bundle of money to develop the technology, and it will cost consumers more to buy the TV sets in

the end.

Without a rating system, the V-chip may end up like the appendix in the human body. It will be there, but it won't actually do anything useful.

So why did Congress require TV manufacturers to put the V-chip in, but then fail to mandate the rating system necessary to trigger the V-chip?

Money. Broadcasters are justifiably worried that a rating system will make it impossible to charge full advertising rates for certain programs. If a program is rated — and then blocked by parents — audience share slips. Ad revenue goes down.

The way in which both the Senate and House dodged the mandatory rating system for broadcasters is truly artful.

While both the Senate and House amendments to the telecom bills mandate the V-chip in all TVs, neither amendment clearly requires broadcasters and cable companies to transmit the rating code that triggers the V-chip to block the display of the program.

In June, the Senate mandated that every TV contain a V-chip that can block channels, time slots and rated programs. But then it simply urged broadcasters — as a "sense of the Congress" — to adopt the necessary rating system in the next year. If they fail to do so, the bill would establish a Television Rating Commission.

In August, the House likewise required the V-chip. In the House ver-

see V-CHIP, page B9

From page B7

sion, if the broadcasters don't adopt a rating system, the whole thing gets dumped in the lap of the Federal Communications Commission, which will have to create an advisory board to develop a rating system. You can only imagine how long that will take.

So, in both bills, the broadcasters are given a grace period to develop a rating system. If they fail to do so, either a rating commission or an FCC advisory board is set up, which will then try to develop one. My guess is that process could take years.

Meanwhile, though, TV makers will still have to build the V-chip into new sets. Consumers will still have to pay more for the technology, even if it proves worthless and obsolete because the necessary rating system is never established and coded.

Why go through with such a charade, where Congress tells a gullible public that it's doing something even as it's providing a huge escape hatch for the broadcasters?

Because it sounds good. By passing a "tough" law requiring the V-chip, Congress gets to pat itself on the back for doing something about TV violence. The pub-

lic, in turn, thinks Congress has actually done something about TV violence.

Yet the truth is that, by choosing not to require the broadcasters to rate programs — and establishing a bureaucratic system that may allow them to escape a rating system until some point in the distant future — Congress has done nothing more than add to the cost of new TVs.

There is, in fact, a much simpler solution to all of this. The V-chip isn't it. An FCC advisory board or a rating commission isn't, either. Parental involvement is the solution.

Parents should know what their kids are watching and listening to during the day. They don't need a V-chip, government agencies or rating commissions for that.

But that simple message — that parents should be more involved and exercise more control — has been drowned out in the wave of political and bureaucratic solutions to curb violence and obscenity.

Meanwhile, in the real world, the V-chip could create an interesting dynamic in homes. There are about 250 million TVs in America today. But when people buy new TVs — which will have the mandatory V-chips — where do the old TVs go? In the junk heap?

Nope. Most likely they'll wind up in the kids' rooms.

THE PRESIDENT HAS SEEN
8-23-95

VP - Bill
Ignoring the rating
system —

THE WASHINGTON POST
FRIDAY, AUGUST 18, 1995

William Raspberry

This Was Walter Fauntroy's 'Crime'

The man is guilty as charged. He's admitted it, and the court has passed sentence.

And still the conviction of Walter E. Fauntroy, D.C.'s congressman for 26 years, makes no sense to me. He was convicted in federal court a week ago of a crime that not only is victimless, but also guiltless in any ordinary sense of wrongdoing. And the punishment...

But let's take these things in orderly fashion. This 62-year-old Baptist minister, former aide to Martin Luther King Jr. and erstwhile member of Congress is convicted of filling a false financial statement, something he freely admits he did.

Members of Congress are required to report outside income in excess of 30 percent of their congressional salaries and to list the charitable agencies to which the excess is donated. The filing deadline is May 15 for the preceding year.

Fauntroy says he not only reported his excess earnings but gave the overage to New Bethel Baptist Church, whose congregation he served for a dollar a year the whole time he was in Congress. For 19 of those years, the contributions were handled without a hitch. Then came 1988.

"That was a particularly rough year," he told me in an interview at New Bethel. "I always kept careful records of my excess income and put it aside so I'd have it available to contribute at the end of the year. For 1988, the excess—mostly from honoraria—was \$23,877.46.

Then three things happened that led me to go into that money before the year ended. I had signed a note to guarantee a loan to refurbish the [Daytona Beach] birthplace of the philosopher and theologian Howard Thurmond. The people in charge of the effort didn't raise enough money to bring it off, and I was told that they were about to have the mortgage foreclosed if they didn't come up with \$11,000 that month. I put up the money."

That same year found Fauntroy heavily involved in the presidential campaigns of Jesse Jackson and, later, Michael Dukakis. But at the end, neither campaign had the money to pay his out-of-pocket travel expenses. Back to the fund. The upshot was that, at the end of the year, he didn't have the money to give New Bethel.

"This had happened to me once or twice before, but in those other cases I was able to float a loan and make the contribution. I couldn't this time because I had earlier taken out a \$24,000 90-day note for a member of the congregation who was about to lose her house. The loan was to tide her over until she could sell the house. Well, for one reason or another, the sale was delayed."

Still, he said, he didn't worry. After all, according to his calculations, he had until April 15 of the following year to set things right. He said he decided to sell a piece of property he owned in order to raise the necessary cash. Meanwhile, he gave the church his check for the full \$23,877.46 and asked the church to hold it until he gave the go-ahead.

The property was sold, and settlement was set for May 13, a few days before the reporting deadline.

That's when Fauntroy committed the crime for which he was nailed last week. He filed a report saying he'd given the money to New Bethel. As it turned out, the settlement was delayed for a couple of weeks, and it was June 12 before he actually received the cash and made good on his pledge to his church. Still there was time to file an amended report, but Fauntroy says he simply forgot to do it.

The third element of his crime was that he also forgot to report the \$24,000 loan, by then repaid, for his hard-pressed parishioner.

And that's pretty much the bill of particulars that produced last week's judgment of a \$1,000 fine (the maximum under the law) and sentence of 300 hours' community service.

(Even so, he was lucky. The Justice Department, whose case it was, originally had charged Fauntroy with a felony. But in an unrelated case, the Supreme Court ruled that the statute under which he'd been charged applied only to members of the executive branch. Instead of dropping the case, however, Justice found a D.C. statute and charged him under that, though a misdemeanor was all they could make of it.)

Fauntroy doesn't deny he broke the law and ought to take responsibility for his errors. But he also wonders, as I do, why the Justice Department would pursue so trivial a case for four years after he left the House.

He finds particular irony in the community-service aspect of his punishment. "I cannot possibly do more community service than I'm doing," he told me. "My whole life is community service. I'm pushing a super-empowerment zone for D.C., trying to help the local economy. I'm running a project—We Care—to get churches to make 'villages' of the blocks around them and to get members to establish personal relationships with at least three families in the immediate vicinity. I've got five families myself. I'm working with inmates, I'm doing more free stuff than I can keep track of—and I'm happy to do it.

"But to do it as punishment? And for giving money away? Does that make sense?"

Not to me, Walter. Not to me.

THE PRESIDENT HAS SEEN

8-23-95

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COUNCIL ON FOREIGN RELATIONS

THE PRESIDENT HAS SEEN
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MICHAEL MANDELBAUM
Director, Project on
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July 17, 1995

These articles may be of interest.

M.M.

Preserving the New Peace

The Case Against NATO Expansion

Michael Mandelbaum

Proponents of extending NATO membership to the Visegrad countries—Poland, Hungary, the Czech Republic, and Slovakia—can be divided into two camps. Those in the first camp assert that the purpose is solely to promote democracy and free markets in central Europe and has nothing to do with the military power and political aspirations of any other country. For the second group, NATO expansion has everything to do with the threat from Russia.

On their point of disagreement, the second group has the stronger argument: NATO expansion is about Russia. But on the policy they commonly advocate, both are unpersuasive. NATO expansion, under present circumstances and as currently envisioned, is at best premature, at worst counterproductive, and in any case largely irrelevant to the problems confronting the countries situated between Germany and Russia.

If NATO is to be a vehicle for the promotion of democracy in the post-Cold War world, and, judging from Assistant

Secretary of State Richard Holbrooke's recent article ("America, a European Power," *Foreign Affairs*, March/April 1995), this is the position of the Clinton administration, there is no reason that all the formerly communist countries of Eurasia should not join. Certainly, if the promotion of democracy is NATO's new mission, then the expansion under consideration does not reach far enough to the east. For the countries under active consideration are precisely those best placed to make a successful transition to democracy and free markets *without* NATO membership. It is in Russia and Ukraine that the development of Western political and economic systems will be most difficult, where failure would be most costly for Europe, and where, therefore, success would have the greatest benefit.

In fact, however, NATO is not an effective instrument for promoting either free markets or democracy. In the second half of the 1940s, when the fate of democracy and free markets in Western Europe was the preeminent international

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issue, the principal response—and an extremely successful one—was the Marshall Plan. The plan provided capital, market access, and incentives for economic cooperation, all of which central Europe currently needs. The logical source for all three is not NATO; it is the European Union, membership in which is a matter of the highest priority for each of the Visegrad countries.

ANXIETY ABOUT RUSSIA

NATO is not only not the most effective instrument for promoting democracy, it is not in *essence* an organization for doing so. Rather, it is a military alliance, an association of some sovereign states directed against others. The “other” in this case is Russia.

Anxiety about Russia makes NATO membership attractive to central Europeans. In the words of Bronislaw Gerek, a prominent democratic politician in Poland speaking in the September 6, 1993, *Washington Post*, “At the moment Russia is weak. But we know that this is a transitional period. The Soviet empire could be succeeded by the Russian empire. In some years, Russia will become a superpower again—and the memory of this period of weakness will have an important psychological impact on a new generation of Russian leaders.” Poles have been dominated and oppressed by Russia for most of the last two centuries. It is hardly surprising that they should want some insurance against the revival of Russian imperial behavior, which is what NATO membership offers them.

Americans who favor expanding NATO for reasons having to do with Russia rather than the promotion of democracy

agree. In the post-Cold War era, they say, NATO should be more or less what it was during the Cold War: a mechanism for containing a smaller, no longer communist, but still aggressive Russia. Peter W. Rodman, a senior foreign policy official in the last four Republican administrations, has made the point with admirable clarity in the December 13, 1994, *Washington Post*: “Some will lament that [in expanding NATO to central Europe] we have drawn a new line dividing the European continent. Nonsense. Russia is already getting back on its feet geopolitically, even before it gets back on its feet economically. The only potential great-power security problem in central Europe is the lengthening shadow of Russian strength, and NATO still has the job of counter-balancing it. Russia is a force of nature; all this is inevitable.”

As with the argument that NATO will promote democracy, however, even if the premise of this “neo-containment” rationale for NATO expansion is correct, even if Russian imperialism is bound to revive, the proposed extension of the Atlantic alliance does not go sufficiently far eastward. Poland, after all, is not directly threatened by Russia. The country most important to the West that is immediately vulnerable to a renewal of aggressive Russian behavior is Ukraine. Yet no one is suggesting that Ukraine join NATO. Indeed, discussions of NATO tend to treat Ukraine as marginal.

Ukraine, however, is the opposite of marginal: it is central. So long as it remains independent it is a buffer between Russia and the rest of Europe. More important, an independent Ukraine is the best guarantee that Russia will

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remain a peaceful nation-state. Conflict between the two would have adverse repercussions to the west. And if Moscow absorbed Ukraine or attempted to do so, Russia would again become a multinational empire harboring a large, resentful subject nation, with poor prospects for the construction of a stable democratic system. It is not an exaggeration to say that NATO expansion will be good or bad depending on its effect on the peaceful coexistence of Ukraine and Russia.

Ukrainians, at least, do not seem to believe that expanding the Atlantic alliance will benefit them. On the contrary, they appear to feel that the extension of NATO membership to central Europe would relegate Ukraine to the dangerous side of a new dividing line. The Ukrainian government, unlike its Polish counterpart, has not advocated eastward NATO expansion. Leaving Ukraine feeling isolated would in all likelihood weaken its commitment to relinquishing to Russia all the nuclear weapons it inherited from the Soviet Union, a major goal of the last two American administrations.

Still, the logic of extending the alliance for reasons of neo-containment is far from implausible. If Russia is bound to resume its traditionally imperial foreign policy; if, when it does so, the requirements of American security will demand the eastward expansion of NATO; and if taking this inevitable step is better now when Russia is weak rather than later when it has grown strong,

then it follows that alliance membership should be promptly extended, although to include Ukraine and perhaps the Baltic states rather than simply the Visegrad four. But is all this correct?

It is not *necessarily* correct. Russia may again seek to disturb the peace of Europe but is not destined to do so. There is no Russian national equivalent of a genetic predisposition to aggression. Neither Russia in general nor Russian foreign policy in particular is an impersonal, inevitable force of nature. "Nations are not constants," as the distinguished historian of Russia Martin Malia has written, arguing democracy and free markets can take root in Russia, although not instantly or easily. "It is pseudowisdom to deduce future prospects mechanically from past precedents."¹

Moreover, acting as if the neo-containment premise were correct runs two risks. The first is the risk of weakening the democrats in Russian politics, who are struggling against powerful undemocratic political forces and whom the Russian public identifies with the West. No Russian with any semblance of democratic credentials, starting with President Boris Yeltsin, has endorsed the extension of NATO to central Europe. Many emphatically oppose it. To be sure, the struggle for Russia's political future will not depend principally on what NATO does: it is possible that democracy will triumph even if the Visegrad countries were to join NATO. It is also possible—perhaps, alas, even likely—that the cause

¹ "Tradition, Ideology and Pragmatism in the Formation of Russian Foreign Policy," in *The Emergence of Russian Foreign Policy*, ed. Leon Aron and Kenneth M. Jensen, Washington: The United States Institute of Peace, 1994, p. 47.

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of democracy will fail even if NATO expansion does not take place. But expanding the alliance will certainly not assist Russia's democrats.

There is a second risk: that Russia would regard the new configuration of European security that an expanded NATO would produce as illegitimate because it had been imposed over Russian opposition, even as Germany considered the post-World War I settlement an illegitimate "dictated" peace. According to Sergei A. Karaganov, deputy director of the Institute of Europe in Moscow and a Yeltsin adviser, if "NATO expands eastward, Russia under any government will become a revisionist power striving to undermine the already fragile European order."² It is significant that *all* the modifications in Europe's security arrangements from 1987 to the present, the net effect of which has been dramatically to reduce Russian power, have occurred with Russian consent. NATO expansion would mark a departure from that pattern.

THE POST-COLD WAR SETTLEMENT

The new post-Cold War security arrangements in Europe to which Russia has agreed are, in turn, the most important reason that NATO expansion is not only unwise but unnecessary. Proponents of expansion assert that a security vacuum in Europe must be filled by "new security architecture," of which a NATO encompassing central Europe ought to be an important part.

In fact, there is no such vacuum. The foundation of a new and radically different security order is in place. It consists of the remarkable series of arms control accords, covering nuclear and conventional weapons, negotiated in the five years between the December 1987 treaty eliminating intermediate-range nuclear forces in Europe and the January 1993 START II accord covering long-range nuclear weapons.

Together these agreements form an arrangement that Europe has never had, a common security order based not on the age-old balance of power but rather on consensus and cooperation. It has three main features.

First, it is the product of negotiations. For the first time, the distribution of armed forces in Europe has been fixed by treaties into which the countries of Europe and North America have freely entered. In this sense, each country's forces have the approval of all the others.

Second, Europe's military forces have been reshaped so that they are more suitable for defense than attack. This shift is partly by design and partly a matter of numbers: the treaties both reduce and equalize the numbers of weapons in Europe, and equality favors the defense because a successful attack ordinarily requires numerical superiority.

Third, as a result of the verification provisions of the arms treaties and a supplementary series of confidence-building measures, military forces in Europe are transparent: Each country

² Quoted in Charles A. Kupchan, "Expand NATO—and Split Europe," *The New York Times*, November 27, 1994, p. 11.

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can see not only what forces all the others have but also what the others are doing with their forces.

The terms of these treaties make virtually impossible what, during the Cold War, it was NATO's mission to prevent: a successful westward attack by a Russian army.

THE PEACE MAY NOT ENDURE

This does *not* mean that NATO is now superfluous and should be dissolved. The alliance is necessary to ensure the United States remains involved in Europe's political and military affairs. An ongoing American role will reassure Germany that it need not arm itself more heavily to remain secure, something that would make Germany's neighbors feel less secure. Keeping NATO in being will also assure the Europeans that, if Russia does resume an imperial foreign policy, the United States will be committed to taking part in an anti-Russian coalition. Both these tasks, however, can be carried out without the eastward expansion of the alliance. Depending on the course of events in Russia, it may ultimately be possible to carry them out by returning to the alliance's original form, as a guarantee pact rather than an integrated multinational army on the European continent.

On the other hand, Europe's new common security order may not endure. It will survive only so long as all parties voluntarily observe its rules. If one country abandons them, the order will collapse. The European power likeliest to abandon the rules is Russia.

Three developments would signal the end of the effort to transcend balance-of-power politics in Europe. The first is Russian violation of the political or territorial

integrity of its western neighbors, Ukraine and the Baltic states. Such violations are already occurring to Russia's south, in the Caucasus, but they do not threaten Western security as would comparable behavior to the west. A second damaging development would be a serious violation of the major European arms control treaties.

The third deathblow would be the advent of a xenophobic, hypernationalist, or neo-fascist government in Moscow. While in theory even such a regime might conduct a peaceful foreign policy, in practice none of Russia's neighbors will wish to wait to see whether it does. They will want to join NATO, and in these circumstances they should be admitted.

While the new common security order can fail rapidly, it can only succeed slowly. If Russia seeks to overturn the post-Cold War settlement, failure will be obvious in short order; but its neighbors will not be confident of Russia's commitment to the rules of common security unless and until Moscow has followed them for a long time.

Because Russia is so weak, chaotic, and preoccupied with its internal affairs, the West *has* a long time. During the Cold War, the qualities it was important to bring to bear in dealing with the Soviet Union were constant vigilance, firm determination, and the capacity to respond instantaneously. Of comparable importance today is a quality that is in some ways their opposite and is often in short supply: patience.②

Despite Chechnya, Leave Russia Alone

By Michael Mandelbaum

THE LAST time a government in Moscow warred on a Muslim people to its south, the United States responded with ringing condemnation, an Olympic boycott, an embargo on grain sales to that government and military support for the Afghan rebels who were resisting the Soviet occupation of their country.

What a difference 15 years and the collapse of communism have made! The Clinton administration's response to the attack on Chechnya has been silence punctuated by a low-key endorsement of Russia's right to rein in its rebel province and, after several weeks of carnage, a gentle expression of hope that the bloodshed could be ended soon.

This response stands in striking contrast, as well, to how the United States responded to the initial Russian crises of the post-Soviet period. Washington emphatically supported Boris Yeltsin when he resisted the attempted coup in 1991, launched sweeping economic reforms in 1992 and battled his opponents in the Russian parliament in 1993.

Tepid as it is, the administration's reaction to Chechnya is likely to be repeated in future crises. During the Cold War, almost everything Moscow did was deemed a threat to be denounced and resisted. Those days, happily, are over. So, too, in all likelihood, are the days of democratic heroism in Moscow. Under Boris Yeltsin and whoever succeeds him, Russia will, in the best case, pursue the slow, difficult work of constructing a market economy and a democratic government with occasional ugly departures such as Chechnya.

In response, U.S. policy will be — and should be — guided by two precepts, both of which lend themselves to the kind of equivocation that has marked the response to Chechnya.

One is a distinction between Russia's relations with the peoples and countries to its south, in

Central Asia and the Caucasus, and those to its west, in Ukraine, Estonia, Latvia and Lithuania. Chechnya is part of the south. It is, to be sure, officially a part of Russia. The West has thus been able to justify its restraint in criticizing the Yeltsin government on the grounds that the conflict is an internal Russian affair. But Russia was throwing its weight around well before last month's assault on Chechnya, even in places that have what Chechnya lacks: international

interest. Comparable behavior to the south does not, which means that in the years ahead a double standard will guide American policy toward the former Soviet Union — one that accommodates, with more or less embarrassment, what Russia is doing in Chechnya.

In places like Chechnya, where vital American interests are not at stake, there is a second reason the United States is likely to be far more tolerant of ugly, arbitrary, violent Russian conduct than was the case in the Cold War.

Washington has an enormous stake in development of democracy in Russia. If this can be achieved, it would make Europe more reliably peaceful than it has been in decades.

Russia has started down the road to democracy, which, however, is bound to have detours. Chechnya is the current departure from democratic practices; there will be others. The second precept of American policy toward the former Soviet Union in the years ahead, when confronted with them, should be to give Moscow the benefit of the doubt.

As long as it is reasonable to believe — even to hope — that Russia is moving toward democracy, the United States should bend over backward to keep from turning Russian nationalism in an anti-western direction or undercutting Russia's democratic forces. It should swallow hard and defer criticism of things that, during the Cold war, would have counted as serious provocations — such as the assault on the Chechen capital, Grozny.

This is an unfamiliar tactic for Washington. It is bound to be uncomfortable and often awkward. But it is the proper approach to a country that is smaller, weaker, internationally much less dangerous and domestically, for all of its problems, far more promising than it ever was during the Cold War.

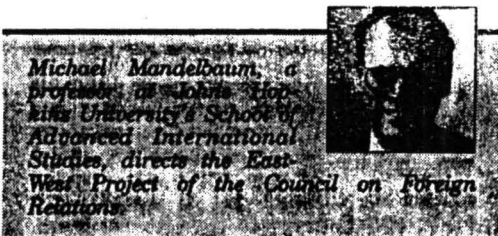


Newsday / Bob Newman

recognition of its sovereign independence.

Russia has violated the sovereignty of the new states of Central Asia, intervening forcefully in the civil war in Tajikistan, for example. Moscow is playing a similarly heavy-handed role in the Caucasus: Russian troops keep order in war-torn Georgia and, in neighboring Azerbaijan, Russia succeeded in removing one president in favor of another more friendly to its interests.

The United States and its European allies have largely turned a blind eye to all this activity. They would not, however, tolerate similar policies toward Russia's western neighbors. These countries border on Europe, whose easternmost outpost is now Poland. Aggressive Russian behavior to its west would pose a threat to Europe, and therefore threaten a vital American



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A New Party Reflects Russians' Craving

By Michael Mandelbaum

LAST WEEK in Moscow, amid the light dusting of snow and the 20-degree temperatures that herald the Russian spring, a new political party was born. Some 35 elected members of the national parliament abandoned the "factions" to which they had belonged and formed a new grouping, called "Stability."

