

***Hemispheres* 2001 Edition**

Democracy's Final Evolution?

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Economic Growth in Egypt by Abdalla Simaika

In a way, Egypt's announcement of trade liberalization measures in 1974 and more generally an *infatih* or open door policy served as a reminder of the lag in the country between unofficial practices and official declarations. For years prior to Sadat's 1974 announcement, the private sector in Egypt squirmed and squeezed by under the weight of the government's State-Led Industrialization (SLI) policies. With dramatic changes eroding the Egyptian politico-economic landscape, the aristocratic component of the private sector certainly declined, but not entirely. To say that Nasser and later Sadat's measures completely wiped out the traditional elite would be a gross oversimplification of a phenomenon that has had consequences for Egyptian economic development throughout the latter portion of the 20th century and up to the present day.

As Harvard economist Jeffrey Sachs indicated in his Egyptian Center for Economic Studies (ECES) lecture series, entitled "Achieving Rapid Growth: The Road Ahead for Egypt," the reasons for the adoption of SLI policies are twofold. Firstly, SLI policies became the choice of post-colonial countries around the world because these policies were viewed as a viable alternative and reasonable compromise between the dominant ideologies of the two major world blocks: on one end the capitalist West, and on the other the communist East. On another level, immediately following World War I and World War II, there existed widespread skepticism that the new world order would involve multilateral trade, or that *laissez faire* economics would work. The pronouncement of John Maynard Keynes in the early 1930s, that capitalism was inherently unstable, and therefore needed the strong hand of the government to preserve full employment, lent further credence to pro-SLI arguments.¹ To Sachs' list, one can add the advantage² that SLI policies afforded autocratic rulers in developing nations with respect to differentiating themselves from their former colonial overseers. Ultimately, even these three rationalizations for SLI policy proved insignificant when measured against the havoc wreaked upon developing countries' economies by SLI. The failure of state planning translated itself into the beginning of the *infatih*, the Open Door Policy.

Law 43/1974 under Sadat's regime provides the basis for the study of modern liberalization reform in Egypt and simultaneously illustrates the extent to which the country's economic policy initiatives have been incomplete or misdirected. In fact, deeper research reveals an interesting historical twist on the popular theme of a 1974 origin of *infatih*. The first piece of *infatih* legislature was not enacted the year after the 1973 war with Israel, but two years prior, in late 1971/early 1972. Conscious of the problems with SLI and eager to bring Egypt into the ranks of developed nations, Sadat announced a reform shortly after the death of his predecessor, Gamal Abdel Nasser, in 1970. However, media and popular attention surrounding the humiliating 1967 defeat of Egypt by Israel stimulated the need for a popular and unequivocal foreign policy success, if only to lend Egypt credibility in negotiations for the Sinai peninsula.

¹ Sachs, Jeffrey. "Achieving Rapid Growth: The Road Ahead for Egypt." Part of the Distinguished Lecture Series (Part III). Published by the Egyptian Center for Economic Studies, Cairo Egypt 1996.

² Specifically, SLI policies proved to be particularly convenient and powerful tools of rhetoric for Nasser and other post-colonial leaders. For more on the specifics of how Nasser and Sadat instrumentalized SLI, see John Waterbury's *The Egypt of Nasser and Sadat: The Political Economy of Two Regimes*. Princeton University Press, Princeton 1983.

This nagging constraint forced Sadat to leave economic policy on the backburner and only half-heartedly commit to reversing Nasser's attacks on the private sector. With a partially successful campaign in the 1973 war behind him, Sadat refocused his attentions on economic policy, and to emphasize his commitment to liberalization, announced a near-identical version of the 1971/1972 law once again in 1974. Egypt's liberalization phase had begun.

If the economic story had really ended with Sadat's forceful and passionate declaration, the *infitah* reform would not have been amended five times, ultimately leading to IMF and World Bank austerity measures in 1991 following an Egyptian debt crisis. However, the *infitah* reform as an engine for economic growth immediately fell far short of Sadat's and the world's expectations, and planted the seeds for many of the future problems with Egyptian liberalization legislature.

In light of the problems with the *infitah* reform, a central question is immediately discernible: Is the private sector the key to economic growth in Egypt? Understanding this question involves a two-part process, for it is a question embedded within a larger, more important (at least in this context) debate: was *infitah* reform even designed to favor private sector growth? As the answer to the latter question contains ramifications for the former, this analysis will deal with both. Keeping in mind the interplay between policy formulation and consequences, the timeframe of this analysis should also be considered.

For the purposes of this paper, the periods between 1974 (the de facto beginning of the *infitah*) and 1987 (the manifestation of the 1980s banking crisis) shall serve as the first period of analysis. During this period, the framework for private sector-public sector cooperation was established. More importantly, the five *infitah* reforms passed during the 1974-1987 period covered crucial ground with regards to experimental evidence in liberalization policy. The second period of importance concerns the period between 1991 (signing of IMF and World Bank austerity measures) and up to the present day, when Egypt continues to face growth problems related to legal, but also structural constraints.

Finally, beyond issues of defining the pertinent questions and timeframe, it is convenient to define the relevant terms employed in the central inquiry. With regards to the term "private sector," this paper will touch upon mostly non-agricultural aspects of "that part of the economy in which economic activity is carried on by private enterprise, the personal sector, and the corporate sector."³ For the purposes of this study, the informal sector shall also be incorporated in assessments dealing with the "private sector." According to EFG-Hermes, the Egyptian investment banking firm, the informal sector represents nearly 40% of the Egyptian economy⁴; to ignore it, as has been the case with numerous Egyptian government studies would therefore be unrealistic. The second major term in the research question, "economic growth," is arguably more difficult to define. Here, growth shall be defined not only by increases in per capita output, but also using macroeconomic indicators such as the current account balance sheet and, where possible, Human Development Index (HDI) indicators. The latter include measures of health and sanitation, education, and government corruption.

³ Bannock, Graham, R.E. Baxter and Evan Davis. *Dictionary of Economics*. 6th Edition. Penguin Books, New York, NY 1998.

⁴ EFG-Hermes. Quoted in Fawzy, Samiha. "The Business Environment in Egypt." Working Paper No. 34. Part of the Working paper Series of the Egyptian Center for Economic Studies, Cairo Egypt. Published November 1998, p. 6. EFG-Hermes is Egypt's leading investment banking firm. Its reports are cited by the World Bank and the IMF, as in *Partners for Development: New Roles for Government and the Private Sector in the Middle East & North Africa*. World Bank Institute, Washington D.C. 1999.

The analysis shall be organized as follows: Part (I) presents a brief history of the Egyptian economic elite, in order to establish whether or not there exists an economic class or sector capable of tackling growth issues. Part (II) assesses the successes and failures of the 1991 Economic Reform and Structural Adjustment Program (ERSAP) as they relate to the private sector, and part (III) examines issues relating to the nature of the private sector as a group and cultural/institutional constraints which confront it today.

I. Egypt under SLI

During the period between 1952 and 1987, Egypt certainly exhibited private sector activity conducive to growth. However, as is illustrated in the following section, the growth effects of the private sector's behavior were neither harnessed, nor can they be discussed in precise terms. The reason for this frustrating state of affairs is that what little private sector activity that took place during this period essentially existed under the nose of the state. The state in turn evolved into a mammoth structure encompassing almost every facet of the Egyptian private sector. Meanwhile, the slow, quiet motion of the ever-growing state bureaucracy became indicative of corruption and collusion within the government and the stifling of economic activity on a micro as well as a macroeconomic level. However, like all giant organizations, the state was unable or unwilling to expend its energy on engulfing the micro, small, medium, and informal firms of Egyptian society. These firms flourished throughout the period 1952 to 1987 with one very important standout—the banking sector.

As curious as were the origins of the banking sector explosion in the 1980s, more curious were the operating procedures of these banks. These procedures ultimately led to Egypt's own banking crisis, which was essentially fueled by worker remittances largely from Gulf states and to a lesser extent from overseas countries. Throughout the period discussed, a clear evolution of the elite class is discernable along with the evolution of the role of economic elites within the private sector—their dominant role being gradually captured by the small and medium enterprises (SMEs), micro enterprise, and the informal sector.

A/ The 1952 Free Officers Revolution

The rise to power of Gamal Abdel Nasser in the powerful coup of the Free Officers Revolution was as much the rise of a new "Arab Socialism" as it was the rise of a charismatic and ambitious dictator. In many regards, the Free Officers were reacting to economic decadence by what they perceived as the corrupt, capitalist Egyptian aristocracy. More specifically, fed by a super-nationalist ideology and desire for independence, Nasser and his comrades were supported in their penchant for SLI by examples of success in the USSR. As Sachs states:

Development planning models, based on input-output models and simple dynamic equations for economic growth, seemed to offer a scientific base for state leadership in the economy. And the apparent success of the Soviet Union in industrialization (now known to have been greatly exaggerated by the official data) seemed to demonstrate that effective planning was possible.⁵

In determining whether or not a country is open to international trade or whether it is a strict example of SLI, Sachs employs four criteria:

⁵ Sachs, Jeffrey. op. cit., p.4.

1. Average import tariff rates of 40 percent or less on intermediate and capital goods.
2. Import quotas and licenses covering 40 percent or less of total imports.
3. A black market exchange rate premium of 20 percent or less on average.
4. No state monopolization of trade in the leading exports.⁶

According to these criteria, Egypt fits the mold of closed nations after the second world war. At the onset of Nasser's economic policies, private sector contribution to GDP reached as high as 85 percent, contrasted with 53 to 60 percent (excluding agriculture) during the early 1990s.

Table 1. Private Sector Indicators: Egypt and Cross-Country Comparisons*

Country	Share of private investment in gross domestic fixed investment	Share of FDI in GDP	Share of government expenditure in GDP	Share of Egyptian Private sector share in GDP (%)
Egypt	59.1%	0.9	28.4	60.4%—1996/7
Chile	80.0%	5.5	16.8	56.6%—1995/6
Mexico	79.1%	2.3	22.6	55.6%—1994/5
Thailand	77.6%	1.3	18.0	54.4%—1993/4
Korea	76.0%	0.5	24.8	54.4%—1992/3
Malaysia	69.8%	4.5	35.1	53.8%—1991/2
Indonesia	60.5%	3.5	16.6	54.0%—1987/8
				85.0%—pre-1952 (1951)

*1996 unless otherwise noted. *Source: Fawzy, Samiha. op. cit., p. 3*

Furthermore, as Table 1 above indicates, private sector activity as a whole in 1996, as measured by the share of private investment in gross domestic fixed investment, remains particularly low even today, while government expenditure remains high relative to other developing countries. Contrasted with the nature of the private sector from the 1970s onward, the same group prior to and until 1952 consisted mainly of large land holders from aristocratic families and bankers such as Talat Harb, the founder of Banque Misr. As shall be illustrated further on in the analysis, the changing characteristics of the elite class had significant policy implications and consequences for the economy in general.

B/ The Creation of "Nasser's Elite"

1. The seed of nationalization

The objects of great resentment on the part of the Free Officers, the aristocracy of King Farouk's days immediately became targets of land reform and nationalization programs aimed at "equalizing" societal holdings. Nasser's original conception of the private sector included corporations and enterprises with a "social" function. Rather than forcing companies and private businesses to carry out social roles (including but not limited to higher wages for labor, charity work, and most importantly, contribution to state programs and altruistically taking on

⁶ Sachs, Jeffrey. *Ibid*, p.4.

infrastructure projects for "the good of the state"), Nasser and his comrades hoped to encourage the business elite to contribute in the name of ideology, specifically, Arab Socialism and Pan-Arabism. With the exception of communism, history demonstrates the impracticality of Nasser's idealistic notion. Clearly aristocratic land holders were not going to bend to populist propaganda unless there existed an incentive structure around active cooperation with the government.

In 1956, four years after Nasser's ascendancy to power, his designs for control over the private sector found a medium of expression in Egypt's new constitution. Charged with vague references to the private sector's position in Egyptian society, the document stated that private economic investment was guaranteed freedom from state intervention provided it "does not prejudice public interests or endanger the people's security, or infringe upon their freedom or dignity"(Article 8). Of course, there is no accompanying definition of "public interest," "security," or any of the other terms mentioned in the article. "Capital," stipulated the document, would be at "the service of the national economy (Article 9)...in a manner which ensures social aims and public welfare (Article 10)⁷.

Hesitation on the part of the private sector quickly translated into a reluctance to invest and to engage in business activities easily surveyed by the state. Confirming this trend, Eric Gobe cites the decline in capital formation from 7.1% per year in 1956 to 0.1% in 1961⁸. Gobe adds that the expectations of the state clearly exceeded the capacity of the private sector to deliver. The result of this disparity was the July Socialist Laws of 1961.

While a detailed analysis of the July Laws is beyond the scope of this analysis, what can be said with certitude is that the private sector, if not physically decimated by the actions of the state, was directly intimidated from whole-heartedly engaging in economic activity. Nasser's solution for his recalcitrant aristocratic constituent involved creating a negative incentive structure. Indeed, a closer look at the laws reveals an almost vengeful character and demands that if not unreasonable, certainly limited the freedom of motion of the Egyptian private economic sphere. The *Abboud* group (financial services) and the *Khedivial Mail Line* fell first, being nationalized under law 109/1961. Almost all external commerce (law 107/1961 and 108/1961), public utilities such as gas, electricity and metro services were all nationalized in subsequent laws.⁹ Other statistics regarding the outcome of the socialist laws are particularly illuminating. Between 1966 and 1967, the public sector generated 90% of the value added in the industrial sector (firms employing ten or more employees)¹⁰.

2. The true revolution

"Most authors agree that with the construction of Nasser's formidable public sector there was constituted a 'state bourgeoisie' combining the elite class, military technocrats, and bureaucrats."¹¹ Gobe's assessment of the new elite class under Nasser illustrates the evolution of the economic ruling class and the confusion during this era (and indeed until very recently) between public and private sector elites—oftentimes they were one and the same. According to

⁷ Zaki, Moheb. *Egyptian Business Elites: Their visions and investment behavior*. Konrad-Adenauer Foundation Press in Conjunction with the Arab Center for Development & Future Research. 1999. p.58-9.

⁸ Gobe, Eric. *Les hommes d'affaires égyptiens: démocratisation et secteur privé dans l'Égypte de l'infatigable*. Karthala, Paris 1999. p. 49. Translated by A.S.

⁹ Gobe, Eric. op. cit., p. 50. Translated by A.S.

¹⁰ Ibid., p. 51. Translated by A.S.

¹¹ Ibid., p. 52. Translated by A.S.

Raymond William Baker, almost 300 individuals, recruited directly from the army, occupied ministerial posts in 1961, while 22 of the 26 provincial governors were military officers.¹²

While on one hand Nasser's elite found itself in a position to shape and implement policies favorable to their respective industries, two major issues became clear. Firstly, Nasser's comrades had to implement any industry policy or company directives in the general framework of Arab Socialism. While this meant that the officers had a great deal of concentrated authority (paradoxically a by-product of the socialist system), the option of managing their respective companies in profitable ways (with respect to streamlining efficiency problems and operating according to free market dictates) simply did not exist.

With no incentive to create economically viable units, the alternative—amassing personal wealth through corruption—became significantly more attractive and required less effort than Nasser's impossible ideal of companies with a social function. Ergo the second problem: unabated corruption. "The gargantuan state bureaucracy, and the myriad government regulations, which left much to the discretion of those in charge of the system, led to widespread rent-seeking behavior. It also opened the door to numerous forms of favoritism and corruption and the creation of specific patron-client relations."¹³ Infamous in the Nasser era (and beyond), corruption soon became widespread in the politically jaded caste of Nasser's economic elite. A testament to the pervasiveness of the corruption is Sadat's first measure after succeeding Nasser, which entailed the elimination of most of Nasser's cronies from the leadership of State Owned Enterprises (SOEs).

C/ The Sadat Alternative?

Statistics dealing with the public sector following Nasser's departure from the political scene reinforce the trend of cronyism in economic posts. According to Nazih Ayubi and John Waterbury, 34,000 managers were in charge of 377 SOEs in 1972. Of these executives or managers, 31% came from the pre-Nasser era and were thus recruited when their respective firms reflected private management. A full 69% arrived at their positions through governmental, academic, or military careers, and 43% attained their posts through personal contacts or through activities not related to those of their companies in general.¹⁴

Thus according to Ayubi and Waterbury, Sadat in effect replaced Nasser's cronies with his own people. Otherwise, there is no real difference between the two regimes. Or perhaps there is.

An interjection of basic political history is relevant in explaining Sadat's economic policy initiatives. Directly following Nasser's death and the embarrassing terms of the 1967 cease-fire, Sadat found himself in a position of relative weakness with respect not only to the Israelis, but also with respect to the Egyptian population. In Sadat's calculus it became clear that he needed to regain the Sinai peninsula in order to lend any credibility to his regime and avoid a potential military coup. Without the military capability to regain the lost territory, Sadat resorted to a two-part plan. Initially, he would surprise the Israelis and the Americans with an attack on Israeli positions in the Sinai, driving them back into Israeli territory with the help of a Syrian

¹² Baker, R.W. *Egypt's Uncertain Revolution under Nasser and Sadat*. Harvard University Press, 1978, p.55. Quoted in Gobe Eric. op. cit., p. 52. Translated by A.S.

¹³ Zaki, Moheb. op. cit., p. 91.

¹⁴ Ayubi, Nazih. *Al-Dawla al-markaziyya fi Misr [The Central State in Egypt]*. Quoted in Gobe Eric. op. cit., p. 53. Translated by A.S.

counterattack from the opposite side. The intent of his plan was simply to gain credibility and create perspective on the side of his Israeli counterparts. The second facet of his plan involved making concessions to the reigning free-market power, the US. Sadat would adopt economic policies friendly towards the United States with respect to trade tariffs and US Foreign Direct Investment (FDI) in Egypt.¹⁵ This latter point explains the trade liberalization slant to the original *infitah* legislature.¹⁶ Ultimately, political concerns shaped economic policy much as they did under Nasser, except now with a new pragmatism.

Thus the "business as usual" posture that seemed to characterize Sadat's regime at the onset concealed a more calculating, long-term strategy to satisfy Egyptian geopolitical needs and create a business environment conducive to trade (i.e. attractive to American and foreign FDI and trade) in order to draw less international criticism on that front. Whether or not Sadat succeeded is a question beyond the scope of this analysis. What concerns this study, however, is that Sadat chose more or less to abandon the course of Arab Socialism and begin, albeit grudgingly, to bring Egypt back from the brink of an SLI disaster.

Of interest is the fact that the entire private sector was not uniformly affected by the regime of nationalization during the Nasser/Sadat eras. In fact, only conspicuously large corporations or *Sociétés Anonymes (S.A.s)* were affected. The remainder of the Egyptian private sector, which at this point began counting a more and more significant percentage of SMEs and micro firms, went through the era relatively ignored. Clearly, it is more difficult to co-opt a system so diffuse and intangible as the SMEs and the informal sector in Egypt. Figures relating the growth of this part of the private sector confirm this difficulty, pointing to significant growth of the sector during the 1970s and 1980s.

Furthermore, a small part of the economic ancien regime (from the pre-Nasser days) started trickling back into Egypt between 1974 and 1981 (the date of Sadat's assassination). Perhaps more significant, however, is the large inflow of worker remittances from the surrounding Gulf states and around the world that began to enter Egypt towards the end of the 1970s and into the 1980s (coinciding with the oil boom in the region). A sense of security with respect to capital and confidence against government seizures clearly motivated, at least in part, the influx of foreign capital.

D/ The Mubarak Years

1. Egypt's own banking crisis

An intriguing question that immediately surfaces in light of the information on workers remittances relates to the destination of this capital injection. Even more intriguing are the circumstances surrounding the allocation of assets once they arrived in Egypt. The business of

¹⁵ According to Moheb Zaki, Sadat's parallel policy initiatives domestically (with economic liberalization) and abroad (with Israel) were designed to forge a new order, or "democratic socialism" for Egypt. The intent underlying democratic socialism, says Zaki, is a rapprochement with the West to attract investment and aid. in Zaki, Moheb. op. cit.

¹⁶ In fact, oddly enough, law 43/1974 did not actually apply to the entire private sector, but only to firms that were established with a component of foreign currency that originated overseas (article 2). This meant that a large proportion of Egyptian investors were denied the same tax breaks and other privileges granted to foreign capital. The consequences of this outward looking policy are still felt today, as Samiha Fawzy reports that constraints on business fall disproportionately on indigenous firms than on foreign ones.

managing this capital almost single-handedly created another sub-division of the private sector elite—the moguls of Islamic finance in Egypt.

The idea of Islamic finance itself is contradictory. According to the Koran, Islam forbids allowing interest to accrue on loans or investments. Faced with such an unambiguous rule, Islamic finance hardly existed, if it all, prior to the late 20th century. How did Egypt's Islamic finance industry tackle this obstacle? The simplicity and at the same time ingenuity of the detour is reminiscent of the work of mastermind tax lawyers employed by the wealthy during the Reagan era to avoid taxation. As Mahmoud Mohieldin points out in his working paper "Islamic Finance in Egypt," any arrangement in which the returns of the parties involved are contingent with uncertain gains and the parties have symmetric information regarding the outcome of the project is permitted.¹⁷ Put differently, if the return of the use of money fluctuates according to the actual profits made from such use, this would be consistent with Islamic law.¹⁸ This system then, (essentially an Islamic version of a Profit Loss Sharing - PLS or shareholder system) provided considerable leeway for Islamic banks and financial institutions throughout the 1980s and allowed them to take advantage of worker remittances from abroad.

Loans were issued in much the same way as money was deposited, that is with uncertainty on both sides, but possible high returns from most transactions. This philosophy, combined with an irregular distribution of returns helped ignite a series of banking crises throughout the 1980s. In the case of the Islamic International Bank for Investment and Development (IIBID), irregular distribution and suspicion that the bank was violating Islamic principles by engaging in currency speculation and depositing with foreign banks¹⁹ led to a 53% withdrawal of total deposits in 1989.²⁰

In addition to Islamic banks, Islamic Investment Companies contributed to financial instability due to the fact that "IICs enjoyed no supervision or regulation until the symptoms of problems appeared on the surface after immense losses of some IICs in speculation on gold and foreign currencies in the international markets in November 1986."²¹ As is typical of most banking crises, these debacles involved huge government bailouts and certain individuals profiting tremendously from the transactions. The latter group, either thanks to personal contacts in the legal system or government, or because of personal skill, was able to retain a significant amount of the capital (exactly how remains unclear, although there are numerous works that theorize on the issue²²) and thus join Egypt's economic super elite.

2. The impacts of globalization and selective market liberalization

The impacts of globalization can be seen as a two-way street. On one hand, globalization introduced numerous consumer products into Egypt, providing the opportunity for entrepreneurs (or government cronies) to move in and establish private sector monopolies in the distribution of

¹⁷ Mohieldin, Mahmoud. "Islamic Finance in Egypt." Part of the Working Paper Series of the Egyptian Center for Economic Studies, Cairo Egypt. Published in October 1997, p. 4

¹⁸ Ibid., p. 4.

¹⁹ Mohieldin reports that the IIBID held 32% of all funds at any one time in foreign banks. Another bank, the Faisal Islamic Bank of Egypt (FIBE) held between 33.4% and 60% of total funds in banks abroad in return for a LIBOR on these deposits. *op. cit.*, 21.

²⁰ Ibid., p. 22.

²¹ Ibid., p. 33.

²² For more on Islamic Finance moguls, see Mannan, M.A., *Islamic Economics: Theory and Practice*. Hodder & Stoughton, Suffolk 1986. And Roy, D., "Islamic Banking," in *Middle Eastern Studies*, vol. 27, no.3, 1991 pp. 427-456.

those goods. Additionally, increases in consumer spending involved not only large corporations (of which there were increasingly few relative to small, micro, and medium sized firms), but also small, medium, and micro firms. It was not only these firms who were unaccustomed to such a rapid growth experience; antiquated laws on the part of the government created barriers to expansion for these firms and regulatory hurdles riddled the group throughout the 1980s, reaching a high point in the 1990s and into the present day.

Frustrated by dense, complicated government regulations and high transaction costs and unable to strike it on their own by getting loans from banks (70 percent of bank assets are still controlled by state-owned banks)²³, many SMEs and micro firms turned to loan sharks or simply did not attain the loans they need to start their businesses. Meanwhile, private banks focused primarily on short-term commercial lending mainly to large and medium size private firms.