This event is significant not because it is likely to have a decisive effect on the course of Russian history but because it illustrates some of the major trends in Russian politics today.

One such trend is the fluidity of those politics, in part as a result of the weakness of all Russian political parties. Allegiances are transitory. The commitment of parliamentary deputies to political principles is not always firm. "Stability" draws its members both from the impeccably democratic Russia's Choice faction and from Vladimir Zhirinovskiy's ultranationalist Liberal Democratic Party of Russia.

The glue that binds individuals to parties is often money, and the overriding influence of money is a second major feature of Russian public life that the founding of the new party exemplifies. One of President Boris Yeltsin's major financial supporters, a banker named Oleg Boiko (who has contributed heavily to Russia's Choice), was reported in the Russian press to be financing the new party. This has led to the charge by a former Yeltsin finance minister, Boris Fyodorov, that those who agreed to join "Stability" had been "bought."

Whatever their motives, it is common knowledge that some deputies use their seats in parliament to make, or to protect, money. Three of them have been murdered and the motive in each case was presumed not to be political. It was "commercial," according to a deputy interior minister at a press conference called to announce that one of the murders had been solved.

The new party was formed to support Boris Yeltsin in both the current session of parliament and in the parliamentary elections scheduled for Decem-

ber. That is a third way in which its creation is significant: It shows that Yeltsin expects elections will, in fact, be held. At the beginning of the year, rumors circulated in Moscow that he would use the war in Chechnya as a pretext to cancel elections. The consensus in Moscow is that the campaign will begin in August. There is far less confidence, however, that the presidential elections scheduled for 1996 will take place on time.

Before the war in Chechnya, Yeltsin received support from Russia's Choice, an uncompromisingly democratic party and numerically the largest in parliament, the leader of which, Yegor Gaidar, was one of the chief architects of Russia's economic reform in 1992 and 1993 as a member of Yeltsin's government.

The Chechan war has deprived Yeltsin of his most reliable democratic supporters, and has weakened them both, which is a fourth feature of Russian politics that



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cheap military success. Gaidar and his colleagues have argued that waging the war in Chechnya is wrong. The Russian public has been no more grateful to them than the American public was to the most outspoken opponents of the Vietnam War, despite the fact that both conflicts became widely unpopular.

The aspect of the founding of a new Russian political party that is most telling about the condition of Russia today is the organization's name. In the first half of 1995, what Russians want most — what they find most conspicuously lacking in their lives — is not democracy or even, despite the economic hardship many are experiencing, prosperity. It is stability. The people of Russia are weary, disoriented and angry at the turmoil and the uncertainty caused by the collapse of communism and its aftermath. They want order.

With weak political parties, money-dominated politics, unpopular leaders and democratic forces declining in strength, the danger is that they will seek it in the iron hand of authoritarian rule. The country's political traditions are not, after all, democratic. The habits, institutions and values necessary to sustain democracy had

In the first half of 1995, what Russians want most — what they find most conspicuously lacking in their lives — is not democracy or even, despite the economic hardship many are experiencing, prosperity. It is stability.

the formation of "Stability" illustrates.

The conflict has eroded Yeltsin's already shaky standing in the eyes of the Russian public. His approval rating now hovers at about 10 percent. (No other Russian national figure, however, does much better.) The public dislikes the war, but this has not boosted the popularity of those who have opposed it on principle. Most parliamentary factions, including the Communists but excluding Zhirinovskiy's party, have objected to Yeltsin's Chechnya policy on the grounds that it has failed to bring a quick

no chance to grow during the the centuries of tsarist rule or the long decades of communism that began in 1917.

Democracy is beginning to take root, but it is fragile. While parliamentary elections will probably be held in December, this will not guarantee either democracy or stability.

Russia is, to combine the vocabularies of politics and psychology, a "recovering totalitarian," whose commitment to democracy — the political equivalent of sobriety — will, for the foreseeable future, take place one day at a time.

GATT: Test and Chance for Clinton

By Michael Mandelbaum

WHEN THE LAME-DUCK Congress takes up the GATT trade treaty tomorrow, far more will be at stake than even the substantial economic benefits involved — by one estimate as much as \$1,000 per year for each American family. This will be the most important congressional vote on the foreign policy of the post-Cold War era. And the result will tell a great deal about what President Bill Clinton can hope to accomplish during the next two years.

Trade is now at the heart of American foreign policy. It incorporates, as a post-Cold War foreign policy should, one of the chief lessons of the last war. The United States and its allies defeated the Soviet Union in no small part through the force of example. The Cold War was a contest of economic systems as well as a military confrontation; and it was the economic contest that ended in a decisive victory for western democracies. Trade was one of the ties that bound that community together politically and helped it flourish economically. One reliable way to bring other countries into it is to expand trade with them.

Trade is also an ingredient in prosperity, which, in turn, is a source of legitimacy for democratic rule everywhere. In the former Communist world, trade with the West is contributing to creation of a private economy, a necessary bulwark against state power.

Trade also provides a basis for continuing an active American role in world affairs in the ab-

sence of the mortal rivalry with the Soviet Union. After each of the two great global wars, the United States had to decide how deeply to engage itself in the postwar world. The rejection of membership in the League of Nations after World War I was a decision to abstain from the political affairs of Europe, one of the conditions that led to World War II. After that war, congressional approval of the Marshall Plan in 1947 signaled American acceptance of the responsibility for leading the anti-Soviet coalition. The vote

on the General Agreement on Tariffs and Trade accord is of comparable significance: a test of whether the United States intends to take a leading role in shaping the post-Cold War world.

Trade is important for the future not only of American foreign policy but of the Clinton presidency as well. In democratic systems with divided powers, when one party controls the executive branch and the other the legislative, the president invariably gravitates to foreign policy, where he enjoys a freer hand.

Expanding trade in general and the GATT treaty in particular offer Bill Clinton the opportunity for accomplishment because they command bipartisan support. The North American Free Trade Agreement, after all, received stronger support from congressional Republicans than from Democrats. Moreover, trade is an issue that takes advantage of the singular political strength of the presidency: that the president alone represents the entire nation. Free trade does benefit the country as a whole. Its opponents, those hurt by foreign competition, are classic examples of special inter-

ests. By pressing for expanded trade, Clinton can take a politically bracing stand against them.

To be sure, expanded trade will not solve one of the country's chief problems — the stagnant incomes of much of its work force — and may even aggravate another: increasing economic inequality. Programs to address such problems are the stock in trade of the Democratic Party. But the chances of getting a sympathetic hearing for any from the electorate as a whole are surely greater if they form part of an economic strategy that expands opportunity and increases total wealth, as free trade certainly does.

Still, ratifying the GATT treaty and expanding trade will be difficult. Polls consistently show support for trade barriers. Moreover, opposition to free trade will always be more intense than support because the losers from international commerce, although they are fewer in number, lose more than the winners win.

To compound the difficulty of securing political majorities for trade expansion, the end of the Cold War has eliminated a powerful rationale for it: the need for solidarity with trading partners who were also allies against the Soviet Union. The case is all the more difficult to make because of the economic insecurities of the 1990s, which have made Americans unusually sensitive to any threats to their jobs, and because of the rampant populist hostility to elites of all kinds. It is, after all, political elites who support free trade, and economic elites who not only conduct it but benefit disproportionately from it.

Expanding trade has always required committed presidential leadership; now such leadership is more important than ever. If Clinton can demonstrate the necessary leadership, beginning with the GATT treaty, he will make the country richer and the world safer and freer than they would be otherwise. As a bonus, he may make himself more popular than, judging by the election results of Nov. 8, he is today.

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VIEWPOINTS

The End of WWII Wasn't the Real End

By Michael Mandelbaum

ALTHOUGH THE second great European war of the 20th Century came to a formal conclusion 50 years ago, Americans' sense that the world was a dangerous place and the methods they devised to respond to foreign dangers did not end on V-E Day. On the contrary, they endured, both in U.S. foreign policy and as part of the nation's domestic life, throughout the Cold War.

Historians sometimes lump World War I and World War II together as a single 30-year conflict caused by Germany's bid for mastery of Europe. Similarly, World War II can be seen now as the first stage of a 50-year American war against totalitarianism that began in December, 1941, with the Japanese attack on Pearl Harbor and ended in December, 1991, with the Soviet Union's disintegration.

The United States pursued the same objective in the Cold War and World War II: preventing a great power with a radically anti-democratic ideology from dominating Europe. For Americans, both wars were global. Before World War II, American security interests were largely confined to the Asia-Pacific region and Central America. But no corner of the Earth was irrelevant to the United States between 1941 and 1945, and this continued to be true, in American eyes, of the struggle with the Soviet Union that followed.



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

In the Cold War, U.S. officials saw different parts of the world as closely interconnected. This was the basis for the infamous "domino theory." If Vietnam fell to communism, according to this theory, the result would be Western setbacks around the world, a wider, bloodier war or both. The theory was a legacy of World War II, during which the world's regions had indeed been interconnected. Germany's 1940 victories in Western Europe encouraged Japan to seize European colonies in Asia in 1941-42.

Moreover, dominoes had fallen, one after another, with disastrous consequences. Because the western democracies failed to stop Hitler in the mid-1930s, when he began to violate the World War I peace settlement, they found themselves having to resist him later, when Germany was far stronger and the price of victory was thus much higher.

With the Cold War's end, the domino theory is no longer persuasive. Proponents of American intervention in Bosnia argued that unless the United States became involved in that conflict it would spread through the Balkans, perhaps to all of Europe, which would inevitably injure American interests; or that the failure to defend a largely Muslim state in Europe would inflame the Islamic world. Both propositions were versions of the domino theory; neither convinced the American public.

World War II lived on at home as well, giving birth to institutions that became prominent features of our politics and economy during the Cold War. Foremost among them was a powerful presidency. The president's role as commander in chief



Yvonne Buchanan

in a global conflict waged for the highest stakes enhanced his prestige and authority. Bill Clinton is the first chief executive since Franklin Roosevelt who must govern without the additional deference the presidency commands in wartime.

A large, permanent military establishment and continuing development of weaponry began in World War II and continued throughout the Cold War. The remarkable economic growth in California after 1945, for example, was spurred by the military bases and industries there. The end of the Cold War and the resultant slash in defense spending helped trigger the state's worst economic times since the 1930s.

For all the continuities, Americans did abandon one central feature of World War II during the Cold War: the idea of victory. By the 1970s, in contrast to World War II, the Cold War had begun to seem permanent. Yet, suddenly and unexpectedly, the Cold War did end in a decisive victory for the West. That, in turn, brought what the people of the West thought they had achieved in 1945: the end of a great totalitarian threat. Gerhard Weinberg's magisterial history of World War II, "A World at Arms," begins with the anonymous words inscribed on a memorial in India to British soldiers:

*When you go home
Tell them of us and say:
For your tomorrow,
We gave our today.*

Fifty years later, the tomorrow for which millions sacrificed has at last arrived

Extending Nuclear Ban Isn't Enough

By Michael Mandelbaum

THE BATTLE to secure an indefinite extension of the Nuclear Nonproliferation Treaty — the main business of the NPT Review conference that convenes in New York Monday — bears a striking resemblance to last month's congressional struggle over the balanced budget amendment.

Under the 1970 Treaty, five countries that have nuclear weapons — the United States, Britain, France, Russia and China — promise not to help others get them, and all other signatories pledge not to acquire the bomb.

As with the budget amendment, the effort to extend the NPT involves hunting votes — a simple majority of the 174 signatories rather than the required two-thirds of Congress. For an NPT extension, Washington has assumed the role played by the Republican leadership for the amendment, spearheading the effort to round up votes. Although the Clinton administration says it now has the votes it needs, the NPT extension is likely to be a legislative drama marked — as was the budget amendment battle — by hard bargaining, heated rhetoric and, perhaps, gripping suspense.

The most important similarity between the two, however, is that passage alone will not solve the problem either measure is designed to address. Even if Congress had passed the budget amendment, it still would have faced the hard work of cutting federal spending. Similarly, NPT extension will not, by itself, stop the spread of nuclear weapons. That will require hard work in the years ahead, much of which will have to be done by the United States. Three different kinds of American policies will be needed to address the three categories of potential proliferators: allies, orphans and rogues.

The allies are Germany and Japan. During the Cold War, neither acquired nuclear weapons, relying on the United States for nuclear protec-



Newsday / Bernie Cootner

tion from the Soviet Union. Now, both are far less threatened. But Germany still shares a continent with a nuclear-armed Russia; Japan claims ownership of four Kurile islands occupied by Russia and is also a neighbor of China, another large, unpredictable country with a nuclear arsenal. Without U.S. nuclear protection, Germany and Japan might feel the need to have their own nuclear weapons.

The orphans are countries that lack an American nuclear guarantee, and feel sufficiently threatened to provide themselves with their own advanced nuclear weapons programs. Israel and Pakistan fit this description, although neither has actually tested a bomb. Other orphans are India, which detonated a nuclear explosion 1974 (but said it was for peaceful purposes), and Ukraine, which inherited nuclear weapons from the Soviet Union. Ukraine has agreed in principle to give them all to Russia, but has not yet done so.

The American contribution to nonproliferation among this group is diplomatic — helping resolve the political conflicts that encourage nuclear-weapons possession: Israel's with its Arab

Russia. Thus, whether these orphans become full-fledged nuclear weapon states will depend, in part, on the success of American mediation.

The most dangerous group consists of the rogues. While allies and orphans seek or would seek nuclear weapons for defense, the rogues are bent on acquiring the bomb for aggressive purposes. The most prominent among them are North Korea, Iran and Iraq. Keeping nuclear weapons out of their hands requires closely monitoring the traffic — legal and illegal — in materials useful in making bombs. The United States is at the forefront of this effort, recently raising objections to Russian plans to sell nuclear power plants to Iran.

Denying nuclear weapons to the rogues may ultimately require not only close monitoring, but also the use of military force. Iraq's nuclear weapons program has been set back twice in this way: in 1981 by an Israeli air raid on its nuclear facilities; and in 1991 by the American air campaign that was part of Operation Desert Storm. If such measures are undertaken in the future, against Iraq or any other country, the chief responsibility for carrying them out is likely to fall on the United States.

Restraining the spread of nuclear weapons thus will require continued American nuclear guarantees to the allies, skillful American diplomacy among the orphans and vigilant monitoring of the international commerce in bomb-related material with, and perhaps even American military action against, the rogues. Extending the NPT indefinitely will, by itself, accomplish none of these things, just as passing the balanced budget amendment would not reduce federal spending by a single penny.

The two measures differ in one important way: There is an eminently respectable case against the balanced budget amendment, on the ground that changing the constitution is a poor way to make economic policy. There is no comparable argument against extending the NPT. It is unambiguously advantageous — unless the American public should wrongly conclude that, once its indefinite extension is assured, the work of the United States in stopping the spread of nuclear weapons has

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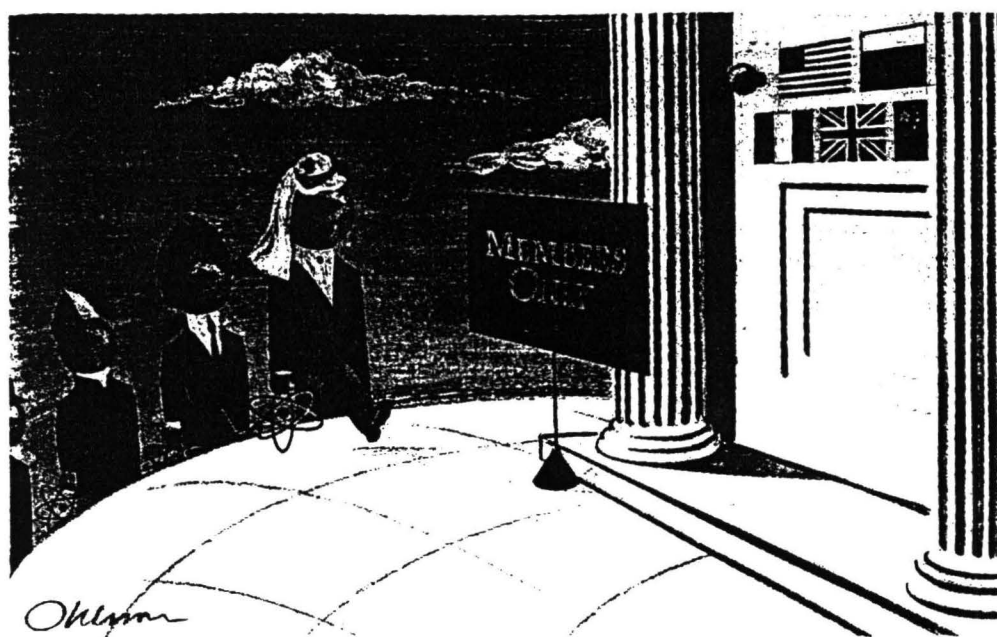
Michael Mandelbaum

THE DANGERS OF PROLIFERATION

IT DOESN'T TAKE a superpower to pose a nuclear threat. A small, poor country with a few nuclear explosives and the means to deliver them could wreak terrible damage on the United States. Even if never used, a handful of nuclear weapons merely in the possession of an unfriendly country could change a regional balance of power against the United States. Thus, the major military danger now facing the United States in the post-Soviet world is not a particular country but rather a trend: nuclear proliferation.

Because they enhance national power, nuclear weapons are potentially attractive to a wide variety of countries. Yet relatively few have these weapons. The five permanent members of the U.N. Security Council—the United States, Russia, Great Britain, France, and China—all do. Several others either have or are very close to having operational nuclear weapons. The number, however, is far smaller than expected in the early stages of the nuclear age. In 1963 President John F. Kennedy predicted that 15 to 20 countries would have nuclear arms by 1975. Overall, Cold War efforts to prevent the spread of nuclear weapons have been successful.

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The international spotlight falls on that effort in April, when the fifth Nonproliferation Treaty review conference convenes at the United Nations to reconsider, revise, and extend the treaty. The NPT, which came into force in 1970, now has 168 adherents. The treaty is useful; its extension, highly desirable. The course of nuclear nonproliferation in the post-Cold War era, however, will depend less on what happens at the United Nations in 1995 than in Washington thereafter. The main obstacle to the spread of nuclear weapons is not the NPT but the United States, nor is nonproliferation a single issue: it is composed of three separate problems. Each is now more complicated and urgent than in the past because the end of the Cold War has either weakened or removed the principal restraints on both the demand for and the supply of nuclear weapons. Three different types of states are candidates for nuclear armaments, and three different American policies will be required to discourage or thwart their nuclear ambitions.

The countries in the first and most important category are not ordinarily considered part of the proliferation problem, yet their acquisition of nuclear weapons would have the most powerful impact on international policies. They are the allies. Germany and Japan forswore nuclear weapons during the Cold War because they received security guarantees from the United States. Whether they continue

Michael Mandelbaum

as nonnuclear states depends on whether those guarantees continue.

The second group of would-be nuclear states are the orphans. They feel seriously threatened but lack the nuclear protection the allies have enjoyed. None has become a full-fledged nuclear power, but each is close. The orphans, particularly Pakistan, Israel, and Ukraine, are the objects of a different American policy—diplomatic efforts to end the conflicts that have made nuclear armaments attractive to them.

The third category includes those countries at the center of concern about nuclear proliferation. The rogues—Iraq and North Korea most prominent among them—are openly hostile to the United States and are seeking or have sought nuclear weapons. Thwarting them will require strengthening the restrictions on bomb-related material, which the United States was instrumental in creating and enforcing and that the collapse of the Soviet Union has weakened. But these efforts may not suffice. The prevention of proliferation may ultimately require destroying those states' nuclear programs by force. Here again the chief responsibility will fall to the United States. If the nuclear future of the allies depends on American alliance commitments, and that of the orphans on American diplomacy, the nuclear aspirations of the rogues may become one of the chief objects of American military policy.

THE ALLIES

WHY ARE NUCLEAR weapons not more widely dispersed? In part, deterrence, a guiding concept of the nuclear powers' military strategies for most of the Cold War, has kept proliferation at bay. While the two strongest powers deterred each other from using nuclear weapons, other pairs of states deterred each other from acquiring such weapons. For example, India and Pakistan each has a robust nuclear weapons program. But neither state has built a bomb, in part out of concern that the other would follow.

Despite the impact of deterrence, the NPT has not been irrelevant. The organizations and policies that monitor and attempt to restrict the worldwide supply of nuclear materials contribute to nonproliferation. The treaty clarifies and publicizes which states have the bomb

Lessons of the Next Nuclear War

and which do not. But for a number of nonnuclear signatories to the NPT, adherence to the treaty was the consequence of a decision to abjure the bomb, the cause of which lay elsewhere. What was the basis for this widespread decision?

One possible basis, which has come to be known as the "nuclear taboo," is the feelings of horror that nuclear weapons arouse. This distaste is certainly widely felt but like the NPT is a doubtful explanation for the degree to which the world has been spared the spread of nuclear weapons. In the first place, the taboo is against using, not acquiring, these weapons. Hiroshima, not the Soviet-American arms race, evokes horror. Moreover, like all taboos, this one will be violated under necessity. Individuals will eat forbidden foods, even one another, if the alternative is starvation; nations will acquire and use forbidden weapons if they deem it necessary for survival.

Another possible basis for adhering to the NPT is the two benefits nonnuclear states are supposed to receive in return: assistance in obtaining technology for the peaceful use of nuclear energy and a good-faith effort by states with nuclear weapons to reduce their own arsenals, with the implication that, at some time in the future, all nuclear armaments will be gone.

The first of these promises is hollow. The economic benefits of nuclear technology are at best modest; its diffusion has complicated the effort to prevent nuclear proliferation; and whatever the advantages of nuclear power plants, they are irrelevant to security, the central purpose that nuclear weapons serve. The second promise is false. Steep reductions in and the ultimate abolition of the arsenals of the nuclear "haves" would promote rather than discourage nuclear proliferation. These reductions would undercut the very thing that has kept the spread of nuclear weapons in check: the guarantees of nuclear protection extended by the great powers, above all the United States.

During the Cold War those guarantees were credible in part because the United States had a large number of nuclear armaments, many of them deployed on territories distant from North America. If American nuclear weapons disappeared altogether, the guarantees that rest on them would be worthless. Those guarantees persuaded a class of countries with genuine security concerns and the capacity to equip themselves

with nuclear weapons to forgo them. U.S. treaties and the local deployment of American forces kept the German Federal Republic and Japan from acquiring nuclear weapons. Both had the technical capacity. Both had a territorial dispute with the great nuclear rival of the United States, involving the Soviet occupation of the eastern part of Germany and the southern islands of the Kuril chain.

Abolition of the
arsenals of the nuclear
"haves" would promote
proliferation.

The protective American nuclear umbrella extended beyond West Germany to all NATO members. It even extended after a fashion to countries, such as Switzerland, Sweden, and Finland, that were not formally part of the North Atlantic alliance. These countries could reckon that American guarantees to

their neighbors made Europe safe enough that they, too, could dispense with nuclear weapons.

In his 1872 book, *The English Constitution*, Walter Bagehot distinguished between the "dignified" parts of the British system of government, "which excite and preserve the reverence of the public" and the "efficient" parts, "those by which it, in fact, works and rules." For the global constitution of nonproliferation during the Cold War, the NPT constituted the dignified part, but its "efficiency" in limiting the spread of nuclear weapons stemmed principally from the American system of alliances and guarantees.

However urgent Germany's and Japan's perceived need for nuclear protection during East-West confrontation, that need has become far less pressing. It has not, however, disappeared completely. Russia and China still have nuclear weapons. Without some means of offsetting those armaments, the allies would have to consider that, at some point, a disagreement with one or the other of the two nuclear-armed giants could arise in which the possession of a nuclear arsenal would confer a decisive advantage. For the entirely legitimate and wholly defensive purpose of short-circuiting this situation, the German and Japanese governments would be moved to seek a substitute for the American nuclear guarantee. The plausible substitutes are nuclear arsenals of their own.

During the Cold War, the United States made elaborate efforts to

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sustain German and Japanese confidence in its security guarantee, both pledging to defend them and deploying troops and weapons on German and Japanese soil. These measures testify to the importance for the United States of thwarting proliferation, even among its closest and most important allies. Yet what Washington has worked so hard to prevent would not be a self-evidently damaging development. Japan and Germany are not only close allies, but they are democracies, with records over the last four decades—admittedly in contrast with the previous four—of spotlessly peaceful foreign policies.

The United States has at least one reason to welcome German and Japanese nuclear weapons. They would relieve Americans of defending two countries sufficiently wealthy and powerful to defend themselves and separated from North America by large oceans. The dangers of German and Japanese nuclear weapons, however, outweigh the advantages. Germany and Japan are large, powerful states. Their acquisition of nuclear weapons would cause more than a ripple in international politics: it would make waves. The change would usher in a multipolar nuclear order, which would supplant the more or less bipolar arrangement of the Cold War. A multipolar order would by some reckonings make the world more dangerous—less stable, less certain, and less easily managed. In multipolar systems, none of the great powers can ever be certain who will side with whom.¹

The emergence of Germany and Japan as major nuclear powers would likely set off a chain reaction. This emergence would signal the end of the American system of nuclear guarantees; if Germany and Japan gave up their American protection no country could count on the American shield. This development would trigger a wholesale recalculation of security requirements throughout Europe and Asia, which would have to take into account not only the retreat of American military

¹ The argument is John Mearsheimer's. See his "Back to the Future: Realism and the Realities of European Security," *International Security*, Winter 1990/1991. The argument follows Kenneth N. Waltz, *Theory of International Relations*, Reading: Addison-Wesley, 1979, chapter 8. But Waltz elsewhere makes a contrary argument that the spread of nuclear weapons will be a force for political stability for the same reasons that they imposed a standoff on the United States and the Soviet Union. See *The Spread of Nuclear Weapons: More May Be Better*, Adelphi Paper 171, London: International Institute for Strategic Studies, 1981.

power but also a sharp rise in the military status of Germany and Japan.

No country, least of all Germany and Japan themselves, wishes to see these countries become nuclear powers. Avoiding this eventuality will require keeping the American nuclear commitment in good working order, which in turn means perpetuating in some form NATO and the Japanese-American Treaty of Mutual Cooperation and Security. Because Germany and Japan are, at least for the moment, less threatened than during the Cold War, this commitment should require less imposing American military forces; to ward off uncertainty ought to be less expensive than to deter the Soviet Union. For this purpose, perhaps no American forces will have to be stationed on the European continent or the Japanese archipelago.

But precisely because Germany and Japan as well as the United States are less threatened, even a modest American commitment may prove difficult. The American public may be unwilling to support the deployment of major military forces to reassure prosperous democratic allies that they do not need nuclear weapons. The American people were willing, for four decades, to spend trillions for defense and deterrence; what they will be willing to spend for reassurance, and for how long, remains to be seen.

THE ORPHANS

THE SECOND CLUSTER of nuclear aspirants were also aligned with the United States during Soviet-American confrontation but felt more threatened and less protected than the allies. These countries feared for their lives, having neighbors that they felt did not accept the legitimacy of their existence as sovereign states.

International orphans lacked as firm an American security commitment as the North Atlantic pact and the Japanese-American security treaty but were not entirely alone. They had the benefit of military assistance from and diplomatic cooperation with the United States. But they were orphaned in that they had neither formal treaties of alliance nor American troops on their territories.

Absent an American nuclear umbrella, these orphans mounted substantial nuclear weapons programs and refused to sign the NPT.

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While they neither formally declared themselves nuclear weapons states nor conducted official nuclear tests, by the end of the Cold War they were capable of assembling working bombs on short notice. They engaged in what might be called partial proliferation, stopping just short of full nuclear status out of deference to the nonproliferation sensibilities of the United States as well as a desire not to provoke their neighbors. While the United States disapproved of their programs, the interests it shared with these countries were such that Washington took no effective action against them.

The two prototypical orphans are Pakistan and Israel. India and Taiwan have some features in common with them. The end of the Cold War has had only a modest effect on their military policies. For another group of countries with important features in common with Israel and Pakistan, however, the end of the Cold War has had a transforming effect.

This group consists of the countries of central and Eastern Europe once dominated by the Soviet Union, as well as the former republics of the Soviet Union other than Russia. The end of the Soviet Union has, if not created, then brought into the open a demand for nuclear weapons. Former provinces of the Soviet empire have either recovered or achieved independence. They can now choose which military forces to have, and for some, nuclear weapons are a plausible choice. Their memories of Soviet and pre-Soviet Russian subjugation are fresh. The politics of the new Russia are not yet reliably democratic or respectful of its neighbors' sovereignty. To some of these new states, their recently achieved independence is bound to seem precarious; and nuclear weapons, as guarantors of independence, therefore attractive.

One such former province, Ukraine, resembles Israel and Pakistan. In Russia, Ukraine has a large, powerful nuclear-armed neighbor, some of whose leading political figures do not fully accept Ukrainian independence. Also, like Israel and Pakistan, while Ukraine is not a full-fledged nuclear weapons state it has engaged in partial proliferation. Israel and Pakistan each has something short of a fully assembled (or at least publicly acknowledged and tested) bomb. Ukraine already possesses fully assembled nuclear weapons on its territory but has at best only partial control of them; it has physical custody, but presum-

ably lacks the actual means to launch the nuclear-tipped missiles it inherited from the Soviet period. Finally, Ukraine, like Israel and Pakistan, has looked to the United States to reinforce its security. Washington pressed Kiev to send all nuclear weapons to Russia. In return, Ukraine asked for security assurances. These Kiev has received but in the most general possible form, as a repackaging of those extended in

The end of the Soviet Union has brought into the open the demand for nuclear weapons.

connection with the NPT and the Final Act of the Conference on Security and Cooperation in Europe, the largely symbolic set of agreements signed by the United States and all European countries, including the Soviet Union, at Helsinki in 1975. The government of Ukraine has promised to give up all its nuclear weapons and ratify the NPT. But the process

of doing so is likely to be protracted, and depending on the course of events in Russia the nuclear option may prove tempting.

Nuclear weapons would be less consequential in the hands of an orphan than in those of Germany or Japan and less dangerous than in the case of a rogue state. The United States has done less to keep nuclear weapons out of the hands of this second group of potential proliferators than the other two categories, but Washington has not resigned itself to inaction. Pakistani, Israeli, and Ukrainian nuclear weapons pose hazards that the American government has sought to avoid.

The nuclear weapons programs in South Asia raise the specter of nuclear war between India and Pakistan. The Israeli bomb makes it difficult to rally support for curbing the nuclear ambitions of other Middle Eastern countries dangerous to the West. Ukrainian nuclear weapons are undesirable because they may reestablish nuclear-armed political rivalries in Europe, where the end of the Cold War has brought a welcome end to the 40-year nuclear standoff between the United States and the Soviet Union. A Ukrainian nuclear arsenal, moreover, may trigger a decision by nearby Germany to acquire nuclear weapons.

Washington has therefore sought during the Cold War and afterward to limit and perhaps reverse these nuclear weapons programs through diplomatic efforts to reconcile the threatened countries with their adversaries. The United States has been a party to almost con-

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tinuous negotiations between Israel and its Arab neighbors for two decades beginning in 1974. Peace was clearly the necessary condition for nonproliferation. Nuclear programs could be eliminated in the region only in the wake of an end to the conflict that had driven Israel down the path to an independent nuclear arsenal.

The United States adopted a similar pattern with Russia and Ukraine, serving as a mediator and broker. On January 14, 1994, the presidents of the three countries signed a tripartite accord under the terms of which Ukrainian nuclear weapons were to be moved to Russia. Ukrainian President Leonid Kravchuk subsequently announced during a state visit to the United States in November 1994 that his country would ratify the NPT. As with Arab-Israeli peacemaking, the United States promised financial assistance to Ukraine, which was implicitly contingent on Kiev's pledge to give up the nuclear weapons it had inherited from the Soviet Union.

The United States also intervened diplomatically, albeit less frequently and forcefully, in the continuing conflict between India and Pakistan. In response to reports that the two countries were close to war, in which each would likely have targeted the nuclear facilities of the other, in 1990 the Bush administration dispatched a special envoy to prevent the outbreak of hostilities, which in the end did not take place.

Thus if the nuclear future of the allies depends on whether the United States sustains its Cold War treaty commitments, the nuclear programs of the orphans will be influenced, perhaps decisively, by the success of post-Cold War American diplomacy.

THE SUPPLY SIDE

IN ADDITION TO discouraging states from seeking nuclear weapons, the nonproliferation regime erects barriers to acquiring them. It addresses the supply of as well as the demand for weapons and the materials to make them.

By the terms of the NPT, the nuclear weapons states promise not to transfer the bomb to any nonnuclear states. The NPT also created the International Atomic Energy Agency (IAEA), which has a mandate to monitor nuclear power-generating facilities as well as fuel and

waste storage sites of nonnuclear signatories. The purpose is to ensure these materials are not used to produce materials for nuclear weapons.

The work of the IAEA is supplemented by the efforts of an informal group of countries that manufacture the complicated and expensive machinery for uranium enrichment and plutonium reprocessing. Known as the Nuclear Suppliers Group, its aim is to restrict the commerce in nuclear fuel fabricating facilities that can also be used to make the core of a bomb. Another association outside the formal bounds of the NPT but whose purpose is consistent with the spirit of the treaty was created in 1987, the Missile Technology Control Regime. The aim of the MTCR is to restrict the diffusion of ballistic missiles, the most dangerous vehicles for the delivery of nuclear weapons.

Although the restraints on supply are necessarily multilateral, as are the measures to suppress demand, the United States has assumed the leading role in implementing them. The American government has been far more active than any other in setting the supply-side rules, trying to enforce them, and monitoring compliance.

The different parts of the supply-side regime, like all international agreements, share a common weakness: none includes any power of enforcement. If a sovereign state violates any of its norms, no international mechanism can compel compliance or mete out punishment. Nor does the regime have a perfect record in detecting violations. Iraq mounted a substantial clandestine nuclear weapons program even after signing the NPT and submitting its declared nuclear power-generating plants to IAEA inspections. Moreover, imperfect as the system of supply restraints was during the Cold War, it has come under increased pressure from two post-Cold War developments.

The first of these developments is the improvement and diffusion of technology of all kinds, including what is required to make nuclear weapons and ballistic missiles. By some estimates, 15 to 20 countries—not all of them allies or orphans—will have or be able to have such missiles by the end of the century.² The second development is the surge in the availability of nuclear materials brought about by the end of the

² See for example, Peter van Ham, *Managing Non-proliferation Regimes in the 1990s: Power, Politics and Policies*, New York: Council on Foreign Relations Press, 1994, p. 24 and Seth Cropsey, "The Only Credible Deterrent," *Foreign Affairs*, March/April 1994, p. 17.

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Soviet Union. Its disintegration led to the weakening or collapse of controls on tens of thousands of weapons, many of them portable, scattered throughout the former Soviet Union; thousands of scientists and engineers, the mainstays of the Soviet military-industrial complex; and hundreds of tons of fissile material from laboratories, reactors, submarines, and weapons to be dismantled under the terms of one or another international agreement. Where the materials necessary for bomb-making were concerned, the Soviet Union was, in effect, an impregnable bank vault. When the U.S.S.R. collapsed, the vast territory on which it had stood turned into a massive bazaar.

THE ROGUES

THE POST-COLD WAR pressure on supply restraints raises the increased likelihood that a select group of countries whose possession of nuclear weapons would run radically counter to the interests of the United States will manage to get them. Most current discussion of proliferation refers to this third category of nations, the rogues, and most of the nonproliferation efforts of the American government are devoted to them. This is so because the political goals that underlie the rogues' desire for nuclear weapons are incompatible with American interests.

In some cases those goals are aggressive. Iraq and Iran want to expand their influence, which would almost certainly not be exercised in ways compatible with American interests. In other cases nuclear weapons may be sought for ostensibly defensive purposes but are unacceptable from the American point of view. North Korea is concerned with its own survival, which at least partly motivated its nuclear weapons program. But a nuclear-armed North Korea would be better able to pursue its commitment to unifying the Korean peninsula, by force if necessary, under communist control. Even if it did not try to attack, subvert, or coerce the South, a North Korea with nuclear weapons would be tempted to sell weapons-related material and equipment, perhaps even bombs, to other countries.

The number of rogue states is relatively small. The list of them invariably includes North Korea, Iran, Iraq, and sometimes Syria,

Libya, and Algeria. Each is influenced by an ideology—Marxism-Leninism, Islamic fundamentalism, or Arab socialism—with anti-Western and anti-American features. All suffered politically and militarily from the collapse of the Soviet Union, which, by depriving them of a patron and protector, or at least a reliable supplier of

In future wars of nonproliferation, the United States will be obliged to take the lead.

weapons, gave added impetus to their nuclear ambitions. None is a full-fledged democracy.

The United States is at the forefront of efforts to prevent the rogues from acquiring nuclear weapons. The American role is based not only on a general aversion to nuclear proliferation but also on commitments, carried over from the Cold War, to the protection of

South Korea and the security of Middle Eastern allies.

At least three methods of coping with the prospect of nuclear weapons in the hands of rogues are available. One is to provide countries that might become targets with the means to defend themselves. This approach, however, is technically problematic. Defending against a few missiles fired by a rogue is less taxing than the task President Ronald Reagan set for the United States in 1983—the protection of the continental United States against massive missile barrages that the Soviet Union was (and its Russian successor continues to be) capable of launching. Still, the capacity of current technology to produce even more modest defenses is questionable.

The second method is to offer the rogue generous inducements to give up its nuclear aspirations, the approach the United States has taken with North Korea. American policy has been to buy the North's nuclear program. Even if successful, this approach encourages blackmail. The policy is all too likely to make nuclear weapons programs seem like useful bargaining chips to be cashed for a bonanza of economic assistance from wealthy countries.³

Because the number of rogue states is limited, it may be possible to concentrate anti-proliferation resources on them, such as surveil-

³ In the case of North Korea this course has seemed to the American (and South Korean and Japanese) governments preferable to the alternative: a confrontation that would run the risk of war.

Lessons of the Next Nuclear War

lance, diplomacy, and economic assistance. But because supply restraints can, sooner or later, be defeated by time, money, and determination, and because even if the world is willing to buy nuclear programs not every rogue will be willing to sell, more forceful methods may be required in order to keep nuclear weapons out of their hands.

More forceful methods have been used twice against the most determined and wealthiest of the rogues, Iraq. Both the raid on the Osiraq reactor by Israel in 1981 and Operation Desert Storm, the military campaign to evict Iraq from Kuwait a decade later, count as successful anti-proliferation measures. Each set back Iraqi President Saddam Hussein's quest for nuclear weapons. Neither, however, is an altogether promising precedent.

Would-be proliferators can insure themselves against a single crippling strike, such as that Israeli warplanes delivered, in the same way that the United States and the Soviet Union during the Cold War protected their nuclear programs from a disarming first strike. They can multiply, disperse, conceal, and shield the component parts of the program so that a single raid could not entirely destroy it. This is exactly what Iraq proceeded to do after 1981.

As for Operation Desert Storm, the anti-Saddam coalition fielded a large, sophisticated army that only the United States could provide. In future wars of nonproliferation, the United States will again be obliged to assume the leading role. The American military has the capacity to conduct such operations, but military operations require political support, and here Desert Storm may prove a weak precedent.

The crippling of Iraq's nuclear program was a byproduct of the war. The official purpose was to evict Iraq from Kuwait. Restoring Kuwait's sovereignty was, in fact, a less important American interest than keeping Saddam Hussein from controlling a large part of the Persian Gulf's oil reserves. A sovereign Kuwait was also less important than a nonnuclear Iraq. But because it constituted an unambiguous violation of international law, the invasion and occupation of Kuwait provided the basis for the political support the war attracted.

The Bush administration probably could not have rallied such extensive domestic and international support exclusively to eliminate Iraq's nuclear weapons program. A military campaign waged solely

for that purpose would have been a preventive war, which has neither a basis in international law nor a well-established historical precedent.

Under present circumstances, it is difficult to envision 168 countries supporting an arrangement for preventive war as they do the NPT. The one clear instance of nuclear preemption, the Israeli raid on Osirac, met with general condemnation. Moreover, such an arrangement would have to sanction preventive war against some countries but not others. Its targets would be Iraq and Iran but not Israel, India, Pakistan, Germany, or Japan. To compound the difficulty, such an international convention would also require defining a point in the development of nuclear weapons when a preemptive attack would be justified.

Even if the major powers could agree on the propriety of a preventive war against a dangerous nuclear weapons aspirant, one of them would have to take the lead. The logical candidate would be the United States, which would mean the American public would have to embrace preventive war as a norm, something it was never asked to do during the Cold War.

LESSONS OF THE LAST WAR

A PRESUMPTION in favor of fighting when not directly attacked has historically emerged from a traumatic experience of armed conflict. Such a presumption represents the lesson of the last war, learned at great cost. The policies that could in retrospect have prevented or won that war become the axiomatic approach to the next one. American foreign policy during the Cold War was based on the lessons of World War II. The commitment to containing the Soviet Union and communism stemmed from the conviction that the failure to check Hitler's ambitions before 1939 led to a terrible and avoidable war.

The Cold War was not a comparably wrenching experience. The next nuclear war, however, the next nuclear shot fired in anger, almost surely would be. It would shock and horrify the world. To be sure, the post-Cold War era has already occasioned horror at the starvation in Somalia, the "ethnic cleansing" in Bosnia, and the slaughter followed by epidemic in Rwanda. But a nuclear explosion would have a more powerful psychological impact on Americans because they will be

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Lessons of the Next Nuclear War

able to imagine this horror happening to them.

The next nuclear war is likely to reshape the nonproliferation policies as well as attitudes and policies well beyond nuclear proliferation of the international community and the United States. Just how it will do so, however, cannot be foreseen.

The next nuclear war could, like World War II, give rise to a powerful bias in favor of preemptive intervention. Once one nuclear weapons program led to nuclear war, the United States might decide to take whatever steps necessary to put a stop to similar programs in other countries. The next Hiroshima could create in American public opinion a consensus in favor of preventive war to keep the bomb out of the hands of rogue states.

The next war could, however, have the opposite effect. Its legacy could be more like that of World War I, which reinforced the historical American determination to remain aloof from the political and military quarrels of Europe. It could revive a foreign policy of isolation, although the geographic scope might differ from the past. Traditional isolation applied to Europe but not Latin America or East Asia. From the next nuclear war Americans might learn to eschew political engagement in any part of the world where nuclear weapons are located or might be used.

Either lesson if translated into policy would mark a basic shift in the American role in the world. In this sense, for American foreign policy, the most important event of the post-Cold War era has not yet taken place. ②

The UN's Mid-Life Crisis

IN THE UNITED NATIONS' 50th anniversary year, the members of the new Republican majority in the House of Representatives paid it a rare compliment: They took it seriously. The only foreign policy clause in their "Contract With America" set limits on American participation in UN peacekeeping.

The UN began seriously. Its founders, who convened in San Francisco on April 25, 1945, assigned it responsibility for the three great international tasks of the postwar era: maintaining peace, protecting human rights and promoting economic development. Its contributions to all of them have, however, been modest at best. The end of the Cold War did remove some obstacles to the UN's effective functioning. But it has since become clear that its troubles have their roots in the way the UN is organized.

Still, the congressional attack fell wide of the mark. The UN's chief problem, as it enters its second half-century, is not that anything it does is dangerous but rather that much of what it does is simply useless.

For four decades the organizational machinery that the UN's founders had established for keeping and making peace was paralyzed by the Soviet-American rivalry. By its veto, for example, any of the Security Council's five permanent members, including the United States and the Soviet Union, could prevent it from acting. The end of the Cold War has made the veto less popular. Still, most of the important work involving world peace takes place under other auspices. The major international agreements placing limits on the numbers and operations of armaments, both globally and within Europe, were negotiated and are administered directly by the two nuclear superpowers or under the sponsorship of the Organization (formerly Conference) on Security and Cooperation in Europe (OSCE).

As for the protection of human rights, the most conspicuous obstacle after 1945 was the UN's acceptance of a taboo against intervening in the internal affairs of any of its members. This taboo was broken at the end of the Persian Gulf war, when UN Security Council Resolution 688 authorized intervention in northern Iraq to protect the Kurds living there.

Neither in northern Iraq nor anywhere else, however, can the UN alone carry out such operations. It is the armed forces of the member states, above all those of the United States, that must do so. But Americans have proven unwilling to pay much, in blood or treasure, to support such "humanitarian interventions."



Somalis drag the body of an American peacekeeper through Mogadishu's streets in 1993.



In the mountain village of La Campana, Colombia, the UN supervises an election in 1966.

Most of the UN's time and resources are devoted to its founders' third goal: the promotion of economic development. Here the chief barrier to a constructive role during the Cold War era was the Third World demand, presented regularly at the UN, for a "New International Economic Order" (NIEO), in which the wealthy countries would transfer capital and technology on a large scale to the poorer ones. The wealthy countries refused.

In the 1980s the NIEO lost much of its popularity. Its proponents began to appreciate the virtues of markets, private enterprise and free trade, and to adopt policies friendly to them. Even then, however, the significant international work in promoting prosperity was done through other organizations. None of the many UN agencies concerned with economic development remotely rivals in importance the World Bank or the International Monetary Fund (IMF).