With such constraints hindering smaller business, many of these firms found it more profitable to leave the formal sector and its obstacles, and slipped quietly into the informal sector with staggering consequences. The most interesting of these outcomes of 1980s growth is the emergence of significant quantities of "dead capital" and "dead cities." Dead capital refers to capital made in the informal sector that escapes the usual governmental regulatory framework. Similarly, dead cities are the informal housing agglomerations that are built with dead capital. These housing establishments are not officially recognized by the government, but remarkably provide themselves with their own schools, electricity sources (usually through gas-powered generators), and water sources (channeling off water illegally from State-owned resources or using legal means which are limited but effective until the agglomeration surpasses a certain size). The increasing occurrence of dead capital and informal housing establishments ultimately pushed the Egyptian government in 1997 to hire Peruvian economist Hernando de Soto to study the problem and make a policy suggestion. The result of De Soto's research was a report entitled *Dead Capital and the Poor in Egypt*, wherein De Soto indicates that a full 47% of agricultural land in Egypt is informal and the total value of Egyptian informal²⁴ housing (both rural and urban) exceeds US\$195 billion²⁵.

By using examples in Peru and Haiti, De Soto demonstrates how governments can take steps to formalize dead capital, essentially bringing it to life. According to De Soto:

Few are aware that the poor in developing countries may already possess most of the land and businesses. What they lack is the kind of formal property rights that could raise the value of these assets and convert them into capital. If the majority of the population is to bear the costs of market reforms and be supportive, it must also reap the benefits. This can be achieved in part by bringing the dead capital owned by the poor to life through formalization.²⁶

²³ Roe, Alan.R. "The Egyptian Banking System: Liberalization, Competition and Privatization." Part of the Working Paper Series (WP #28) of the Egyptian Center for Economic Studies (ECES). ECES, Cairo Egypt, June 1998. p. 4.

²⁴ While De Soto uses different typologies of "dead capital," the common feature of all of the typologies, and what relates concretely to my analysis, is the fact that none of the capital in any typology can be used as collateral to secure loans. Nor does the Egyptian government recognize any of this capital as legitimate for the purposes of *any* transaction. Clearly, this is a significant constraint on private sector development.

²⁵ De Soto, Hernando. "Dead Capital and the Poor in Egypt." Part of the Distinguished Lecture Series of the ECES. December, 1997. Appendix C.

²⁶ De Soto, Hernando. "Dead Capital and the Poor in Egypt." Part of the Distinguished Lecture Series of the Egyptian Center for Economic Studies, Cairo Egypt. Published 1997, p. 62.

Thus the experience of globalization and selective market liberalization (effectively that liberalization which serves minority business interests among the politico-economic elite), for the poor and for SMEs and micro firms, was undeniably a frustrating one. On the side of larger corporations and businesses, the experience proved to be quite different.

3. The Emergence of Business Organizations and Trade Syndicates

Mancur Olson, in his book *The Rise and Decline of Nations*, outlines the logic behind collective action. Besides the cumbersome problem of collective bargaining with large groups of people, Olson maintains that social selective incentives are continually employed in the creation of trade unions, syndicates, businessmen's organizations and the like. Says Olson, "Everyday observation reveals that most socially interactive groups are fairly homogenous and that many people resist extensive social interaction with those they deem to have lower status or greatly different tastes."²⁷ The pertinence of Olson's analysis is not lost in the Egyptian case. In effect, the globalization that introduced new products and consequently new wealthy individuals into Egyptian society also brought with it a stratification of the business elite not only from their SME and micro firm counterparts, but also within their own circle. The trade organizations that formed, among which the two most consequent are The Federation of Egyptian Businessmen and the Alexandria Businessmen's Association, drew their ranks with a mind towards excluding the nouveaux riches of the 1980s.

Currently accepted notions of the influence of businessmen's associations on policy formulation in Egypt point to a strong association between the public and private sector. A good example of this "ideal cooperation" analysis is Neoufel Brohimier's DEA thesis conducted in 1986 at the Institut d'Etudes Politiques de Paris. Brohimier confirms Olson's notion of exclusivity with regards to the AHAE, "Former ministers and those from the highest echelons of contemporary Egyptian government comprise about 20% of the members of the AHAE."²⁸ "The listing of the members' names, which evokes economic ministers and architects of the *infatih* legislature, clearly shows the seamless transition from the political to the economic and the presence of politics in the business world."²⁹ While Brohimier's analysis focuses primarily on the Association des Hommes d'Affaires Egyptiens (AHAE), he indicates that there exist other organizations in similar positions with influence over policy-making in the Egyptian government. Brohimier's main hypothesis then is that since government members comprise some of the clubs' membership, and since the other members of the club are so economically influential, economic policy is shaped by the group.

In personal interviews conducted by the author, however, several high-ranking government officials and political commentators took issue with Brohimier's claim. "The idea," said one official, "that an organization such as the ABA (Alexandria Businessmen's Association) exerts a significant influence over government [economic] policy is a bit far-fetched."³⁰ Most indicated that while there is some exchange in ideas, which is becoming more and more frequent as the government becomes more open, the greater majority of economic policy is designed in-

²⁷ Olson, Mancur. *The Rise and Decline of Nations: Economic Growth, Stagflation, and Social Rigidities*. Yale University Press, New Haven CT, 1982, p. 24.

²⁸ Brohimier, Neoufel. Unpublished DEA thesis. Institut d'Etudes Politiques de Paris, 1986, p. 46. Translated by A.S.

²⁹ *Ibid.*, p. 46. Translated by A.S.

³⁰ Simaika, Abdallah. Interviews with government officials and academics for Honors Thesis research. Fall 2000. Translated by A.S.

house, with help from academics if the government chooses to employ them. Thus painting a picture of economic policy formulation not unlike that which exists in the US, the interviewees cautioned against the type of analysis that places too much importance on personal relations between those in government and those in the business world, in creating policy. "That type of reasoning lends itself far too easily to conspiracy theories about for example, the President's son asking for import concessions here, or a minister's wife demanding that her favorite perfume brand be imported duty free—that type of analysis does little good in advancing the debate about economic growth in developing nations."³¹ Analyzing all points of view with a critical eye, the truth is most likely somewhere in between Noeufel and the officials' arguments.

As is shown in Table 2 below, toward the end of the 1980s, severely indebted and running an increasingly large current accounts deficit due to spending to maintain foreign exchange and savings gaps, the Egyptian economy reached a breaking point when oil prices plummeted in 1986. The price drop had the dual effect of bringing down revenue on Egypt's prime export and simultaneously reducing financial assistance from Gulf countries also hurt by the change in prices. Egypt needed a new strategy for growth.

With a new decade about to begin, the country turned to its heretofore neglected and diffuse private sector to be the new engine of growth in the 1990s and the 21st century. However, nearly four decades of state neglect of the group would undoubtedly create problems of transition. The underlying question throughout this period remained, is the private sector ready to tackle Egypt's growth problems?

Table 2. Key Economic Indicators during Egypt's Fiscal Crisis

Criteria	1987	1990/1991
Private share in GDP (%)	54.0	54.4
Public Sector Value Added/GDP	37	41
External Debt	\$52 billion	\$51 billion
Government subsidies	23% of Budget	18% of Budget
Inflation	16.7%	30%
Long-term debt of SOEs		£E 37 Billion

Source: Tesche, Jean and Sahar Tohamy. "A Note on Economic Liberalization and Privatization in Hungary and Egypt." in *Comparative Economic Studies*, Susan J. Linz Editor. vol. 34, no.2, Summer 1994. Zaki, Moheb. op. cit., p. 98.

II. The Economic Reform and Structural Adjustment Program (ERSAP)

A/ Agricultural Reform: A preview of ERSAP

In 1986, Egypt availed itself of the resources of international financial institutions including the World Bank, USAID, and the IMF to help it deal with an agricultural crisis.³² Although the nature of the crisis and the evolution of the agricultural sector in Egypt are

³¹ Ibid. Translated by A.S.

³² Bush, Ray. *Economic Crisis and the Politics of Reform in Egypt*. Westview Press, Boulder CO, 1999, p. 29

fascinating topics, they shall be excluded from the analysis, as stated earlier in the paper. However, the point that can be ascertained from the crisis is the following: in their treatment of the agricultural crisis, the financial institutions, both domestic and international, adopted an approach more conducive to situations with large landholders and large output (much like in the US) rather than adapting their strategies to a micro-oriented prescription. In so doing, the international institutions and the Egyptian government provided an uncanny preview of their approach for Egypt's macroeconomic policy debacle five years later.

Dealing with the subject of agricultural reform in Egypt, author Ray Bush makes interesting connections between the handling of the agricultural crisis in 1986 and the prescriptions proposed by the IMF and the World Bank in 1991. Bush points to two major flaws with the international solutions: 1) The economic strategy has little relevance to the concerns and real problems experienced by the vast majority of Egyptian farmers and 2) The reforms are unlikely to significantly raise (and more importantly *sustain*) levels of agricultural productivity. Bush goes on to say that while these policies may ameliorate the political and economic position of large landholders, those farmers with 4 *feddans* (a measurement of acreage in Arabic, this area is just under 1 acre in size) will be undermined.³³

In effect, the main critiques concerning the austerity measures agreed upon in 1991 revolve around the misidentification of the Egyptian case as strictly a macroeconomic, structural problem rather than a mixed situation involving elements of the microeconomy as well. Thus, one can identify a clear propensity of the measures to focus on too large a level to have any real sustainability and viability for Egypt's problems. However, far from blaming the insensitivity of international organizations, Bush is quick to point to the culpability of the Egyptian government in being out of touch with the situation in Egypt. In the context of the private sector, the nature of the *infatih* legislature is sufficient in illustrating the neglect of a significant portion of the private sector, and not properly addressing the group at whom the reforms were targeted in the first place—large multinational corporations. As was indicated to the author during an interview with a government official:

We were giving tax holidays to multinationals, what's the problem with doing that? Well the problem is that a multinational doesn't care about taxes. If a US firm is incorporated in Delaware or the Bahamas, it obviously will not be affected by most of the Egyptian tax code. What *infatih* reform should have focused on were the real issues: taking steps towards funding human capital projects such as schooling, creating more flexible labor laws, and providing legal stability for firms that are interested in establishing a long-term presence in Egypt.³⁴

B/ Austerity Measures

Given the absence of an environment conducive to private sector growth before 1991, a great deal of attention was directed at how the austerity measures and more critically, the Egyptian government itself, planned to approach the problem of creating a business-friendly

³³ Ibid., p. 29. See also Korayem, Karima. "Egypt's Economic Reform and Structural Adjustment Program (ERSAP). Part of the Working Paper Series (WP # 19) of the Egyptian Center for Economic Studies (ECES). Published in Cairo, Egypt, October 1997.

³⁴ Simaika, Abdallah. Interviews with government officials and academics for Honors Thesis research. Fall 2000. Translated by A.S.

environment. Among those who devoted a great amount of time to researching the Egyptian business environment, Samiha Fawzy provides a concise and informative interpretation of the current state of affairs. In her book, *Partners for Development: New Roles for Government and Private Sector in the Middle East & North Africa*, stresses the fact that while the IMF and World Bank reforms were effective in stabilizing the Egyptian economy, the structural component of the program lags behind.³⁵ More specifically, Fawzy points to three prerequisites for private sector growth: stability, credibility, and sustainability. While the first two are addressed by the reforms, Fawzy, like Bush, disagrees that sustainability has been adequately handled by the measures.

C/ Filling in the gaps: What was missing in the 1991 measures?

1. Definition of the private sector

Critical of the IMF/World Bank and the Egyptian government's assessment of what constitutes "the private sector," Fawzy highlights three glaring areas of policy error. Firstly, the reforms agreed upon in 1991 operate under the assumption of a private sector dominated by larger firms, which are either incorporated or operate on a corporate basis. The reality, asserts Fawzy, is an Egyptian private sector dominated by small and micro sized firms and "the prevalence of the legal partnership form [as well as] a large informal sector." Fawzy points out that small and micro enterprises represent nearly 98% of all private economic units and create nearly three-quarters of all private jobs, ultimately producing 80% of the country's private value added.³⁶ Despite occupying the overwhelming majority, these firms are not actively participating in Egypt's growth. Secondly, 90% of private firms take the form of a partnership and are run on a family basis rather than under a corporate model. Finally, the majority of small and micro enterprises are informal (some 2.28 million were identified in 1991). Informal assets, as De Soto demonstrated, can neither be used in efficient and legally-secure transactions nor can they be used as collateral (ergo the origin of credit dilemmas in Egypt). Clearly, as one interviewee stated, one must guard against the temptation to quickly characterize Egyptian economics as a crony-based system of large corporations responsible for a huge share of value added in the private sector. As Fawzy demonstrates, nothing could be further from the truth. The implications are clear—the real private sector is a resource that needs to be tapped.

2. Definition of the business environment

In advancing an analysis of conditions "conducive to business," it is helpful to establish a working definition of the "business environment" in Egypt. Fawzy offers a useful definition based on the incentive structure facing business, which ideally reflects the relative scarcity of resources as well as the incentive structure provided by the prevailing institutional framework.

³⁵ Fawzy, Samiha and Ahmed Galal editors. *Partners for Development: New Roles for Government and Private Sector in the Middle East & North Africa*. "The Business Environment in Egypt." Originally published as a working paper (No. 34) in the ECES series in November 1998. Published by the World Bank, Washington D.C., 1999, p. 2.

³⁶ Fawzy, Samiha and Ahmed Galal editors. *op. cit.*, p. 6.

From this broad definition, two specific preconditions can be derived: an appropriate and stable macroeconomic environment and efficient institutions.³⁷ (See Figure 1)

Following the economic reforms of 1991, certain macroeconomic indicators began to favor a healthy business environment in Egypt (according to the definitions advanced above). As indicated in Figure 1 above, key macroeconomic indicators improved. The reduction of the public deficit to GDP ratio, elimination of double-digit inflation, and handling of the current account deficit (as a percentage of GDP) attest to the improvements made. Furthermore, the exchange rate was devalued and unified, and stability was actually attained with the Egyptian pound, trading at £E3.33 and £E3.39 over the time period following the reforms.³⁸ To protect against a future credit problem with internal short-term debt management, and loan repayment in the case of a current account deficit (on imports) Egyptian pound and dollar-denominated assets and foreign reserves increased from \$6.1 billion to \$20 billion.³⁹ The rosy picture continues, with figures detailing increased portfolio inflows and banking reform to protect against sudden runs on banks and other capital flight scenarios⁴⁰.

These stabilization reforms neglect, however, other pervasive problems in the Egyptian economy with respect to private sector growth. Of those structural issues most significantly impacting the private sector, three main areas merit further discussion: financial liberalization, privatization, and trade liberalization.

3. Financial liberalization

Incompatible with an environment which hopes to facilitate private sector growth, the Egyptian financial sector remained relatively untouched by the 1991 reforms. State-owned banks control seventy percent of bank assets,⁴¹ while most private banks concentrate on short-term commercial lending mainly to large and medium-size firms. As was mentioned earlier, micro firms, which constitute the bulk of the Egyptian private sector, do not have access to these types of loans due to issues related to collateral required for such loans. The remaining option for most firms is to borrow from non-bank financial institutions,⁴² which can charge unregulated rates of interest reaching as high as 100 percent on short-term loans. Also, the mechanisms by which bank and non-bank institutions in Egypt determine the credit worthiness of clients seems to be governed more by chance and corruption than by a specific and rational methodology.⁴³ Under such circumstances, it is easy to see where private sector expansion would be stifled.

4. Privatization

³⁷ Ibid, p. 1

³⁸ Roe, Alan R. op. cit., p. 12.

³⁹ Fawzy and Galal. op. cit., p.7

⁴⁰ According to the Ministry of Economy (annual report 1997), portfolio inflows increased from an average of only \$4 million in the early 1990s to \$654 million in 1996/7. Alan Roe points to the introduction (only very recently) of International Accounting Standards (IAS) practices, including full loan loss provisioning, and cautious financial liberalization measures, which will be key in protecting Egypt from potential capital flow shocks.

⁴¹ Fawzy, Samiha op. cit., 9.

⁴² In his working paper "The Role of Nonbank Financial Intermediaries," (ECES Working Paper #31, August 1998) Dimitri Vittas states that Nonbank financial intermediaries (NBFIs) include "all financial institutions not classified as commercial banks." (p.1). These financial institutions include leasing companies, contractual savings institutions, and Islamic investment companies (see Mohieldin op. cit.).

⁴³ Ibid., p.9

While privatization technically falls under the jurisdiction of the IMF and World Bank measures, technical questions related to the sale of SOEs were never addressed in the original agreements. As such, by November 2000, 155 out of 314 companies were privatized,⁴⁴ however, only 24 of these entities were sold to anchor⁴⁵ investors. The main advantage to privatizing SOEs by selling to anchor investors is that the management of the entity changes with the change in ownership. The majority of the 155 companies privatized retained not only the existing management structure, but also the same management personnel before and after the sale. The result is that a great deal of the inefficiency related to the management of the SOEs, and the potential welfare effects of privatization, were not adequately addressed by the reforms. What is more, even after the privatization initiatives, studies indicated that the size of SOEs in Egypt relative to GDP is about 30 percent; a relatively high figure compared to the average of other developing countries of 11 percent in the same period.⁴⁶

Coupled with the question of ex-SOE management in the private sector is the issue of what happens when privatization merely converts a public monopoly into a private one. As Patrick Plane argues in "Privatization and Economic Growth: Reflections and Observations," with SOEs, competitive pressures to improve productive efficiency, lower prices, or meet demand simply do not exist.⁴⁷ Furthermore, while in theoretically enterprises entering the private sector can be regulated, concretely speaking, the regulator is unlikely to obtain accurate information on the firm's cost conditions or its technical possibilities. With this situation of asymmetric information, the regulated firm can enjoy the rents it extracts from its markets while the government is in the dark about most of these rents. Even assuming non-asymmetric knowledge (which does not necessarily mean that knowledge is entirely symmetric either), the problem of private sector monopolies is exacerbated in "developing countries, [where] the weak capacities of public administrations and the extent of rent-seeking activities"⁴⁸ are especially problematic.

In Egypt, the "difficulties" associated with rent collection may be genuine logistical obstacles, or impediments related to the feasibility of pursuing private sector monopolies, or, collusion between former public sector managers (now private sector managers) and their government cronies. Thus, according to Plane, "the implications of contestability, or competition analysis are much more important for developing countries than a change in the ownership structure or detailed government regulation."⁴⁹

Plane postulates that there exists a statistically significant "positive and robust correlation" between privatization and an increase in GDP growth.⁵⁰ Galal draws a connection between privatization and increased savings, writing that "privatization could increase savings, in

⁴⁴ The Economist Intelligence Unit. November 2000 update. accessed online at www.eiu.com.

⁴⁵ Anchor investors are those investors that have the capital and operational capabilities to take over an enterprise. This is normally a group of investors.

⁴⁶ Anderson, Robert and Albert Martinez. "Supporting Private Sector Development in the Middle East and North Africa." In *Prospects of Middle Eastern and North African Economies: from boom to bust and back?* N. Shafik editor. Macmillan Press, London, 1998, p.10.

⁴⁷ Plane, Patrick. "Privatization and Economic Growth: Reflections and observations" in *Privatization at the End of the Century*, Herbert Giersch editor. Springer-Verlag, Berlin 1997. p. 32

⁴⁸ *Ibid.*, p. 32.

⁴⁹ *Ibid.*, p. 32.

⁵⁰ Plane, Patrick. op. cit., p. 49. Plane qualifies his findings by pointing out that a large part of the variance *within* the sample period still remains unexplained in the frame of his empirical work. "In a macroeconomic context where several reforms take place concomitantly, there is great difficulty in isolating the independent effect of any single policy," says Plane.

part because the transfer of ownership to the private sector is associated with higher productivity. Higher productivity in turn generates more resources, which can either be consumed or saved.⁵¹

With SOEs still dominating a significant portion of Egyptian economic activity and only superficial changes being affected within the SOEs, the opportunity for smaller private sector firms to compete with the state behemoths remains scarce at best.

5. Trade Liberalization

A protectionist reaction accompanied Egypt's drive towards trade liberalization. In the wake of the 1991 measures, tariffs showed a downward trend, with present trade-weighted nominal average tariffs hovering around 28 percent (with the world average at 8.2 percent and that of developing countries at 21.4 percent)⁵². However, according to the Ministry of Commerce and Supply, Egypt's cascading tariff structure creates a *de facto* anti-export bias estimated at 19.4 percent (1997 figures). Table 3 below presents a general view of tariffs in Egypt.

Table 3. Nominal and Effective Protection (percent)

Industry/Product	Nominal Rate				Effective Rate			
	1986	1994	1996	1997	1986	1994	1996	1997
Agricultural Food Products	31.0	8.9	7.0	6.8	38.0	8.8	6.8	6.6
Spinning and Weaving	34.0	37.6	29.0	28.0	788.0	68.2	49.8	47.6
Readymade Garments	109.0	69.6	50.8	46.6	348.0	87.3	61.8	55.9
Rubber, Plastic, & Related Products	28.0	33.0	29.8	28.5	563.0	50.0	45.6	43.1
Steel, Iron and Metal Products	17.0	23.0	17.2	16.1	120.0	26.4	19.4	18.1
Unweighted Average	36.5	30.5	23.1	21.9	184.1	41.3	30.2	28.2

Source: Refaat, Amal. "New Trends in Egypt's Trade Policy and Future Challenges." Part of the Working Paper Series of the Egyptian Center for Economic Studies (WP # 36), March 1999.

As shall be discussed later in the analysis, an issue of particular significance is the disproportionate weight of input tariffs on small and micro firms, all but prohibiting international or even interregional expansion for this part of the private sector. Coupled with domestic constraints to the business environment, this latter choke point limits further Egyptian private sector development.

III. Constraints to the Business Environment in Egypt Today

Employing Fawzy's definition of the business environment in a contemporary analysis, Egypt retains many of the obstacles to private sector growth that were present at the beginning of the *infatih*. Particularly dangerous, is the notion that these obstacles deter businessmen at the

⁵¹ Galal, Ahmed. op. cit., p. 1.

⁵² Fawzy, Samiha. op. cit., p. 10.

SME and micro enterprise level—essentially the backbone of the economy. With the goal in mind of determining the extent to which constraints affect the private sector in general and the SME/micro enterprise division in particular, the Egyptian Center for Economic Studies (ECES) conducted a survey of 154 firms of various sizes and in various industries. The findings of the report, confirmed by Gobe, Zaki, and Sachs, indicate that constraints are primarily institutional, not economic in nature. Three major "problem areas" stood out in the ECES survey: (A) an antiquated and rigid legal structure, (B) unqualified labor and weak support services, and (C) a lack of progress in financial liberalization. Ultimately, "Institutional constraints are more problematic than economic obstacles to private sector development in Egypt,"⁵³ concludes Fawzy.

A/ A Rigid, Inhospitable Legal Structure

Said one interviewee, "firms must secure government approval before firing a worker."⁵⁴ Otherwise, Egyptian labor laws are some of the most stringent in the world, reflecting Egypt's socialist past. In an extreme example of the restrictions inspired by socialist legacies, distribution of 25% of a firm's net profits to its employees was required by law until 1989, when the figure was reduced to 10%⁵⁵—still high, relative to other developing countries. Anecdotal evidence aside, a common denominator in Egyptian legal procedure is the decision-making centralization in the Ministry of the Economy, which limited *all* firms' management autonomy. In the area of labor law, the main problem is that tough laws force firms to shift to more capital-intensive techniques and distort the incentive structure of firms to engage in job training, since disciplinary actions are nearly impossible to carry out.

In the demand of goods, weak consumer laws distort incentives for consumers to try new products and thus remove incentives for producers to innovate. Thus, the qualification of Egyptian demand as relatively "unsophisticated,"⁵⁶ bears a certain element of truth..

Similarly, a byproduct of the legal and bureaucratic systems (and a legacy of Arab Socialism), is Egypt's complicated tax administration. Interestingly, respondents in the ECES survey did not complain so much about elevated taxation, as about a lack of trust between tax collectors and taxpayers, inefficiency of the dispute settlement system and arbitrary estimation of taxable profits, in that order.⁵⁷ Analytically speaking, Egypt's tax administration contributes to risk and uncertainty in the business operations of investors and businesses because "Investors report that they do not know how much they will actually have to pay and therefore meet with difficulties in their annual financial planning and bookkeeping."⁵⁸

Finally, a third area of legal institutional difficulty is the country's inefficient dispute settlement process. According to Fawzy, the average time needed to resolve disputes in court is 4.5 years compared to one year outside court. Unfamiliarity of the courts with commercial disputes related to market economies (existing legislation was developed during the period of centralized control, and *pre-infatih*), makes them ill-equipped to partake in and mediate the vision of a dynamic private sector-dominated, open market economy.

⁵³ Fawzy, Samiha. *op. cit.*, p. 14.

⁵⁴ Simaika, Abdallah. Interviews with government officials... *op. cit.*, translated by A.S.

⁵⁵ Zaki, Moheb. *op. cit.*, p. 89-90.

⁵⁶ Price Waterhouse Coopers. *Doing Business in Egypt. 1997 Report.* p. 21

⁵⁷ Fawzy, Samiha. *op. cit.*, p. 18.

⁵⁸ *Ibid.*, p. 19.