The cause of the UN's post-Cold War ineffectiveness is its structure. It is organized as if it were a world government, according to the principle of one country, one vote. The General Assembly, to which all sovereign nations belong, is similar in form to Great Britain's parliament; the Security Council resembles the British cabinet; the many specialized agencies are like the departments that cabinet members supervise.

But appearance is deceptive. The United Nations lacks an effective government's single most important feature — power, which resides instead with the UN's member states. Its powerlessness accounts for what might be called the UN's "three Rs": unfocused rhetoric, unenforceable resolutions and unread reports.

If one of the UN's fundamental problems is that it is not a government, a second is that, insofar as it is analogous to a government, it is an unrepresentative one. Countries with a total population of 90 million can outvote those numbering 4.9 billion; thus 51 percent of the votes in the UN belong to countries that include less than 2 percent of the world's people.

Because of this, it is hard for the UN to act effectively, and international coordination is most frequently carried out by other international organizations whose structures correspond more closely to the realities of the world they are supposed to serve: The OSCE covers Europe, not the whole world; the IMF's voting rules are weighted according to a country's contribution to its resources.

Moreover, even if the UN could function as something like an effective world government, there are limits to the amount of government the world needs. While international transactions are increasing in number, not all of them are carried out by governments. Economic activities — trade, investment, technology transfer — are the preserve of the private sector. They do not require the services that even an effective UN could provide.

Although its uses are limited, the United Nations is

not entirely useless. The world does need a global organization, although one smaller than the current UN and accompanied by more modest expectations about what it can do.

One thing it can do is pass resolutions that call attention to international wrongs and provide legitimacy for countries that may wish to right them. This was its role in the Persian Gulf crisis. The countries that joined the anti-Saddam coalition did not do so because they felt obligated by the UN resolution condemning his occupation of Kuwait. But the relevant UN resolutions gave political cover to countries such as Syria that might otherwise have hesitated to become temporary military allies of the United States.

Where a service is technical in nature and must be made available to everyone, the UN is the logical body to provide it. In weather forecasting, civil aviation, the care of refugees and the inspection of nuclear power-generating plants to ensure that materials are not being diverted to bomb-making, the UN offers useful services.

It even has a contribution to make to the most important goal of all: peace. UN peacekeeping, properly understood as the monitoring of a settlement to which all the warring parties have already agreed, is another worthy service the UN provides. Small UN detachments help keep simmering conflicts under control in Cyprus, in Kashmir and on the Golan Heights. The UN gets into trouble when it tries to make peace. In Bosnia its performance has been hapless because the Bosnian government and its Serb opponents have not agreed to a settlement. Imposing one would require taking sides, which the UN is too divided to manage, and bringing to bear military force on a large scale, which the UN lacks the authority and resources to do. Somalia was also a failure for the same reason: There was no political settlement. But it was not, strictly speaking, a UN failure: The American troops there were under American, rather than UN, command.

Thus in one sense the Contract With America, by singling out UN peacekeeping, is aimed at the wrong target. But in an indirect way the Republican program in Congress is relevant to the organization's future. For the Contract as a whole has initiated a debate about what the federal government can and cannot — and thus should and should not — do as the United States enters the 21st Century. As it begins its second half-century, those are precisely the questions that the United Nations must address.



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Mideast Talks Mired in Unreal Hope

By Michael Mandelbaum

FOUR SPECIAL HIGH-level Arab-Israeli meetings in two weeks have failed to move the Israeli-Palestinian peace negotiations forward. The leaders of Egypt, Jordan, Israel and the Palestine Liberation Organization were all involved. So, on one occasion, was President Bill Clinton. But still missing is a formula to reach the next stage, in which Israeli troops are to quit the West Bank and the Palestinians are to hold elections. The peace process is stuck because the premise it is based on has not been borne out: that negotiations would generate their own forward momentum.

In the absence of such momentum, Israel has two dismal options: a formal geographic separation from the Palestinians, or maintaining the status quo.

Before the peace process began, Israel and the PLO, neither of which formally recognized the other, were deeply at odds over fundamental issues. One issue was territory. The most moderate Palestinian position claimed all the land beyond the pre-June, 1967, borders of Israel; no Israeli was willing to return to those borders.



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A second issue was the Palestinians' political status. They insisted on establishing their own state; most Israelis rejected this idea.

Third was the status of Jerusalem, which both claim as their capital.

The Oslo Declaration of Principles, the blueprint for peace signed at the White House on Sept. 13, 1993, did not resolve these issues. But its architects anticipated, or hoped, that the negotiations the declaration set in motion would have a catalytic effect, so that long-standing mistrust would ebb, confidence would grow, and compromises once considered unthinkable would become possible. Instead, the opposite has taken place. The political climate has worsened.

The Palestinians are bitter that their economic circumstances have not improved rapidly and dramatically. Here, their expectations were unrealistic. Prosperity cannot be created overnight. Moreover, their leader, Yasser Arafat, has turned out to be an autocratic, secretive administrator who has not persuaded Western donors that he can be trusted to use economic assistance wisely. Many Palestinians are actually worse off since the peace process began because the Israeli government has repeatedly closed its borders to the 50,000 Arab workers who commute to jobs in Israel.

The Israeli authorities have closed those borders in response to terrorist attacks against Israeli citizens, many within the pre-1967 borders of Israel, which have soured Israelis on the peace process. Their initial support stemmed from the hope that the process would make life safer. Instead, it has

— Continued on Next Page



Tim Foley

Unreal Hopes Mire Mideast Talks

— *Continued from Preceding Page*

become more dangerous. Since the signing ceremony, more than 115 Israelis have died from terrorist attacks, most of them the work of Islamic extremists opposed to co-existence with Israel.

An attack on a bus stop near the city of Natanya on Jan. 22 that killed 21 Israelis was the last straw. Arafat's Palestinian authority is either unable or unwilling to stop the violence. And while such violence continues, the Israeli public will not support moving the peace process to the next stage. So the process is stuck, leaving two unattractive options.

One, which Israelis call "separation," is born of a widespread desire to have as little as possible to do with the Palestinians. It would presumably involve drawing a line and withdrawing behind it: to the west would be Israel; to the east, what would likely become a Palestinian state.

Wherever the line was drawn, Jewish settlers left on the Arab side would have to be moved, and this would lead to a political struggle within Israel. The Rabin government and most Israelis would be willing to brave the resulting political storm if it would end all hostility with the Palestinians, in-

cluding terrorism. But separation would not have this effect. Irreconcilable opposition by some Arabs, not to Israel's borders but to Israel itself, would not disappear, at least not soon.

Thus, Israel is likely, for the foreseeable future, to choose the second option, the status quo: Gaza and Jericho administered by Palestinians; Israel in control of the rest of the West Bank. But this option, too, has potential costs. It puts at risk the diplomatic gains Israel has made in the form of normalized relations with other Arab countries, notably Jordan. And it risks an escalation of violence in the West Bank, Gaza and Israel.

In the midst of unproductive high-level meetings and a stalled peace process, there was at least one piece of cheering news from Israel last week. A Palestinian waiting in line for a visa at the American consulate stepped out to buy a lottery ticket that hit the jackpot; he collected his \$2 million and flew away. Thus, in one fell swoop he got both the prosperity of which the Palestinians dream and the separation the Israelis want. But he alone was so lucky. Everyone else will have to wait, perhaps for a long time.

THE STRATEGIC QUADRANGLE

*Russia, China, Japan, and the
United States in East Asia*

MICHAEL MANDELBAUM

EDITOR



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Introduction

MICHAEL MANDELBAUM

The Strategic Quadrangle—that part of the globe encompassing East Asia and the western Pacific where the political and economic interests as well as the military forces of the United States, Russia, the People's Republic of China, and Japan all intersect—has been, with Europe, one of the two centers of international politics in this century.

As in Europe, great powers have confronted one another directly there. And like Europe, it has been the site of the world's most productive economies. As in Europe, the history of the Strategic Quadrangle since 1945 can be divided into three distinct periods: the first, when the Cold War was most intense, from the late 1940s to the early 1970s; the second, when the Soviet-American rivalry still dominated the politics of both regions but was more relaxed and less urgent, from the early 1970s to the early 1990s; and the third, post-Cold War era, which began with the collapse of the Soviet Union at the end of 1991. It is this third, current period that is the focus of this book.

THE POST-1945 HISTORY

In each of the three periods the politics of Europe and the politics of the Strategic Quadrangle in East Asia were similar but not identical. In the first, both regions were divided into two camps, with

the United States and its allies—the most important of which in Asia was Japan—on one side and the forces of communism, led by the Soviet Union in an increasingly shaky partnership with the People's Republic of China on the other.

In Asia, as in Europe, divided countries became flashpoints for larger conflicts. In Asia, however, these conflicts broke into open, bloody, and protracted hostilities, first on the Korean peninsula in the 1950s, then in Vietnam in the 1960s. In Europe, the division of Germany, while the cause of several tense confrontations, never triggered a war.

Indeed, the starting point of the first stage of the post-1945 history of East Asia was June 25, 1950. On that date the Communist regime of North Korea attacked the South. The United States sent troops to the Korean peninsula, under the auspices of the United Nations, to prevent the northern forces from conquering South Korea. At the same time President Harry Truman ordered the American Seventh Fleet into the Taiwan Strait, interposing it between the Communist government of the Chinese mainland and Chiang Kai-shek's Kuomintang, which had fled to the island of Taiwan from the mainland a few months earlier in the wake of its defeat by Mao Zedong's forces. The United States thus effectively committed itself to defending Taiwan.

On November 25 Chinese forces crossed the Yalu River, the border between Korea and China, and entered the war. The conflict ended in a bloody stalemate, with Korea divided at the thirty-eighth parallel three years later.

The Korean War and the Cold War in Asia were extensions of the conflict in Europe, at least in American eyes. North Korea, China, and later Vietnam were seen in Washington as part of a single Communist bloc, all allies and instruments of Moscow. This view was not entirely the result of a hyperactive anti-Communist American imagination. The Soviet Union did provide substantial military assistance to China and North Korea when they fought the United States in the 1950s and to the Vietnamese Communists in their war against the Americans in the 1960s and 1970s. Moreover, in the decade between the Korean and Vietnamese conflicts, war between the United States and China was a recurrent possibility. On several occasions during the 1950s, mainland forces bom-

barded Kuomintang-controlled islands in the Taiwan Strait. The United States threatened to retaliate, hinting that it would use nuclear weapons.

What had begun in Korea ended in Vietnam, where Communist forces prevailed, driving out the United States and conquering all of Indochina. The end of that war marked the beginning of the next historical period in the Strategic Quadrangle; but this period was not dominated, as the outcome of the Vietnam War suggested it would be, by the Communist bloc. Contrary to American fears of a "domino effect," the rest of Asia was largely unaffected by the Communist conquest of Indochina. Particular national features and internal balances of power turned out to have far greater influence in shaping the regimes and the policies of other Asian countries than the result of the war in Vietnam, Cambodia, and Laos.

In fact, the United States, which had been beleaguered in East Asia from the 1940s to the 1970s, assumed a comfortable, even privileged position in the 1970s and 1980s. During this second post-1945 period, the politics of the Strategic Quadrangle once again diverged from those of Europe, but this time in that East Asia was a less polarized, more tranquil place. In the second half of the Cold War, Europe remained frozen in a hostile stalemate between the two opposing camps. In the Asia-Pacific region, by contrast, the balance of military forces and political power changed significantly and in ways favorable to the United States. This was because of two major developments in the region that were without parallels in Europe.

One was the shift of the People's Republic of China from alliance with the Soviet Union to alignment with the United States. The schism between the two great Communist powers broke into the open at the end of the 1950s as a result of divergent national interests and leadership tensions reflected in contrasting interpretations of Communist dogma. In 1969 the two fought a series of minor skirmishes over a disputed island in a river that formed their common border in the Far East and over disputed territory in Central Asia. Alarmed at the prospect of a wider conflict against a much stronger power, China sought a measure of protection by moving to end its long estrangement from the Soviet Union's great adversary, the United States. After public gestures of reconciliation

and a series of secret diplomatic initiatives, a new Sino-American relationship was sealed with a visit by the American president, Richard Nixon, to Beijing in February 1972.¹

There followed improved political relations, expanded economic ties, and even military cooperation between the two nations. They did not become full-fledged allies, but after 1972 China was clearly closer to the United States than to the Soviet Union.

The second major development in East Asia was what is sometimes called the postwar economic miracle in the region. By the beginning of the 1990s, this development overshadowed everything else that had happened there since 1945. An extraordinary surge of economic growth transformed largely agricultural and in some cases quite backward countries into producers, indeed exporters, of the most modern, sophisticated products, raising their standards of living dramatically.

In the 1950s and 1960s Japan's economy recovered from the destruction of war and grew at an impressive rate. The Japanese economic momentum continued in the 1970s and 1980s, creating the world's second largest economy and leading to enormous trade surpluses with the rest of the world in general and with the United States in particular. In the 1970s South Korea, Taiwan, Singapore, and Hong Kong also began to manufacture automobiles, consumer electronics, and other high-technology consumer goods.

All of these countries were politically allied or aligned with the United States. Their successes strengthened the coalition that the United States led. As they prospered, they became more stable politically and, in the cases of Japan and South Korea, more formidable militarily.

High rates of economic growth were a feature of postwar Europe, both eastern and western, as well. But the European economic successes had a far more modest impact on the international politics of Europe than Asian economic progress had in Asia. The most impressive growth came earlier in both sectors of Europe—during the first half of the Cold War. In the West, it occurred in countries that had been prosperous before the war. In East Asia outside Japan, prosperity was created where previously there had been poverty. The countries' economic performance involved a new and startling development rather than simply the resumption

of a pattern interrupted by World War II. It thus served as a powerful example for the rest of the world.

The economic performance of eastern Europe was an equally impressive counterexample. Growth tapered off after the 1960s. During most of the second half of the Cold War, the Communist economies of Europe stagnated. This fact helped to discredit communism in general and paved the way for its downfall. The economic successes in East Asia in the 1970s and 1980s, coupled with the failures in Communist Europe, played a major role in bringing the second historical period to a close and ushering in the third. They had a particularly powerful impact on the two Communist powers of the Strategic Quadrangle.

The leaders of China and the Soviet Union could hardly ignore the fact that the most dynamic economies on the planet were not Communist ones. In Beijing and Moscow, the recognition dawned—sooner in China, later in Russia—that, if the trends of the postwar period continued, especially those that gained momentum in the 1970s, the rest of Asia would soon outstrip them economically. Without serious changes, the two Communist giants were destined to become economic and ultimately political backwaters, with sluggish agricultural sectors and inefficient industries saddled with the obsolete technologies of the first half of the twentieth century. The example of the Asian economic miracle thus played a role in the decision to institute sweeping reforms in China in the late 1970s and in the Soviet Union a decade later. That example thereby contributed to the events that led, in 1991, to the end of the Soviet Union.²

Both before and after the disintegration of the Soviet Union, the two principal developments of the second post-1945 period in East Asia affected its strategic configuration. China was aligned, but not allied, with the United States and Japan. Even before its diplomatic tilt toward Washington, Beijing had declared that it would chart an independent course in foreign policy; on many issues the Chinese identified not with the United States but with the nonaligned countries of the Third World. By the early 1970s, therefore, while Europe was still divided into two military and political blocs with the United States and the Soviet Union at the center of each, the international politics of East Asia had become, for some

purposes, triangular, involving the Japanese-American partnership, the Soviet Union, and China.

Moreover, the American-led coalition in East Asia was not as tightly knit as its counterpart in Europe. Washington's efforts in the 1950s to build an Asian alliance similar to the North Atlantic Treaty Organization (NATO) in Europe did not succeed. Instead, the United States maintained a series of bilateral security relationships in the Asia-Pacific region. The security treaty with Japan was the most important of these; the one that most closely approximated the American association with Western Europe through NATO. Yet the Japanese-American relationship differed from that of the United States and its European allies. Japan was more populous and culturally more distinct from the United States than any one of them. The Japanese also felt less directly threatened by the Soviet Union. Unlike the Germans, they did not confront a large, Soviet-led army on their border that was poised to move tanks and troops at a moment's notice. Thus an American army was not stationed in Japan as it was in Germany. Although Japan's attitude toward the Soviet Union was anything but cordial, many Japanese considered the modest complement of American forces in their country to be not so much a shield against Soviet power as a concession to the United States in exchange for which Japanese exporters received access to the American economy.

In the 1970s and 1980s, moreover, Japan became an economic giant and ultimately the world's largest creditor. While still an American ally under the Japanese-American Security Treaty and closely tied to the United States in economic terms, it was no longer simply an American client or protectorate. In the world economy Japan had become a major independent force.³ Thus, by the end of the 1980s, in the Asia-Pacific region there were four major powers. The appropriate geometric metaphor was neither two opposing blocs nor a triangle; it was a quadrangle.

While both East Asia and Europe have been affected by the great revolutionary upheavals that brought the Cold War to an end, these effects seem at first glance more pronounced in Europe than in the Strategic Quadrangle.

In Europe, a comprehensive agreement on nonnuclear armaments (the Conventional Forces in Europe accord of 1990) and the

dissolution of the Warsaw Pact in 1991 led to the withdrawal and demobilization of tens of thousands of troops and hundreds of thousands of pieces of military equipment. East Asia has seen neither comparable negotiated reductions nor the dissolution of a great military alliance.

In 1989 revolutions removed Communist governments (or at least longtime Communist leaders) in Poland, Hungary, Czechoslovakia, East Germany, Bulgaria, and Romania. These governments (with the partial exception of Ceausescu's in Romania) had been puppets of the Soviet Union. When Moscow signaled that it would no longer support them, they collapsed. In Asia, by contrast, Communists remained in power in China, Vietnam, and North Korea. None had depended as heavily on Soviet support as the European Communist regimes. The Chinese Communists had earned some credit with the Chinese people by the success of Deng Xiaoping's economic reforms, and Vietnam was beginning similar economic innovations; but North Korea had not departed at all from Stalinist political and economic practices. All survived first the radical reforms of Mikhail Gorbachev and then the official disappearance of the Communist Party of the Soviet Union.

With the end of communism and the collapse of the Soviet Union, not only the politics but also the very map of Europe changed. New sovereign states appeared. Russia was suddenly separated from Europe by a series of independent countries, the largest and most important of which was Ukraine, with a population of 52 million.

In East Asia, by contrast, independent Russia extends to the Pacific Ocean, just as the Soviet Union did. What had once been Soviet Vladivostok, Sakhalin, and Kamchatka are now Russian, as they were before 1917.⁴

In Europe, the conclusion of the Cold War ended the division of Germany. In East Asia, Korea remained divided and territorial disputes involving China and Japan persisted as well. Beijing continued to regard the island of Taiwan as a Chinese province illegally occupied by a rebel government. Tokyo continued to consider the four southern islands of the Kurile chain, which the Soviet Union had seized at the end of World War II, to be Japanese territory.

But appearances can mislead. The end of the Cold War did bring change to the Strategic Quadrangle. It affected the internal politics of all four countries and injected a degree of uncertainty into the policies of each toward the other three. The extent of the change varied considerably among the four, however, as the four chapters in this volume make clear.

THE CHAPTERS

Russia has changed the most. It has been transformed from a multinational empire to a nation-state that, while still enormous and still peopled by non-Russians, is geographically smaller and ethnically more purely Russian than at any time in the last three hundred years.

This and other political and economic changes have left Russia, as Chapter 1 by Robert Legvold makes clear, in a state of internal political flux and economic disintegration. It is so consumed with its own difficulties that its presence in East Asia for the near term is likely to be negligible. For Moscow, foreign policy will principally involve dealing with the former Soviet republics that are now independent or quasi-independent states, which Russians call their "Near Abroad."

Because the new Russian republic does not consider any of the other three powers of the Strategic Quadrangle to be an adversary, and because its internal upheavals have crippled its armed forces, the Russian military presence in the Far East does not cast a menacing shadow over the region as it did in the days of the Soviet Union. At the outset of the post-Cold War era, Boris Yeltsin, like Mikhail Gorbachev before him, aspired to participate fully in the commerce of the region; but the internal economic transformation of Russia that would make that possible is certain to be a protracted affair.

Russia is weak. Weakness circumscribes its relations with the other three powers of the Strategic Quadrangle. Russia no longer threatens them, but its weakness is also an obstacle to reconciliation. Yeltsin and Gorbachev would probably have liked to return the four Kurile Islands to Japan, if only so that Japan, out of gratitude, would be generous with economic assistance to Russia. But

the trauma of losing first the Soviet empire in Eastern Europe and then, after 1991, territories that had been Russian for centuries created a nationalist backlash that prevented Yeltsin from ceding yet more territory—even small, rocky, more or less insignificant specks of land far from Europe.

Russia's internal weakness could also influence East Asia if the effects of Russian economic collapse, ethnic strife, nationalist irredentism, and nuclear proliferation—none of which is certain but all of which are possible—were to reach beyond the country's borders. For the foreseeable future, if Russia is a major force in the Strategic Quadrangle, it will be, as Legvold puts it, not as a player but as a problem.

Of the four countries, China has been the least changed by the end of the Cold War. Its great shift in course had come a decade earlier, at the end of the 1970s. Deng Xiaoping launched a program of economic reform that moved the Chinese economy to even higher levels of marketization. The reforms have enjoyed extraordinary success. Economic growth has surged. China is a far wealthier country as a result.

The overwhelming fact of Chinese economic growth has three consequences for the politics of the Strategic Quadrangle. First, as David M. Lampton notes in Chapter 2, China has perhaps the clearest vision of the desirable short-term future of the region of any of the four major powers. Ironically, it is a classically capitalist vision, emphasizing trade, investment, and the separation of economics from politics. "To get rich is glorious," a slogan from the early days of Deng's economic reforms, captures the essence of what China seeks: political and military détente and economic cooperation with the other three powers in order to sustain the remarkable economic performance of the decade and a half following 1979.

Second, success has bred confidence among China's leaders, despite the Tiananmen episode and the collapse of Communism in Europe. They not only favor the course they have set but believe that they can keep to it despite the objections, and perhaps obstacles, presented by the United States.

Third, Chinese growth will be a central feature of the politics of the Strategic Quadrangle over the long term. As the three other

powers gaze into the future, they know they will have to come to terms with its consequences: a richer, more powerful, and perhaps more ambitious China. Their policies will increasingly take this prospect into account.⁵

The revolutionary changes in Russia were largely the result of the collapse of communism, of which the end of the Cold War was a by-product. The sweeping changes in China were due to the economic reforms of the 1980s. The changes in Japan were more modest. But as chapter 3, by Mike Mochizuki, notes, they were hardly inconsequential and unlike what happened in the other two countries, change in Japan was largely provoked by the end of the Cold War. The disappearance of the Soviet-American rivalry introduced an unfamiliar and unwelcome strain of uncertainty into both its domestic politics and its foreign policy. During the conflict, Japan had enjoyed several decades of stability in both arenas, based on the domination of the Liberal Democratic Party (LDP) at home and the alliance with the United States abroad. The end of the Cold War undermined both.