B/ Unqualified labor and weak support services

Fundamental in any assessment of how effective a country's development strategy really is, education and more downstream support services⁵⁹ remain areas of ambiguous results. In its 1999/2000 World Development Report, the World Bank indicates that Egypt allocates 5.7% of GNP to education and primary enrollment is high at 93%⁶⁰. However, in the ECES survey, "lack of high-quality human resources," "lack of technical assistance," and "poor training services," are three of the highest complaints by firms.⁶¹ As the US repeatedly demonstrates with its high expenditure on education, throwing money at problems of human capital is not necessarily the answer. East Asian economies spend proportionately less than the US on education, yet consistently yield better results. Egypt stands to benefit from the examples of these countries.

High transaction costs in transportation and telecommunications are further hurdles for the private sector. In his report "On Improving Egypt's Economic Performance: The Costs of Exchange," Lee Benham points out that the official price of obtaining a telephone in Egypt is £E1,000 (\$295) with an average waiting time of 1-2 years⁶². As table 4 indicates, telephone calling rates are particularly high in Egypt relative to other developing countries, an impediment which, coupled with high telephone prices and long waiting periods, severely hinders private sector growth.

Table 4: Net2Phone® Telephone Rates

Country	Rate (per minute)
Egypt	\$0.59
Chile	\$0.22
Mexico	\$0.21
Thailand	\$0.54
Korea	\$0.15
Malaysia	\$0.15
Indonesia	\$0.34

Source: www.net2phone.com. Source accessed 12/6/2000.

The relative importance of these and other problems is not necessarily evident in individual statistics, however, as certain constraints are more pronounced in industries where they would matter more and obviously not in others. For example, while commercial dispute settlement may not plague the tourism industry, its effects are pronounced in the construction industry—a sector that relies heavily on commercial contracts. Another example of this specificity is the view that "difficulties in exporting" is viewed by firms in the 154 firm survey as only a "moderate" problem. However, most firms in Egypt produce for the domestic rather than the export market and are therefore not seriously affected by export problems. More relevant to

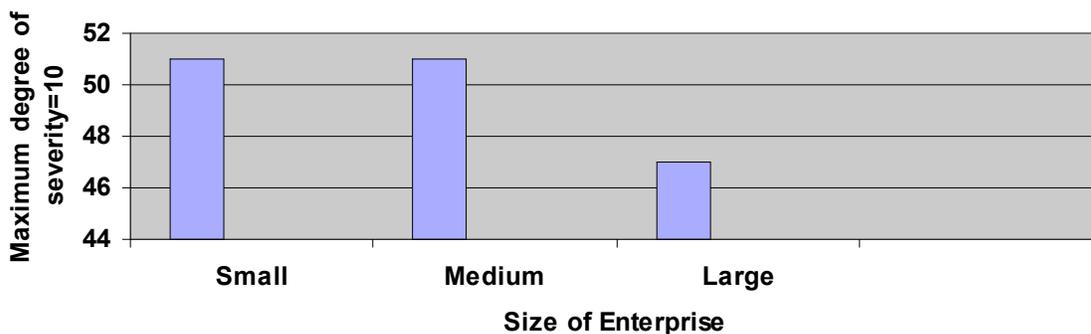
⁵⁹ Services in transportation, port services, marketing and distribution, and training programs for low-level employees.

⁶⁰ *Entering the 21st Century*. World Development Report 1999/2000. Oxford University Press, Oxford 2000. Table 6, p. 240.

⁶¹ Fawzy, Samiha. op. cit., p. 18.

⁶² Benham, Lee. "On Improving Egypt's Economic Performance: The Costs of Exchange." Part of the Working Paper Series (WP #13) of the Egyptian Center for Economic Studies (ECES). ECES, Cairo Egypt, June, 1997. p. 5

Figure 2: Institutional Constraints by Size of Enterprise



these firms, in the area of export problems, is the high tariff placed on imported inputs used in export products.

The issue of constraints impacting various parts of the private sector in differing degrees based on industry involvement invites a related question on size of a firm as a factor. "On average, small firms suffer more than large ones from institutional constraints...this is mainly because most small firms are family businesses, and therefore cannot afford lawyers and accountants to properly negotiate the legal jungle that institutional constraints can present."⁶³

Source: ECES survey results, 1998. in Fawzy, Samiha. op. cit., p. 17

C/ Finance

Moreover, says Zaki, the state continues to retain many of its constraining regulations, while bureaucratic impediments raise the transaction costs of doing business to levels that inhibit all but the most determined investors, or those that have considerable "pull" within top government circles.⁶⁴ Indeed, many examples of severe government business restrictions abound in today's Egypt. Among the most pertinent is the example, again, of Islamic finance. Due to various restrictions in the formal foreign exchange market, and the incapability of the formal sector, with its limited instruments, to cope with the needs of businessmen, "many of the founders of the IICs started as foreign exchange black marketeers...and found themselves surrounded by businessmen who could not finance imports through formal channels, and the government itself sought their help in order to finance the imports of some essential goods."⁶⁵

Besides this glaring example of illiberal government practices in finance, Fawzy indicates that due to the dramatic cost of credit, the majority of the private sector relies on retained earnings, family, and friends to finance their businesses.⁶⁶ Vittas extends Fawzy's analysis, pointing to the essential role played by Non-Bank Financial Intermediaries (NBFIs) in filling the gaps between the supply of credit provided by banks and that demanded by the private sector.⁶⁷ A lack of savings and, (as would be expected) expensive credit, combined with a lack of collateral due to dead capital (see above) to make Egypt's financial sector a burden rather than a bastion for business activity.

Conclusion

⁶³ Fawzy, Samiha. op. cit., p. 16.

⁶⁴ Zaki, Moheb. op. cit., p. 107.

⁶⁵ Mohieldin, Mahmoud. op. cit., p. 30.

⁶⁶ Fawzy, Samiha. op. cit., p. 15.

⁶⁷ Vittas, Dimitri, op. cit., p. 5.

The Egyptian experience of the last quarter century holds important lessons for many developing economies. Fundamentally speaking, the private sector is a key, but not *the only* factor in economic growth. A country needs to create a suitable macroeconomic environment favorable to business as well as providing direct incentives to various branches of the private sector. Much of the Egyptian private sector has faced a history of neglect and has been dwarfed by a massive public sector. Only recently has the government identified the "real" private sector, and, as Fawzy shows, there remains a great deal of bias surrounding SMEs and micro firms in the private sector.

Another basic lesson for growth in Egypt, is the importance of privatization. While delays in privatization usually signal a weakness in will or capability on the part of the government to implement stringent reforms, Zaki posits an alternate hypothesis. "In well incorporated societies, reforms are usually implemented in a radical fashion in order to avoid giving time to would-be losers and their supporters to mobilize and obstruct the reforms."⁶⁸ He goes further in indicating that although violence is not a foreign concept in Egypt, the legacy of acceptance and submission to authoritarian rule and the weakness of civil society make it so that the government has little to fear socially in gradual and conservative reform, if such reform is implemented stealthily (as has been the case). Although not entirely unrealistic, Zaki's example excuses the regime's delays too easily and in a sense justifies procrastination in one of the key areas of liberalization.

Given the power of the public sector to hoard business deals and projects from the private sector and the deleterious effects of favoritism on the part of banks and the government *vis à vis* the public enterprise, a more rapid privatization of the latter is not only recommended, but vital in promoting private sector growth and contributions to the Egyptian economy.

Finally, based on the availability of information on institutional constraints to Egyptian business interests, the Egyptian government must take steps towards owning up to and systematically targeting private sector obstacles. Here, legal reform to remove bias from small and Egyptian indigenous firms is crucial. Also important are initiatives designed to create an environment hospitable to export-oriented, manufacturing FDI,⁶⁹ by lowering tariff barriers, transportation costs, and dispute settlement timeframes. Egypt holds a great deal of potential as a developing country. Its destiny is, to a large extent, in its own hands. The challenge lies in continuing along a path of privatization and promoting private sector-led growth while not losing sight of macroeconomic criteria such as savings and government expenditures. However, departing from the conceptual framework of economics, one could also pose the question of how politics and ideologies (such as Islamism, or perhaps a revived Arab Socialism) will shape the future course of *infitah* reform. Will the political agenda dominate economic policy once again?

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⁶⁸ Zaki, Moheb. op. cit., p. 105

⁶⁹ Export-oriented, manufacturing FDI is important because it contributes infrastructure to a country and establishes linkages and supplier networks in and across industries. Additionally, the import of "best practices," and more fundamentally, the introduction of competition in the domestic market, are both extremely beneficial to a developing country.

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Breaking the Ice: How Non-governmental Organizations Committed the World to Prioritizing the Environment Over Economics in the Antarctic by Lisa Hodes

Introduction

In 1989, an unprecedented event took place: parties negotiating a regime to conduct mineral activities in the Antarctic discarded an agreement that took six years to negotiate in favor of a more environmentally protectionist treaty, the Madrid Protocol. This was the first time in environmental law's history that an international consensus concerning an exploitation agreement was overturned in favor of prohibiting mining on land thought to be a "global commons." Much to the chagrin of Big Business, Australia and France prioritized environmental interests over economic concerns. This paper seeks to explain how and why this unprecedented move occurred and whether or not it can be replicated in the future for other environmental issues.

Theory

Non-governmental organizations can change international environmental law by building an advocacy network of relevant actors who seek to further the NGO cause. The advocacy network must have a nucleus that can effectively coordinate the activities of its branches. The term "advocacy" is used because these actors bond together to promote a cause or policy change. The term "network" is used to refer to a structural relationship between various actors. These actors share information, strategies, techniques, and contacts. Actors involved in a network may include the following: research organizations, local social movements, foundations, the media, church groups, unions, intellectuals, and government officials. These actors work together by sharing information and designing campaigns to promote ideas.⁷⁰

Government officials are essential components of the advocacy network because governments determine and control state policy. Thus, it is also necessary for an advocacy network to possess the means to influence public opinion in states where the views of the masses are heavily considered by the government. One of the largest tools that a network has is the media. When one discusses the mechanisms a network can use against a target, one must consider the characteristics of the issue and the actors involved. Issues where a cause and effect are easily discernible are the most common issues that networks build around. Target actors must have an Achilles heel: they must be susceptible to sanctions or some other incentive that would cause them to take action. The density of a network can alter its effectiveness. A very large network can work contrary to the cause at hand if ideologies conflict. A small network can lack the proper vehicles of influence to stimulate change.

In their book *Activists Beyond Borders*, Keck and Sikkink identify four strategies that an advocacy network can pursue: information politics, symbolic politics, leverage politics, and accountability politics. First, networks use information politics (the ability to quickly and efficiently disseminate useful information across borders) to create a change in public opinion. Second, networks utilize symbolic politics (creating symbols that can be associated with a theme) to stir action among the masses. Third, networks incorporate leverage politics (calling upon larger, more influential actors) when weak networks need assistance. Finally, networks use

⁷⁰ Keck and Sikkink. *Activists Beyond Borders*

accountability politics (the ability to hold a target accountable for a gap between policy and concrete action) to shame the target into rectifying the discrepancy.

This paper hypothesizes that the Antarctic Southern Ocean Coalition (ASOC) built an advocacy network comprised of epistemic communities, other NGOs, and government officials to protect Antarctica against mineral exploitation. In addition, ASOC created the Antarctica Project to function as the nucleus of the network, coordinating activities among the members, fundraising, and lobbying the United States.

This paper adopts Peter M. Haas's definition of epistemic communities as "knowledge-based experts" who share "profession pedigrees." Epistemic communities are distinguishable from other groups because they share a "common set of principled and causal beliefs."⁷¹ Epistemic communities often wield significant influence over policy decisions in situations where there is a level of uncertainty, such as with the environment. Haas uses the case study of the Montreal Protocol to illustrate how an ecological epistemic community channeled information to key actors in order to create new policies to protect the ozone layer.⁷²

A universally accepted definition for NGOs has yet to be formulated. NGOs come in all shapes and sizes and cover almost every issue area. There are national NGOs, international NGOs, large NGOs, and small NGOs. Individual NGOs usually focus on reform for a specific cause. For example, Ozone Action focuses exclusively on eliminating chemicals detrimental to the ozone layer. Some larger NGOs, such as Greenpeace, dedicate themselves to a broader concept, such as the environment, and work to address many facets of the issue. NGOs in an advocacy network tend to have a similar focus and can work together by sharing information and designing campaigns to promote ideas. At its height, ASOC had grown to include approximately 200 organizations, and had contacts with several NGOs hailing from each key Antarctic Treaty member. To organize lobby efforts and pressure target actors within a state, Barnes used the Internet to create an information network where any member could ask a question and receive an answer within 24 hours, no matter where the member might be located. This was quite a feat for the 1980s.

Government officials must be involved with the advocacy network. National leaders write and vote on legislation that can make or break a network's cause. Therefore, they must be accessed and lobbied in order for the network to succeed. National leaders proved vital for translating ASOC's ideologies from lobbyists' cries to policy initiatives. Bureaucrats can exert "peer pressure" on other bureaucrats by using their elite status to add legitimacy to an argument. Amnesty International condemns China for human rights abuses and some listen; the President of the United States calls for China to improve their human rights record and the whole world listens. Leaders can also be used as a networking resource by introducing an NGO member to key government actors with whom they may not have otherwise had a connection to.

The ASOC advocacy network employed the four strategies identified by Keck and Sikkink to change international opinion on mining in Antarctica from permissive to condemnatory. This theory suffers from several weaknesses. First, Australia and France walked out of the negotiations, claiming that they had become disillusioned after the *Exxon Valdez*

⁷¹ Haas, Peter M. *International Organization*, "Introduction: epistemic communities and international policy coordination"; Volume 46, Number 1, Winter 1992, p.1-36

⁴ Haas, Peter M. *International Organization*, "Banning chlorofluorocarbons: epistemic community efforts to protect stratospheric ozone"; Volume 46, Number 1, Winter 1992, p. 187-224

tragedy. Yet both needed to pacify domestic concerns: Australia wished to appease its green voters and France wanted to fulfill its promise of a “strong France.” Thus, the Antarctic issue was a good way for France to assert its leadership in the international arena. In these situations the ASOC network is a completely irrelevant variable. Another weakness is that ASOC may not have been responsible for coordinating the nonprofit effort. It is feasible that NGOs worked somewhat independently, with only occasional contact with ASOC. Furthermore, it is reasonable to speculate that NGO lobbying efforts had only marginal influence: by the time the CRAMRA negotiations were underway the oil crisis had softened, so the urgency to find new reserves disappeared. Finally, it is naïve to believe that the Madrid Protocol will protect Antarctica forever. The Protocol’s protectionist measures are not infinite. In fifty years the treaty is scheduled for review, and it can be rendered void if two-thirds of the signatories vote to overturn the Protocol. If the Protocol is abolished in fifty years, then the coordinated efforts of the states and NGOs did not change international environmental law - they only stalled an inevitable policy.

One alternate theory is that the Madrid Protocol was not the product of an advocacy network, but rather a compromise among states with conflicting interests. After rejecting CRAMRA, Australia and France pressed for a treaty that would place more emphasis on environmental protection. This theory assumes that Australia and France walked away from the CRAMRA table because they cared about protecting the environment. However, these two nations previously favored mineral exploration. The states were forced to negotiate a new agreement because CRAMRA could not be ratified without the signatures of Australia and France. The final result of this effort was the Madrid Protocol. With this theory, the independent variable is the pressure that the “green” voters placed on Australian and French political parties, because Australian and French state officials needed to support pro-environment policies in order to win the green vote. Therefore, the downfall of CRAMRA and the birth of the Madrid Protocol were products of politics instead of an environmental revolution. If they were merely using the Antarctic issue as a political tool to win an election, then the agreement can easily be undermined in fifty years when it is up for review. Thus, the advocacy network did not bring about changes in opinion; rather, the political desires of certain government officials induced the switch. In addition, the contents of the Madrid Protocol depended on the amount of pressure the Australian and French environmental movements placed on the governments, and on how much political weight the governments assigned to those movements.

This paper supports the theory that ASOC built an advocacy network to fight for protection of the Antarctic. It is an important case study for anyone looking to successfully change public policy. Before exploring the story of ASOC, it is necessary to discuss Antarctica’s history and the development of the Antarctic Treaty System.

The Last Pristine Wilderness

Antarctic wealth can be defined in scientific and economic terms. One of the few permissible activities on the continent, modern scientific research has touched upon Antarctica’s greater secrets. The Antarctic ice shelf may be the crystal ball for predicting the Earth’s climatic future.⁷³ Lake Vostok, a fresh water lake beneath the ice, is reported to contain biological material and life forms that date from 35 million years ago. NASA initiated a \$6 million program to research the possibility of sustaining life in an environment comparable to Jupiter’s moon, Europa, where

⁷³ Allstetter, Billy. *Omni*, "Ice pax: a Soviet-American team weathers the rigors of Antarctica"; March, 1992; Vol. 14; No. 6; pg. 8

scientists discovered a similar lake beneath the ice.⁷⁴ The discovery of the ozone hole was the smoking gun behind the global reductions of ozone-depleting chemicals. Finally, various fossil discoveries of animals known only to survive in warmer climates support the theory of continental drift.⁷⁵ This theory espouses that hundreds of millions of years ago the earth's continents were aligned as one, called Pangea. Eventually, Pangea split into two large landmasses: Gondwanaland and Laurentia. Over time, these continents separated and moved to the geographical locations where we find them today. Scientists have identified similar minerals off the coasts of historically adjacent countries. Argentina, Chile, and South Africa (countries that bordered Antarctica during Gondwanaland's time) are rich in minerals. Therefore, scientists believe that Antarctica may be well endowed with similar minerals.

Antarctica's economic potential is multi-faceted. Fishing krill, extracting minerals, tourism, and melting Antarctic icebergs to supplement freshwater resources are profitable activities that could occur in the area. The abundance of krill, whales, seals, and various species of fish attract fishermen from across the globe. The illegal fishing of the Patagonian toothfish—commonly known as mero in Japan, or the Chilean sea bass in the United States—is an industry reportedly worth \$500 million per year.⁷⁶ In 1997, poachers took an estimated 100,000 tons of the “white gold” (an amount 10 times the legal limit).⁷⁷ Traces of oil deposits, hydrocarbons, iron ore, coal, chromium, platinum, nickel ore, cobalt, and copper have been discovered beneath the ice and the surrounding ocean floors. In 1972, the *Glomar Challenger* drilled four holes in the Ross Sea continental shelf and discovered hydrocarbons. The United States Geological Survey estimated in 1974 that accessible continental shelves could yield close to 45 billion barrels of oil. Five years later, Gulf Oil performed a similar assessment, predicting a total of 50 billion barrels of oil.

Territorial Tensions Heat Up the South Pole

In 1908, Great Britain became the first nation-state to assert sovereignty over Antarctic territory. Although initially a royal proclamation claimed only the Falkland Islands, Britain progressively broadened its control to encompass the Antarctic peninsula, certain island groups, and the Ross Dependency. Britain gave the New Zealand colony responsibility for the administration of the Ross Dependency, an action that a now independent New Zealand cites to justify its present claim to the territory. France, threatened by Britain's expansion, annexed land in East Antarctica to protect fishing rights (claiming that the land was discovered by French explorers Dumont D'Urville in 1840 and J.B. Charcot in the early 1900s). In 1936, Australia ratified an Australian decree claiming certain Antarctic territory as its own. However, Australia's claim overlapped with France's claim. Norway claimed the region between Britain and Australia in 1939 on the predication that Norway conducted geographical work in the area.

In the 1940s, Chile and Argentina jumped on the Antarctic bandwagon. Chile made several weak legal claims to “Territorio Chileno Antartico.” When Argentina attempted to extend its sovereign wings over the British Falkland Islands, Chile responded with a Presidential Decree asserting Chilean historical and geographical rights to the Antarctic Peninsula—claimed

⁷⁴ Blane, Douglas. *The Scotsman*, "Frozen in time, the lake at the end of the world"; February 23, 1998; pg.18

⁷⁵ Hiltz, Philip. *The Washington Post*, "Antarctica Bones Give Evidence of Continental Drift"; March 21, 1982; First Section; A10

⁷⁶ Bell, Cathie. *The Dominion* (Wellington), "Antarctic poachers expected"; November 20, 1998; News; National; pg. 6

⁷⁷ Rubin, Jeff. *Audubon*, "Piracy on the cold seas" (National Audubon Society 1998); May 15, 1998; No. 3; Vol. 100;pg. 22

simultaneously by Britain and Argentina. According to Chile, Spain received Antarctica from Pope Alexander IV in the 1494 Treaty of Tordesillas. Chile subsequently inherited the Antarctic territory when it separated from Spain. In addition, Chile believes that its proximity and administrative acts on the land justify its ownership. Japan countered with a diplomatic note reserving Japanese rights in Antarctica. The United States and the Soviet Union, engaged in the Cold War, complicated the web by disregarding any territorial proclamations and positioned themselves to claim any region on the continent should it satisfy their national interests. Both eyed Antarctica as a potential military resource.

Despite the belligerent atmosphere, scientists from sixty-seven nations traveled to Antarctica to study its environment during the 1957-1958 International Geophysical Year.⁷⁸ Scientists conducted scientific research during these expeditions. It became clear to the international community that, for the benefit of scientific research and cooperation, a treaty was needed to subdue the tensions heating in the Antarctic.

Components of the Antarctic Treaty System

In 1959 twelve states⁷⁹ sat down to negotiate their overlapping territorial claims. The product, the Antarctic Treaty, ended the international rush for Antarctic territory and established an open line of communication for scientists and politicians. The Antarctic Treaty classifies Antarctica as a military-free, nuclear-free region occupied solely for scientific research. These objectives are upheld and re-evaluated at the annual Antarctic Treaty Consultative Meetings. A state is designated as a Consultative Party possessing one vote if it conducts substantial scientific research on the continent. Recommendations and amendments to the Treaty System can only pass under the Consultative Parties' unanimous approval. Currently, 43 states are signatories to the Antarctica Treaty, but only 27 conduct scientific research and control the voting.⁸⁰ The treaty restrictions are only binding on the signatory nations. A signatory state, such as the United States or Great Britain, cannot legally maintain Antarctica in any military capacity. However, a non-signatory party, such as Syria or Israel, is under no such restriction.

The Antarctic Treaty System was originally composed of the Antarctic Treaty, the Convention for the Conservation of Antarctic Seals (CCAS), the Convention on the Conservation of Antarctic Marine Living Resources (CCAMLR), and the Convention on the Regulation of Antarctic Mineral Resource Activities (CRAMRA). The latter never entered into force. CRAMRA, a treaty allowing mineral exploitation, was born under the oil embargoes of the 1970s when nations were looking for new sources of oil. The world focused on Antarctica after the *Glomar Challenger* discovered hydrocarbons off the coast of the Ross Dependency in 1973. In October 1973, OPEC initiatives increased oil prices. The world suddenly found itself looking elsewhere for future supplies.

The Life and Death of CRAMRA

The resources issue was the first major challenge to the Antarctic Treaty System; the Antarctic Treaty itself did not address resources. From June 14-25, 1982 the fourteen Consultative Parties talked behind closed doors in Wellington, New Zealand about developing a treaty to set standards for mining in Antarctica. The parties needed to collectively establish a

⁷⁸ Charney, Jonathan I. *The New Nationalism and the Use of Common Spaces* (OSMUN Publishers, 1982) pg. 185

⁷⁹ Argentina, Australia, Belgium, Chile, France, Japan, New Zealand, Norway, South Africa, the United Kingdom, the United States, and the USSR

⁸⁰ See Appendix A

decision-making process that would satisfy the claimants and non-claimants. After Wellington, Chris Beeby, head of the New Zealand delegation and chairman of the CRAMRA negotiations, predicted an agreement at the end of a two-year schedule. The parties' sense of urgency rested on the assumption that if standards for mining were not set, a mining company could disrupt the entire treaty system by commencing minerals exploitation/exploration activities.

Subsequently, Beeby authored "Beeby I," the first draft of the minerals regime. When the agreement was formally on the table, it was known as CRAMRA. The treaty created three administrative institutions: the Antarctic Minerals Resource Commission, the Scientific, Technical, and Environmental Advisory Committee, and Regulatory Committees. The central Commission set rules and guidelines for the whole continent. The Advisory Committee would consist of experts who would write recommendations to the Commission and Regulatory Committees. Finally, CRAMRA instituted a Regulatory Committee for each separate application to implement and enforce management guidelines. CRAMRA separately defined prospecting, exploring, and developing activities. "Prospecting" activities are those in which actors survey the land for potential exploration. "Exploration" entails all activities that evaluate the mineral content of the land area. "Development" includes those activities that involve extracting the minerals from the ground.⁸¹ In order for an "operator" to actively partake in mineral activities in Antarctica, it has to acquire a "sponsoring state," one that is a party to CRAMRA. The sponsoring state would have to apply for a permit from the Regulatory Commission. The central Commission would be put together after the first application was received, and the Commission would need to decide whether or not to open certain areas for mining to that applicant and future prospectors.