Indeed, it ended LDP dominance. In 1993, the party split apart and a new, shaky coalition government took power for a few months before collapsing and being replaced by an even shakier one. What had been an immobile political system during the Cold War seemed destined for a period of instability, without enduring, predictable alignments and with government by shifting, fragile coalitions.⁶

As for relations with the United States, although the Security Treaty remained in place, the Japanese could not be certain that, absent the Soviet threat, over the long term America would continue the policies in the region that had relieved Japan of the need to conduct an independent defense policy. This was so in part because the Japanese-American relationship was under mounting strain from trade disputes that had been suppressed by the need for political solidarity during the Cold War but had become increasingly important in the United States in its wake.

If the end of the Cold War brought upheaval to Russia while leaving China firmly committed to existing policies, its legacy to Japan was discomfort. The Japanese aspired to perpetuate the conditions of the second half of the Cold War, under which, like the

Chinese, they had flourished. But they had reason to be less confident than the Chinese that they could manage this.

Nor was the prospect of taking the initiative in shaping post-Cold War East Asia a comfortable one for Tokyo. Since 1945 Japan had been, by choice and temperament, a follower rather than a leader internationally, with a foreign policy devoted almost entirely to promoting exports while lacking any broader definition of the country's interests or responsibilities.⁷

The end of the Cold War had a more modest effect on the internal affairs of the other democracy of the Strategic Quadrangle, the United States, than was the case with Japan.⁸ But it conferred upon American foreign policy a wider array of choices than either the other three countries in the Strategic Quadrangle confronted or than the United States had faced during the previous four decades. In that period a clear hierarchy of purposes had governed what the United States did in the region. At the top of this hierarchy was security: American policies flowed from the confrontation with the Soviet Union.

With the end of the Cold War, two other traditional American public purposes, never abandoned but always less important than security during the Cold War, came to the fore: democracy and prosperity. The disappearance of the Soviet threat and the rise of these two goals created a new agenda for the United States in the post-Cold War Strategic Quadrangle, an agenda that, as I show in Chapter 4, has become a source of friction with the other countries.

The frictions and disagreements that it has generated, with the exception of the unresolved conflict on the Korean peninsula, are not the sort that will lead to war. But they are serious enough that, even with the threat of war in abeyance, East Asia has become a place that, for the United States, is marked by conflicting goals, acrimonious disputes with longtime friends, and a general lack of clarity about the nation's purposes in the region.

According to Richard H. Solomon, the greatest uncertainties and possibilities for future conflict will be with America's relations with China. In his Conclusion, Solomon foresees that both the United States—as the world's sole surviving superpower, even if a reluctant one—and China, for historical, cultural, and economic reasons, will make active efforts to shape the politics of post-Cold

War East Asia. On a variety of economic, political, and security matters the two governments already have significant disagreements, not to mention their profoundly differing approaches on human rights issues. This will lead, at best, to a Sino-American relationship that is a mixture of cooperation and conflict, one less confrontational than the Soviet-American rivalry after World War II, but also one less cordial than Sino-American relations during the 1970s and 1980s. At worst, relations between the world's largest country and its most powerful state could deteriorate into a new form of "cold war," serving as a major source of tension in East Asia into the twenty-first century.

REGIONAL ISSUES

Post-Cold War Europe may be thought of as a region. Indeed, the sense of the continent as, for some purposes, a single unit goes back at least to the Congress of Vienna of 1815. After 1945 an international and, in limited ways, supranational economic organization—the European Community—was created in the western part of the continent. Similarly, a permanent peacetime military alliance, NATO, which was transatlantic in scope, was established.

The history of regionalism in East Asia is shorter and thinner. Japan's forcible efforts to organize an economic and military bloc in the first half of the 1940s—known in English as the Greater East Asia Co-Prosperity Sphere—were thwarted, also forcibly, by the American armed forces and are not fondly remembered by anybody. After 1945 such regionwide organizational structures as developed there were centered on the United States. The successful economies of the region depended on access to the American market; the principal security arrangements were a series of bilateral pacts between the United States and various countries of the region, of which the Security Treaty with Japan was by far the most important.

With the passing of the Cold War, sentiment in favor of more extensive and more formal regional cooperation than had been practiced in the past could be detected around the Pacific rim.⁹ The end of the dominant military and ideological rivalry in concert with

the dramatic expansion of trade and capital flows within the region had, it seemed, given rise to the kinds of common purposes that organizations are created to serve.

At the outset of the 1990s, therefore, several initiatives to build organizations for security and economic issues in East Asia were undertaken. After the regular meetings of the foreign ministers of the Association of Southeast Asian Nations (ASEAN), issues of regional security began to be discussed. The forum for Asia-Pacific Economic Cooperation (APEC) brought its members' heads of state together in Seattle in November 1993.

The ASEAN postministerial meetings and the APEC summit, however, illustrated the limits to formal regional cooperation. Each was a forum devoted strictly to discussion. Neither had any authority to make decisions, and none of the countries involved was prepared to urge that either organization acquire this authority. ASEAN, moreover, centered on Southeast Asia rather than on the heart of the Strategic Quadrangle, to the north.¹⁰

Strong regional organizations including all of East Asia or even encompassing the Strategic Quadrangle are not likely to be created in the near future. The four major powers of the region are far more diverse than the great powers of Europe ever were.

On the most important indices of international capability they are not at all alike. While the United States is a major military power and a formidable international economic power as well, Russia is a military but not an economic presence, Japan is an economic but not a military giant, and China is neither but, with the combination of its size and growth rate, has the potential to achieve great-power status in both arenas sometime in the next century.

The four are markedly dissimilar in other ways as well. There are differences of demography: China, the world's most populous country, is several times larger than any of the others. There are differences of economic status: Japan and the United States are the most technologically advanced countries in the world and their citizens enjoy high standards of living; Russia is dominated by the large but now backward industries of the first stages of the industrial revolution; and China, despite an urban population that is enormous by the standards of other countries, is still mainly a nation of peasants.

Not least important are differences of geography. The European great powers shared the same landmass. The powers of the Strategic Quadrangle do not. China is firmly planted on the Asian mainland, but Japan is an offshore archipelago, Russia's center of political and economic gravity is in Europe, and the United States is part of Asia economically but not geographically.

Thus, while Europe will increasingly be influenced by the politics of continent-wide institutions, the future of the Asia-Pacific region will be shaped by the individual national policies of its major powers, which are the subjects of the chapters in this book. For the remainder of the twentieth century and beyond, the international relations of East Asia will emerge from the politics of the Strategic Quadrangle.

Notes

1. On the evolution of Chinese security policy, see Michael Mandelbaum, *The Fate of Nations: The Search for National Security in the 19th and 20th Centuries* (New York: Cambridge University Press, 1988), chap. 6.
2. It is not fanciful to impute an important role in the collapse of the Soviet Union to South Korea. While the Communist rulers in Moscow could rationalize their country's failure to close the economic gap with the United States, Western Europe, and even Japan, when a formerly barren and backward country that historically had scarcely seemed worthy of notice emerged as an industrial dynamo, with a more sophisticated commercial industrial base than the motherland of socialism, they could no longer ignore the serious economic shortcomings of the Soviet Union.
3. Testimony to its independent status was its ongoing and increasingly acrimonious dispute about trade with the United States. See below, pp. 178–184.
4. The breakup of the Soviet Union has affected the borders of one other country in the Strategic Quadrangle. China has new neighbors. What were once Soviet Central Asian republics are now independent Kazakhstan and Kyrgyzstan. This has created a potential problem for Beijing. Some of the Muslim peoples of Central Asia—the Uighurs and Mongolians in particular—live on both sides of the Chinese border with the new countries. Chinese authorities are concerned about the rise of Islamic and national consciousness among these peoples, which could lead to movements for autonomy or even independence in the large, sparsely populated regions of Xinjiang and Inner Mongolia, where Muslims outnumber Han Chinese. See Ross Munro, "Central Asia and China," in Michael Mandelbaum, ed. *Central Asia and the World* (New York: Council on Foreign Relations, 1994), pp. 225–238.
5. In some ways China's recent experience—political stability (with the important but short-lived exception of the democracy movements of 1989) and economic success—has been the opposite of Russia's. In other respects, however,

the two countries are similar. Both have moved away from the orthodox communism of the Stalinist and Maoist varieties, albeit at different speeds and with different short-term results. This has entailed considerable change in both countries. While the impact of the end of the Cold War on Chinese policies has been modest, the effects of Deng's economic reforms on Chinese society have been immense. The sheer volume of change these reforms have produced—measured in opportunities created, social mobility provided, and wealth accumulated—surely rivals that in any ten-year period in any country at any time in history.

The movement away from communism has had two similar political consequences in Russia and China. The once all-powerful central government has lost its grip on the country in both cases. China's regions have achieved considerable economic autonomy; this is happening in Russia as well. Finally, in neither country is political stability assured. The potential for instability in Russia has been evident since the collapse of communism; in China, no orderly mechanism for political succession is in place and the country's political prospects when Deng's generation finally passes from the scene are uncertain.

6. At the same time, the Japanese recession in the early 1990s called into question some of the social bases of postwar Japanese politics, such as lifetime employment in its large industrial enterprises.
7. For a view of Japan as a "reactive state," see Kent E. Calder, "Japanese Foreign Economic Policy Formation: Explaining the Reactive State," *World Politics* 40 no. 4 (July 1988).
8. It had some effect. Bill Clinton, the governor of a small state with virtually no experience in foreign policy, could almost certainly not have been elected president during the Cold War. Postwar presidential elections before 1992 were occasions for full-blown debates about American foreign policy. In 1992, America's relations with the rest of the world were hardly mentioned.
9. For an inventory of the possibilities for regional organization, see Hisayoki Ina, *A New Multilateral Agenda for the Pacific: Beyond the Bilateral Security Networks* (Washington, D.C.: The Johns Hopkins University School of Advanced International Studies Foreign Policy Institute, 1993).
10. Its discussions on security in July 1993 did include representatives of the United States, Japan, China, and Russia as well as Korea.

CHAPTER FOUR

The United States and the Strategic Quadrangle

MICHAEL MANDELBAUM

During the Cold War the policy of the United States toward the other three powers of the Strategic Quadrangle was coherent. In the wake of the Cold War it is complicated and confused.

From the 1940s to the 1990s American policy in East Asia was based on deterring and containing Soviet power. That was the common denominator of Washington's relations with the Soviet Union, China, and Japan—and indeed the entire world. It was the reason for deploying military forces in the region, the core of which was the Seventh Fleet with its fighter and bomber airplanes based on large oceangoing aircraft carriers supported by facilities in Japan and in the Philippines.¹

The United States had other goals in addition to security; none, however, was more important. Where the requirements of deterring the Soviet Union came into conflict with other aims, all the others gave way. This is the normal practice when countries are at war. All else is subordinate to the requirements of waging the conflict. In the latter stages of the Cold War there were sources of friction with China and Japan, but they were largely suppressed for the sake of solidarity against the Soviet threat.

By the second half of the Cold War, that threat, although not vanquished, seemed far less pressing than the United States had taken it to be in the 1950s and 1960s. From the mid-1970s to the end of the 1980s, the United States enjoyed the best of both worlds in the Strategic Quadrangle: the coherence in foreign policy that

war imposes without the costs and dangers that come with actual conflicts. In the second half of the Cold War, Washington's position was a comfortable, even a privileged one. Of the four major powers, only the United States played both a major military and a major economic role. Of the four, only the United States was indispensable both to the security arrangements and to the commercial life of the Pacific region.

Moreover, the United States had better relations with each of the other three powers than any two had with each other. In fact the other powers welcomed the American role in the region.² The American presence thus contributed to stability and prosperity in East Asia after the mid-1970s without imposing onerous costs on the United States.

The end of the Cold War has complicated American policy. The burden of an ongoing military confrontation with a powerful rival has been lifted. In that important sense the American position in East Asia, as elsewhere, is now easier. But the end of that conflict has brought to the task of conducting American policy in the Strategic Quadrangle a new agenda. The United States confronts choices—military, political, and economic—that are both unfamiliar and difficult to make.

The rationale for the American military presence has disappeared, but the demand for it within the region has not. East Asians continue to favor the deployment of American forces in their region in some form. The new military mission that they and American leaders envision for the United States, however, is a vague one. It is less intuitively plausible, and less likely to be attractive to the American public, than the Cold War goal of deterring the Soviet Union.

At the same time, issues that divide the United States from China and Japan, which had been kept manageable by the discipline of the Cold War, have now become more salient in the politics of the Strategic Quadrangle. With China the primary issue is the status of democracy and human rights. In the late 1980s congressional majorities began to demand that the United States exert pressure on the Chinese leadership to bring their domestic political practices into closer conformity with those of the democratic West, using continued Chinese access to the American market as lever-

age. With Japan the source of post-Cold War tension was the persistent Japanese trade surplus with the United States.³

Neither the putative new military mission for the United States in East Asia nor the contentious issues in Sino-American and Japanese-American relations emerged suddenly with the collapse of the Soviet Union. All three had germinated in the latter part of the Cold War period. But during the Cold War the American government—specifically the executive branch—was the effective champion of sustaining a military presence in East Asia and keeping China's violation of democratic norms and the Japanese trade imbalance from undercutting the anti-Soviet coalition to which Japan and China belonged.

In the wake of the Cold War, the opinions of the American public assumed greater political importance on all three issues. The continuation of the American military presence in the region depended on the kind of public support that the government had been able to obtain with ease when the conflict with the Soviet Union dominated American foreign policy, but that may prove difficult to sustain in the absence of the Soviet threat.

Similarly, American objections to Asian political and commercial practices stemmed from sentiments deeply held in the United States. It was the public that pressed the government to pressure Asian governments to change them. During the latter part of the Cold War, the president and the Congress were divided over the proper American response to Chinese political practices. They were divided as well over how to deal with Japanese economic policies that the American public deemed objectionable. With the advent of the Clinton administration in 1993, the executive branch became more sympathetic to the views expressed by the Congress and the public. This was not simply because the new president and the congressional majority were members of the same political party: in fact, the end of the Cold War had removed the principal incentive presidents of both parties had had to avoid the punitive policies that the Congress and the public increasingly favored.

American irritation with China and Japan was based on a commitment to democracy and a resentment of chronic trade imbalances that had deep roots in public opinion; but the practices that Americans found unacceptable had equally deep roots in the

Asian political and economic systems from which they sprang. Thus, while the disputes over these issues could be managed, and would certainly not lead to war, they were unlikely to be resolved quickly or easily—if they could be resolved at all.

In the aftermath of the victory in the Cold War, divisions among the victors began to appear. The result, in East Asia, will scarcely be as drastic as what happened in Europe after World War II. Neither Japan or China—nor the new Russian republic, for that matter—will take the place of the old Soviet Union as the global, mortal rival of the United States. The bitter ideological clash and the costly military competition of the forty-five years after World War II will not be repeated.

The American agenda in the Strategic Quadrangle in the first half of the Cold War was a grim and dangerous one; in the second half the rivalry with the Soviet Union still dominated that agenda, although in a less urgent way. The differences that mark the post-Cold War agenda are normal. Interests and preferences differ among sovereign states as they do among individuals. It is the task of a foreign policy to reconcile such differences where this is possible and manage them where it is not. For the United States, this task in East Asia is now less taxing in military terms than during the Cold War, but in another way it is more difficult.

After 1950 there was an American consensus on the task in East Asia: deterrence of the Soviet Union. American policymakers had to decide how to accomplish it. Now the United States confronts questions of ends as well as of means: What is the proper military role for the United States in the Asia-Pacific region? Is the promotion of democracy or of human rights in China an appropriate aim of American foreign policy? What kind of economic relationship with Japan is possible and desirable?

THE CHALLENGES TO SECURITY

The Cold War was a military confrontation. Its conclusion thus affected the forces deployed by the powers that had waged it. The changes in military deployments are not as dramatic in the Strategic Quadrangle as in Europe; but even without sweeping arms con-

trol accords such as the Conventional Forces in Europe Treaty of 1990 or the dissolution of a formal military alliance such as the Warsaw Pact, one result of the end of the Soviet-American conflict was that there were fewer and less capable military forces in East Asia.

In December 1988, three years before the Soviet Union itself disappeared into history, Mikhail Gorbachev announced the withdrawal of 200,000 troops from the Soviet Far East and of 6,000 more from Central Asia.⁴ Russia inherited the Soviet Pacific fleet, which in 1993 still included 20 ballistic missile-carrying submarines, 90 attack submarines, 45 main surface warships, and 150 land-based strike aircraft. But the Russian economic collapse took a toll on its military forces. By one estimate, in 1992 only a third of the attack submarines, 40 percent of the warships, and half the aircraft were operational.⁵

As the Cold War waned, the United States also reduced its forces in the region. By the Cold War's end, only about 17 percent of all American military manpower was allocated to Asia.⁶ The most important military bases in the southern Pacific—Clark Air Field and the Subic Bay naval facility, both in the Philippines—were closed in 1991–1992. In early 1990 Secretary of Defense Richard Cheney announced that 5,000 of the 43,000 American troops in Korea would be withdrawn. The Pentagon's 1992 plan for a global "base force" called for a 25 percent reduction from Cold War levels in overall military strength in East Asia.⁷

In September 1991 President Bush announced a global initiative on nuclear weapons that affected American nuclear deployments in the region; such weapons would be removed from South Korea and from surface ships in the Pacific, thus eliminating a source of friction with Japan and New Zealand, both of which had banned port calls for nuclear-armed vessels.

The reductions in the American military forces in East Asia and elsewhere were logical responses to the end of the Cold War. The forces' purpose, after all, had been to deter the Soviet Union. With the decay of Russian military forces in the Asia-Pacific region, the military threat to American interests had diminished. But the events that led to the decay of those forces had an even more decisive impact.

The withdrawal of Soviet forces from the heart of Europe, where their presence had triggered the Soviet-American rivalry in the first place, the collapse of communism in Europe, and the disintegration of the Soviet Union itself left no apparent adversary in East Asia for American forces to deter.

There are, to be sure, reasons for hedging a prediction that no great-power military confrontation will ever again take place in the region. In 1994 Moscow's policies toward its neighbors turned more assertive and its attitude toward cooperation with the industrial democracies less enthusiastic than in the preceding two years. Russia retained the foundations of a major military force in East Asia. Its control of the four southern islands of the Kurile chain, which Stalin had seized at the end of World War II, perpetuated a territorial dispute with Japan, which insisted on its own sovereignty over what it continued to call its "Northern Territories."

Still, Russia's internal disarray seemed likely to restrict its capacity to resume the kind of conflict with the other three powers of the Strategic Quadrangle that the Soviet Union had pursued during the Cold War, even if the Russian government wished to do so, at least through the 1990s and into the next century. Such energies as Russia had for international disputes were likely to be reserved for the "Near Abroad," the former Soviet republics turned independent states, several with large ethnic Russian populations. Russia may one day become a proper object of the kind of deterrence that dominated American policy in the Strategic Quadrangle from 1950 to 1990, but if it does, this will not occur soon.

It also is conceivable that China will qualify for Cold War-style deterrence. It is a power on the rise.⁸ Its soaring economic growth rates portend a more powerful military establishment: The richer a country is, the more it can afford to spend on troops and weapons. Chinese forces are large but badly equipped. For most of the 1980s the military had a low priority in the government's budget. In the early 1990s, however, Chinese military spending as a proportion of national income rose modestly, and this at a time when defense spending was falling in most other countries. At the same time, as the enormous Soviet military-industrial complex broke apart, the Chinese government moved to acquire some of its weapons and technical expertise.⁹

~~In its long history, China has seldom tried to expand its sphere of direct control beyond its traditional borders.~~ But the People's Republic of China has territorial claims in East Asia. The best known and potentially the most explosive of these concerns the island of Taiwan,¹⁰ but there are others. Beijing's claim to the Spratly Islands in the South China Sea, the site of potentially valuable mineral deposits, has brought China into conflict with a number of Southeast Asian countries¹¹ and its claim to the Senkakus is a potential source of friction with Japan.

Like Russia, China has moved far from the orthodox communism under the auspices of which it had been at war with the United States in the 1950s. In the first half of the 1990s Beijing was firmly set on a foreign policy of détente in all directions and economic cooperation wherever possible. Like Russia if it were to become a military threat this would not occur until well into the next decade.¹²

Thus the first question for American military policy in East Asia in the wake of the Cold War was not how large a force to deploy but whether, in the absence of an adversary, the United States should deploy any forces at all. In fact, American forces did serve an important purpose, one that predated the end of the Cold War although it was neither emphasized by the United States nor always publicly acknowledged by those who benefited from it.

Both Japan and China saw the United States as a buffer against the other. As long as Washington accepted a measure of responsibility for Japanese security, the Chinese could assume Japan's military forces would remain limited; and as long as Japanese forces remained limited, they would pose no threat to China. For their part, in the absence of an American military role in the Strategic Quadrangle, the Japanese would have reason to be concerned not only about Russia but also about China, which was, after all, a nuclear power.

The countries of Southeast Asia—Thailand, the Philippines, Singapore, Indonesia, and Malaysia—also benefited from the presence of American forces. None had felt particularly threatened by the Soviet Union during the Cold War, but each was wary of China and Japan. Some had ethnic Chinese populations. All were sensi-

tive to the power that China possessed by virtue of its size. And to the admiration with which they all regarded Japan's economic strength was added a touch of resentment, arising from their memories of Tokyo's imperial aspirations in the 1930s and 1940s, of which they had been the victims. For them an American military presence also was welcome.¹³

The American role of buffer offered deterrence at one remove. It gave other countries not so much protection against an existing threat as a measure of assurance that new threats were not likely to arise. The historian and strategist Michael Howard has drawn a distinction relevant to the American role as a buffer in East Asia, a distinction between deterrence and what he calls "reassurance." He defines reassurance as the task of instilling confidence in allies so that they can conduct their domestic affairs and foreign policies without feeling intimidated. Like reassurance as Howard defines it, the role of buffer that the United States came to play in East Asia in the 1980s spared others the need to make adjustments in their own policies that they preferred to avoid.¹⁴

With the end of the Cold War, the case for an American military presence to reassure the other three countries of the Strategic Quadrangle, as well as the lesser states of North- and Southeast Asia, became in some ways even more compelling. The withdrawal of the United States would leave a vacuum that would create pressure within each country to strengthen itself, if only out of fear that if it failed to do so, others would. Each country would be tempted to arm itself preemptively, as insurance against threats arising from others doing the same thing.