There were six Beeby drafts, and each subsequent draft altered the roles of the latter institutions. Ultimately, the Commission and the Advisory Committee lost their responsibilities to the Regulatory Committees. In 1989, the treaty had been signed by nine nations when Australia announced it would not submit its signature. France soon followed, and on August 18, 1989 the Australian Prime Minister Bob Hawke and French Prime Minister Michel Rocard issued a joint statement regarding their withdrawal: "The two countries feel that the...specific roles of the Antarctic...call for a convention covering every aspect of the protection of the environment in the Antarctic and dependent or associated ecosystems. Such a convention could lay down the principles for regulating and prohibiting human activities which are harmful to the environment in the treaty area."⁸² Without the Australian and French signatures, CRAMRA could not enter into force.

This was the first time in environmental history that the environment was given priority over economics. Pro-mining countries such as the United States expressed outrage at the Australian and French delegations, and even argued that rejecting CRAMRA was a move against the entire Antarctic Treaty System. From the American perspective, CRAMRA was better than no treaty at all.

"By doing this, what the Australians and the French did was seek to fundamentally change the nature of the ATS. [CRAMRA] created the strongest possible presumption against mineral activity because all of the players had to agree that mineral activities should be considered. CRAMRA was a much better alternative to a country desperately seeking to pursue minerals activity and taking action on their own."⁸³

⁸¹ CRAMRA Article 1 (8-10)

⁸² Australian Overseas Information Service, Embassy of Australia. August 18, 1989

⁸³ Tucker Scully interview

Slowly, other countries joined the Franco/Australian camp. The Australian and French prime ministers presented a new proposal to the XVth Antarctic treaty consultative meeting in Paris in October 1989. In Recommendation XV of this proposal, the governments agreed to ensure “that human activity does not have adverse impacts on the Antarctic environment or its dependent or associated ecosystems or compromise the scientific, aesthetic or wilderness values of Antarctica.”⁸⁴ The Consultative Parties finally agreed to develop a comprehensive, environmentally conscious agreement. In 1991, the parties signed the Protocol on Environmental Protection, known commonly as the Madrid Protocol. The Protocol bans commercial mining activities on the continent for 50 years, starting from its ratification date of January 14, 1998. In 2048, the treaty will be up for review by the Consultative Parties.

An Unprecedented Move

In 1989, an unprecedented event took place: CRAMRA was discarded in favor of a more environmentally protective treaty, the Madrid Protocol. This was the first time in environmental law’s history that an international consensus concerning an exploitation agreement was overturned in favor of an exploitation ban on land thought to be a “global commons.” What caused this dramatic change in opinion? A theory will be presented in an attempt to prove that the non-profit community was primarily responsible for the fall of CRAMRA; however, it is important not to discount the role of the states, since it is only with their votes that ideologies are translated into law.

The Antarctic Southern Ocean Coalition

In 1977 Michael Kennedy (Fund for Animals-Australia), Milton Kaufman, and James Barnes (IUCN) established the Antarctic Southern Ocean Coalition (ASOC). They created ASOC to fulfill three main duties: to help the activists (i.e. Greenpeace), to increase public awareness regarding Antarctica, to assist centrist organizations such as the World Wildlife Fund (WWF) to pursue progressive campaigns, to increase IUCN’s capabilities to provide accurate scientific information, and to build an information network capable of distributing accurate information all over the world.⁸⁵ The Sierra Club, the Humane Society, the World Wildlife Fund-US, and various other whale and environmental organizations endorsed the ASOC idea. Kennedy, Kaufman, and Barnes then structured ASOC as an umbrella organization that would represent any group with an interest in Antarctica.

Barnes, a Washington lawyer who represented conservation and environmental organizations, took charge of the project. Barnes created ASOC not only as an NGO, but also as an advocacy network facilitating a link between transnational and domestic politics in international relations. By 1982 ASOC had 150 member groups. ASOC sought to prevent industrialization in Antarctica by fighting for Antarctica as a World Park and wildlife sanctuary. Groups such as Greenpeace, the Sierra Club, the Humane Society, Friends of the Earth, and the World Wildlife Fund initially financed the publication of ASOC’s newspaper, *ECO*, and paid for travel expenses to monitor all minerals and living resources-related meetings. While at the meetings, members distributed *ECO* to all of the attending delegations.

The first *ECO* of the Wellington meeting in 1982 featured a centerfold article titled “Permanent Wilderness the Best Choice” where the anonymous author suggested to the parties that a “sensible alternative [to mining] is declaring the Antarctic a protected permanent

⁸⁴ *ECO*, “What’s on the Table?” Volume LXXVII, Number 1, November 19, 1990, page 1.

⁸⁵ Letter from James Barnes to Hubert David of the European Environmental Bureau, June 11, 1982

wilderness.”⁸⁶ In addition, the article discussed the difficulty of resolving the sovereignty issue, and suggested the best way to circumvent any future conflicts would be to maintain Antarctica as a World Park belonging to everyone and to no one. After Wellington, Beeby released his “personal report,” known as the Beeby draft, to the treaty parties. Non-Consultative Parties and NGOs did not receive the draft until much later. When ASOC received it, Barnes had it published to spark a public debate. ASOC found most of Beeby’s stipulations objectionable because the language assumed that mining would occur.

At the same time, Barnes corresponded with Ambassador Koh of Singapore and Ambassador Zainal of Malaysia. Malaysia, a third world nation nervous that the Consultative Parties would create a regime that catered strictly to the Consultative desires, suggested using the United Nations as a mechanism for regulating activities in Antarctica. Barnes kept Ambassador Zainal updated on ASOC activities, such as publishing papers and distributing posters to key delegations. Ambassador Zainal acted on behalf of Greenpeace, requesting permission from the Chairman of the First Committee for Greenpeace to address the governments during the UN debate. The two discussed co-sponsoring a reception and film for delegations, the press, and NGOs. Barnes requested that Ambassador Zainal initiate a dialogue with Ambassador Muñoz of Mexico regarding Mexico’s role in the debate. Barnes perceived Mexico, Venezuela, Sweden, Yugoslavia, and Nigeria—all Non-Consultative Parties—as being important players because of their oil and technology interests. Denmark, the Netherlands, Peru, Uruguay, Spain, Cuba, Romania, Italy, the Federal Republic of Germany, Bulgaria, and Czechoslovakia—states acceding to the Antarctic Treaty—were pinpointed as good lobby targets because of their absence at the mineral negotiations. Barnes also looked to smaller nations such as Seychelles and Oman who advanced strong policies on whaling issues.⁸⁷ Finally, Barnes and Ambassador Zainal exchanged editing comments regarding the language and structure of a proposed UN resolution.⁸⁸

In perpetuating ASOC ideology, Barnes corresponded with key Consultative officials. In one set of letters between James Barnes and W.J. McG. Tegart of the Australian Department of Science and Technology, Tegart admitted that one Australian policy option for Antarctica was World Park status, but he stated that “the organizations that sponsor the concept have not clearly defined it, neither have they suggested how a World Park might be established. Issues such as mechanisms for management and control, and the political and financial aspects of these mechanisms, do not appear to have been considered.”⁸⁹ Tegart concluded with a request for more information. Barnes agreed that World Park details had never been fully fleshed out, but countered that they could be negotiated in a similar fashion as the minerals regime. Barnes recommended that the Antarctic Treaty Consultative Parties should agree to stop minerals negotiations by way of a legally binding treaty, collectively place their sovereign claims aside for the sake of a World Park, and ask the UN to take over the region with the Consultative Parties acting as “trustees” of the area. Barnes encouraged Australia, the largest claimant state, to be the first to bring these initiatives to the table to reduce the world’s enthusiasm for a minerals agreement.⁹⁰

⁸⁶ *ECO*, “Permanent Wilderness the Best Choice”; Volume XX, Number 1; Wellington, New Zealand: June 14-25, 1982.

⁸⁷ *Ibid.*

⁸⁸ Letter to Ambassador Zainal from James Barnes, October 31, 1983.

⁸⁹ Letter to James Barnes from W.J. McG. Tegart, November 12, 1982.

⁹⁰ Letter to W.J. McG. Tegart from James Barnes, January 18, 1983

With the UN debate in the First Committee from November 28-30, 1983, Barnes focused on two specific countries for ASOC to lobby. In a letter to David McTaggart and John Frizell of Greenpeace International, Barnes highlighted India, leader of the Non-Consultative Parties, and Brazil as target actors because they were the first developing nations to achieve Consultative status and voting rights. Barnes believed that they could positively affect the campaign if they used their “insider” positions to introduce environmental proposals and slow down the negotiations. Barnes believed that the slower the negotiations progressed, the greater the influence NGOs could have on their outcome. “It is doubtful that environmentalists will be able to greatly affect the substance of the minerals regime during the next six months, whereas we will have much greater potential if the regime takes several years to complete.”⁹¹ The slower the negotiations, the more time available to gather evidence to build a case against the minerals regime.

The following year ASOC members attended the Bonn meeting and used *ECO* as a podium to advance their argument that Beeby I undermined the values of the Antarctic Treaty System. “A key element in the Antarctic Treaty has been the requirement that decisions be made by consensus...The Beeby draft proposes that the minerals regime should abandon the principle of consensus decision-making except for a few clearly defined decisions by the proposed Commission.”⁹² At a first glance, Beeby I lists several environmentally sound standards. However, NGOs took issue with the fact that Beeby I’s mere existence assumed that there would be mining. *ECO* nicknamed the Beeby drafts as the “Slick Solution” because the regime circumvented the sovereignty issue by assigning a pre-set number of seats to claimant states on the Regulatory Committees and the Commission. The draft also abandoned the consensus method for decision-making: “The institutions of the regime and the way they relate to each other reveal that the protection of the environment has been sacrificed in favor of an internal political accommodation between the parties.”⁹³ U.S. negotiator Tucker Scully disagrees with these arguments:

“Under CRAMRA, before you could have ever considered minerals resource activity, everyone would have had to agree. Then you would have had another consensus regarding the guidelines of the area that the mineral resource activity would address. So everyone would have had to agree twice before you could even get down to specifics. [The claimants] could say that if there is going to be consensus we want to know how our interests as claimant states are going to be protected down the line...both sides needed to say that this is fair to us.”⁹⁴

ASOC continued its attack on Beeby I through ASOC-sponsored events such as hosting a lunch and workshop for the delegates.

During the Washington, DC meeting from January 18-27, 1984, sixteen ASOC organizations participated in demonstrations, lobbying, publishing *ECO*, and holding a Workshop for Protected Areas for diplomats. On January 18 a demonstration was held outside the State Department (the negotiations site) featuring a pair of three-meter high penguin stilt-walkers and a five-meter high inflatable blue whale. Six individuals wore penguin suits, and there were approximately one hundred 30-centimeter-high inflatable plastic penguins. The event

⁹¹ Letter to David McTaggart and John Frizell of Greenpeace International, November 7, 1983.

⁹² *ECO*, “Treaty Undermined”; Volume XXIII, Number 1; Bonn, West Germany: July 11-23, 1983

⁹³ Ibid. “Antarctic Minerals Regime: Beeby’s Slick Solution”

⁹⁴ Tucker Scully interview

attracted media attention from several television networks, radio stations, and newspapers. ASOC members were able to hold meetings with representatives from every delegation. The publication of *ECO* is a good example of ASOC members working as a team: Gar Smith of Friends of the Earth did most of the editing, the Center for Environmental Education provided the workspace, and Greenpeace acted as the *ECO* archive. In Washington, ASOC held a dinner and workshop that focused on protected areas in the Antarctic. Prior to the meeting, an information paper was written and distributed for the diplomats' perusal. The meeting provided an open forum for an exchange of ideas among NGOs, twenty-five delegates, two attending representatives from the UN study, and the media.⁹⁵

After the minerals meeting in Rio de Janeiro from February 26-March 12, 1985, Beeby circulated a new outline for another draft. Greenpeace countered with an "Antarctic Declaration" stating that Antarctica should become the first international park where minerals exploration and development will not be permitted. ASOC continued its contact with delegations, sponsoring diplomatic meals and workshops. *ECO* and the intensifying media attention continued to serve as vehicles for publicizing ASOC opinions.

ASOC supported experts such as Dr. Geoff Mosley, ex-director of the Australian Conservation Foundation, who advocated the World Park idea, and Professor Francis Auburn, author of a paper criticizing Environmental Impact Assessment (EIA) compliance records. Dr. Mosley wrote a book, *Our Last Great Wilderness*, that *ECO* reviewed and recommended for diplomats, scientists, teachers, and students.⁹⁶ At the April 1986 minerals meeting in Hobart, Australia, ASOC circulated a paper written by Professor Francis Auburn illustrating how environmental rules are weakly enforced.⁹⁷ He wrote this in conjunction with the observation that the negotiating parties "cited their custodianship of the environment as a principal basis for their continuing monopoly of decision-making."⁹⁸ Auburn posits that the effectiveness of EIAs must be seriously questioned. For example, Australia began to rebuild its station in 1981 without an EIA, and Poland built its station in 1977 in an "ecologically sensitive area." Auburn concludes by supporting the idea of an Antarctic Environmental Protection Agency (AEPA), an institution coined by ASOC.⁹⁹

In the face of the third Beeby, ASOC fleshed out the details of the World Park idea as a "form of management" and "set of principles" rather than a legal entity. To assert the feasibility of a World Park, ASOC points out that the Antarctic Treaty System is fully compatible with the idea of a World Park: "The values of a World Park are far more compatible with the Antarctic Treaty than the trend towards commercial exploitation of resources, which threatens to exacerbate tensions between claimants and non-claimants, undermine the present spirit of cooperation in scientific research, and destabilize the security of the region."¹⁰⁰ ASOC criticized the minerals regime for jeopardizing the principles of the Antarctic Treaty and claimed their idea for a World Park fit nicely into the schematic of the treaty system.

In order to further advocate the World Park idea, Greenpeace purchased a ship, "M/V Greenpeace," which set sail in November 1985 for Greenpeace's base at Cape Evans on Ross

⁹⁵ Barnes, Jim and Wilson, Roger. *Report on the Antarctic Minerals Meeting*, Washington, DC: January 18-27, 1984.

⁹⁶ Ibid.

⁹⁷ University and specialty unknown

⁹⁸ *ECO*, "Auburn's Assessment"; Volume XXXV, Number 1; Hobart, Australia: April 14-25, 1986

⁹⁹ Ibid.

¹⁰⁰ *ECO*, "As the World Park Turns"; Volume XXXIX, Number 1; Tokyo, Japan: October 27-November 12, 1986

Island, Antarctica. The stationed Greenpeace members also monitored the environmental impacts of other bases by publicly offering to throw their “rubbish heaps” out for them and sending home photos of the French airstrip project that leveled five adjacent islands.¹⁰¹ France justified its project by claiming that some type of air transportation was necessary to carry out scientific research at its base, Dumont d’Urville. However, Greenpeace-France offered the idea that France could purchase a cargo vessel where helicopters could land. To foster international cooperation, several Treaty states could purchase such vessels and coordinate a system.¹⁰²

ASOC began to make substantial progress after the 14th Antarctic Treaty Consultative Meeting in Rio de Janeiro from May 4-8, 1986, when the International Union for Conservation of Nature and Natural Resources (IUCN) and Non-Consultative Parties were invited to contribute advice on the environment. Furthermore, Chile declared that Antarctica should be designated a World Park. IUCN, an organization composed of national officials, governmental agencies with an interest in conserving the environment, scientific organizations, scientists, lawyers, and teachers, helps bridge the gap between science and policy. “Good science lies at the heart at the heart of sound conservation and environmental protection.”¹⁰³ The Treaty Parties agreed to the World Meteorological Organization (WMO) and the IUCN as observers of the minerals meetings as both are regarded as “expert” organizations in their field. The admission of Non-Consultative Parties as observers to the talk also constituted a victory for ASOC, which maintained close contact over the years with government officials from various nations such as Malaysia and Singapore. Later at the Montevideo, Uruguay minerals meeting in 1987 the head of the Chilean delegation, Ambassador Fernando Zegers, suggested Antarctica should become a World Park if certain issues could not be resolved in CRAMRA.

The Rio conference is a good example of how ASOC networked with local NGOs to put pressure on local governments. ASOC brought together diverse network of environmental organizations in Latin America and pursued major lobbying effort to get these NGOs places on their home delegations. Barnes wrote to several Brazilian organizations to ask for help in publishing *ECO*, holding a workshop on the AEPA, hosting a reception and working lunches for the delegates, and lobbying activities for changes to the Beeby draft that included circulating a comprehensive report on the meeting to 300 organizations located around the world. Barnes also urged his contacts at Brazilian NGOs to model other delegations and attempt to gain a seat on their own diplomatic team.

When Beeby VI came out, NGOs asked delegates if they were prepared to pay the price of sacrificing the environment in favor of the minerals regime. “At that stage, it appeared the answer was ‘yes.’”¹⁰⁴ Beeby VI, the last Beeby draft known formally as CRAMRA, was open for signing from November 1988 to November 1989. ASOC members increased their lobbying initiatives to prevent CRAMRA from entering into force. Every step of the process—signing, ratifying, passing implementing legislation—was an opportunity to delay the Convention’s entry into force. ASOC planned to use the delay to increase public awareness and opposition to mining to counter any preemptive move to explore. Barnes circulated national implementing procedures so individual members responsible for that country could make appropriate lobbying plans to delay the process.

¹⁰¹ Anonymous. “Calling the Antarctic club to account”, *The Dominion Sunday Times*, January 17, 1988.

¹⁰² *ECO*, “The French Blow It!!!”; Volume XXVI, Number 2; Washington, DC: January 18-27, 1984.

¹⁰³ Letter to James H. Zumberge from James Barnes, May 4, 1983.

¹⁰⁴ *ECO*, “Minerals Negotiations: An Environmental Tragedy”; Volume XLVIII, Number 1; Wellington, New Zealand: May 2-June 2, 1988

Australia and France walked away from CRAMRA in 1989, citing the Exxon *Valdez* oil spill as their primary reason for questioning how mining would affect the environment. However, domestic politics and ASOC campaigns need to be considered for both cases. During the campaigns of the June 11, 1987 election, the Australian economy was marked by high inflation and unemployment. Liberal Party leader John Howard proposed a series of tax cuts that proved to be successful bait for the Liberal Party in 1977 and 1980. To counter the cuts, Howard would reduce public spending and eliminate agencies such as the federal environmental protection department. The Labor Party, on the other hand, courted the green vote and was awarded the victory on election day. The Wilderness Society campaigned for the Labor Party. Their campaign targeted twelve seats—they won eleven. “We have become a permanent power in our country; a true manifestation of a grass-roots movement that has demonstrated that an appreciation of our natural heritage can triumph over an appeal to greed.”¹⁰⁵ But Senator Graham Richardson denied that the “Australia government’s sudden championing [of an environmental measure] had anything to do with the seats won by the Green Party in Tasmania.”¹⁰⁶ Instead, the Senator cited the inability of a state to sign CRAMRA and enter a reservation that the state opposed mining.

Identifying Australia as key target country, ASOC maintained high visibility in the Australian media and invested considerable resources in the Australian campaign. ASOC received a lot of public support for its campaign in Australia. Australian members of ASOC, specifically the Australian Conservation Foundation, had strong ties to the foreign minister and the Prime Minister, which ASOC used to its advantage. ASOC used public opinion and its strong ties to the government to sway government policy.

In 1981 Francois Mitterand was elected President of France. The Mitterand camp promised to forge a new relationship between citizen and state. Mitterand was re-elected in 1988 and promised a strong France in a united European community.¹⁰⁷ In France, ASOC received substantial assistance from the Jacques Cousteau Foundation. Jacques Cousteau, a renowned conservationist who retained considerable influence in the French government, and Barnes corresponded by mail to keep one another posted on current events. Cousteau lobbied his government hard for a statement that France would not support the minerals convention. “We are pointing out to them that it would better to take the initiative with a new, no-mining track, than to be left clinging to CRAMRA along with the miner states.”¹⁰⁸ The Cousteau Foundation publicly supported the World Park idea and collected over 50,000 on a petition calling for France not to ratify CRAMRA by April 1989. In a letter to Barnes, one ASOC member wrote, “there are already clear indications that the government is influenced by their campaign.” Later, Cousteau boasted one million signatures. An April 10 email to Barnes from Kelly Rigg passed on the rumor that France, as a result of domestic pressure, said they would put off signing until October of 1989. By June 1989, the French government approached Cousteau asking him for

¹⁰⁵ West, Jonathan. LA Times, "Late-Blooming Greenies Show Clout in Australia", Metro, PArt 2, Page 5, Column 1, Op-Ed, July 15, 1987

¹⁰⁶ email from ASOC-NZ to Lyn Goldsworthy, Kelly Rigg, and James Barnes, July 3, 1989.

¹⁰⁷ Financial Times (London) April 7, 1988, Davidson, Ian, "Strong France in a United Europe is Mitterand Aim, Section 1, European News, Pg.2

¹⁰⁸ Letter to James Barnes from Jacques Cousteau, date unknown

ideas on alternatives to CRAMRA that would cover the legal, scientific, environmental, and political issues.¹⁰⁹

At the Consultative Preparatory Meeting in May 1989, ASOC distributed to all attending delegates an Information Paper regarding the option of a comprehensive environmental protection convention. NGOs from ten countries worked together to represent fourteen organizations at the XV Antarctic Treaty Consultative Meeting in Paris in October 1989. Non-papers backed every area ASOC members chose to lobby: Greenpeace's application for Observer Status to the Antarctic Treaty, the World Park concept and mechanisms for implementation, the creation of an environmental subcommittee, the AEPA, and Dumont d'Urville. Lobbying briefs were written and distributed regarding all of the proposals for Antarctic Protected Areas, Dumont d'Urville, all of the projects undertaken since 1987 accompanied by an EIA and an analysis of the EIA, and the AEPA. NGOs lobbied their home governments on most of these items and "as a result of this lobbying, there was a focus on environmental issues that had not been achieved before at an ATCM."¹¹⁰

In addition to all of the non-papers and briefs, *ECO* published six issues, concentrating on influencing the parties to hold a Special Consultative Meeting in 1990 on comprehensive environmental protection measures, further advocating the Australia-French initiative for a Comprehensive Environmental Protection Convention, discussing new protected areas that would be classified as wilderness, EIAs, improved NGO relations with the Antarctic Treaty System, and greater access to information. "By the end of the XV ATCM some progress had been made in advancing most of these objectives. This was one of the more important Antarctic Treaty Meetings to take place in a long time."¹¹¹ An NGO press conference was held on the first day of the meeting, and it received a very large turnout from the international media. Individual NGOs such as Friends of the Earth and WWF-International released their new positions: opposing CRAMRA and supporting the Australian-French initiatives. ASOC also held private sessions with more than half of the 39 delegations and spoke personally with at least one member from every delegation. Members were invited to every reception and had coffee with various delegates twice a day; in both situations ASOC lobbyists were able to provide advice and forward their ideas for holding a Special Consultative Meeting on the environment and developing a broad base of support for Australia and France.

The battle against CRAMRA had effectively been won; without Australia and France, CRAMRA could not enter into force. Soon the ASOC email network was alive with letters congratulating various members on their home country's withdrawal from CRAMRA. Belgium withdrew next and the domino effect ensued. The United States, the United Kingdom, and Japan opposed dropping CRAMRA. At an NGO planning meeting on December 12, 1989, members agreed that a high priority for the US strategy was obtaining support from more than one-third of the Senate for the Gore Resolution. This resolution called for a new international agreement to protect Antarctica as a global ecological commons. "To some extent, the present US policy rests on the premise...that the US should preserve the option of obtaining minerals from Antarctica if environmentally feasible to do so. A medium term objective is to remove this as a component of US policy."¹¹² Although the US negotiating team supported CRAMRA, passing the Gore

¹⁰⁹ Email to James Barnes from Lena Hagelin, June 1, 1989

¹¹⁰ Barnes, Jim and Goldsworthy, Lyn. "Report of the 15th Antarctic Treaty Consultative Meeting", December 1, 1989

¹¹¹ Ibid.

¹¹² Barnes, James. "Background and Talking Points for Lobbyists Working on Antarctic Issues"; January 9, 1990

Resolution would be a signal to the Bush Administration that CRAMRA was unacceptable to Congress.

In order to achieve the latter objective, Barnes and colleague Rick Adcock identified Senators lobbyists could pressure. On the top of the list were the sixteen co-sponsors,¹¹³ six Democratic and eight Republican senators on the Foreign Relations Committee,¹¹⁴ and nineteen additional senators. On September 8, 1989, The Antarctica Project presented testimony to Congress on behalf of ASOC stating the necessary actions to protect Antarctica. The Environmental Defense Fund wrote a letter to every member of the Senate on behalf of ASOC, and Greenpeace wrote the House to support the Owens Resolution. This resolution prohibited US companies from conducting *any* minerals related activities in Antarctica. ASOC wrote President Bush pushing for US support of the Australia-France initiative, and ASOC members were “quietly working with individuals within the State Department, Environmental Protection Agency, Council on Environmental Quality, and other agencies.”¹¹⁵ In addition, ASOC tried to meet with Secretary Baker, who they believed was open-minded on the topic.