Each country feels the need for a hedge of some sort, some military assurance against the potentially aggressive designs of the others. Each is willing to rely on the United States to provide such assurance; American military forces are uniquely acceptable to all powers in the region. Without the United States, each would feel compelled to rely on itself, leading to higher force levels, greater political tensions, and perhaps eventually outright conflict.

An American withdrawal from East Asia could set in motion what political scientists call a "spiral model": One party takes measures for defensive reasons that appear aggressive to another, the other responds in kind—again for defensive purposes but in a way

the other interprets as offensive—and a spiral of measures, countermeasures, and mounting distrust unfolds.

So it might be in the Strategic Quadrangle in the absence of American military power; and as the Cold War ended, preventing such a spiral became the official rationale for the continued American military presence. "In this era of shifting regional power balances," Defense Secretary Cheney said in 1990, "our forward military presence supports our aim of maintaining the stability that lets other nations flourish, by preventing the emergence of dangerous power vacuums or imbalances and by staving off regional arms races."¹⁵ Warren Christopher, secretary of state in the Clinton administration, echoed this message in 1993: "While the tensions of the Cold War have subsided, many Asian nations harbor apprehensions about their closest neighbors. An American withdrawal would magnify those concerns. And so America must stay engaged."¹⁶

Reassurance is plausible in theory. In practice, however, it presents several problems. The first stems from the perennial military question, "How much is enough?" It is difficult enough to decide what forces are needed to deter an armed force whose size is known. It is all the more difficult to decide what is needed for reassurance, a mission that is vague, open-ended, and requires moving from "threat-based to uncertainty-based" military planning.¹⁷

The forces the United States would need to reassure the countries of East Asia must be roughly comparable to those that would-be adversaries could field. This too raises a potential problem. Local military forces could expand rapidly simply because of the rates of economic growth in what is the fastest-growing part of the world.¹⁸ That would require the United States to expand its own forces, which would impose costs the American public might not be willing to pay.

➤ Moreover, reassurance is a military mission that, unlike deterrence, may require the kind of multilateral organization that is common in Europe but almost completely absent—for good reason—in East Asia.¹⁹ To be reassured, all parties would have to be satisfied that none of the others was behaving, or planning to behave, in a threatening manner. This in turn would require that all have reliable information about the others' military activities in the

region and that all contribute to procedures to build mutual confidence, such as public notification of routine military operations. A formal organization would be useful, perhaps indispensable, for these purposes, but the region has none. Reassurance also may require negotiated limits on the military forces in the Strategic Quadrangle, which, during the Cold War, the United States consistently opposed.²⁰

Once the American government decided how to carry out the policy of reassurance in the Strategic Quadrangle, it would then have to obtain support for it. East Asian governments do support the policy. But while they want the United States to stay in the region, few are eager to announce this to the world. Most are understandably reluctant to say publicly that they do not trust their neighbors.²¹ The Japanese do say that they want the Americans to stay. They go further. They underwrite part of the cost of the American military presence in the region and have a large stake in it. The Japanese-American Security Treaty, and the American forces that support it, relieve Japan of the need to defend itself unaided. Without them, Japan would have to spend considerably more on defense to protect itself. It also would have to confront the question of whether to acquire nuclear weapons. A more heavily armed—and especially a nuclear armed—Japan would alarm its neighbors. Thus the American presence is Japan's guarantee of membership in good standing in the region.

Yet the present security arrangements have Japan paying, in effect, to deter itself, and the Japanese may not be content to do so forever. Someday they may conclude that with the demise of the Soviet Union, they no longer want or need American protection in security in affairs.²²

In the end, the citizens of the United States itself may turn out to be the most skeptical of the need for a continuing American presence in East Asia. North America lies thousands of miles from the region's center of military gravity. What is of direct concern to the Chinese and the Japanese is remote for Americans. North America was, of course, no closer to the Asian mainland during the Cold War than it is now, and the United States then regarded the balance of power in the region as bearing directly on its own interests. But then the Soviet Union was seen as a threat everywhere; for forty

years Americans proved willing to support forces whose aim was to prevent a Soviet attack. It remains to be seen whether they can be persuaded to pay for the less familiar, less intuitively urgent task of reassurance.²³

Post-Cold War East Asia did present one potential threat to American interests of a more familiar kind: the prospect of Communist North Korea acquiring nuclear weapons. The Korean peninsula is perhaps the most strategically sensitive place in the Strategic Quadrangle. It is Japan's nearest neighbor and former colony. The United States stations troops there. Korea has common borders with both Russia and China. All four powers participated, directly or indirectly, in the Korean War of the 1950s.

At the end of 1991 the two Korean states seemed to be moving toward a rapprochement, especially on issues concerning nuclear weapons. In December of that year they signed an agreement on political reconciliation, and soon thereafter North Korea agreed to submit its nuclear facilities to international inspection, as required by the Non-Proliferation Treaty (NPT) of 1968. In March 1993, however, Pyongyang reversed itself, announcing that it would withdraw from the NPT and bar inspectors from its nuclear sites. This was almost certainly related to the international inspectors' discovery that small amounts of plutonium were unaccounted for in North Korea and might have been diverted to make nuclear explosives. Protracted negotiations with the United States followed. The American aim was to convince North Korea to allow the inspection of both the facilities it had acknowledged to have nuclear purposes and undeclared sites the international community suspected of also being devoted to such purposes.²⁴

The nuclear problem on the Korean peninsula was, in part, a holdover from the Cold War. It stemmed, ultimately, from the division of the country and the threat to the status quo posed by the Communist regime in the north—the same set of circumstances that had led to war in 1950. The same dictator—Kim Il-sung—who had launched the attack in 1950 was in power and threatening to acquire nuclear weapons in 1994.

But while a holdover from the past, the threat of a North Korean bomb was also a post-Cold War issue. The end of that con-

lict left North Korea without the patronage of the world's two largest Communist countries, the Soviet Union and China, whose support had sustained it for the better part of four decades. Kim had reason to fear that his regime would suffer the fate of East Germany: collapse and absorption by the other economically more dynamic and politically more legitimate Korean state.²⁵ Although not given to sharing his motives with others, the North Korean dictator appeared to have decided, in an effort to avoid this fate, to use the threat of acquiring nuclear weapons to extract diplomatic concessions and economic support from the outside world, in particular from South Korea, Japan, and the United States.

Moreover, the North Korean threat to the United States was of a distinctly post-Cold War kind: not a frontal assault on a pro-Western government by the forces of communism as part of a global conflict, but rather nuclear weapons in the hands of a rogue state that would use its nuclear arsenal to terrorize its neighbors for its own narrow purposes or sell bombs to other equally dangerous regimes. Indeed, North Korean nuclear weapons would produce precisely what the post-Cold War American military mission of reassurance was designed to prevent: a dangerous political and military chain reaction within the region. Japan and South Korea would strengthen their armed forces, perhaps even equipping themselves with nuclear weapons. This would alarm other Asian countries, in particular China, which would respond in similar fashion.

The problem of North Korean nuclear weapons produced a political alignment in the region that demonstrated the differences between the Cold War and post-Cold War eras in yet another way. In 1950 the United States and Japan were allied with South Korea against North Korea, the Soviet Union, and the People's Republic of China. In 1993 still nominally Communist China and post-Communist Russia joined the United States, Japan, and South Korea in opposing in principle a North Korean bomb.

Opposition in principle, however, seemed unlikely to dispose of the matter. Ensuring that the Korean peninsula remained free of nuclear weapons would likely require unprecedentedly close cooperation among the four powers of the Strategic Quadrangle. Two diplomatic undertakings in other parts of the world illustrated what was likely to be needed.

One was the international coalition that evicted Saddam Hussein's army from Kuwait. As with North Korea, this was a regime acting in violation of international law and in defiance of the international community. The task the multinational coalition undertook was more taxing than deterrence: It involved reversing an invasion that had already occurred. Similarly, an international coalition might at some point be called upon to seize or destroy North Korean nuclear weapons already assembled. And as in the Persian Gulf, while military operations might be conducted under the nominal auspices of the United Nations, the task of assembling and leading the coalition against North Korea would inevitably fall to the United States.

The second international precedent pertinent to the Korean nuclear problem is the unification of Germany. This was accomplished under a diplomatic rubric known as the two-plus-four negotiations. It included the two German states and the four outside powers whose role in the country stemmed from agreements made at the close of World War II: the United States, Great Britain, France, and the Soviet Union. If the political status of the Korean peninsula is to be changed peacefully during the 1990s—and given the economic deterioration and political isolation of the Communist North, the alternative would appear to be change that is *not* peaceful—a similar arrangement involving the two Koreas and the four most important outside powers, the four countries of the Strategic Quadrangle, would be necessary.²⁶

Thus the task of resolving what could be a nasty, messy, dangerous political, economic, and perhaps military crisis on the Korean peninsula, like the more diffuse aim of substituting a policy of reassurance for the more traditional military mission of deterrence, may at some point require the kind of international cooperation, perhaps under the auspices of multilateral institutions, the historic absence of which has distinguished the politics of the Strategic Quadrangle from that of Europe.

POLITICAL CONFLICTS

The United States is the political child of Europe. Its political ideas have their origins in the great civilizations and the great events of

English and continental history: the Enlightenment, the Reformation, the struggle between monarchs and nobles and between secular and ecclesiastical authority. The ideas are drawn from the canonical texts of liberal political thinkers, Montesquieu and Locke in particular. The product of these influences, and of the American experience itself, is a strong and abiding devotion to the principles of individual rights and democratic governance.

Not surprisingly, this devotion has left its mark on relations with other countries throughout American history, including the period of the Cold War. The conflict with the Soviet Union was an ideological struggle, a clash of political ideas and governing practices. The struggle had that character, however, principally in Europe, where both sets of contending ideas were born. In Asia the Cold War was different: There the United States was less devoted than in Europe to defending democracies. There were few—indeed for most of the four relevant decades there was none save Japan—to defend.

The democratic tradition, with its emphasis on personal liberty, popular sovereignty, and individual rights, if not nonexistent on the western side of the Pacific, has not flourished there. China is an ancient civilization but no evidence of ancient Chinese democracy has yet been discovered.

To be sure, there were American allies and clients in the region besides Japan. Neither South Korea nor South Vietnam, however, in defense of which the United States fought two major wars, was a democracy; nor was Indonesia, with which the United States maintained friendly relations, nor, for most of the period of the Cold War, was Thailand or the Philippines, with which Washington had ties that were not merely friendly but close. Nor, by any standard, was the People's Republic of China a democracy or a country whose government was solicitous of the rights of those it governed, during the two Cold War decades when Beijing and Washington were aligned.

The Cold War brought the United States together with all of them. The requirements of security in the region, as Washington defined them, overrode American political convictions. All were governed by authoritarian rulers who nonetheless shared some of America's purposes in Asia and who were, therefore, "friendly tyrants."²⁷ Washington put aside its distaste for their

methods of rule for the sake of solidarity in the face of the Soviet Union.²⁸

Yet in the wake of the Cold War, democracy and human rights became increasingly prominent in American policy toward two of the other countries of the Strategic Quadrangle. In part this was because of the increased importance of democracy in American policy everywhere, which, in turn, was the natural result of the end of the Cold War. As security came to be a less dominant concern, other sources of American international conduct came to the fore. Democracy is so deeply embedded in the political genes of the United States that it was inevitable that it would play an expanded role in American foreign policy.

With one of the other powers of the Strategic Quadrangle, Russia, the promotion of democracy actually became the centerpiece of American policy. The first leader of post-Soviet Russia, Boris Yeltsin, committed himself to making his country a Western democracy. The United States undertook to support him. Washington led an international effort to provide financial assistance to support the transformation of Russia's centrally planned economy to one operated according to market principles.²⁹ The American policy was based on the belief that a market economy would give critical support to a democratic political system, which would, in turn, assure that the new Russia would be a good neighbor in East Asia and Eastern Europe and, perhaps, ultimately a global partner of the United States.

In the last decade of the Cold War, some Asian countries redesigned their political systems along democratic lines. In 1986 Ferdinand Marcos of the Philippines was overthrown by a democratic movement. In South Korea in 1987 the reign of the generals gave way to government by democratically elected officials. And in 1988 the ruling Kuomintang lifted martial law on Taiwan and an official opposition party was allowed to participate in politics. Because these countries threw off dictatorial rule, it was easier for the United States to maintain friendly relations with them. There was, however, no comparable basis for post-Cold War relations with the government of China, with which the issue of democracy became a sharply divisive one.

The catalyst of the rise of democracy to the top of the Sino-

American agenda came in the spring of 1989, when the Communist authorities brutally suppressed a large, amorphous popular movement that had arisen spontaneously to press for political change. The movement began with a handful of students demonstrating in Beijing's Tiananmen Square, the heart of the city, against official corruption and in favor of what they termed, without being specific, "more democracy." By the end of May similar movements had appeared in other Chinese cities, and people from other sectors of society had joined the students. Ultimately the demonstrators and their active sympathizers numbered in the millions. Their protests captured the attention of the world's media, whose ranks in the Chinese capital were swollen in mid-May by the arrival of the Soviet leader Mikhail Gorbachev for a summit meeting.

On June 3 the Chinese government cracked down forcefully on the demonstrators, using troops from the People's Liberation Army. An unknown number were killed by what appeared to be random shootings of unarmed civilians. Many more were arrested and imprisoned; some were reported executed. The government mounted a propaganda campaign reviling the protestors, with the aim of enforcing orthodoxy and obedience, a campaign that was, at least in its rhetoric, reminiscent of the terrible Chinese purges of the 1950s and 1960s.

The crackdown provoked a public outcry in the West, especially in the United States, where television coverage had made the demonstrators familiar and heroic figures. In response, the American government imposed a series of sanctions on China, including the suspension of the delivery of military equipment. China policy became the subject of domestic political conflict: The Congress passed a bill giving every Chinese student residing in the United States the right to remain rather than being required to return home. President George Bush, once the American representative in Beijing, vetoed the bill on the grounds that it would unnecessarily annoy China's rulers and that in any event a law was unnecessary to permit the students to stay in the country. After a heated debate his veto was narrowly sustained.

The issue on which discontent with China's political practices then came to focus was trade. At the end of the 1970s, as part of

the policy of normalizing relations with Beijing, China had been granted Most Favored Nation (MFN) trading status. Despite its name, this did not involve special treatment. It meant rather that no country's goods were treated more favorably than were China's. After the Tiananmen debacle, and for the next three years, the Democratically controlled Congress voted to deny MFN status to China until its government did more to respect the rights of Chinese citizens. The Republican president George Bush exercised his veto each time, and China retained MFN status.³⁰

The battle over MFN became an annual event, a rite of spring in American politics that changed, but did not disappear, when a Democrat entered the White House. In May 1993 President Bill Clinton extended China's MFN status for a year but issued an executive order stipulating that the Chinese must improve their human rights performance in order to receive it thereafter.

The ongoing American effort to secure modifications in Chinese political practices provoked a debate in the United States over the wisdom of making unfettered trade conditional on such changes, changes that had more to do with human rights than with democracy. The two are closely related, and both are alien to Communist political systems, but they are distinguishable from each other. Human rights involve the individual's freedom from oppressive government actions, such as arbitrary imprisonment and torture. (A prominent theme of the bills denying MFN status to China was prison labor, a Chinese practice that is outlawed by international convention.) Democracy involves the freedom to participate in the political process. The Congress did not demand that China conduct free and fair elections in order to receive MFN status.³¹

The proponents of "conditionality" were motivated by a commitment to the promotion of human rights, which has been basic to American politics since the founding of the republic. The Chinese government routinely violated rights Americans regard as fundamental.³² In the view of its champions, conditionality was not only desirable, it was also feasible. China depended heavily on the American market. By one estimate 38 percent of its exports found their way to the United States. This gave the American government considerable leverage, which President Bush, they believed, lacked the courage or vision to use.

To complicate the issue, two different types of conditionality were advocated. The measures that the Congress passed regularly tied market access for China to its internal political practices; but there were also congressional proposals to make trade conditional on changes in Chinese *international* practices, in particular its commerce in weaponry. China was suspected of selling ballistic missiles in the Middle East and providing technology helpful in making nuclear weapons to Pakistan, Iran, and Algeria.³³ Senator John Glenn wrote that the United States "should not routinely grant MFN trading status to any country that flouts its nonproliferation commitments."³⁴

One of the strongest arguments against conditionality came from the Chinese government itself, which announced that "no foreign country, organization, or individual has the right to make irresponsible remarks or interfere" in internal Chinese affairs.³⁵ Other Asian governments echoed Beijing's denunciations of the United States on this score, sometimes arguing that Western political models were not necessarily suitable for their region.³⁶

Few Americans were prepared to concede that the United States had no right to impose conditions on trade, or that a billion Chinese did not deserve to enjoy the rights that the Declaration of Independence had proclaimed to be universal. But opponents of conditionality did argue that it was a tactic that would fail. China would not, they predicted, meet American demands. Rather than comply with them, China would forgo access to the American market because the defense of its own sovereignty was of fundamental importance to its rulers and because they believed they would gain access to the American market without making the concessions the Congress was demanding.

Economic estrangement from China would, after all, hurt the United States as well. Trade between the two countries had grown from \$5 billion in 1983 to \$35 billion in 1992. Interrupting it would penalize both American consumers and American workers. Moreover, those skeptical of conditionality argued, China had both other sources of capital and other markets in which to sell its products. No other industrial democracy showed any sign of following the American lead in linking trade with politics in dealing with China.³⁷

Another argument against making trade conditional on human rights held that economic sanctions would be self-defeating because expanded trade was in fact the most effective method for promoting political liberalization in China. Economic contact with other countries, according to this position, had always been a channel through which foreign political ideas could reach the Chinese people. The Chinese government seemed to agree, complaining periodically of the "spiritual pollution" from the West.

More important, according to this argument, trade is the ally of human rights by promoting the growth of a private economy, which was extraordinarily rapid in China after 1979. A private economy is, in turn, the basis of a more tolerant and ultimately more democratic political system. This is so because a private economy is itself an island of relative liberty, an area of activity free from direct government control and thus something that orthodox Communist governments suppressed. It is true as well because democracy requires the existence of civil society, a sphere of social activity and political debate beyond the reach of the government, a sphere in which political debate can take place and from which democratic challenges to power can be mounted. The core of civil society is a private economy.

Finally, the spread of democracy generally is associated with a firmly established middle class and a relatively high per-capita income, both of which depend on economic growth, which trade with the United States helped to promote in China.³⁸

Thus, according to this argument against conditionality, the United States can serve the cause of democracy and human rights in China most effectively by encouraging the trends that Deng's 1979 reforms set in motion, trends that China's economic engagement with the rest of the world strengthens. In fact, China was a far less repressive place in the 1990s than it had been from the 1950s through the 1970s, in large part because the explosive growth of a private sector there had weakened the government's grip on society.³⁹

Richard Nixon's historic visit to Beijing in 1972 came in the final years of the massive, Mao-inspired spasm of violence and repression known as the Cultural Revolution. Two decades later it was virtually unthinkable that the Communist government

would—or could—order anything like it. Moreover, a degree of personal freedom was available to ordinary Chinese that had been undreamed of in the Maoist era. "China might not be as free in some areas compared to the U.S.," one private Chinese businessman told a reporter for *The Wall Street Journal*, "but it's freer than some other countries."⁴⁰

Although the Clinton administration entered office in 1993 committed to the kind of conditions on trade with China that the Congress had advocated under President Bush, it proceeded to back away from that position. After the renewal of MFN status in 1993, it made a series of friendly public gestures to Beijing, including a meeting between the American and Chinese presidents at the summit meeting of the forum for Asia-Pacific Economic Cooperation (APEC) in Seattle in November 1993, while at the same time privately trying to coax Beijing to make concessions on human rights that would permit the administration to maintain trade without appearing to abandon the cause of human rights altogether.⁴¹

Finally, on May 26, 1994, President Clinton severed the link between trade practices and respect for human rights. He said that the Chinese had not achieved "overall significant progress in all areas outlined" in the previous year's executive order. Nonetheless, he continued, the decision to "delink" offered "the best opportunity to lay the basis for long-term sustainable progress in human rights and for the advancement of our other interests with China."⁴²

This will not, however, make the issue of human rights in China disappear from the agenda of American policy in the Strategic Quadrangle. Tensions between deeply held American beliefs and powerfully rooted Chinese practices are certain to be an enduring feature of Sino-American relations, which, under the best of circumstances, will be marked on the American side by the uneasy coexistence of economic engagement and moral disapproval. The American people are unlikely to grant China an exemption from normal American political standards, especially in the absence of the kind of threat to the United States that, in the Cold War, had justified the suppression of those concerns for the sake of geopolitical solidarity. A poll in December 1993, for example, found that 65 percent of the American public wanted improvement in

Chinese human rights practices to be the condition for continuing trade. Only 29 percent favored maintaining good relations despite Chinese human rights violations.⁴³

On the other hand, China is not on the verge of becoming a democracy. The patterns of conduct that caused outrage in the United States will surely continue into the twenty-first century no matter how rapidly the Chinese economy grows. The Communist government will continue to insist on silencing organized activity on behalf of the kind of democracy that Americans favor and that, if it ever came to China, would abolish Communist rule even in its relatively benign and circumscribed form of the 1990s.

Nor is the extensive Chinese system of prison labor camps known as "lao gai" likely to be dismantled speedily. Even in a country where free labor is cheap by world standards, this system is probably profitable.⁴⁴

A third continuing source of Sino-American friction on the question of human rights will almost certainly be the status of Tibet, where Beijing's rule since 1950 has been particularly harsh. The Chinese assaulted Tibet's Buddhist culture, destroying monasteries and forbidding religious observance. They flooded the region with Han Chinese settlers⁴⁵ after driving the Dalai Lama, Tibet's spiritual leader, into exile in India with many of his followers. He in turn conducted a worldwide campaign to achieve political autonomy for Tibet and became a prominent symbol of the global struggle for human rights, especially after receiving the Nobel Peace Prize in 1989.

Ironically, the more open China became, the more the regime relaxed its grip, the more visible and politically provocative these sources of Sino-American irritation became. The liberalization of Chinese life, linked to the revolutionary economic changes, gave dissidents greater scope for airing their views and foreigners increased access (at the height of the Maoist period they had had none) to Chinese prisons and Tibetan cities.⁴⁶

Yet another source of Sino-American acrimony was the status of Hong Kong. A British colony since 1898, by agreement between the governments in London and Beijing Hong Kong was scheduled to return to Chinese control in 1997, when the ninety-nine-year lease the British had acquired was due to expire. The Chinese gov-

ernment pledged not to tamper with Hong Kong's robust market economy or to impose heavy-handed political direction, a promise expressed in the slogan "one country, two systems." But there was no guarantee that the transition to rule from Beijing would be smooth.