The next large task was to replace CRAMRA with a convention that would provide comprehensive environmental protection. The parties next met at an Antarctic Treaty Special Consultative Meeting held in Vina del Mar, Chile in November 1990. ASOC, granted observer status, brought with it a hefty agenda: convincing the parties to adopt a legally binding permanent ban on all minerals activities in the Antarctic as a permanently protected area. A Commission, an Environmental, Scientific, Safety, and Technical Committee, and an Antarctic Inspectorate composed the ASOC proposal. The Commission would consist of representatives from treaty parties as the central organ of the regime, responsible for decision-making and oversight. The Committee would be compiled of representatives from treaty parties to advise the Commission on guidelines, EIAs, and state projects. The Inspectorate, individuals competent in fields of science, environment, and technology, would be responsible for conducting inspections of all projects. In addition, the ASOC proposal included environmental evaluations, reporting, monitoring, and inspecting mechanisms, response actions if an activity threatened the environment, liability and compensation measures, dispute settlement procedures, and financial provisions.¹¹⁶

During 1990 public pressure increased worldwide for a mining prohibition in Antarctica. This was typified in New Zealand, a hard-line mining advocate during the negotiations. When Australia backed away from CRAMRA, New Zealand slammed Australia for sacrificing “substantial environmental protection for an ‘unachievable ...Utopia.’”¹¹⁷ *ECO* reported that when diplomats signed CRAMRA in June 1988, there were already a substantial number of citizens who opposed the agreement. “More and more New Zealanders saw through the

¹¹³ Senator Gore, Senator Warner, Senator Cranston, Senator Sanford, Senator Adams, Senator Kerry, Senator Wirth, Senator Baucus, Senator D’Amato, Senator Dodd, Senator Leahy, Senator Daschle, Senator Mikulski, Senator Sarbanes, Senator Graham, and Senator Reid

¹¹⁴ Senator Pell (D), Senator Biden (D), Senator Simon (D), Senator Moynihan (D), Senator Robb (D), Senator Lugar (R), Senator Kassebaum (R), Senator Boschwitz (R), Senator Pressler (R), Senator Murkowski (R), Senator McConnell (R), Senator Humphrey (R), and Senator Mack (R)

¹¹⁵ Barnes, James. “Background and Talking Points for Lobbyists Working on Antarctic Issues”; January 9, 1990

¹¹⁶ *ECO*, “What We Want”; Volume LXXVII, Number 2; Vina del Mar, Chile: November 20, 1990.

¹¹⁷ Humphries, David. *Associated Press*, “Decision not to sign Antarctic Treaty angers New Zealand”; August 24, 1989

argument that the Minerals Convention would protect Antarctica.”¹¹⁸ This put New Zealand in an awkward position as Chris Beeby, the Convention chair, represented New Zealand. The New Zealand National Party came out in favor of the World Park idea, and when the National Party won the general election, New Zealand officially joined the environmental bandwagon.

In 1991 ASOC geared up for the second session of the Antarctic Treaty Consultative Meeting in Madrid, Spain. By this time every nation supported some form of mining ban. ASOC’s objectives for the meeting were to push the delegations in favor of a permanent mining ban and an environmental protection treaty, to inform the delegates of the increasing public demand for such a regime, maintain environmental protection as the central theme of the meeting, and keep the public updated on all of the events during the meeting. To achieve these objectives, ASOC members participated on national delegations and used its observer status to submit two information papers: ASOC’s revisions of the Andersen text and an annex for liability and compensation for activities in the Antarctic. In addition, ASOC held a press conference for national and international media representatives. At the end of the meeting, ASOC authored a final press release detailing the meeting’s events.¹¹⁹

The meetings in Madrid gave rise to the Madrid Protocol, an agreement that bans mining for fifty years from the date of its implementation; after fifty years the treaty can be reviewed. The United States added this “walk-away” clause at the last minute because it fiercely opposed a permanent mining ban. ASOC found that its next assignment was to ensure that every country ratified the Protocol and passed implementing legislation. To accomplish this, ASOC members acted as watchdogs over national domestic processes. The Madrid Protocol entered into force on January 14, 1998 and ASOC registered a victory.

Conclusion

ASOC built an advocacy network that won its fight against mining in the Antarctic because there were two nations whose domestic atmospheres were conducive to reversing the governments’ decisions to sign CRAMRA. Without Australia and France, CRAMRA probably would have entered into force. Without ASOC, Australia and France might not have felt a sufficient amount of pressure to withdraw from CRAMRA. ASOC can be classified as a transnational advocacy network whose members included epistemic communities, NGOs, and governmental officials. The Antarctica Project was the nucleus of the network. First, Barnes, founder of ASOC, was himself extremely tied to the IUCN, an organization comprised of scientists, scientific organizations, teachers, and politicians. In addition, ASOC supported scientists and conservationists, such as Dr. Mosley and Dr. Auburn, by publicizing their books and using them as guest speakers at various meetings.

Second, ASOC is a coalition of almost 200 organizations represented in almost every treaty nation.¹²⁰ These organizations were called upon to conduct heavy lobbying activities on their home governments. For example, Barnes did not hesitate to contact the Brazilian organizations for assistance at the Rio meeting. When problems or opposition arose in countries

¹¹⁸ *ECO*, “New Zealand Comes Home”; Volume LXXVII, Number 3; Vina del Mar, Chile: November 23, 1990.

¹¹⁹ “ASOC Report on the Second Session of the XI Antarctic Treaty Special Consultative Meeting”; Madrid, Spain: April 28, 1991.

¹²⁰ The complete and current list of ASOC members can be found in Appendix A.

such as Japan, Barnes maintained close contact with the ASOC representative stationed in Japan for updates on activities and pressed for inside information.

Third, Barnes's early relationships with Ambassador Koh and Ambassador Zain demonstrate how important government leaders are to an advocacy network. Barnes knew that UN involvement would weaken the Consultative Parties' monopoly over decision-making in the Antarctic, but ASOC did not have a voice in the UN. However, Malaysia did have a voice and Ambassador Zain used his political status to bring the Antarctica issue to the floor of the UN. In addition, the Jacques Cousteau Foundation, a French NGO that worked in conjunction with ASOC, was primarily responsible for reversing the French decision to sign CRAMRA. French Prime Minister Rocard found a partner in Australian Prime Minister Hawke and the duo set out to conquer CRAMRA. Without these two leaders, CRAMRA might have been signed, ratified, and implemented. Instead, they adopted a conservationist stance and worked with ASOC members (NGOs and individuals) to persuade the world to join their campaign to save Antarctica.

ASOC members utilized information politics, symbolic politics, leverage politics, and accountability politics to make their campaign a successful one. First, information politics was used several times throughout the ASOC story. At every minerals meeting, ASOC sponsored information lunches and workshops, wrote information papers, published *ECO*, and held press conferences. In addition, Barnes's email network served as an information network because ASOC members could obtain data from anywhere within 24 hours. Second, symbolic politics was clearly employed during the demonstrations at the Washington minerals meeting. Demonstrators chose to dress as penguins because the penguin is the unofficial mascot of Antarctica; every *ECO* issue featured a cartoon with penguin characters.

ASOC applied leverage politics when they needed assistance with bigger target actors. In the case of the UN debate, Barnes acknowledged key states that could assist in passing a resolution. He passed this information on to Ambassador Koh and Ambassador Zain in order for them to wage their own campaigns on their colleagues. In France, ASOC used its connection to Jacques Cousteau, someone with substantial influence in the French government, in order to put extreme pressure on the French officials. In the case of CRAMRA, Prime Minister Rocard and Prime Minister Hawke used their political clout to promote their conservationist views on Antarctica.

Similarly, ASOC used accountability politics to hold actors responsible for neglecting the environment. This was especially observable in *ECO* articles, which were distributed to all attending delegations. When the US and the UK continued to oppose dropping CRAMRA, *ECO* articles slammed these actions. The US and UK delegations then offered arguments to justify their opinions, to which *ECO* quickly responded. In addition, ASOC press conferences pointed fingers at delinquent delegations. Although ASOC boasted a membership of over 150 members during the CRAMRA/Madrid Protocol years, at least one incident threatened ASOC's stability when diplomats sensed a possible divide in ASOC opinion. However, the ASOC executive team worked quickly to resolve the situation and provide a united front.

Keck and Sikkink posit that the denser the advocacy network, the more effective it will be. However, some actors in the network may act contrary to what the larger group is trying to achieve. For example, Guy Salmon of the Native Forests Action Council (New Zealand)—which later became the Maruia Society—wrote to Russell Marshall, the New Zealand Minister of Foreign Affairs, supporting CRAMRA without consulting his environmentalist colleagues. Cousteau commented that “on Antarctica, his letter is little more than gratuitous

sabotage, in breach of all campaign ethics and manners, given that he has not talked to one of us about his ideas, doubts, etc.”¹²¹

Another problem with a large network may be that not every member agrees with published opinions that are supposed to represent the whole coalition. An email to Barnes from Kelly Rigg referred to a possible split in ASOC:

“I believe that there is no longer any argument to be made about a split in ASOC. The fact that WWF International signed on to David and Sir Peter’s letter congratulating Hawke must surely be interpreted as a preference for CRAMRA not to come into force. Perhaps this new situation could be used to bring Sierra Club and Audubon in line as well?”¹²²

Diplomats picked up on the discrepancy. In a May 1989 radio interview, Marshall was told that “ASOC is not unanimous about [Australia and France being more environmentally conscious than pro-CRAMRA states such as New Zealand]. There are some of them who recognize that this was the best that could be gotten for now.”¹²³ If at least one group runs astray, the network can appear divided and unorganized, thus drastically reducing its effectiveness and its legitimacy.

The Antarctica issue is important for several reasons. First, it is especially timely now with the California energy crisis and the push to excavate the Alaskan wildlife refuge. Politicians argue that the technology exists where we can extract oil in those extreme temperatures without harming the environment. In addition, they feel it is time to reduce the US’s dependency on foreign oil. They could use precisely these arguments to convince the general public to exploit Antarctica. Second, the Antarctic Treaty System as a whole represents an issue where countries set aside sovereignty in favor of an agreement. This is an important precedent that has influenced other environmental issues such as the Law of the Sea. What sort of impact can these principles have on other negotiations such as the Kyoto Protocol? Finally, this story illustrates the power of NGOs on the international level. Classical realism tells us that only states are actors on the international stage. This no longer holds true, as we see NGOs with seats at the UN and on diplomatic delegations. One can only hope that NGOs use these lessons to increase their legitimacy and influence. In fifty years, when the Madrid Protocol is up for review—depending on the world’s energy situation—they might need it.

Analysis

The Antarctic Southern Ocean Coalition was primarily responsible for the change in global attitude towards mining in Antarctica because it built an advocacy network of NGOs, epistemic communities, and government officials who followed clear strategies and effectively lobbied important pressure points. Advocacy networks and states coexist in a symbiotic relationship; one cannot be effective without the other. The government officials utilize their “negotiator” status to create concrete policies during negotiations. ASOC’s success can provide important lessons for any activist group: NGOs can change international law. Particularly surprising in this case is that ASOC and its nucleus, the Antarctica Project, were the ideas of one man, James Barnes. Further, the Antarctica Project was never staffed by more than two or three people. Therefore, it is feasible for a handful of people to be effective on the international stage if they have the proper contacts.

¹²¹ letter to James Barnes from Jacques Cousteau, date unknown

¹²² email to James Barnes from Kelly Rigg, May 25, 1989

¹²³ email to Kelly Rigg, Lena Hagelin, and James Barnes from ASOC-NZ; “Australia Decision: NZ debate”, May 24, 1989

Several weaknesses exist with the theory that ASOC successfully orchestrated a collective effort to kill CRAMRA. First, the reasons for the French and Australian departures are similar for the two countries: both were disillusioned with drilling for oil after the *Exxon Valdez* tragedy, and Australia was chasing its respective “green” votes for electoral purposes. In this situation ASOC is a completely irrelevant variable. Furthermore, it is reasonable to speculate that NGO lobbying efforts had only marginal influence: by the time the CRAMRA negotiations were underway the oil crisis had softened so the urgency to find new reserves disappeared. Finally, it is naïve to believe that the Madrid Protocol will protect Antarctica forever. The Protocol’s protectionist measures are not infinite; in fifty years the treaty is scheduled for review. It can also be rendered invalid if two-thirds of the signatories vote to overturn the Protocol. If the Protocol is undermined in fifty years, then the coordinated efforts of the states and NGOs would not have changed international environmental law, they would have only stalled an inevitable policy.

Conclusion

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Italian Foreign Policy: Developed in Rome or developed in Washington? by Joseph Palazzo

I. Introduction

Former U.S. State Department spokesman James P. Rubin recently wrote a series of articles in the *Financial Times* about his experiences with Madeleine Albright at the 1999 Rambouillet Negotiations over Kosovo. In recounting the events of the conference, Rubin claimed that one of the single largest obstacles to reaching consensus was the behavior of the European countries in the Contact Group. Specifically, Rubin accused Italy of closely representing Serbian interests. Said Rubin, "The Italians were now collaborating with the Serbs to end the conference on Belgrade's terms...I was stunned that Italy would carry water for Milosevic so blatantly."¹²⁴ Rubin wrote that Italian Foreign Minister Lamberto Dini, head of the Italian delegation at Rambouillet, was secretly "sharing document drafts with Serbian president Milutinovic"¹²⁵ while the Contact Group was still engaged in preparatory talks before meeting with either side of the conflict. Later in the conference, Rubin wrote that the Italians were staunchly opposed to allowing a provision to implement the agreed upon peace plan with force. More specifically, Italy wanted the peace plan to be voluntary and not involve NATO troops or military intervention. This was a sticking point in the negotiations, and slowed the process significantly before Italy eventually relented.

Rubin's account of the Rambouillet Negotiations raises interesting questions for students of U.S.-Italian relations. Most obvious is whether the relationship between the two nations is changing. Are these two countries with seemingly strong military, cultural, and economic ties drifting apart in their treatment of foreign affairs? America has traditionally enjoyed a close partnership with Italy on issues of international concern. The relationship dates back to the end of the Second World War, and has been characterized by what many scholars such as Kogan,¹²⁶ Ginsborg,¹²⁷ and Mignone¹²⁸ regard as a one-sided friendship. In fact, Italy lined up behind American foreign policy so often during the Cold War that it became known in the West as "America's closest ally."¹²⁹

So how could "America's closest ally" differ so strongly with the United States as to resolution of the violence in Kosovo? Unknowingly, Rubin offers up an explanation in the aforementioned *Financial Times* articles. Of Italy's outwardly pro-Serb position at Rambouillet, Rubin writes, "This was not a total surprise since Italian public opinion was hostile towards the prospect of NATO intervention against their Serbian neighbors."¹³⁰ Rubin's statement implies

¹²⁴ Rubin, James P. *Countdown to a Very Personal War*. *Financial Times*. September 30/October 1, 2000. Weekend Page 1.

¹²⁵ *ibid*

¹²⁶ Kogan, Norman. *A Political History of Italy*. Lerici. Milan: 1965.

¹²⁷ Ginsborg, Paul. *A History of Contemporary Italy: Society and Politics 1943-1988*. Penguin Books Ltd. London : 1990.

¹²⁸ Mignone, Mario B. *Italy Today: At the Crossroads of the New Millennium*. Peter Lang Publishing, Inc. New York: 1998.

¹²⁹ Ginsborg, Paul. *A History of Contemporary Italy: Society and Politics 1943-1988*. Penguin Books Ltd. London : 1990.

¹³⁰ Rubin, James P. *Countdown to a Very Personal War*. *Financial Times*. September 30/October 1, 2000. Weekend Page 1.

that there exists a close connection between Italian foreign policy decisions and the attitude of the Italian public. If this statement is true, then a shift in Italian public opinion might be the reason for a break in U.S.-Italian relations.

Such fundamental questions warrant a thorough examination of the modern U.S.-Italian relationship. Keys to the analysis of relations between the two countries are:

1. Establishment of the origins of the common perception espoused by Ginsborg, Mignone, and others that the U.S. has dictated Italian foreign policy and implemented it through interference in domestic affairs
2. Identification of any possible breaks between foreign policies
3. Examination of Italian public opinion over the years
4. Comparison of Italian foreign policy decisions with public opinion, paying special attention to decisions with implications towards Italy's relationship with the U.S.
5. Assessment of the role of public opinion in Italian foreign policy

Upon completion of this analysis, a better understanding of modern U.S.-Italian relations may be gained. Besides piecing together a recent history of the relationship, this analysis will attempt to identify whether American influence or Italian public opinion has a stronger impact on the formulation of Italian foreign policy.

II. History of the Modern Relationship

Domestic and foreign affairs were closely intertwined throughout the Cold War period in Italy. The prevention of Italy's Communist party (PCI) from holding power in the national government was the main foreign policy objective of the United States towards Italy from the end of the Second World War until the PCI's dissolution in 1991. At the center of the "soft underbelly of Europe"¹³¹ and on the cusp of both North Africa and the Middle East, Italy was deemed a country too strategically important to let fall into the Soviet sphere of influence. PCI membership of nearly 2 million people,¹³² coupled with the concern over communists in both Greece and Yugoslavia made the threat of a communist rise power in Italy very real.

The Truman administration became determined to keep communism down in Italy. Seeing PCI success as a result of poverty and despair among Italy's peasant and working classes, the plan of action decided upon by Truman and his staff was immediate reconstruction of Italy's economy through billions in aid and through stable democratic leadership. America's reasoning was that if the Italian economy flourished under democratic leadership, then the masses would eventually support that leadership and the PCI would be weakened. Acting U.S. Secretary of State Joseph Grew wrote in June of 1945, "Our objective is to strengthen Italy economically and politically so that truly democratic elements of the country can withstand the forces that threaten to sweep them into a new totalitarianism."¹³³

America began its simultaneous quest to rebuild the Italian economy and empower the center-right Christian Democratic party (DC) almost immediately after the war's conclusion. Through the United Nations Rehabilitation and Relief Administration (UNRRA), the U.S. pumped more than 450 million dollars worth of goods into the country. The U.S. hoped that by providing a significant portion of Italy's total relief funds, (American imports made up 70% of

¹³¹ McCarthy, Patrick. The Crisis of the Italian State: From the Origins of the Cold War to the Fall of Berlusconi & Beyond. St. Martin's Press. New York: 1997.

¹³² Sassoon, Donald. Contemporary Italy: Economy, Society and Politics since 1945. Addison Wesley Longman Publishing. New York: 1997.

¹³³ Kogan, Norman. A Political History of Italy. Lerici. Milan: 1965. Page 47.

total food, 40% of total fuel, 82% of total agricultural products, 22% of total industrial material and machinery, and 100% of total medical supplies),¹³⁴ the Italian people would show their appreciation and vote for the U.S.-supported DC in the country's first free elections in 1948. As the crucial election neared, the UNRRA program gave way to billions of Marshall Plan dollars. The heavily publicized Marshall Aid not only worked to win over the general Italian populace, but it also lured many business elites to the DC, who were eager to both protect their property and rebuild the nation's industrial base.¹³⁵ Secretary of State George Marshall made the ultimatum especially clear to the Italian people when in March of 1948 he declared that, "all help to Italy would immediately cease in the event of a Communist victory."¹³⁶

Other tactics employed by the U.S. government included recorded messages by Hollywood movie stars that supported the DC, and a huge letter-writing campaign within the Italian-American community in the U.S., the goal of which was to convince family members and friends in Italy to vote against the PCI. Another American move that received a significant amount of positive media attention in Italy was the promise to return the disputed Trieste region that, at the time, was still under international occupation.¹³⁷

America's extraordinary efforts paid off in 1948 when the DC finally won a decisive victory in the much-anticipated election. Alcide De Gasperi, Prime Minister since 1945, then cemented Italy's relationship with the U.S. by signing the North Atlantic Treaty on April 4, 1949. With receipt of billions of dollars in Marshall Aid and now a member of NATO, Italy was firmly anchored to the United States both economically and politically. The U.S. immediately began to bolster its influence in Italy by expanding its ties to the country. Major American military bases were established throughout the country. The port of Naples became the location for NATO's South Europe Command and subsequently the home to the U.S. Navy's Sixth Fleet. America agreed to buy Italian exports and continued to send massive import shipments. The U.S. government extended a generous line of credit to the Italian government on top of Marshall Aid, and let it be known that it would not grant contracts to Italian factories where communist-dominated unions continued to poll a majority of the workers' votes.¹³⁸ The CIA even assisted with the creation of the secretive Gladio Organization in the early 1950's, whose covert mission was to fight the Communists from within Italy in the event of a sudden PCI rise to power. Lastly, millions of dollars (more than 75 million, according to a 1976 Congressional report on CIA activities)¹³⁹ continued to secretly be funneled to the DC annually to support their firm grip on electoral success.

This American influence, coupled with the large Italian economic boom, helped secure the DC as the leader of national government during the Cold War period. Subsequently, the United States remained quite friendly with Italy and enjoyed especially warm relations with the Christian Democratic Party. The Italian government therefore supported virtually all American foreign policy initiatives for nearly twenty-five years after World War II. Italy supported

¹³⁴ Ginsborg, Paul. A History of Contemporary Italy: Society and Politics 1943-1988. Penguin Books Ltd. London : 1990. Page 472.

¹³⁵ Grindrod, Muriel. The Rebuilding of Italy: Politics and Economics 1945-1955. Oxford University Press. London: 1955. Page 122.

¹³⁶ Ginsborg, Paul. A History of Contemporary Italy: Society and Politics 1943-1988. Penguin Books Ltd. London : 1990. Page 115.

¹³⁷ Partridge, Hilary. Italian Politics Today. Manchester University Press. Manchester, UK: 1998. Page 179.

¹³⁸ Mignone, Mario B. Italy Today: At the Crossroads of the New Millennium. Peter Lang Publishing, Inc. New York: 1998. Page 103.

¹³⁹ *ibid*, Page 108.

American initiatives on the Korean peninsula, agreed with U.S. policy toward China and Taiwan, and also endorsed U.S. intervention in Egypt during the Suez Canal crisis of the late 1950's. This support in Egypt was particularly valuable to the U.S., because of Italy's friendly ties with Egypt and the Arab world community. It is also important to note that throughout the Vietnam War, Italy was far less critical of the United States than many of its European neighbors. Instead, Italian Prime Minister Mariano Rumor tried to mediate a solution between the two sides.¹⁴⁰

In the 1970's, U.S.-Italian relations turned over a new leaf. Italy began to conduct its international policy with much less emphasis on making it consistent with American policy. The differences were initially minor. First, Italian automobile giant FIAT opened a plant in the Soviet Union. Then, the Italian government allowed Libyan Colonel Muammar Qaddafi to buy large shares of several Italian industries. Additionally, Italy publicly criticized America's readiness to use force in the Middle East, and at a time when the U.S. was firmly committing itself to supporting Israel, Italy began to develop ties to the Palestinian Liberation Organization.¹⁴¹

These differences caused the U.S. government to worry that American influence in Italy had suddenly begun to erode. As these worries reached a crescendo at the start of the 1980s, Italy seemed to resolutely affirm its commitment to the U.S. and the Atlantic Alliance. First, Italy decided to comply with a U.S.-led boycott of the 1980 Olympic Games in Moscow as protest of the Soviet invasion of Afghanistan. The U.S. did not overlook the importance of Italy's compliance, as other close allies such as the United Kingdom participated fully in the Games. More importantly, in 1981 Italy welcomed the installation of American nuclear missiles at a NATO facility near Comiso, Sicily. Other European governments protested vehemently against similar installations in their respective countries and on European soil, yet the Italian government seemed entirely unopposed. This was a major boost to U.S.-Italian relations, because the missile installation was, at the time, seen by America as a crucial step in maintaining security in Europe.

The boost in bilateral relations would be short-lived, however. The first major diplomatic flare-up between the two countries occurred shortly after the completion of the NATO missile site at Comiso. In October of 1985, U.S. Navy pilots forced escaping Arab hijackers off an Italian cruise ship landing at Sigonella, Sicily. The terrorists murdered an American citizen during the hijacking of the *Achille Lauro*, and the U.S. expected the hijackers to be extradited for trial in the U.S. To the shock of the rest of the world, however, Prime Minister Bettino Craxi released the men because of Italy's national policy of not extraditing suspects to countries where they may face the death penalty. The move considerably strengthened Italy's credibility in the Arab world, but stunned and angered the United States.¹⁴²

Since the *Achille Lauro* affair, the U.S. and Italy have maintained friendly relations, but much has happened within Italy's internal political system. With the fall of the Berlin Wall in 1989, came the end of the PCI. Two years later the DC was dissolved in the wake of a massive bribery scandal that also brought an end to the Socialist party. With the sudden disappearance of Italy's three largest political parties, the 1990's marked a new era in Italian politics. Most scholars now refer to it as the beginning of the Second Republic. In this Second Republic, American influence in domestic and foreign affairs has been drastically reduced. In the words of former Italian President Francesco Cossiga, "the American lobby in Italy died with the First

¹⁴⁰ Ginsborg, Paul. *A History of Contemporary Italy: Society and Politics 1943-1988*. Penguin Books Ltd. London : 1990. Pages 301-302.

¹⁴¹ McCarthy, Patrick. *The Crisis of the Italian State: From the Origins of the Cold War to the Fall of Berlusconi & Beyond*. St. Martin's Press. New York: 1997. Pages 47-48.

¹⁴² *ibid*, 48.

Republic.”¹⁴³ Yet, as a fellow member of NATO and the Group of Seven, as well having a common commitment to democratic principles and ideals, Italy naturally continued to share similar interests with the United States in international affairs. For example, Italy strongly supported and participated in Operation Desert Storm at the start of the 1990’s.

Italy also participated in the United Nations operation in Somalia (UNITAF) that began in December of 1992. The ordeal turned out to be the cause of another significant diplomatic rift between Italy and the U.S. UNITAF’s Security Council mandate was to “establish a secure environment for humanitarian relief operations.”¹⁴⁴ Italy interpreted this mandate to outline a noncombatant mission to help feed the Somali people. The Italians accepted the potential dangers of the mission, but did so with the understanding that the U.S.-led UNITAF forces would not get involved in Somalia’s civil strife. Therefore, when UNITAF soldiers began to encounter violence in June of 1993, Italy strongly opposed offensive retaliation by UNITAF forces as a violation of their UN mandate. The United States, however, launched retaliatory air strikes on some of Somalia’s warlords that also killed hundreds of civilians. Then, on July 2nd, three Italian soldiers were killed and twenty-two wounded in an ambush attack by Somali gangsters. The casualties were the first for the Italian military since World War II, and the Italian government reacted with outrage. They immediately demanded the United Nations that the operation be halted. Prime Minister Carlo Ciampi accused the U.S. of, “having transformed a peace mission into a military intervention almost as an end in itself, against the wishes of those who were carrying it out.”¹⁴⁵

The Italian government did not soon forget what happened in Somalia. Several years later, ethnic cleansing in the former Yugoslavia caused the U.S. to again assemble a coalition of willing participants to intervene in Bosnia. This time however, Italy did not offer troops right away. In fact, although it did eventually offer funds and supplies for the effort, the Italian government expressed deep reservations about the U.S. and others using force to rectify the situation.¹⁴⁶

As noted earlier, Italy maintained this reservation towards the use of military force in 1999 during the crisis in Kosovo. At most conferences and in most communications between members of the Contact Group, Italy lobbied against military intervention and other means that it thought would hurt the Serbian people more than their government. The Americans, who ultimately led the operation, pushed very hard for the sanctioning of air strikes and possible ground troop deployment. Eventually, the Italians backed down and offered a significant number of resources to the campaign. Italy helped pay for the mission, donated personnel and equipment, and converted several civil airfields to NATO bombing depots. It is fair to state that although

¹⁴³ Caracciolo, Lucio and Michel Korinman, eds. What Italy Stands For. *liMes*, Center for Strategic & International Studies. Washington, DC: 1997. Page 7.

¹⁴⁴ Croci, Osvaldo. “The Italian Intervention in Somalia: A New Italian Foreign Policy After the Cold War?” Found in Mershon, Carol and Pasquino, Gianfranco, eds. Italian Politics: Ending the First Republic. Westview Press. Boulder, CO: 1995. Page 197.

¹⁴⁵ *ibid*, 197.

¹⁴⁶ Isernia, Pierangelo. “Where Angels Fear to Tread: Italian Public Opinion and Foreign Policy.” Found in Nacos, Brigitte L., Robert Y. Shapiro, and Pierangelo Isernia, eds. Decisionmaking in a Glass House: Mass Media, Public Opinion, and American and European Foreign Policy in the 21st Century. Rowman & Littlefield Publishers, Inc. Lanham, MD: 2000. Page 291.

Italy pressed hard to stop the bombings, it complied with the eventual decision of the Contact Group and once again proved itself a loyal ally to NATO and the United States.¹⁴⁷

III. Putting History into Perspective

Two distinct models can be constructed when examining the progression of the Italy-United States relationship. The first shall be referred to as the parent-child model, and the second as the bargaining chip model. In the parent-child model, Italy is a fledgling democracy born in 1945 to its parent democracy, the United States. As an infant, Italy relies on the U.S. for nearly all guidance and leadership. America restores order in the country after the War, sets up a free provisional government, lays down the foundation for a new electoral system, helps write the nation's constitution, and aids in jump-starting the economy. The U.S. does everything a good parent should do; it directly interferes and does some things for the child when it is still very young. Then as Italy gets older, the U.S. decreases its interference and begins to merely guide its child in the right direction. This metaphor applies specifically to foreign policy. The child is still very obedient to its parent at first, consistent with Italy supporting the U.S. almost unanimously from 1945 until the 1970's. When Italy begins to come of age in late 1970's and 1980's, minor conflicts begin to arise, but the child is still generally obedient. Finally, Italy becomes an adult with the end of the Cold War and makes decisions independently of its parent. Despite the independent decision making as an adult, Italy is still very respectful of the U.S. because they are both still in the same democratic family, and sometimes looks to the parent for leadership or advice. In short, the U.S. dominated Italian foreign policy as long as Italy relied on the U.S. for other things, such as security and economic assistance. When Italy began to handle its economy and its own security needs, Italy was also able to outline its own unique foreign policy. Many scholars such as Mignone,¹⁴⁸ Ginsborg,¹⁴⁹ Partridge,¹⁵⁰ Wilson¹⁵¹ and to a lesser extent Sassoon¹⁵² support this model of Italy-U.S. relations.

In contrast, the bargaining chip model maintains that Italy has been in control of its own destiny since the Allies withdrew after the War. Grindrod,¹⁵³ Menotti,¹⁵⁴ McCarthy¹⁵⁵, Isernia¹⁵⁶

¹⁴⁷ *ibid*, 279.

¹⁴⁸ Mignone, Mario B. Italy Today: At the Crossroads of the New Millennium. Peter Lang Publishing, Inc. New York: 1998.

¹⁴⁹ Ginsborg, Paul. A History of Contemporary Italy: Society and Politics 1943-1988. Penguin Books Ltd. London : 1990.

¹⁵⁰ Partridge, Hilary. Italian Politics Today. Manchester University Press. Manchester, UK: 1998.

¹⁵¹ Wilson, Frank J. European Politics Today: The Democratic Experience. Prentice-Hall, Inc. Upper Saddle River, NJ: 1999.

¹⁵² Sassoon, Donald. Contemporary Italy: Economy, Society and Politics since 1945. Addison Wesley Longman Publishing. New York: 1997.

¹⁵³ Grindrod, Muriel. The Rebuilding of Italy: Politics and Economics 1945-1955. Oxford University Press. London: 1955.

¹⁵⁴ Menotti, Roberto. "Italy and NATO: The Unsinkable Carrier and the Superpower." Found in Caracciolo, Lucio and Michel Korinman, eds. What Italy Stands For. *limes*, Center for Strategic & International Studies. Washington, DC: 1997.

¹⁵⁵ McCarthy, Patrick. The Crisis of the Italian State: From the Origins of the Cold War to the Fall of Berlusconi & Beyond. St. Martin's Press. New York: 1997.

¹⁵⁶ Isernia, Pierangelo. "Where Angels Fear to Tread: Italian Public Opinion and Foreign Policy." Found in Nacos, Brigitte L., Robert Y. Shapiro, and Pierangelo Isernia, eds. Decisionmaking in a Glass House: Mass Media, Public Opinion, and American and European Foreign Policy in the 21st Century. Rowman & Littlefield Publishers, Inc. Lanham, MD: 2000.

and others maintain that over the years the Italian leadership has shrewdly manipulated the U.S. into giving Italy what it wants at a relatively small price. Rather than an “ally in distress”¹⁵⁷ during the Cold War, Italy was a smart ally that always played to its biggest strengths. Most of the time, its biggest strength was actually its biggest perceived weakness: the threat of communism. By simply using the possible ascendancy of the PCI as leverage, Italy was able to secure billions of dollars in Marshall Aid, get the World War II peace treaty restrictions lifted, annex the Trieste region that it could not gain militarily during the First and Second World Wars, join NATO, receive guaranteed national security, and still manage not to sacrifice its core set of principles and beliefs. Italy achieved all of this over the years by making the U.S. feel as if Italy was granting it favors; in reality, Italy was simply pursuing what was in its best interest in the first place. Italy then used the political capital gained from granting those perceived favors to later break with U.S. foreign policy when it deemed necessary.

IV. The Role of Public Opinion

A close look at Italian public opinion may provide evidence supporting either the parent-child or bargaining chip model of U.S.-Italian relations over the years. Or it could support a third model of Italy-U.S. relations. A third model could be that the Italian government closely followed public attitudes when making foreign policy decisions over the years and the recent independence of foreign policy from the United States reflects nothing more than a shift in Italian public opinion.

The first major foreign policy decision for post-War Italy was the decision to join NATO. Despite the obvious and overwhelming success Italy’s membership in NATO has proven to be, in the late 1940’s the choice to join the alliance was extremely controversial. There was a huge push from the entire left and even parts of the right and center-right for Italy to remain neutral. Italy was extremely war-weary, and many Italians believed that military alliances of any sort would eventually lead to military conflicts. De Gasperi himself allegedly feared supporting military alliances.¹⁵⁸ To avoid such a conflict a petition, eventually garnering fifteen million signatures, asked the ruling DC government to sign a peace pledge with the Soviet Union rather than join NATO.¹⁵⁹ However, in the end, the political, military, and economic benefits offered by the United States were too valuable to ignore. For the DC leadership at the time, what was particularly enticing about NATO was the guaranteed national security Italy would receive without having to build up any significant forces of its own. Thus, potential defense spending funds could then be redirected for domestic spending.¹⁶⁰

The first serious test of Italy’s commitment to the United States came in the late 1950’s when France and the United Kingdom clashed with the United States over the Suez Canal. The decision of Italy to support America rather than its European neighbors was very consistent with Italian attitudes towards the situation. Only six percent of Italians held a negative opinion of the

¹⁵⁷ Mignone, Mario B. Italy Today: At the Crossroads of the New Millennium. Peter Lang Publishing, Inc. New York: 1998. Page 103.

¹⁵⁸ McCarthy, Patrick. The Crisis of the Italian State: From the Origins of the Cold War to the Fall of Berlusconi & Beyond. St. Martin’s Press. New York: 1997. Page 46.

¹⁵⁹ Grindrod, Muriel. The Rebuilding of Italy: Politics and Economics 1945-1955. Oxford University Press. London: 1955. Page 121.

¹⁶⁰ *ibid*, 122.

United States at the time of the crisis,¹⁶¹ while more than two thirds of the public disapproved of the French/English actions in Egypt. (See Table 1.0)

Table 1.0¹⁶²

November 3-4, 1956, Doxa Institute, Milan.

Question: Do you approve or disapprove of the British-French intervention in Egypt?

Approve _____	14 %
Disapprove _____	69 %
Indifferent _____	4 %
I do not know _____	13 %
Total _____	100 %

After the Suez crisis, tension in the Middle East between the Arabs and the Israelis came to the forefront of the world's attention. Public opinion polls in Italy consistently showed little support for Israel in the 1950's and 1960's.¹⁶³ While the United States publicly supported Israel, the Italian government continued to cultivate ties with Arab nations in the Middle East and North Africa.¹⁶⁴

One of the Italian government's most obvious breaks with public opinion came at the start of the 1980's over the 112 nuclear cruise missiles installed by the U.S. at Comiso. Italian opinion of the U.S. (See Table 2.1) and of NATO (See Table 2.2) was very still considerably high, but Italians directly opposed the presence of the missiles by a two to one margin (See Table 2.3). One of the DC's most influential and longest standing supporters, the Catholic Church, also publicly opposed the missiles. Despite the overwhelming public protest, the Italian government never showed a single sign of hesitation in welcoming the missile installation.

Table 2.1¹⁶⁵

Doxa Institute, Milan

Italian Opinion of the United States

	10/78	10/81	2/82	3/82	4/82
Very/fairly favorable	79	67	63	62	65
Very/fairly unfavorable	15	28	21	19	25
Do not know	5	5	16	19	10

Table 2.2¹⁶⁶

Doxa Institute, Milan

Desirability of belonging to NATO

	3/81	4/82
Better to belong	60	59
Better to get out	30	34
Do not know	9	7

¹⁶¹ Rossi, Sergio. "Public Opinion and Atlantic Defense in Italy." Found in Flynn, Gregory and Hans Rattinger, eds. *The Public and Atlantic Defense*. Rowman & Allanheld, Publishers. Totowa, NJ: 1985. Page 197.

¹⁶² Giuffrè, A., ed. *Il Volto Sconosciuto Dell'Italia: Seconda Serie 1956-1965*. Mvlta Pavcis Ag. Milan: 1966. Page 1119.

¹⁶³ *ibid*, 1118-1120.

¹⁶⁴ McCarthy, Patrick. *The Crisis of the Italian State: From the Origins of the Cold War to the Fall of Berlusconi & Beyond*. St. Martin's Press. New York: 1997. Page 47-48.

¹⁶⁵ Rossi, Sergio. "Public Opinion and Atlantic Defense in Italy." Found in Flynn, Gregory and Hans Rattinger, eds. *The Public and Atlantic Defense*. Rowman & Allanheld, Publishers. Totowa, NJ: 1985. Page 196.

¹⁶⁶ *ibid*, 199.

Table 2.3¹⁶⁷

Doxa Institute, Milan

Attitude toward nuclear missile deployment in Sicily

	4/83	10/83
Unconditional Opponents	60	58
Conditional Supporters	16	19
Unconditional Supporters	14	14
Do not know	8	8
No answer	2	1

The Italian government's handling of the situation in Bosnia in the early 1990's is unique because of Italy's incredible reluctance to act, despite considerable public support for action. The Italian government was called upon to join UN land forces on many occasions between 1992 and 1995. In September of 1992 Italy was asked to help enlarge UNPROFOR to Bosnia. The United Kingdom personally requested the involvement of Italian troops in early 1994. Then, in December of the same year and again in July 1995, Italy was twice asked by the UN to send troops to help with a possible withdrawal. Finally, when air strikes were organized, Italy was yet again asked to contribute troops. The government's only response to all these requests was to contribute airfields, equipment, and air space to the final offensive operation. What is especially significant about Italy's reluctance to take part in the Bosnia intervention is the, "strong and stable public support for active involvement of Italian troops" throughout the crisis.¹⁶⁸ Between January of 1993 and December of 1996, support for armed intervention in Bosnia hovered around sixty-five percent. (See Table 3.0) Yet, in a baffling interview with *La Repubblica*, Foreign Minister Beniamino Andreatta explained that Italy's unwillingness to send troops was because, "our people do not give is a mandate to use arms to bring justice back [in Bosnia]."¹⁶⁹

Table 3.0¹⁷⁰**Support for Italian Armed Intervention in Bosnia**

Date	1/93	8/93	3/94	9/94	4/95	10/95	12/96
	65	67	67	69	60	63	66

Finally, the already discussed position of Italy towards the intervention in Kosovo warrants another mention because it almost completely contrasts the Bosnia situation. Only one third of the Italian public supported using force in Kosovo.¹⁷¹ Despite the well-documented protests during meetings, Italy eventually supported and took part in the bombing of Serbia. In fact, the use of Italy's air support facilities was crucial to parts of the operation.¹⁷² It is interesting to note that in the Bosnia intervention Italy refused to participate and noted public opinion as a reason why, and then in the Kosovo intervention, the public objected to Italian involvement, yet

¹⁶⁷ *ibid*, 195.¹⁶⁸ Isernia, Pierangelo. "Where Angels Fear to Tread: Italian Public Opinion and Foreign Policy." Found in Nacos, Brigitte L., Robert Y. Shapiro, and Pierangelo Isernia, eds. *Decisionmaking in a Glass House: Mass Media, Public Opinion, and American and European Foreign Policy in the 21st Century*. Rowman & Littlefield Publishers, Inc. Lanham, MD: 2000. Page 291.¹⁶⁹ *ibid*, 293.¹⁷⁰ *ibid*, 292.¹⁷¹ *ibid*, 279.¹⁷² Mehuron, Tamar A. *Guide to Air Force Installations Worldwide*. Air Force Magazine. May 2000. Page 116.

Italy participated anyway. This contraposition can only serve to illustrate the insignificance of public opinion upon Italian foreign policy decisions.

Jacobs and Shapiro¹⁷³ have written extensively about the strong opinion-policy connection present in most democracies. However, the above examination of Italian public opinion toward foreign policy decisions illustrates that the Italian government generally does not take public attitudes into consideration on foreign policy matters. Italy is therefore an exception to Jacobs and Shapiro's findings. Rossi and Ottone agree. Writes Ottone, "public opinion in Italy is able to influence how the State is run to a lesser extent than in any other democratic country."¹⁷⁴ Kogan offers an explanation: "Italians like movies, soccer, and girls. They are not interested in politics and less in foreign policy,"¹⁷⁵. Meanwhile Schneider contends that, "the lack of interest in and knowledge of international affairs is an outgrowth of the fundamental 'backwardness' of Italian society."¹⁷⁶

Isernia offers the most convincing explanation for the apparent disconnection between policy and opinion in Italy. He argues that the instability of Italy's domestic politics (the average post-War government life-span is 10 months)¹⁷⁷ leaves foreign affairs to be decided by a small group of elites. Furthermore, Isernia writes that there are three main ways the public can influence the state in a European democracy: the media, the State machinery, and the parties.¹⁷⁸ The Italian public's link with all three is weak on foreign policy matters. Knowing that, the elites are therefore free to make foreign policy decisions, and in the words of former Prime Minister and Foreign Minister Giulio Andreotti, "questions of foreign affairs are not electoral issues."¹⁷⁹ For example, during the Bosnia crisis it was the elites, not the public, who decided against sending troops. The likely reason for this was that the elites still felt angered by the United States' actions during the Somalia fiasco, and made their choice purely on principle. The inactivity proved to be an embarrassment for the Italian government, however, and when the crisis in Kosovo arose, Italy was anxious to regain its credibility. Thus, once again the elites disregarded public attitudes, and this time committed Italy to the Kosovo intervention.

V. Summary & Conclusion

It can be said with great confidence that today the bonds between Italy and the U.S. continue to be very strong. The United States and Italy are close allies and have strong economic, cultural, military, and political ties. The two also continue to share similar foreign policies. On a broad scale, these two highly industrialized nations both are committed to promoting democracy, peace, and capitalism around the globe. It is important to note that when "major" differences were spoken of in the above discussion, they can only be considered "major" in the context of

¹⁷³ Jacobs, Lawrence R. and Robert Y. Shapiro. *Studying Substantive Democracy*. PS: Political Science and Politics. March 1994. Page 9-17.

¹⁷⁴ Ottone, Piero. *Identikit di in Fantasma "Nuova Società."* Il Corriere della Sera. February 26, 1983. Page 49.

¹⁷⁵ Kogan, Norman. *A Political History of Italy*. Lerici. Milan: 1965.

¹⁷⁶ Schneider, Jane. *Italy's Southern Question*. Oxford University Press. London: 1998.

¹⁷⁷ Koff, Sondra Z. and Stephen P. Koff. *Italy: From the First to the Second Republic*. Routledge Publishing. London: 2000.

¹⁷⁸ Isernia, Pierangelo. "Where Angels Fear to Tread: Italian Public Opinion and Foreign Policy." Found in Nacos, Brigitte L., Robert Y. Shapiro, and Pierangelo Isernia, eds. *Decisionmaking in a Glass House: Mass Media, Public Opinion, and American and European Foreign Policy in the 21st Century*. Rowman & Littlefield Publishers, Inc. Lanham, MD: 2000. Page 287.

¹⁷⁹ Grindrod, Muriel. *The Rebuilding of Italy: Politics and Economics 1945-1955*. Oxford University Press. London: 1955. Page 162.

the U.S.-Italy relationship. To be sure, the U.S. and Italy have no “major” foreign policy objective differences.

As to what has characterized the modern U.S.-Italy relationship, a look over the past fifty years at Italian public opinion towards foreign policy has provided several conclusions. First, this analysis has quickly disproved the third model of Italy-U.S. relations, (i.e. the dominance of public opinion). Public opinion was seemingly ignored on many occasions by the Italian government. Some of these occasions, such as the decision to join NATO in 1949, or the lack of participation in the Bosnia intervention in the early 1990’s, have had major implications on the shape of Italian foreign policy. Most interesting about the Italian government’s spurning of the public will is that it seems to not follow any particular pattern or reasoning.

Yet, there is not enough evidence to eliminate either the parent-child model or the bargaining chip model. In regard to the parent-child model, the Italian government managed to maintain a foreign policy very similar to that of the U.S., throughout most of the Cold War period. Italy even broke with public sentiment on several occasions in order to preserve consistency with U.S. preferences, such as the decision to join NATO. Not until the *Achille Lauro* incident, four years before the Berlin Wall fell, was there a major difference between Italian and American foreign policy. The minor differences over the Middle East that arose in the late 1970’s were consistent with the parent-child model. After the Cold War’s end, the Italian government certainly broke with United States foreign policy several times, most notably in Bosnia. Yet, it also remained loyal to the U.S. and NATO in Kosovo. This is not evidence that the parent-child model is accurate, yet it does not entirely disprove the theory.

An examination of public opinion also fails to disprove the bargaining chip model. There are enough significant breaks with U.S. foreign policy decisions to prove that America does not currently dictate Italian policy through domestic interference. However, there is little evidence to disprove that America did dominate Italian foreign policy at some point in the past, especially during the Cold War. Therefore, the above analysis can neither validate nor disprove the bargaining chip model of U.S.-Italy relations.

Divided Government, Congress, and Balkan Policy by Brett S. Yellen

Introduction:

In order to carry out his policy initiatives, President George W. Bush will be forced to work with one of the most closely divided Congresses in US history. With many political pundits attempting to predict how the division of congressional power will affect the new president's ability to enact his policies, a study on relations between Congress and the President over the past administration is especially relevant at this time.

The purpose of this paper is to explore the nature¹⁸⁰ of the Congress-President relationships as it pertains to foreign policy during the Clinton administration. Specifically, I will analyze how the conflict between branches can be seen through both institutional and partisan "lenses." The study will examine these theories by investigating how divided government has affected the Congress' responses to President Clinton's policy toward the Balkans. The key question is this: did the presence of divided government change the nature of Congress' behavior on US policy toward the former Yugoslavia, indicating a partisan struggle, or was congressional opposition to presidential initiatives based on an inherent institutional turf battle?

In the following section, I will detail the central research question of this paper that deals with congress, divided government, and foreign policy. In the subsequent section I will provide a review and analysis of existing scholarly work. Next, I will describe the methodology used to study the central question. Finally, after presenting my research findings in the ensuing portion, I will conclude with limited generalizations on Congress' past role in American foreign policy and what implications this may have for the new president.

It is important to note that this paper was not meant to serve as an exhaustive study of US policy towards the former Yugoslavia. Instead, the Balkan issue served as an example for study of Congress' role in the American foreign policy process.

Questions and Hypothesis

To research the current relationship between Congress and the president, I will use the ongoing conflict in the Balkans as a case study. The central question of the paper is: Did a divided government during Clinton's presidency significantly changed the nature of Congress' involvement¹⁸¹ in formulating US policy toward the Balkans? The events in the former Yugoslavia provide students of congressional behavior the opportunity to observe an issue that has spanned four Congresses and the entire Clinton presidency. The central question helps analyze the underlying reasoning behind a congressional opposition that has existed on the issue since Clinton took office in 1993. The paper aims to determine the degree of correlation between the amount tone with which party is in the majority. Has the partisan makeup within the Congress significantly altered the way in which the body participates in Balkan policy? Alternatively, has its behavior remained constant regardless of which party holds the majority? Finally, is the size of the majority important in how congress behaves? Examining the Congress

¹⁸⁰ This term will be defined in the "Research Design, Methodology, and Definitions portion of the paper"

¹⁸¹ This term will be defined in the "Research Design, Methodology, and Definitions portion of the paper"

on this one issue helps one theorize as to whether the disagreement between branches was based mostly on partisan ideology, as various scholars contend, or if the institutional struggle proves to be a better explanation for congressional activity.