Because Hong Kong had been Britain's responsibility for so long, its status received relatively little attention in the United States. But given popular American concern with democracy in China and a reflexive sympathy for small countries, repressive policies in Hong Kong after 1997 could aggravate Sino-American relations.

There was one center of Chinese culture in which democracy was plainly thriving but that, for that very reason, had the greatest potential for changing Sino-American relations radically for the worse and for reshaping the politics of the Strategic Quadrangle in the post-Cold War era: the island of Taiwan.

Taiwan was the main object of contention between Washington and Beijing during the first two decades of the Cold War. The rapprochement of 1972 was possible because they agreed not to permit their disagreement about its status to obstruct cooperation against the Soviet Union. The Shanghai Communiqué of 1972, issued jointly by the two governments, affirmed their common position that there is but one China, a position to which the Kuomintang government in Taipei also had subscribed. The two countries tacitly agreed that the final resolution of the island's relationship to the mainland would be decided by the Chinese themselves in both places.

As the Cold War ended, relations between Taipei and Beijing were improving. Trade and investment had replaced the artillery barrages of the 1950s as the principal form of contact across the Taiwan Strait. By the end of 1990 Taiwan had become the third largest source of offshore investment on the mainland, which, in turn, had become Taiwan's third largest market. But Taiwan's process of democratization in the 1980s gave Taiwanese independence increased prominence. The opposition Democratic People's Party made this goal an important part of its program.

While the island has been autonomous under American protection since 1950, formal, juridical independence was wholly unacceptable to Beijing. The Communist government has suggested

that a Taiwanese declaration of independence would provoke a military response from the mainland. That, in turn, would precipitate a crisis in Sino-American relations. It would be difficult for the United States to withhold support for Taiwan's independence if it were declared in order to consolidate democracy. But in Beijing such support would be regarded as an act of hostility. In the worst case, East Asia would once again become the scene of the kind of military confrontation that defined Sino-American relations throughout the 1950s.⁴⁷

Neither the United States nor China desires such an outcome. No country in Asia, with the possible exception of North Korea, would welcome it. That, however, does not guarantee that it would not happen.

ECONOMIC PROBLEMS

"It is now likelier than not," announced *The Economist* in late 1993, "that the most momentous public event in the lifetime of anybody reading this survey will turn out to have been the modernisation of Asia."⁴⁷ The surging economic growth of East Asia, most of it in Japan and China, is one of the defining events of the last part of the twentieth century. It caught the eye of American officials. "No region in the world is more important to the United States," Secretary of State Christopher said of Asia, where "we see most clearly that economic policy stands at the center of our foreign policy."⁴⁸

The United States helped to make possible the East Asian economic miracle. Trade and investment require a stable political foundation. The American navy and air force in the western Pacific served as the guarantors of political stability. After 1945, the Pacific Ocean became a highway for an ever-expanding volume of commerce. Businesses in Asia, the Pacific, and North America could make use of one of the great trade routes in world history, secure in the knowledge that the American armed forces were patrolling it.⁴⁹

The United States made a more strictly economic contribution to the Asian miracle as well. An open international economic order

such as the one to which the United States and its Asian trading partners belonged—an order in which trade and capital flow more or less freely across international borders—does not come into existence spontaneously. It must be organized and supported. The task of doing so has historically fallen to a single, dominant power. Great Britain was such a power in the latter part of the nineteenth century; the United States became the world's economic "hegemon" after 1945. As such, it supplied a currency that came into common international use, a large market in which other countries could sell their goods, and capital that found its way to places where it was scarce but could be used productively.⁵⁰

The open international economic order of the postwar period was one in which the Western Europeans and Latin Americans also participated, but the countries of East Asia took particular advantage of it. Of course, the characteristics of their societies—dedication to hard work, relatively benign labor relations, skill in translating new technologies into commercial products—were in no small part responsible for their economic success. International economic conditions were essential as well, however. The prevailing pattern of economic growth in East Asia emphasized exports, and this was possible only because of the trading system that the United States supported.

In addition to contributing to it, the United States also benefited from Asia's remarkable economic progress. The benefits were partly political. The growth of the economies of Japan, China, and other countries of the region aligned with the United States strengthened the anti-Soviet coalition in the region; and the attraction of the Communist model weakened as their example made it clear that fidelity to market principles, rather than to central planning, was the path to economic success.

The surging economic growth in the region also brought economic gains to the people of the United States. A wider variety of products became available in North America at lower prices than if all of East Asia had remained poor and backward. Similarly, as Asians became richer, they bought more from the United States. American exports to the region grew steadily during the last decade of the Cold War.

The market economies of East Asia, however, sold more than they bought in the United States. This imbalance, which was chronic, touched a nerve in the American public, particularly the largest and most durable trade imbalance, the one with Japan.⁵¹ For Americans this imbalance was first a source of annoyance, then anger, and ultimately alarm. Japanese imports, many believed, were destroying American jobs; after all, every American who bought a product made in Japan was passing up a comparable product made in the United States, thus hurting Americans employed in the pertinent industry. The problem became all the more severe in American eyes as Japanese firms entrenched themselves in visible, high-wage industries, many in the manufacturing sector, such as automobile production.⁵²

Professional economists argued that American anxieties about trade were misplaced: Economic progress and the generation of wealth stem from competition, which inevitably displaces workers from less to more efficient firms and industries; trade balances per se denote nothing about a country's prosperity; and American trade was in imbalance overall due to macroeconomic factors—the low rate of savings above all. Their arguments, however cogent, failed to stem the growing feeling among Americans in the final years of the Cold War that the United States was becoming weaker and that Japan, which was growing stronger, was at least partly responsible for this.

Japan's perceived prowess in industries that American companies had previously dominated was seen as both a symptom and a cause of what became an American preoccupation at the end of the 1980s: national decline.⁵³

As the end of the Cold War removed the need for Japanese-American solidarity against the Soviet Union, objections to Japanese trade practices came to dominate American policy toward the country that had been, during the Cold War, the closest Asian ally of the United States.

From the 1950s through the 1970s, Japan's trade surplus had been only a minor irritant in American policy in the Strategic Quadrangle. Wartime rules of diplomacy applied; squabbles within the anti-Soviet coalition were set aside for the sake of waging the conflict. Moreover, at the outset of this period Japan was not an

industrial giant. It specialized in textiles and inexpensive consumer electronics, which hardly threatened the commanding heights of the American economy.⁵⁴

In the 1980s popular displeasure with Japanese trade practices assumed greater significance in overall American policy. Japanese firms made inroads in industries that turned out to be politically sensitive: not only automobiles, but also advanced consumer electronics and computer hardware, involving the most sophisticated manufacturing technology. At the end of the decade, a recession and the cumulative effects of two decades of stagnant real incomes for much of the workforce made the American public increasingly sensitive to what seemed to be a foreign assault on its standards of living. Polls showed that a rising proportion of the American public regarded Japanese economic competition as "threatening" to the United States.⁵⁵ As the trade deficit with Japan became a more salient political issue, three different approaches to balancing the account with Japan were attempted.⁵⁶

One such approach, favored by professional economists, was to adjust the rate of exchange between the dollar and the yen. With a weak dollar American products would be less expensive in Japan and Japanese would buy more of them; Japanese products, similarly, would be more expensive in the United States and Americans would buy fewer of them. This experiment in economic logic did not succeed. Beginning in 1985 the yen appreciated, ultimately doubling its value vis-à-vis the dollar. Yet the Japanese trade surplus did not decline in proportion to the drop in the value of the dollar. Indeed, it scarcely declined at all. Moreover, the trade deficit with Japan persisted even as the American deficits with other countries responded to the falling dollar by dwindling.⁵⁷

The efforts to deal with the trade imbalance with Japan had a second focus: the United States itself. From an economic standpoint, the heart of the problem—if indeed the trade deficit *was* a problem—was located in American domestic economic policies. The United States saved too little and consumed too much, hence its overall trade deficit.

This second approach drew upon the debate about American decline. This debate generated a body of commentary that attributed the economic difficulties of the United States not only to the

macroeconomic imbalances that produced the trade deficit, but also to the system of corporate finance and ownership that valued short-term profitability rather than long-term growth as well as to the shortcomings of American society, in particular a system of public education that failed to impart economically useful skills to its graduates.⁵⁸ An outpouring of books, articles, and task force reports, combining alarm and exhortation, diagnosed the nation's ills and proposed remedies for them.

There was little disagreement about the diagnosis. But the task of implementing the policies that followed from it could be described by the phrase that Clausewitz had used to characterize war: simple but difficult. It was easy enough to say that Americans should save more and spend less, invest more patiently, and study harder—and many did say these things, sometimes eloquently. It was difficult, however, to *do* them, and especially to do them quickly. Even if they could have been done quickly, the economic gains they would have produced would have been decades in coming.

And so American attention turned to a third way to correct the trade imbalance with the Japanese: changing Japan. This approach drew strength from the conviction that it was, after all, Japanese practices and policies that were responsible for its chronic trade imbalances—not only with the United States but also with the rest of the world. American impatience with the Japanese surplus was reflected in legislation designed to reduce it. In 1988 the Congress passed a law requiring the president to take retaliatory action against countries with trade imbalances acquired through unfair practices. In 1989 the Bush administration found Japan to be in violation of the law's provisions.

Negotiations between the United States and Japan to narrow the trade gap became a permanent feature of the relationship, as had arms control negotiations with the Soviet Union during the second half of the Cold War. In noticeable ways Japan did change. Some barriers to trade came down, due, in the opinion of both Japanese and American observers, to foreign pressure—*gaiatsu* in Japanese.

Providing intellectual ballast for the ongoing effort to produce change in Japan itself was a body of literature compiled by writers

who came to be known, collectively, as “Japan revisionists.”⁵⁹ They argued that Japan's chronic trade surpluses stemmed from three differences between Japan and the advanced economies of Western Europe and North America.

First, the Japanese government channeled credit to support favored industries. It was adept at what governments are not supposed to be able to do: “picking winners” in the Darwinian competition that is the international marketplace. Second, Japanese industry, often with indirect government help, penetrated and dominated foreign markets in selected industries, underselling the competition so as to drive it out of business. This was possible because the Japanese aimed at market shares rather than short-term profits.⁶⁰ Third, and most disturbing from the American point of view, Japan protected its own market with a variety of measures, all of them in violation of the spirit of free trade although not necessarily the letter of what is the international commercial equivalent of law: the General Agreement on Tariffs and Trade (GATT). Japanese agriculture, construction, consumer electronics, and computers were all heavily protected.⁶¹ The country resisted foreign direct investment; total foreign investment in the United States was many times greater than the foreign investment by other countries in Japan.⁶²

Revisionism had an unusually wide political significance because of the politics of trade issues in the United States. For most of the postwar period, protectionist sentiment, which is perpetually strong at the grass roots, was kept in check by a powerful bipartisan coalition of business leaders, government officials, journalists, and academics, all of whom supported the principle of free trade. On issues of trade the political cleavage was not between Republicans and Democrats, or between liberals and conservatives, but between those most attentive to and active in political affairs—the “elite”—and the rest of the country.⁶³

Two factors united the elite consensus. One was the conflict with the Soviet Union and the need for political solidarity with America's trading partners in order to wage it. The second was the widely shared conviction that there was no intellectually respectable case for opposing free trade. The revisionists' arguments, regardless of whether they were correct, passed the political test of

respectability. Indeed, with the advent of the Clinton administration, that case came to have a practical effect on American policy.

The Clinton administration completed the transition to a post-Cold War American policy in the Strategic Quadrangle by placing trade at the center of the relations between the United States and Japan. It did so, ironically, by discarding what was, on paper, the most ambitious effort to change Japanese practices in order to correct the trade imbalance between the two countries, the Structural Impediments Initiative (SII) of 1990. The SII's underlying premise was that the Japanese surplus had been caused by "structural" features of the Japanese economy: its lack of antitrust laws; its retail system, which excludes foreign products; its modest expenditures on infrastructure, which, if they were increased, might attract products from abroad. The SII was designed to change all this.

It produced few visible results. Critics accused the Japanese government of using the SII as a pretext for doing nothing about its trade surpluses. Whether this was justified or not, it was certainly true that the changes the SII prescribed, involving, as they did, alterations in long-established customs and institutions and strongly held beliefs, could scarcely be accomplished overnight.⁶⁴

The Clinton administration sought immediate results. It adopted another approach, called by its opponents "managed trade." This involved setting numerical indicators for measuring progress in the hoped-for expansion of American exports to Japan. The precedent was a 1986 agreement between the two countries specifying that American-made semiconductors would have 20 percent of the Japanese market in five years. This goal was achieved.⁶⁵

Americans saw this approach as a useful way to increase Japan's imports without attempting to rearrange Japanese society. The Japanese objected, however, as did professional economists and governments of third countries on the grounds that managed trade runs directly counter to the law of comparative advantage, the scientific basis of the doctrine of free trade that was first outlined by the English economist David Ricardo in the early nineteenth century. He demonstrated that nations maximize their wealth when they specialize in what each can produce with greatest economic efficiency compared with others, and then trade freely

among themselves. Under a regime of managed trade, the flow of products between countries is determined on political rather than economic grounds.

Like the Sino-American conflict over human rights, Japanese-American friction over trade is unlikely to disappear. The Japanese economy is powerfully geared to exports; the United States has been its most important market. The disposition to equate the trade balance with overall national economic health, whatever its status in economic theory, seems firmly embedded in the American psyche.⁶⁶

Even more than the dispute with China over human rights, the Japanese-American conflict on trade is likely to have consequences beyond the bilateral relationship and beyond East Asia. Because Japan and the United States are the two largest economies in the world, the rules of engagement they establish for each other are likely to be adopted elsewhere in the international economy. Managed trade between them will encourage managed trade elsewhere. It will be especially tempting for the United States to negotiate similar targets with other East Asian countries, because they too maintain chronic export surpluses. The economies of China, Hong Kong, Singapore, and South Korea differ from that of Japan in important respects, but all have based their strategies of economic growth on selling manufactured products abroad, especially in North America.⁶⁷

The members of the European Union, although opposed in principle to managed trade, have not welcomed many products from Asia and, closer to home, tightly controlled the volume of exports from the formerly Communist countries of Europe. Indeed, the wealthy industrial countries face the prospect of a flood of cheap imports in the twenty-first century from countries with low labor costs, increasingly sophisticated industrial bases, and governments committed to strategies of export-led growth: China, which is embarked along that path; India, the world's second most populous country, which began a program of economic liberalization in the 1990s; and perhaps ultimately from Russia and other former Soviet republics. If the richest countries do not trade freely among themselves, they are unlikely to trade freely with these new entrants into the international economy.⁶⁸

At the extreme, the trend toward managed trade could lead to the formation of distinct trading blocs. The European Union provides the basis for a European bloc, and the North American Free Trade Agreement could play a similar role in the Western Hemisphere. In East Asia, the logical core of a regional grouping is Japan.

None of the powers of the Strategic Quadrangle desires such an arrangement. Japan has no interest in retreating economically into its own region, nor does China or any of the other countries of East Asia wish to give Japan the power that would come with the creation of a yen bloc. Nor do their trade patterns suggest a natural basis for such an arrangement. Intra-Asian trade is increasing in the 1990s, but so is the trade of East Asian countries in markets outside the region.⁶⁹

Purely economic considerations weigh against the fragmenting of the international economic order into separate, self-contained regional blocs; that would make all countries less affluent than they would be if trade and investment were global in scope. And during the Cold War, political considerations had the same effect: opening American markets to Asian products was a way of strengthening the coalition against the Soviet Union, which had the highest priority for the United States in East Asia. But with the end of the Cold War, solidarity with the market economies of Asia no longer occupies so important a place in American policy in the Strategic Quadrangle.

CONCLUSION

How will America's relations with the three other powers of the Strategic Quadrangle and its approaches to the major issues at the center of its relations with them—security, human rights, and trade—evolve into a coherent policy for East Asia? They may not. The government may conduct its bilateral relations with each of the major powers in the region separately from one another, with none having an appreciable effect on the other two. It may pursue a security policy in the western Pacific, a human rights policy toward China, and trade policy toward Japan, but no overall policy for East Asia as a whole.

Nonetheless, there will be a pull toward interconnections among the various policies and thus toward a new common denominator for American policy in the Strategic Quadrangle. Public policy—and foreign policy is no exception—abhors a conceptual vacuum. Policymakers need guidelines to follow. They also need public support, which requires justifications for what they do. The broader and more general these justifications are, the more coherent, easy to conduct, and ultimately successful foreign policy is likely to be. There are at least three candidates to replace the Cold War as the basis for American policy in East Asia.

One is the primacy of security. This would continue, in modified fashion, the way American foreign policy was organized during the Cold War. The United States would maintain a military presence to reassure the countries of the region. Diplomatic cooperation to keep nuclear weapons out of the hands of the North Korean government would be important, as would the task of managing such instability as the internal weakness of the North Korean regime may create. In the interest of keeping the region stable, the United States would downplay its differences with China and Japan.

While stability in East Asia is desirable, it lacks the powerful resonance in public opinion that confronting a major adversary has. A common danger, such as the Soviet Union in the Cold War, can override economic and political quarrels. The vaguer and less urgent goal of stability is unlikely to exert the same discipline on American policy in the region.

The second approach involves the primacy of economic considerations, in which the size of Japan's economy and the rate of growth of China's make participating in the region's economy the highest priority of American policy. Deploying military forces for the purpose of reassurance would be attractive because it would complement the American economic presence in East Asia. Under this second set of policies, the prospect of economic gain would keep the inevitable American concerns about the political practices of China's Communist regime from inhibiting trade and investment there and would spur the United States and Japan to negotiate rules that would perpetuate trade between them. The aim of integrating the eastern part of Russia into the commerce of the

Pacific rim is very much in keeping with the spirit of this second organizing principle for post-Cold War American foreign policy in the Strategic Quadrangle.

There is a continuing demand for this approach in Asia. The region's leaders want an American military presence in some form and in particular want continued access to the American market. But this second approach would make demands that the American public finds uncongenial: paying for a military mission for which there is no apparent precedent in American history but that appears suspiciously like the distinctly unpopular role of "world policeman"; tolerating the violation of rights deemed fundamental and universal; and accommodating trade practices that many believe harm Americans.

Disengagement is a third possible American approach to East Asia, one shaped by the differences between the United States and the other three powers of the Strategic Quadrangle. These differences can reinforce one another and lead to the estrangement of the United States from the other three and from the region itself.

Angered by China's treatment of political dissidents, the United States might withdraw MFN status, which would sharply reduce trade between the two countries, inflicting economic costs on both. Sino-American political relations would deteriorate. So too, in all likelihood, would relations between Tokyo and Washington, because Japan would not join the United States in imposing trade sanctions on China. American frustration with Japan would increase, a fact that would in turn hamper efforts to work out mutually acceptable trading rules between them. American relations with Russia will depend more on events in Europe than on developments in Asia; but no future Russian government is likely to side with the United States on the question of human rights in China or join Washington in condemning Japanese trade practices.

These interlocking disputes could create a political climate in the United States in which support for military deployments in East Asia weakens. Americans would be loath to tax themselves to deploy forces whose purpose was to reassure countries with which the United States was sharply at odds on political and economic issues. Japan and China would come to seem, to the American public, increasingly ungrateful, if not actually hostile, to the United States.

Under such circumstances, the idea of military and economic disengagement—of keeping no forces west of Pearl Harbor and of concentrating the nation's economic attention on Europe and the Americas—would receive a more favorable hearing in the United States than during the Cold War. Disengagement from the region is conceivable for the United States in a way it is not for the other three powers of the Strategic Quadrangle. The American presence in East Asia rests ultimately on political decisions, which, unlike the facts of geography on which the participation of the other three countries is based, can be reversed.

Disengagement, however, is improbable. It would be a radical departure from the American policy not only of the post-1945 era but of the entire twentieth century. The United States was a power in East Asia well before 1945, at least since 1898 and arguably since 1853, when Commodore Matthew Perry sailed his "black ships" into Tokyo Bay. Disengagement also would risk triggering political instability whose effects ultimately would be felt on the opposite—North American—side of the Pacific and would cut off the United States from the fastest-growing part of the world. However different from the Cold War the post-Cold War era turns out to be, its international politics will be dominated by considerations of power and wealth. The fear of the first and the lure of the second will keep the United States engaged in East Asia, which means that, at the outset of the twenty-first century as at the end of the twentieth, the United States will be an active participant in the Strategic Quadrangle.

Notes

1. Always in the background as well was the American nuclear arsenal, part of which was carried by a fleet of submarines that moved between the west coast of North America and the Asian mainland and much of which could be aimed at targets in the Soviet Far East. In Korea, 43,000 American troops were stationed until the end of the Cold War, part of a continuous presence after the Korean conflict in the 1950s. There were 47,000 American servicemen and women in Japan and 16,000 in the Philippines.

The post-Vietnam deployment of military forces in East Asia more or less reconstituted the American military position of 1945. Immediately after the defeat of Japan, the American military dominated the Pacific and had acquired bases around the rim of East Asia but was largely absent from the Asian mainland.

This position relied on American strengths. Air and naval forces depend more on technological virtuosity and less on the capacity to mobilize troops in large numbers and to absorb casualties than do land armies. For just this reason the American people, like the British before them, have traditionally been more willing to support a powerful navy than a large army.