In order to formulate an answer to the above question, my research contrasted three of the Congresses that convened during Clinton's presidency. Specifically, I examined bills, debates, hearings, and statements made by members of the 103rd (1992-1994 in which the Democrats had a significant majority) 104th (1994-1996 in which the Republicans had a significant majority) and 106th (1998-2000 in which the Republicans had a slight majority) Congresses.¹⁸² These periods are suitable for study because the President was the same throughout, and the policy issues debated by each Congress were also similar. Opposition to the president's Balkan policy was also present in each of the years examined. Given these three constants, it was possible to isolate and study the variable of which party controlled Congress. By quantifiably measuring the number of bills, as well as qualitatively analyzing the tone of Congressional responses to Clinton's policies, I tried to measure the effect of partisanship in shaping legislative action. This technique also lends itself to determining the degree to which institutional factors played into Congressional opposition to presidential initiatives because the language used by a congressman can be used to illustrate the motivation behind particular legislation.

Before completing the research, I hypothesized that when different political parties controlled the legislative and executive branches, Congress would not only be more active in the amount of legislation it produced, but also harsher in its tone. The research mostly validated this hypothesis, but also showed important evidence to the contrary. Confirming my hypothesis, more bills in fact were introduced during the Republican-controlled years. However, it was surprising to learn that a significantly greater number of resolutions were introduced when the Republicans had a slimmer majority. Also noteworthy was that harsh treatment of presidential policies existed in all three Congresses studied. While the Republicans remained mostly unified against the president throughout, there was occasional bipartisan support for resolutions that called on the president to consult with Congress on troop deployments. While many members of Congress expressed a desire for greater congressional influence in foreign affairs, ultimately the legislature usually divided along party lines in terms of policy specifics. In the end, most Democrats supported the president while Republicans remained unified against Clinton's policy. In short, the findings demonstrated that the legislature's level of opposition to Clinton's foreign policy was directly proportional to the extent of the Republican majority. This suggests that Congress' role in foreign policy is related to its partisan makeup. However, the fact that significant opposition to the president existed in 1993-1994, with similar constitutional rhetoric used throughout Clinton's term, suggests that Congressional opposition also has legitimate institutional explanations.

Review of Previous Scholarly Work

What do we know about the shift in Congress' foreign policy power relative to the president? First, the United States Constitution provides for the separation of powers between

¹⁸² In 1993 the Democrats held a 258-176 majority in the House (1 Independent), and a 56-44 majority in the Senate. In 1995 the Republicans held a 236-197 majority in the House (1 Independent, 1 vacant), and a 53-46 (1 vacant) majority in the Senate.

In 1999 the Republicans held a 222-212 majority in the House (1 Independent), and a 55-45 majority in the Senate.

the legislative and executive branches in a wide variety of policy areas. This is especially noticeable concerning foreign policy, where the Constitution has assigned different duties to both Congress and the president. Over the past two hundred years, each branch has tried to use its constitutional authority to exert greater political influence over the other. Nurnberger and Abshire comment, "Throughout American history, political power has continuously shifted between the legislature and the executive."¹⁸³

Scholars would agree that today the president is the more important actor in foreign policy. However, the current balance of power has not always existed in its present form, with continuous shifting having occurred between the branches since the nation's creation. Fareed Zakaria theorizes that an important power shift between the executive and legislative branches occurred in the 1880's when President Rutherford B. Hayes decided to choose his own cabinet members, a task previously performed by Congress.¹⁸⁴ In terms of foreign policy, Nurnberger and Abshire bolster Zakaria by commenting, that the 1964 Gulf of Tonkin Resolution, which passed unanimously in the House of Representatives, marked the apex of presidential power since the nation's creation.¹⁸⁵

Despite relinquishing substantial power throughout American history, Congress continues to take its constitutional role in approving executive actions extremely seriously. In 1973, it passed the War Powers Resolution after determining that the body had given up too much of its constitutional authority in international affairs. Gordon Silverstein writes, "Responding to the growing power of a perceived 'imperial presidency' at the end of the Vietnam War...a majority in Congress tried to rebalance the separation of powers... designed to assert legislative authority in foreign policy."¹⁸⁶ The resolution explicitly stated its purpose to "fulfill the intent of the framers of the Constitution...and insure that the collective judgment of both the Congress and the president will apply to the introduction [of] United States Armed Forces..."¹⁸⁷ The act requires the President to consult with Congress within 48 hours of introducing US troops. This is an example of the Congress attempting to ensure that its constitutional power, namely that it is the sole branch with right to declare war, remains unthreatened by a powerful executive. This bill, as well as congress' constitutional war power, are important for this paper because its focus is on US military action in the Balkans, a policy area in which Congress has tried to invoke the War Powers Act.

In addition to the institutional reasoning discussed above, tension between the legislative and executive branches also has a partisan dimension. In his article *Congressional Checks on Military Initiatives*, Louis Fisher reminds readers that interaction between the president and Congress is more than just institutional squabbling. "For constitutional, political, and partisan reasons, presidents need to obtain Congressional authority..."¹⁸⁸ Barbara Hinckley is careful to point out that, "The arguments [between branches] follow lines of party and ideology for the

¹⁸³ Abshire, David M. and Nurnberger Ralph D. *The Growing Power of Congress*. The Center for Strategic and International Studies (Washington, DC) 1991, 7.

¹⁸⁴ Zakaria, Fareed. *From Wealth to Power: The Unusual Origins of America's World Role*. Princeton University Press (Princeton), 1998, 107.

¹⁸⁵ Abshire and Nurnberger, *The Growing Power of Congress*, 25.

¹⁸⁶ Silverstein, Gordon, "Imbalance of Powers: Constitutional Interpretation and the Making of American Foreign Policy. Oxford University Press (New York), 1997, 3.

¹⁸⁷ The Avalon Project at the Yale Law School. "War Powers Resolution." www.yale.edu/lawweb.avalon/warpower.htm

¹⁸⁸ Fisher, Louis. "Congressional Checks on Military Initiatives" *Political Science Quarterly*, 1994-1995, 739

most part."¹⁸⁹ She remarks that the institutional arguments by members of Congress change based on which party is in control.¹⁹⁰ As will become evident later in the work, Hinckley's observation is especially poignant during floor debates on Bosnia, when Democrats and Republicans seemed to switch their positions on troop deployment from those held during a similar debate during the Bush presidency.

It is important to note that studying Congress and foreign policy is extremely difficult. The challenge for scholars is to quantify the level of legislature activity and influence relative to the executive, and to determine the underlying motivations behind Congressional actions. It is important to note that for the most part, scholars have been reluctant to study Congress' role in foreign policy. In a 1992 article in *Political Science Quarterly*, James Lindsay laments what he views as a lack of investigations on the issue. He remarks, "... we have seen relatively little systematic, empirical research on Congressional decision making on foreign policy."¹⁹¹ He continues by saying that the bulk of study occurred in the early 1970's, a time in which scholarly interest was piqued due to the Congress's increasingly vocal role in the Vietnam War¹⁹². Part of my motivation for studying this subject is to address the need for research on Congress and foreign policy.

Despite Lindsay's assertion, there are in fact studies that closely examine the Congress/presidential relationship. Though not all of the work deals exclusively with foreign policy, other research relevant for this paper includes general study of the institutional struggle between branches and the effects of divided government on Congressional activity.

The majority of scholarly work in the area of congressional-presidential relations focuses on the institutional aspect of the struggle. Or more accurately put, what many scholars view as the lack of institutional strife due to the president's domination in foreign policy. Lindsay elaborates on this point by referring to the Persian Gulf War and Panama, two occasions when it appeared as if Congress was going to block President Bush's planned military actions. "The opposition legislators were highly motivated...Congress seemed poised to overrule the White House. But...the president prevailed." Hinckley goes even further to say that, "the conflict [between the branches] is in large part an illusion, perhaps at times deliberately encouraged."¹⁹³ Her study examines a wide range of criteria including congressional votes and the amount of legislation produced. She claims that both of these variables help carry on "the illusion of [congressional] activity."¹⁹⁴ in foreign policy. Hinckley provides analytical as well as quantitative techniques such as the amount legislation produced, in order to gauge congressional activity and the body's actual influence on the foreign policy. As is evident from the title of the work, *Less than Meets the Eye*, she concludes that Congress' opposition role in foreign policy is largely for show and that increased activity is not actually indicative of a more influential Congress in foreign affairs.¹⁹⁵

In contrast to Hinckley, one research method commonly used to study the institutional element is the quantification of legislation produced, and comparing that data to stated presidential preferences. By calculating the amount of legislation produced, and how closely it

¹⁸⁹Hinckley, Barbara. *Less than Meets the Eye: Foreign Policy Making and the Myth of the Assertive Congress*. The University of Chicago Press (Chicago), 1994, 2.

¹⁹⁰ Ibid.,2.

¹⁹¹ Lindsay, James. "Why the Hill Matters" *Political Science Quarterly*, 1992-1993, 607.

¹⁹² Ibid., 607.

¹⁹³ Hinckley, *Less Than Meets the Eye*,5.

¹⁹⁴ Ibid., 19.

¹⁹⁵ Ibid. 19-22

resembles stated presidential desires, scholars try to determine whether Congress supports or impedes the president. The data can illustrate an active, powerful Congress that plays a role in policy formulation.

An example of this type of research is Kanter's 1972 work on *Congress and the Defense Budget*. Kanter studied the defense budget in order to disprove the idea that Congress "does not address the strategic issues or debate national security objectives."¹⁹⁶ His methodology involved calculating the percentage difference between the president's defense budget request and actual congressional appropriations. The strength of Kanter's study was that it showed that Congress had consistently targeted certain areas of the budget for alteration, demonstrating that in fact Congress was active in the budget process and showed certain policy preferences. Kanter presented clear evidence of congressional activism, but did little to enlighten the reader as to the individual actors within the House and Senate who were responsible for the changes in the defense budget. The study could have been strengthened by with more qualitative evidence, such as quotes from appropriation committee hearings, that would have "added flavor" for the reader and shown the legislature's true policy preferences.

Scholars have also taken a less numeric approach to the study of Congress, foreign policy, and divided government. In addition to Lindsay's solo work, *Congress and Foreign Policy: Why the Hill Matters*, Lindsay and Randall Ripley co-edited *Congress Resurgent: Foreign and Defense Policy on Capitol Hill*. This work provides examinations of how Congress' structure influences foreign policy, as well as an exploration of Congress' involvement in the specific issues of defense policy, international trade, and diplomacy. The book's strength is its analysis of Congress both for its explanation of the workings of the institution and for its anecdotal evidence.

The book is careful to point out the necessity to study the powerful foreign policy committees in order to get a true sense of the how the leadership is directing both the house and the senate. In one essay, James McCormick analyzes the foreign aid and foreign relations' bills.

Research Design

In order to offer the most rigorous and meaningful answer to the central question of Congressional/executive relations and foreign policy, my research technique blended quantitative and qualitative methodology. The goal was to blend the strengths of studies such as Kanter that provided good empirical data with the strong qualitative analysis that was a hallmark of Lindsay's work. My study closely resembles those done by Hinckley in that I not only relied on empirical data, but also included the more analytical data such as included qualitative data. Where my study differs is that it relies heavily on speeches by the Congressmen themselves given during floor debates in order to discern their opinions. By using both approaches to research the central question, I hoped to gauge Congressional activity and to understand the underlying motivations for the legislation.

The study analyzed House and Senate simple, joint, and concurrent resolutions passed from 1993-1996, and 1999-2000 regarding the former Yugoslavia. I examined both the amount of legislation produced, and the content of the bills. Exploration of the content involved deciphering its tone and if it was bipartisan. Definition of bipartisan and tone are dealt with in the next section.

¹⁹⁶ Kanter, Arnold. "Congress and the Defense Budget: 1960-1970." *The American Political Science Review*, March 1972, 129

I also examined hearings from the *Congressional Universe*, press statements posted on members' websites, and floor speeches found in the *Congressional Record* that were made by Congressmen during the years studied. The purpose of this was to add context to what could be dry and uninformative legislation in itself. By looking at what the debates about the bills may or may not have changed, it is possible to see if congress really changed its activities not only on paper, but in dialogue during a divided government.

Because the study focused on Balkan policy, I only examined resolutions that deal exclusively with Bosnia, Kosovo, Serbia, Montenegro, and Macedonia. Unless mentioned in the *CQ Almanac* as significant to Balkan policy, time and resource constraints prevented the examination of general appropriations bills or amendments that made mention of the former Yugoslavia. See the *Congressional Activities Table*¹⁹⁷ in the back of this paper for a complete lists of bills examined.

Definitions

Before detailing specifics of the research it necessary to define key terms used in both the central question and the findings section:

Divided Government refers to a time when one party controls the executive branch and the other party the legislature. *Unified Government* is when one party controlled both the Congress and presidency. In this paper, the government was unified under the Deomcrats from 1993-1994, and divided from 1996-2000.

"Nature of Congressional involvement" refers to both the frequency in which legislation was introduced as well as the tone of resolutions and related legislative activities. *Related activities* include hearings, member statements, and floor debates. *Frequency* simply refers to how often bills are introduced in the Congress. *Tone* refers to the words used in both resolutions and in speeches by members of Congress. Fortunately, the tone of the language is easily discernible. Bills usually employed the use of *charged language* such as "disapproval" and "support" or "urge," which immediately make one aware of the positive or negative sentiment being expressed. With member speeches or statements, I looked for similar language that indicated support for the president, or condemned his actions. Much like with resolutions, determining the overall tone of a Congressional speech was possible because they often employed the use of the same strong language in stating their views.

Congressional activity is similar to the nature of Congressional involvement described above. The measurement used in this paper to gauge Congressional activity is the amount of legislation produced by a particular Congress. Using this definition, Congress was more active the greater number of bills that were introduced.

Bipartisan is a general term implying cooperation between Democrats and Republicans. For the purpose of this paper a bill will be considered bipartisan if the party in the minority is responsible for at least 30 percent of the co-sponsors. *Partisan* bills are any resolutions which were not sponsored by this minimal amount from the minority party.

Findings: Nature of Congressional Involvement

¹⁹⁷ Note: only bills that that were viewed by the author as significant has information in the "content" section of the tables entitled "Congressional Activity Chart."

Much like Clinton policy toward the Balkans since 1993, Congress' position was wavering and at times contradictory.¹⁹⁸ Congressional hesitation on the Balkans was evident in eerily identical discussions that took place in the 103rd, 104th, and 106th about US interests and responsibilities in the region. In 1993, Congress questioned Clinton sending troops to Macedonia and requested that i Congressional approval be sought. In 1995-96 Congress voiced concern for sending troops to Bosnia as a part of a peacekeeping mission, and introduced bills urging Congressional approval prior to deployment. In 1999, Congress had its most heated debates on troop deployment to Kosovo, and introduced strong legislation requiring Clinton seek its consent under the War Powers Act. In fact, even the wording of certain bills is similar in all three Congresses. At least one resolution during the three terms discussed disapproval for executive action and called for the administration to consult with Congress. For example, the following three bills were introduced in each one of the periods studied. Wording is from either the summary or title of the bill as given on congress.gov. The similarity in tone and content is striking.

103rd : Disapproves the unilateral deployment by the President of U.S. troops as peacekeepers to... Urges the President to consult...Congress regarding the deployment and mission of such troops.¹⁹⁹

104th : Prohibits the President's use of U.S. ground forces in Bosnia-Hercegovina unless: (1) the Congress authorizes such use in advance... and the President reports to Congress no later than 48 hours after the initiation of the deployment.²⁰⁰

106th : Directing the President, pursuant to section 5(c) of the War Powers Resolution, to remove United States Armed Forces from their positions in connection with the present operations against the Federal Republic of Yugoslavia.²⁰¹

Interestingly, Republican members of Congress introduced all three of the above bills. Representative Jim Ramstad (R-MN) initiated the first resolution, Senator Arlen Specter (R-PA) the second, and Representative Tom Campbell (R-CA) the third. What do these resolutions demonstrate about Congress' role in foreign policy in relation to the President? Do they show any significant change? Taken in isolation, one might believe that Republicans consistently opposed the president, regardless of whether the government was unified or divided. It would be overly simplistic to draw conclusions based on these three instances, and doing so would fail to account for the democratic members. To answer the central question of the nature of congressional activity, it is necessary to examine more closely the quantitative and qualitative data. This will give a truer sense of how the nature of Congressional involvement in Balkan policy has changed over the past eight years.

Data on Congressional Legislation Produced

Amount of Legislation Produced:

¹⁹⁸ Knowledge based on CQ Almanac readings

¹⁹⁹ House Concurrent Resolution 120, 103rd Congress. (note: all bills from Congress.gov)

²⁰⁰ Senate Resolution 128, 104th Congress.

²⁰¹ House Concurrent Resolution 82, 106th Congress

The empirical evidence partly confirms the original hypothesis concerning the nature of Congressional activity during times of divided government. Specifically, *more resolutions were introduced during times of divided government*. The “Congressional Activity Chart” shows that in 1993-1994, when Democrats held a large majority, 24 simple, concurrent, and joint resolutions were introduced concerning the former Yugoslavia. There were also 3 significant amendments to defense appropriations bills. The number of bills introduced from 1995-1996 concerning the Balkans jumped to 35. This was a difference of 11 bills, because 3 defense appropriations bills were considered in the 103rd Congress whereas no defense bills were included in the 104th tally. The amount of legislation introduced by the House increased to 53 in the 1998-2000 session, an increase of 19 bills (if appropriations are disregarded) from the 1993 count. This data thus would seem to suggest that divided government significantly increased congressional activity, with the presence of stronger opposition helping to make a Congress more active in Balkan policy (in terms of amount of legislation produced).

The next most important piece of data was the percentage of bills that made it to the floor. As evident from table 1, a much higher percentage of bills made it to the floor for votes in the 104th and 106th congresses. This was extremely significant because it shows that Congress was actively debating and voting on bills. In contrast, during the Democratic period hardly any resolutions about the Balkans made it to the floor for either debate or decision. In addition, many of the resolutions during the GOP days voiced opposition to the President’s policies. The fact that they came to a vote in the Republican sessions shows a significant change in how Congress influenced Balkan policy in that time period. In other words, the Republicans were able to push through oppositional bills in 1995 and 1999 because they controlled the legislature. Conversely, Democratic leadership was more willing to let Clinton steer foreign policy with little opposition in 1993, preventing overly critical bills from coming up for a vote.

While it is true that legislative activity in terms of number of bills introduced increased in both Republican sessions, the data were nonetheless surprising. One might have expected the highest level of activity to be present during the time when the Republicans had the strongest control over the Congress. Specifically, one might have guessed that to be the case in 1995 when the Republicans had a 26-seat edge in the House and 6 in the Senate.²⁰² However, it was when the Republican majority had dwindled to 10 in the House, but increased by 2 in the Senate²⁰³ that the Congress offered the most legislation on Balkan policy.

Critics might counter by saying that outside factors not incorporated in the study, such as other more important world events, may have accounted for the dramatic difference in number of bills during the first and second Congress. There are several pieces of evidence to refute this contention. First, the events that took place in 1993-1994 should have motivated Congress in fact to produce more bills in foreign policy matters. Specifically, with concern over the failure of the Somalia mission, it would seem likely that Congress would have been eager to play a more active role in a yet to be determined mission in Bosnia. This, regardless which party maintained control. In fact, it had seemed as if the Congress was going to seize the opportunity to test the new president, not adept in foreign policy matters, to grab a more significant role. On 21 January 1993, only one day after Clinton’s inauguration, the Congress, in a bill sponsored by Senator Joseph Biden (D-DE) introduced S11. This bill called for the lifting of the arms embargo against Bosnia. One of the bills co-sponsors, Senator Domenici (R-NM) hinted that the

²⁰² 1995 *Congressional Quarterly Almanac*, I-4.

²⁰³ 1999 *Congressional Quarterly Almanac*, A-14, A-15.

Congress would seek to be more influential in international affairs. He remarked on the Senate floor, “ ‘ Resolutions without follow-through are empty threats, and nobody takes them seriously.’ Our resolution provides for that much needed follow through.”²⁰⁴ The next two years did not produce a lot of “follow through” in terms of number of bills introduced.

The data is also surprising because the *CQ Almanac* characterizes the congressional mood as being critical of Clinton’s policy during 1993-1994. The almanac notes that, “The administration was subjected to a cacophony of criticism. ... [by] members of Congress in both parties who wanted more action in Bosnia...”²⁰⁵ Despite this sentiment, Congress did not demonstrate its opposition with legislation. Perhaps, this confirms the belief that Congress’ role in foreign policy is related to its partisan composition. The data seems to contradict scholars such as Abshire and Nurnberger who frame the Congressional conflict as an institutional one. If they were correct, then the House or Senate would always be seeking opportunities to play a more active role in the policy formulation. This offer would argue that the new administration in 1993 combined with the disastrous mission in Somalia provided a both chambers with at least equal motivation and political opportunity than in 1995 to produce international relations legislation. Though the disparity in the data may not disprove Abshire and Nurnberger’s thesis, they at least makes one question its validity concerning the Balkan situation.

Accounting for the difference between the amount of legislation produced and the 104th and 106th Congresses cannot be easily explained using partisan foundation. Instead, it may validate claims by such scholars as Samuel Kernel who “maintains that divided government leads to institutional conflict.”²⁰⁶ While partisan conflict may account for the increase over the 1993 amount, institutional differences may be the driving factor in the 106th session’s dramatic increase in bill output. However, it is difficult to discern reasoning for a bill’s introduction merely from the amount of legislation produced. Thus, this theory will be explored in greater detail later in the paper’s qualitative section.

As is evident from the above, examination of the number of bills gives clues to possible motivations for Congressional action. Quantifying the amount of legislation accounts for only a portion of the congressional activity, and we cannot therefore definitively discern the nature of legislative activity over the past eight years. Thus, the qualitative portion of the paper will add more “substance” to the numbers, helping one to better understand House and Senate sentiments, and whether the tone of legislation really changed during the different sessions.

The Tone of Congressional Activities

While the empirical data may seem convincing, analysis of the tone of legislation is especially poignant. During all three sessions, members exhibited harsh institutional rhetoric, calling on the President to seek congressional approval for any troop deployments to the former Yugoslavia. In fact, as noted earlier the language used in certain bills are strikingly similar in the 103rd, 104th, and 106th Congresses. Several bills which limited the President’s authority, or directly contradicted with his policies, found bipartisan support during each of the sessions. However, certain issues did receive different treatment during the times unified versus divided government. Specifically, Congress increased its opposition to the use of all American forces

²⁰⁴ *Congressional Record*, 21 January 1993, S628.

²⁰⁵ 1993 *CQ Almanac*, 496.

²⁰⁶ Barrett, Andrew and Edward, George C. and Peake Jeffrey. “The Legislative Impact of Divided Government.” *American Journal of Political Science*. April 1997, 546.

during the two Republican Congresses. This increasingly took the form of tougher legislation, and strong speeches. The increased vocal stance by the legislature cannot simply be credited to the change in party. After all, many of the bills received support from Democrats during floor debate and voting. Instead, there is a strong institutional element given by both proponents and opponents of Clinton policy. However, the change in who controlled the congress did in fact alter the legislature's activity with regards to Balkan policy. In order to illustrate how the tone of congressional activity changed, it is necessary to further explore the language of the bills, hearings, and floor debates. The best example is the issue of troop deployment, a constant sticking point between the Congress and the administration. However, as will be made clear in the following sections, Congress reacted differently during the times of divided government.

Troop Deployment: Contrasting the Reactions of Different Congresses

The 103rd Congress: Calls for Congressional Consultation from Both Sides of the Aisle

What is striking about the unified government period was that there was very little partisanship in debate about the issue of troop deployment. In fact, this Congress marked the highest level of bipartisan bills that made it to the floor. (See tables 2,3,4, and Congressional Activity Chart) Instead, voices of concern came from both Democrats and Republicans about possible deployment of troops to Bosnia and Macedonia. While it may have been expected to find Republican criticism of the president, Democratic loyalty to Clinton was thin concerning the issue of troops to Bosnia. According to a 1994 *Washington Post* article, "Some Democrats are distancing themselves from what they regard as policies that could explode in their faces, others want to nudge, or if necessary bludgeon, the administration in new directions."²⁰⁷ Representative Robert Toricelli (D-NJ) said in 1993, "that there are limits to partisan loyalty."²⁰⁸

This is not to say that Congress had a unified policy alternative to the President. Rather, there were a wide variety of both hawkish and dovish opinions in relation to the President's policy.²⁰⁹ Consensus existed amongst members that whatever Clinton decided to do, Congress should not be left out of the process. A *Post* article best sums up the Congress' collective sentiment: "Democratic and Republican leader made clear their desire for advance approval of military operation by Congress...along with an improvement in what many lawmakers regard as inadequate consultation."²¹⁰

This bipartisan request for greater consultation could be seen in hearings conducted on the issue of troop deployment. Leaders from both parties questioned witnesses on future consultation in the case of a Clinton decision to deploy troops to Bosnia. Questions from Democrats were not any more gentle than those posed by Republicans. This could best be seen in a hearing conducted by the Senate foreign relations committee in October of 1993. Chairman Claiborne Pell (D-RI) asked Assistant Secretary of State Stephen Oxman, "I noticed that you said you would seek congressional support. You did not use the words 'congressional approval...' Is there a reason for that?"²¹¹ Senator Pell continued pressing by reminding the

²⁰⁷ Dewar, Hellen. *Washington Post*, "Clinton, Congress at the Brink on Foreign Policy Dispute" *The Washington Post*, 16 May 1994, A1

²⁰⁸ 1993 *CQ Almanac* 1993, 497

²⁰⁹ 1993 *CQ Almanac* 1993, 496

²¹⁰ Dewar, Helen. "Senators approve troop compromise, Clinton Authority is left unrestricted" *The Washington Post*, 21 October 1993, A1.