2. This is perhaps an exaggerated appraisal of the Soviet view. But Mikhail Gorbachev ceased to challenge the American presence in the region, and his predecessor may privately have preferred it to the likely alternative—a militarily more powerful Japan.
3. The original postwar trade relationship between the two countries, insofar as it was recognized as one-sided, with greater Japanese access to the American market than American exports had to Japan, was justified on Cold War grounds. Washington considered it important to build up Japan economically, as a bulwark against the Soviet Union, even at the expense of commercial reciprocity. By the 1970s Japanese economic strength was not in question. Then American unhappiness with Japan's trade practices came to the surface.
4. It was Gorbachev who, before the collapse of the Soviet Union in 1991, fulfilled Beijing's three conditions for the normalization of Sino-Soviet relations: the reduction of troops on the border between the two countries; the end of Vietnamese military and political domination of Cambodia; and the withdrawal of the Soviet army from Afghanistan. See Chapter 1 in this volume.
5. Cited in "Gearing Up," *The Economist*, February 20, 1993, p. 20.
6. Only 6 percent was forward deployed in Asia. Cited in Richard K. Betts, "Wealth, Power, and Instability: East Asia and the United States After the Cold War," *International Security*, 18, no. 3 (Winter 1993/1994): 50. The sharpest reductions of the Cold War era had come in the early 1970s, when American ground forces withdrew from Vietnam.
7. Cited in David B. H. Denoon, *Real Reciprocity: Balancing U.S. Economic and Security Policy in the Pacific Basin* (New York: The Council on Foreign Relations, 1993), p. 17.
8. This is a theme of Paul Kennedy, *The Rise and Fall of the Great Powers* (New York: Random House, 1987), pp. 447–458.
9. See John Fialka, "U.S. Fears China's Success in Skimming Cream of Weapons Experts from Russia," *The Wall Street Journal*, October 30, 1993.
10. See below, pp. 175–176.
11. Vietnam, the Philippines, Malaysia, and Brunei had conflicting claims. Betts, "Wealth, Power, and Instability," p. 65. See also Denoon, *Real Reciprocity*, pp. 26–27.
12. If the growth rates of the 1980s and 1990s were sustained into the next century, China's sheer size—it would have the largest economy as well as the largest population in the world—would be of concern to its neighbors. In this sense, as Richard K. Betts has noted, China's status in Asia is comparable to Europe's "German problem" after 1871, when the newly united and economically dynamic Germany proved too large for the existing patterns of European international relations to include peacefully. Betts, "Wealth, Power, and Instability," p. 61.
13. For the role of buffer, the distance between the United States and the other countries of the Strategic Quadrangle was an advantage. Distance made the

United States less threatening and thus more acceptable to each of the other parties. In the 1950s and 1960s, when American troops were fighting in Korea and Vietnam, the distance between North America and the Asian mainland had counted as a military liability. In the 1980s it came to be something of a political asset.

14. Michael Howard, "Reassurance and Deterrence: Western Defense in the 1980s," *Foreign Affairs* 61, no. 2 (Winter 1982–3). Howard argued that in the early 1980s in Europe, the requirements of deterrence and those of reassurance had come into conflict. The conflict stemmed from the Atlantic Alliance's decision to deploy American-controlled intermediate-range nuclear-tipped missiles in Europe. Military specialists considered these weapons necessary to reinforce the credibility of the American commitment to defend Western Europe. Many Europeans, however, especially in the Federal Republic of Germany, found the missiles provocative. To them the missiles were alarming, not reassuring.
 15. Quoted in James A. Winnefeld et al., *A New Strategy and Fewer Forces: The Pacific Dimension* (Santa Monica, CA: The Rand Corporation, 1992), p. 40.
 16. Warren Christopher, "America's Pacific Future," address presented at the University of Washington, Seattle, November 17, 1993.
 17. The phrase is Jonathan Pollack's, cited in "Gearing Up," p. 20.
 18. Japan amassed considerable military force while keeping defense spending at or near 1 percent of its gross national product simply because its GNP grew so rapidly.
 19. See the introduction to this volume.
 20. The differences in the composition of the two opposing forces stood in the way of negotiating arms control agreements in the Asia-Pacific region. On the European continent, and in the case of the two major nuclear arsenals, forces were roughly similar. In East Asia, by contrast, the United States was and is predominantly a naval power, while Soviet military might was concentrated in land forces. Negotiating arms control agreements involves striking roughly even balances between and among the military forces of different countries. In Europe this was an exercise in balancing like with like. In East Asia it is a matter of equating apples and oranges, and thus more difficult to do.
- During the Cold War the asymmetry did not prevent some, notably Russians, from touting the merits of naval arms control in the Pacific. The United States resisted. Because it enjoyed naval superiority, the equality that arms control accords customarily enshrine would have required larger reductions on the American side. And while the doctrines governing most American nuclear and nonnuclear forces during the Cold War held that American interests were adequately served by military parity with the Soviet Union, the U.S. Navy considered superiority in the Pacific necessary to carry out its missions there. On naval arms control see Andrew Mack, "Superpower Arms Control in the Pacific," in Miles Kahler (ed.), *Beyond the Cold War in the Pacific* (San Diego: University of California, Institute on Global Conflict and Cooperation, 1991).
21. Lee Kuan Yew of Singapore is an exception. "If Japan can carry on with its current policy, leaving security to the Americans and concentrating on the

economic and the political, the world will be better off. And the Japanese are quite happy to do this. It is when America feels that it's too burdensome and not worth the candle to be present in Asia to protect Japan that it will have to look after its own security. When Japan becomes a separate player, it is an extra joker in the pack of cards." Fareed Zakaria, "A Conversation with Lee Kuan Yew," *Foreign Affairs* 75, no. 2 (March/April 1994): p. 123.

22. There is also a potential contradiction between the aim of reassurance—to quiet anxieties about Japanese military power by preventing incentives for its expansion from arising—and a Cold War goal of American policy in East Asia that has survived the end of the conflict: transferring to Japan a larger share of the burden of keeping the region secure.
23. Having the Japanese pay for the task of reassurance does not guarantee that American armed forces will carry it out. The American public might then view its forces as mercenaries, in which case U.S. support for keeping troops in Asia would almost certainly dwindle.
24. On this issue see *North Korea's Nuclear Program: Challenge and Opportunity for American Policy* (Washington, D.C.: The United States Institute of Peace, 1994).
25. One way of trying to stave off collapse was to institute the kinds of economic changes that China had made beginning in 1979. Chinese officials reportedly urged such changes on their North Korean counterparts, who declined to adopt them, perhaps because they were convinced that this would dilute their power or even lead, in the end, to the German outcome.
26. Although the four powers of the Strategic Quadrangle, and indeed all the other countries of East Asia, were united in opposing North Korean acquisition of nuclear weapons, a potential for division existed between the United States on the one hand and the East Asians on the other over the tactics employed to accomplish this aim. Washington saw the issue in global terms. It would therefore seek not only to deny nuclear weapons to North Korea but to do so in a way that would not encourage other countries elsewhere to try to get them. For this reason the United States would be reluctant to reward North Korea for giving up its nuclear ambitions. The East Asians, by contrast, approached the issue from a regional perspective. Rewarding Pyongyang was more likely to seem worthwhile to them if it assured a nuclear-free Korean peninsula.
27. See Daniel Pipes and Adam Garfinkle (eds.), *Friendly Tyrants: An American Policy Dilemma* (New York: St. Martin's Press, 1991).
28. The United States supported friendly tyrants as well on the theory that if they fell from power, their successors might well be both less friendly to the United States and less respectful of liberal political norms. Mao Zedong, Fidel Castro, and the Ayatollah Khomeini, each of whom replaced a pro-American strongman, all turned out to be distinctly unfriendly tyrants.
29. The American-sponsored campaign of support for Russia created a potential source of strain between the United States and Japan. The Japanese were more skeptical than the Americans that the Russian government was capable of using wisely whatever money was raised; in addition, unlike the United States, Japan had a territorial grievance against Russia as the successor state of the Soviet Union. The Americans did not regard the return of Japan's

ern Territories" as a necessary condition for dispensing funds to Moscow.

30. For details of the MFN controversy see Harry Harding, *A Fragile Relationship: The United States and China since 1972* (Washington, D.C.: The Brookings Institution, 1992), pp. 265–269, 275–280.
31. One of the issues over which the United States was consistently at odds with China linked the two: the right of political dissidents to express their views, which often included the advocacy of democracy.
32. A less prominent reason for pressing for internal change in China was the belief that, because democracies tend to be peaceful, the more powerful China became, the more dangerous it was apt to be if it retained a repressive political system. See Betts, "Wealth, Power, and Instability," p. 61.
- The campaign to promote human rights could also be seen as the reassertion of the nineteenth-century belief in a special missionary role in China for the United States, with responsibility for making China over in the prosperous, rational, Christian image of the West.
33. The United States also suspected China of selling chemicals used in making poison gas to Iran. In May 1993 the United States went so far as to stop, board, and inspect a ship suspected of carrying such chemicals. None was found. See Don Oberdorfer, "Replaying the China Card," *The Washington Post*, November 7, 1993, p. C3.
34. John Glenn, "China's Dangerous Arms Exports," *The Washington Post*, December 3, 1993, p. A29. The two different bases for imposing conditions on trade re-created the "war of the two Henrys" over American policy toward the Soviet Union in the 1970s. Senator Henry Jackson of Washington favored tying MFN status explicitly to human rights, specifically to free emigration for those who wished to leave. (In practice this meant, for the most part, Soviet Jews.) His preference was codified in the Jackson-Vanik Amendment. National Security Advisor and then-Secretary of State Henry Kissinger favored a loose and implicit linkage between economic relations and Soviet foreign policy. If Moscow conducted itself to the liking of the United States in the international arena, under the policy he preferred, economic engagement would follow. Kissinger and President Richard Nixon believed that the linkage would work the other way as well: If the Soviet Union were enmeshed in a web of ties, it would be less likely to carry out aggressive policies that would risk rupturing them.
35. The statement came on the eve of a visit to Beijing by Secretary of State Warren Christopher that was marked by unusual public acrimony on the issue of human rights. Quoted in Elaine Sciolino, "U.S. Showing Frustration Over China's Human Rights Policy," *The New York Times*, March 9, 1994, p. A11.

China's nineteenth-century encounter with the West, which included the establishment of Western colonial enclaves along the Chinese coast, the denunciation of which was a staple of Communist propaganda, may have given this assertion particular resonance within China. As David M. Lampson notes in Chapter 2 in this volume, the Chinese government seemed increasingly confident that it could withstand American pressure for changes in its political practice. By contrast, Beijing showed some willingness to negotiate on the foreign policies to which the United States objected.

36. See, for example, Victor Mallet, "Confucius or Convenience?" *Financial Times*, March 5/6, 1994, p. xxvi, and James Fallows, *Looking at the Sun: The Rise of the New East Asian Economic and Political System* (New York: Pantheon, 1994), pp. 312–314.
37. The increasing economic importance of China had political consequences in the United States. Businesses with a direct stake in the continuation of commercial relations pressed their case in Washington, providing a countervailing force to the proponents of conditionality. They constituted the third version since 1949 of an American "China lobby." (The first, in the 1950s, had been supporters of Taiwan; the second, in the 1980s, were concerned about human rights in China.)
38. See Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century* (Norman: University of Oklahoma Press, 1991), p. 105. China had far to go on both counts to reach the levels of most democracies.
39. It was certainly not a democracy, but China might be said to have changed, to use terminology from the Cold War era, from a totalitarian to an authoritarian regime, one in which a single party monopolized political power but did not dictate every facet of social and economic life.
40. Kathy Chen, "U.S. Human Rights Demands Puzzle the Chinese, Many of Whom Enjoy New Comfort and Freedom," *The Wall Street Journal*, March 7, 1994, p. A7.
41. Oberdorfer, "Replaying the China Card."
42. *The New York Times*, May 27, 1994, p. A8.
43. Cited in *The Wall Street Journal*, December 16, 1993.
44. On prison labor in China see "China's Secret Economy," *The Economist*, October 2, 1993.
45. In this respect there is a similarity between Chinese policy in Tibet after 1950 and the Soviet policy toward the Baltic states of Estonia, Latvia, and Lithuania. The three were conquered and occupied in 1940, in the wake of the Nazi-Soviet pact. After the war, in the 1950s, Moscow began to send Russians in large numbers to live there.
46. See Harding, *A Fragile Relationship*, pp. 203–204.
47. Jim Rowher, "Asia Survey: A Billion Consumers," *The Economist*, October 30, 1993, p. 1.
48. Christopher, "America's Pacific Future."
49. One of the missions of the U.S. Navy, as of the British navy before it, was to keep open the sea lanes between the home countries and transoceanic allies (or, in the British case, imperial possessions).
50. The idea that an economic hegemon is required to organize and sustain an open, or liberal, international economic order was first proposed by Charles Kindleberger and has been refined by many others. For a summary of the issue and the literature on it, see Michael Mandelbaum, *The Fate of Nations: The Search for National Security in the 19th and 20th Centuries* (New York: Cambridge University Press, 1988), chap. 6.
51. For details see Denoon, *Real Reciprocity*, pp. 46–55.
52. By normal standards the composition as well as the volume of Japanese-American trade was unbalanced. There was relatively little trade within industries. Although Japan was the second-largest trading partner of the United

- States, it bought mainly raw materials from and sold mainly finished products to Americans, which was not true, for example, of trade between the United States and Western Europe. See Edward N. Luttwak, *The Endangered American Dream* (New York: Simon and Schuster, 1993), pp. 94–95, and Fallows, *Looking at the Sun*, pp. 232–233, 274–277.
53. The debate about American decline was set off—inadvertently—by what, in the absence of popular concern about the nation's ability to compete in international markets would have been an obscure, although well-written, scrupulous, and extremely useful work of history, Paul Kennedy's *The Rise and Fall of the Great Powers* (New York: Random House, 1987). Kennedy sketched a historical pattern in which the burden of deploying and wielding great international power over time erodes the economic basis of that power. He suggested that the United States might be suffering from the effects of this syndrome, while noting—presciently—that the Soviet Union was far more seriously affected. The book became a best-seller and touched off a vigorous debate. For a rebuttal see Samuel P. Huntington, "America: Decline or Renewal?" *Foreign Affairs* (Winter 1988–89): 76–96.
54. During that period American irritation with Japanese exports was not nonexistent. There was, for example, a major squabble over textiles in 1969. See I. M. Destler, *Managing an Alliance* (Washington, D.C.: The Brookings Institution, 1976), pp. 35–45.
55. See, for example, David Brock, "The Theory and Practice of Japan-Bashing," *The National Interest*, no. 17 (Fall 1989): 30.
56. An important milestone in the evolution of Japanese-American relations, one that illustrated the rise of economic competition and the related decline of security cooperation as the touchstone of the relationship, was the controversy over the FSX. This advanced jet fighter airplane was to be coproduced by the two countries, but the Congress acted to block it for fear that it would result in the "leakage" of commercially valuable American technology to Japan. See Luttwak, *The Endangered American Dream*, pp. 64–88.
57. Denoon, *Real Reciprocity*, pp. 50–51, and Fallows, *Looking at the Sun*, pp. 256–260.
58. Luttwak, *The Endangered American Dream*, summarizes these critiques. See in particular Peter G. Peterson, *Facing Up: How to Rescue the Economy from Crushing Debt and Restore the American Dream* (New York: Simon and Schuster, 1993).
59. The intellectual origins of the revisionist school lie in the work of the political scientist Chalmers Johnson, especially his book *MITI and the Japanese Miracle* (Stanford, CA: Stanford University Press, 1982). The most widely read of the revisionists was James Fallows, who published a series of articles in *The Atlantic* in the late 1980s and two books: *More Like Us* (Boston: Houghton Mifflin, 1989), which, because its focus was the United States, was as much a part of the "declinist" as the "revisionist" literature, and *Looking at the Sun*, whose subtitle contains its thesis: "The Rise of a New East Asian Economic and Political System."

Karel Van Wolferen, a Dutch journalist resident in Japan, wrote a revisionist account of Japanese politics, *The Japanese Enigma* (New York: Knopf, 1989). Clyde Prestowitz, a one-time American trade official, argued that the

United States had failed to cope effectively with predatory Japanese trade practices in *Trading Places: How We Allowed Japan to Take the Lead* (New York: Basic Books, 1988). Revisionism provoked a literature of rebuttal, of which the most prominent popular exponent was Bill Emmott, first Japan correspondent then editor of the London *Economist*. In *The Sun Also Sets: The Limits to Japan's Economic Power* (New York: Times Books, 1990), and *Japanophobia: The Myth of the Invincible Japanese* (New York: Times Books, 1993), he argued that Japan was not really different from other advanced industrial capitalist states and that, to the extent it was or ever had been, it was becoming more like them all the time. Paul Krugman's *Peddling Prosperity* (New York: W.W. Norton, 1994) offered a different revisionist argument: that the overall condition of the American economy had very little to do with international economic competition.

60. This was, in turn, made possible by the particular Japanese pattern of corporate ownership, which allotted a prominent role for banks that could afford to be patient as American shareholders rarely were.
61. Even among those unsympathetic to the revisionist case there was little dispute that Japan practiced protection. What was in dispute was how fast this was changing, how different Japan was in this respect from other countries, the United States included, and how much difference complete openness to foreign products would actually make in the Japanese trade balance.
62. Denoon, *Real Reciprocity*, p. 56. From the standpoint of Western (and largely Anglo-American) neoclassical economics, Japanese departures from the canons of orthodox economic practice (and there was a debate about just how substantial these departures were) were not altogether surprising. No national economy is run strictly according to the principles of Adam Smith and his intellectual descendants. A far stiffer challenge to this economic orthodoxy was the proposition that these departures actually *increased* Japan's well-being, that Japan had grown rich because of, not despite, straying from proper market practices. Some tried to show that this was so at least to a limited extent, updating the familiar "infant industry" justification for protection by arguing that there were certain "strategic" industries that, if allowed to flourish, would ultimately lift entire economies. See Laura Tyson, *Who's Bashing Whom?* (Washington, D.C.: Institute for International Economics, 1992). If the economic practices that the revisionists identified as distinctly Japanese did not make the country as a whole more prosperous, as neoclassical economic doctrine maintained, why were they undertaken? An answer was supplied by Karel Van Wolferen, *The Japanese Enigma*, who argued that Japan was not fully a democracy and thus the Japanese people could not change the economic practices that injured them as well as Japan's trading partners. See also Fallows, *Looking at the Sun*, pp. 211-212.
63. See Michael Mandelbaum, "U.S. Global Role Vital for U.S. and Globe," *Newsday*, November 28, 1993.
64. See Luttwak, *The Endangered American Dream*, pp. 55-59.
65. According to a later version of the accord, American industry "expects that the foreign market share will grow to more than 20 percent . . . by the end of 1992." *The Financial Times*, March 23, 1994, p. 4. See also Fallows, *Looking at the Sun*, pp. 64-65.

66. The American anger abated somewhat, but did not disappear, during the American economic recovery and the Japanese recession of 1993-1994.
67. China's trade surplus with the United States reached \$18 billion in 1992. Taiwan's application to join the GATT stalled over the issue of its barriers to trade. South Korea's trade with the United States was in rough balance, but it was even more difficult for foreigners to invest there than in Japan.
68. On this issue see Robert D. Hormats, "Making Regionalism Safe," *Foreign Affairs* (March/April 1994).
69. Miles Kahler, "United States Interests and Economic Regionalism in the Pacific," paper prepared for a conference entitled "Reconceptualizing U.S. Policy Toward East Asia," sponsored by the Council on Foreign Relations and the University of California Institute on Global Conflict and Cooperation, March 11-12, 1993.

THE PRESIDENT HAS SEEN
8-23-95

Tony / Sunday
- How do you respond to this
- it's an interesting criticism - he claims
out a 4th objective - to work with allies
then us, who is dealing with this - R.

America's Self-Canceling Bosnia Policy

By Michael Mandelbaum

WASHINGTON
The Clinton Administration stands accused of having no policy for Bosnia. To the contrary, it has consistently pursued three goals: supporting the Bosnian Muslims, ending the war and keeping the United States out of the conflict. Unfortunately, the three are incompatible. Achieving any one of them requires abandoning another. But the Administration has been unwilling or unable to abandon any of them. This is the root of its troubles in Bosnia.

Peace requires a political settlement, which would have to reflect the realities on the ground, which favor the Bosnian Serbs. They would have

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to be permitted to keep much of the territory they have won, and be allowed to form a confederation with Serbia, just as the Bosnian Muslims and Bosnian Croats have received approval for confederating with Croatia. The Bosnian Government opposes such a settlement. To bring it about, the United States would have to pressure Bosnia — in effect, achieving its second goal by abandoning the first.

But the Administration has been reluctant to pressure Sarajevo to accept such terms, because it believes that this would reward aggression and it fears that it would embarrass the Clinton foreign policy team.

Having declined to press for a settlement reflecting the political and military realities, the Administration could have sought one more favorable to the Bosnian Muslims. But this would have required changing the balance of power on the ground, which would have required America to enter the war. Whether aerial bombing of Bosnian Serb military targets alone

The President's three-step plan.

would have had the desired effect, or whether attacks on Serbia itself and the use of American ground forces would have been needed, is a matter for debate. But it is clear that to have achieved its first and second goals — peace on terms acceptable to Sarajevo — the Administration would have had to abandon the third — staying out of the war.

Despite some early enthusiasm for such a course, the Administration has clung to its first and third goals at the expense of the second, maintaining its rhetorical support for the Bosnian Government and refusing to become involved in the conflict.

To govern, as John F. Kennedy observed, is to choose, and the failure to choose among the three goals has

had serious costs. It has assured the failure of the principal Western policy in Bosnia — peacemaking — which in turn has damaged the United Nations and NATO. The Clinton policy has also damaged ties with the British and French, who have bridled at being hectored to take firm action by a government that does not share in the risks.

Moreover, by failing to choose among its competing goals the Administration may achieve none of them. In the next six months, the British and French will likely decide to withdraw their forces, which will trigger the collapse of the entire U.N. effort and require the withdrawal of all 22,000 peacekeepers.

This operation, to which the United States has pledged 25,000 troops, is likely to be protracted and dangerous, with the retreating peacekeepers and their rescuers coming under fire, perhaps from both sides. This would lead to what the Administration has sought to avoid at all costs: Americans in combat in Bosnia. □

The New York Times June 18, 1995

Aug. 18, 1994

3200 95 AUG 23 12:11
Washington D.C. 20008

Dear Mr. President,

Do you remember us. We came to meet you on November 21, 1994. Our
mother is ambassador of Swaziland. This is to wish you a **VERY VERY HAPPY
BIRTHDAY!!!**

And we wish sox nine lives!!!!!!!

From: Notnando Kanya

and Naledi Kanya

8/23/95

Todd--

Send to WSC for
appropriate action?

Yes _____

No ☒ _____

~~NO~~ DORSKINZ -
CARTS W/ 2
CUV 232

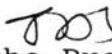


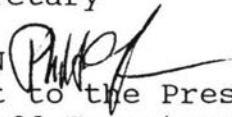
THE WHITE HOUSE

WASHINGTON

August 22, 1995

MEMORANDUM FOR JODIE TORKELSON
Assistant to the President
for Management and Administration

FROM: TODD D. STERN 
Assistant to the President
and Staff Secretary

PHILLIP M. CAPLAN 
Special Assistant to the President
and Deputy Staff Secretary

SUBJECT: White House Mess Privileges

Jessica Arons, who is presently assigned to the White House Gift Unit, also works as a staff assistant in the Staff Secretary's Office on weekends and some evenings. We would appreciate it if she could be given White House Mess privileges for carry-out service only, as has been the tradition for those serving in this position.

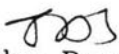
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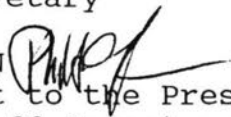
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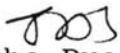
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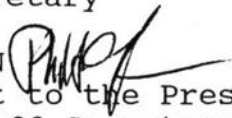
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