²¹¹ Senate Foreign Relations Committee Hearing, 5 October 1993.

Secretary of House Concurrent Resolution 35. Pell remarks, “we’re contemplating a resolution...calling on the president to seek and receive congressional approval prior to committing American troops.”²¹²

The questioning about congressional approval continued with ranking Republican member Richard Lugar (R-IN) remarking to Secretary Oxman “...you haven’t decided If you’re going to seek one [congressional approval for troop deployment].”²¹³

This form of questioning was not confined to the Senate. In a House hearing on Peacekeeping Missions in June of 1993, Representative Olympia Snowe (R-Me) asked Ambassador Madeleine Albright, “Will Congress be consulted in the future with respect to sending more troops...?”²¹⁴

Despite Congress’ apparent strong desire to be consulted, the three bills stating disapproval for the president’s actions or required congressional approval prior to troops introduction, died in committee. Interestingly, two of the bills had more Democratic sponsors. Yet, even a bills such as House concurrent resolution 120 which used weak language did not even come up for a vote. The bill simply urged, not required, the president to consult Congress before the deployment of any troops.²¹⁵ This may have been a case of Congress just wanting to make some noise on the issue, or rather a validation of Hinckley’s belief that the institutional struggle is an illusion.

104th Congress: More Active Resistance to Troop Deployment

Confirming my original hypothesis, the nature of congressional activity certainly differed in 1995 as compared to just a few months earlier in 1994. Members continued to push for congressional approval for any mission, but they also introduced 13 resolutions directly concerning troop deployment to Bosnia. The bills themselves could be described as more policy oriented than the previous Congress. The language not just stating approval or disapproval but actually attempting shape US action. This is direct contrast to the more passive stance of the last congress which only called for consultation and did not directly try to influence policy on troop deployment by using legislation.

In two bills in particular, House Resolutions 2606 and 2770, Congress tried to shape policy by cutting off funds for a possible deployment. HR 2606 is clear in its intention. It reads that is is “A bill to prohibit the use of funds appropriated to the Department of Defense from being used for the deployment of ground troops...”²¹⁶ Though it was not bipartisan, the bill passed the house by a vote of 243 to 171, with: 28 Democrats supporting the bill.²¹⁷ Though he did not support HR 2606, Robert Byrd (D-WV) spoke of Congress’ constitutional ability to influence executive action.

“We could debate this all we want to debate it. I know we say, on the one hand, any President does not need Congress' approval...we can argue all we want, but that power of the purse is the most effective power in the whole constitutional system--the power of the purse.”²¹⁸

²¹² Ibid.

²¹³ Ibid.

²¹⁴ Hearing of the International Security, International Organizations and Human Rights Subcommittee. 24 June 1993.

²¹⁵ House Concurrent Resolution 120, 103rd Congress.

²¹⁶ House Resolution 2606, 104th Congress.

²¹⁷ Roll Call 814: <http://143.231.123.93/cgi-bin/vote.exe?year=1995&rollnumber=814>

²¹⁸ *Congressional Record*, 20 October 1995, S15391.

Despite the legislature's "more active" role in directly influencing policy, they continued to use constitutional language employed under the previous Congress. For instance, House Resolution 247 reads "no U.S. armed forces should be deployed on the ground in such territory...until the Congress has approved the deployment."²¹⁹

Hearings, as opposed to the last Congress, had a distinctly harsher tone in terms of institutional arguments that contained partisan undertones. The best example of *Charged Language* occurred in a September 1995 House National Security Committee when Representative Bob Dornan (R-CA) was particularly critical of the administration's John White, the Deputy Secretary of Defense. He said, "It reached the absurd, the obscene. I don't understand what the hell's going on. You're going to consult with Congress? You haven't done it yet. When does it start?"²²⁰ Dornan uses images of President Bush to remind Clinton's team how the previous administration acted. "President Bush...realized that Congress had a role with that massive amount a troops."²²¹ Chairman Floyd Spence (R-SC) was also critical of the administration for not consulting Congress. "Now, this business about Consulting Congress...That's what's we're all here about...Consulting Congress...does not mean informing...after the fact."²²²

As opposed to the last Congress, the 104th session had substantial debates on the issue of troop deployment. Intent of the members was admittedly hard to discern in that there were simultaneous partisan and institutional arguments contained within floor speeches. Sometimes a partisan argument may be masked as an institutional argument. Thus, judgment was slightly subjective. Nonetheless, my analysis suggests that partisanship was at a higher level in the Republican controlled years. Though some speeches do lead one to believe that members truly wanted to influence what they view as a bad Clinton decision, and thought that Congress had a legitimate role to play. However, there were definitely hints of "Clinton bashing" displayed by Republicans during floor debates.

First, even democratic members discussed how Congress played a role in shaping the mission in Bosnia. For example, in the December 13th floor debate on troop deployment, Senator Richard Bryan (D-NV) remarked, "The Congress has taken a responsibility in this process as well. We sought to define the mission and a bipartisan congressional coalition has worked to insure that the mission is strongly defined."²²³ Despite calls for bipartisanship, directly following Byrd's speech, Senator Richard Shelby (R-Al) inserts an extremely partisan remark. "Unfortunately, this President is a poor student of history. He has quickly forgotten the tragic lessons of Somalia and Beirut..."

In debate from the previous day, much similar partisan/institutional debate was present. A common technique used by Republican Senators during both the 104th and 106th Congresses was to invoke memories of President Bush and compare the Persian Gulf War to Bosnia. Debate on prohibiting deployment of troops sparked Senator Don Nickles (R-OK) to say, "President Bush said that what our objective was. It had a clearly definable military objective...This is not the case in Bosnia. He [Clinton] did not ask Congress."²²⁴ Nickles was not shy to accuse Clinton's

²¹⁹ House Resolution 241, 104th Congress.

²²⁰ Hearing of House National Security Committee, 25 September 1996.

²²¹ Ibid.

²²² Ibid.

²²³ *Congressional Record*, 13 December 1995, S18534.

²²⁴ *Congressional Record*, 12 December 1995, S18407.

promise to exit Bosnia in a year as being political. “It sounds a lot more political to me than it does military definable.... I think if you look back at the statements that this administration has made...” Nickles then called on Congress to reshape the agreement.²²⁵ These partisan debates were not so blatant in the 103rd Congress, and opposition to the president was much more subtle. These harsh remarks by Republicans and even Democrats calling for an increased Congressional role illustrate how Congress became much more involved in the formulation of Balkan policy during the Republican years.

Interestingly, on the issue of troops deployment, Democratic members used the argument that they were overstepping their constitutional authority by limiting funding for troop deployment. Representative Hamilton (D-IN) remarks, “the issue today is the timing of the congressional role. When do we exercise our constitutional authority?”²²⁶ Hamilton continues by saying “I believe that it is constitutionally irresponsible for this Congress, or any Congress to statutorily cripple the President, any president, in the conduct of foreign policy...”²²⁷ This comment illustrates how the nature of congressional activity had changed in that sometimes Democrats had to say that Congress was limited in its power in order to stand up for Clinton.

Congressman Benjamin Gilman’s (R-NY) remarks were a fine illustration that captures well how a member used both the institutional and partisan argument simultaneously to describe Congress’ bold move of trying to limit funds for troops. “Regrettably we are not in an ideal situation with regard to Bosnia. That is because the Clinton administration is apparently circumventing the Congress in its determination to deploy of armed forces to Bosnia.”²²⁸

The two bills introduced which would have prohibited funds for ground troops failed ultimately failed. The first bill, HR 2606 failed by vote of 243-271, with only 28 Democrats agreeing to the resolution. The second bill, HR 2770, was not even that close, with the bill failing by a vote of 210-218. In that tally 49 Republicans refused to support the measure.²²⁹ This is indicative of the lowest bipartisanship of all three congresses studied,²³⁰ with only one bill considered bipartisan.²³¹ The *Congressional Almanac* theorizes that the dwindled Democratic support was due to the fact that the Dayton accords suddenly showed promise of success, a possibility which did not exist when the vote was taken an earlier resolution on the war, House Resolution 247.²³² It is also important to note that 2606 and 2770 were both binding resolutions, whereas 247 was not.²³³ Specifically, the language of the 247 only “Expresses the sense... no U.S. armed forces should be deployed on the ground in such territory to enforce a peace agreement until the Congress has approved the deployment.”²³⁴ However, the language of both 2606 and 2770 were much harsher, using the term “prohibit”²³⁵ in both. The disappearance of democratic support may demonstrate that the party was not willing to commit to the much stronger language out of loyalty to the president.

²²⁵ *Congressional Record*, 12 December 1995, S18410.

²²⁶ *Congressional Record*, 17 November 1995, H13224.

²²⁷ *Ibid.*

²²⁸ *Congressional Record*, 17 November 1995, H13226

²²⁹ Rollcall vote 856: <http://143.231.123.93/cgi-bin/vote.exe?year=1995&rollnumber=856>

²³⁰ See Tables 2, 3, and 4 for bipartisanship levels.

²³¹ See Congressional Activity Chart.

²³² 1995 *CQ Almanac*, 10-14, 10-15.

²³³ *Ibid.*

²³⁴ House Resolution 247, 104th Congress.

²³⁵ Bill text.

As the analysis of the 104th congress illustrated, the debate on troop deployment was certainly more active in 1995 than in 1993. Whereas, Congress merely expressed its disapproval of troops in the 103rd Congress, the Republican controlled Congress actually tried to do something to alter the Balkan policy. The introduction of HR 2606 and 2770 are instances of bills that may not even have come to the floor in a Democratic Congress. The previous examples that show a harsher, more partisan tone, illustrate that divided government had indeed changed the nature of Congress' US foreign policy toward the Balkans. It was no longer enough to say, "consult with us next time" as the 103rd Congress did when Clinton sent troops to Macedonia. Now Congress sought immediate consultation as Senator Spence during a Senate hearing. The legislature actually tried dictate policy through the manipulation of funds. Though the bid to prohibit ground troops failed, its mere introduction can be regarded as a sign of change from the previous sessions.

106th Congress: The Debate Over Troop Deployment Really Heats Up

The issue of troop deployment came up again during the 106th Congress. This time the debate dealt with the US mission in Kosovo. In the 106th Congress the arguments over troop deployment were especially complicated. Congress introduced several pieces of legislation on the subjects of authorizing airstrikes against Yugoslavia, prohibiting ground troops, deciding how much authority to grant the president for war, declaring war against Yugoslavia, and requiring the president to withdraw the troops. What made analysis of this Congress especially difficult was that some members who supported one bill that called for restricting the president's powers would oppose a similar one that called for withdrawing troops.²³⁶ It appeared as if Congress was not sure exactly how far it wanted to use its power. Again, congressional intent is difficult to discern because many of the arguments used to condemn the President's actions were based heavily on constitutional reasoning. The best characterization of congressional mood came from Joe Lockhart, the White House press secretary. He remarked the day after extensive House debate, "They seemed to take all sides of the issue without taking responsibility for promoting one policy."²³⁷

The first important vote taken by the house was House Concurrent Resolution 42 on 16 March 1999, which authorized the president to send troops to Kosovo, but "urged" the president to submit "detailed reports" to Congress, as well as limiting the US burden of the mission²³⁸ The *Congressional Almanac* considered the bill extremely important stating that it "may have an even greater long-term impact on foreign policy: What role should Congress play in decisions about the use of troops overseas?"²³⁹ Despite its passage by a vote of 219-191, the almanac theorizes that Speaker Dennis Hastert's (R-IL) choice to bring the vote to the floor despite administration protests may have signaled a more influential Congress in the future on matter concerning troops.²⁴⁰

The next major action was the extensive House debate on troop on 28 April 1999 concerning the Kosovo mission and troop deployment. At issue were Senate Concurrent Resolution 21 authorizing air strikes, House Resolution 1569 prohibiting deployment of ground

²³⁶ Study of vote totals.

²³⁷ 1999 *CQ Almanac*, 14-24.

²³⁸ House Concurrent Resolution 42, 106th Congress.

²³⁹ 1999 *CQ Almanac*, 14-20.

²⁴⁰ *Ibid.*

troops, House Joint Resolution 44, calling for a formal declaration of war between the US and Yugoslavia, and House Concurrent Resolution 82 invoking the War Powers Act instructing the president to remove the troops.²⁴¹

Republicans seemed to be split on the Kosovo action. Peter King (R-NY) reminded his colleagues not to mix partisanship with the issues of war. He remarked in a March 12, 1999 *Post* article, “We have to forget Bill Clinton is the president and think about the office of the presidency...”²⁴² Congressman Barney Frank (D-MA) echoes this by saying “A lot of Democrats and Republicans have changed sides because there’s a different president, and that troubles me.”²⁴³ As the *National Journal* remarked on May 1st, 1999, “The positions of House members on Kosovo, in fact, do not break down along party lines.”²⁴⁴ Some were motivated by legitimate constitutional concerns, some the high cost of the mission²⁴⁵ others partisan reasons. The journal summarizes the debate on Kosovo as “members struggling to reconcile their sense of constitutional duty with their political survival instincts.”²⁴⁶

In order to get a sense of the debate, it is necessary to briefly give examples of some of the arguments used on the floor. First, many democrats such as Representative Gejdenson remain loyal to Congress’ rights of power by citing the War Powers Act, but showed party loyalty by stating that the legislation was flawed. “We are going to have an amendment [on troop deployment] here that lets the Congress decide tactics...Now we are going to have 535 members of Congress determine the tactics...I think most people understand that is a bad policy.”²⁴⁷ Gejdenson was sure to note that the House proposals could be rejected, while still endorsing the Senate’s proposal that exerted Congress’ constitutional authority. “Do not let process get in the way of policy. We can follow process. We can reject both proposals...and we can vote for a proposal that authorizes...the present action be consistent with the Constitution and war powers.”²⁴⁸ Gejdenson’s remarks show how even the Democrats were tied to the idea of Constitutional authority. They did not simply abandon the principle just to defend Clinton, in fact I theorize that many Democrats may have become more attached to the constitutional argument during the divided Congress. For example, other democrats such as John Spratt (D-SC) argue that the Senate resolution authorizing the president to conduct airstrikes is “a good alternative...it is limited in its effect, and it is the proper application in these circumstances.”²⁴⁹

In contrast, some Democrats completely abandoned the “partisan ship.” For example, Maxine Waters (D-CA) both sticks to the constitution argument and even criticizes the president. “The resolution is of the highest priority because we must exercise our obligation under the War Powers Act...particularly so in light of the absence of any comprehensive policy.”²⁵⁰

Republicans, even more so that in either the 103rd or 106th were far more likely to stick to the Constitutional basis for foundation to their argument. In fact, some even used what can

²⁴¹ 1999 *CQ Almanac*, 14-25.

²⁴² Eiperin, Juliet and Claiborne William. “Troop Deployment Narrowly Approved” *The Washington Post*, 12 March 1999, A28.

²⁴³ *Ibid.*

²⁴⁴ Carney, Eliza Newlin. “At Last, Congress Enters the War Zone.” *The National Journal*, 1 May 1999.

²⁴⁵ *Ibid.*

²⁴⁶ *Ibid.*

²⁴⁷ *Congressional Record*, 28 April 1999, H2385

²⁴⁸ *Ibid.*

²⁴⁹ *Congressional Record*, 28 April 1999, H2388.

²⁵⁰ *Congressional Record*, 28 April 1999, H2389

only be called hyperbole to describe the importance of the vote. The speech of Charlie Norwood (R-GA) illustrates this point well.

I believe this debate will determine the course of American policy and military policy, foreign policy, for the next century. I urge my colleagues to totally ignore the partisan ramifications of our decision and instead base our votes on the constitutionally defined security interest of this Republic. Today we hear the argument that to withdraw from an unconstitutional war undermines the morale of our armed forces...If we accept that argument we will have granted absolute war powers...[to] every administration in the 21st century.

Other Republicans such as Christopher Cox (R-CA), Chairman of the House Policy Committee again used constitutional reasoning and partisanship simultaneously. “The process of obtaining public support compels a President to identify, as a first step, the national interests...but President Clinton is once again proceeding to order a large-scale deployment ...without congressional approval.”²⁵¹

In a sign of greater unity among parties than in the 104th, both Democrats and Republicans thanked Campbell for introducing the legislation, regardless of whether or not they agreed with it. For example, Congressman Edward Markey (D-MA) remarked, “But while I will opposed the resolutions by the gentlemen from California, I think he has done an important service to this institution in bringing them to the floor of this house.”²⁵²

Finally, other members of Congress lamented the choices they were faced with. Republican Herbert Bateman (R-VA) commented, “None of these choices make any sense, and I think it is a very sad day that we in the House are faced or not faced with some alternative that does not make sense...”²⁵³ The final votes could only be characterized as confusing. On one hand, the House did not vote to give its approval to the air war and voted to prohibit troops deployment, but it also rejected removal of US troops. The CQ Almanac considers the vote on restricting ground troops as a symbolic one because the House knew it would never be passed by the Senate.²⁵⁴

Meanwhile in the Senate, things were far less contentious. They voted on 28 April 1999 (after NATO airstrikes had begun) to support the airstrikes by a vote of 58-41.²⁵⁵ John McCain (R-AZ) even criticized the House in a speech on the Senate Floor on May 2, 1999. “I cannot join my Republican friends in the other body by supporting the unconstitutional presumptions of the War Powers Act. Every Congress...has ignored it with good reason until now.”²⁵⁶ McCain introduced a bill, Senate joint resolution 20, which “Authorizes the President to use all necessary force...” to conduct the war in Kosovo. The measure was tabled by a large margin of 77-22, with support for tabling from both the minority and majority leaders.²⁵⁷

What do the above examples show about the nature of congressional activity during the 106th Congress? In some ways it was similar to the 104th. The Congress introduced similar bills aimed at shaping the US policy. However, resolutions such as Campbell’s were the boldest move yet in Congressional action, attempting to directly challenge the president’s authority. In

²⁵¹ House Policy Committee “Policy Perspective” policy.house.gov/documents/perspectives/kosovo.htm

²⁵² Markey’s Website www.house.gov/kosovo.htm

²⁵³ *Congressional Record*, 28 April 1999, H2391.

²⁵⁴ 1999 CQ Almanac, 14-25

²⁵⁵ See *Congressional Activity Chart*.

²⁵⁶ *Congressional Record*, 3 May 1999, S4514

²⁵⁷ 1999 CQ Almanac, 14-25.

fact, it was the first time the Congress invoked the War Powers Act in all three of the Congresses studied.²⁵⁸ However, the underlying point remains the same. The nature of Congressional tone was different than the 103rd Congress. It became apparent that the Republican Congresses were not only willing to introduce more legislation, but also to be increasingly critical of Clinton policy. Yet, it is interesting to note that the number of bipartisan bills grew in 106th Congress,²⁵⁹ perhaps as a sign that it was less partisan than the 104th. Regardless, Clinton definitely faced a harder task trying to dictate policy in 1999 than he did in 1993.

Conclusions and Policy Implications

The above analysis can only provide a brief portion of the debate about US policy toward the Balkans. The author had a myriad of information, quotes, testimony, and statements by members that illustrated the change in the nature of Congressional activity with regards to Balkan policy. The central question of the paper sought to determine whether or not divided government significantly altered congressional involvement concerning Balkan policy. The evidence presented was clear. First, more legislation was produced in the Republican controlled years, and more importantly a greater percentage of that legislation what debated on the floor and came to a vote. The fact that the Republicans were willing to debate the issues, showed more of a willingness to try to influence foreign policy.

What does the data say about the institutional versus partisan theories for congressional action? Well, neither theory is discredited by the research. However, it was apparent from the above explanation that partisan politics seems to drive foreign policy. This seems to validate Wittkopf and McCormick theory that “partisanship and political ideology...have become even more important in recent years.”²⁶⁰ However, as the data suggests, one should not completely disregard the constitutional struggle that exists between the executive and legislative branches. Even the speeches from partisan members using constitutional arguments, may legitimacy feel that congress has a right to be heard on foreign policy matters. Thus, while partisan politics is important, it is not the only determinant of congressional action. Evidence of this was that there was opposition to the President even in years of unified government, If partisan politics was the only factor than there would have been no need for members of the administration to have had to attend hearings to answer questions from the Congress. The assertion of Congress foreign policy desires is merely an illusion such as Barbara Hinckley contends, did not find any basis in my study. However, more research will have to be done in order to definitely answer that question.

Finally, forming generalizations about the future of congressional-executive relations are extremely difficult. Now that the Republicans control a unified government, it is certainly possible to have a return to a dynamic such as in 1993 where Congress was weaker in foreign policy matters than it is today, reluctant to seriously challenge the president. Alternatively, perhaps the Republicans display of “legislative force” in 1995 and 1999 will carry over into the next administration. To complicate the situation, one must not forget the Democrats. They may try to give Bush a hard time on foreign policy in retribution for the opposition that Republicans showed towards Clinton for the past eight years. Given the fact American is still deployed in the

²⁵⁸ Conclusion after Study of Bills.

²⁵⁹ See Congressional Activity Chart.

²⁶⁰ McCormick, James M. And Wittkopf, Eugene R. “Congress, the President , and the End of the Cold War.” *Journal of Conflict Resolution*, August 1998, 441-466.

former Yugoslavia, American's will soon have an answer to how active is the 107th Congress going to be in matters of international relations.

Conflict in Colombia: Plan Colombia, Globalization, and the U.S. War on Drugs by Judd Greenstein

On July 13, 2000, President Clinton signed into law a \$1.319 billion aid package to Colombia. The money was part of Plan Colombia, a larger aid package devised by President Andres Pastrana to help Colombia rebuild and reestablish itself as a legitimate nation. Ravaged by civil war for most of the past century, guerrillas continue to fight the military and autonomous paramilitary groups for territorial control of the nation's center, often driving civilians out of their homes and killing innocent people who are suspected of aiding one side or the other. Both sides have used Colombia's position as the most prominent drug producing and exporting nation in the world to their advantage; the military and paramilitaries are supported by the drug producing and trafficking cartels, while the guerrillas allow extensive coca and opium poppy cultivation in their territory in exchange for a substantial tax.

Despite the political realities of the situation, where drugs fuel both sides of the conflict, the United States has decided to support the Colombian government in its counterinsurgency efforts by supplying them with military aid and supplies. The goal is to aid the military in eradicating coca fields, a task that has proven difficult because guerrillas control much of the coca-producing territory. Crop eradication has been a part of the U.S. War on Drugs since the 1970s. Since the mid-1990s, the effort to destroy coca and opium poppies in South America has intensified dramatically, with Peru and Bolivia receiving substantial aid from the U.S. for that purpose. Plan Colombia is the next step in the overall plan to end cultivation of these plants, presumably ending the drug trade and therefore the use of drugs in the U.S.

In this paper, I examine Plan Colombia in the context both of the Colombian civil war and the U.S. War on Drugs, finding it to be a flawed policy on both fronts. In perpetuating the civil war, it serves only to exacerbate the problems of constructing a functional civil society already faced by the various groups that claim authority in Colombia; its emphasis on the military will only prolong and deepen the conflict. As an extension of the War on Drugs, Plan Colombia helps to expose the underlying problems in the punitive model, with its construction of the U.S. drug problem as a "war" that must be "won." In examining the War on Drugs, I find that it comes into direct conflict with the U.S. construction of a liberal economic and political order, the main driving force behind U.S. foreign policy since World War II. I conclude by suggesting that a reformulation of the conception of power and state authority is necessary for the U.S. to maintain its dominant position in the global system.

A History of the Colombian Civil War

Colombia is mired in a civil war that has been waged, in one form or another, throughout the entire twentieth century. In the early part of the century, peasants and social reformers were pitted in armed battles against the Catholic Church-backed, land-owning oligarchy. The former group became the Liberal Party, taking control in 1930 and instituting land reforms that took power from the Conservatives, who regained control of the government from the internally divided Liberals in 1946. When Liberal leader Jorge Eliécer Gaitán was assassinated in 1948, it sparked a series of insurrections in Bogotá and other cities with strong Liberal bases of power.

This led to the infamous decade-long conflict known as *La Violencia*, which took the lives of more than 300,000 Colombians.²⁶¹

It was during the course of *La Violencia* that the guerrilla movement was born, formed in the eastern plains by Liberal Party-supported peasants. It was also at this point that the Cold War was drawn into Colombia, as Communist Party activists supported the new guerrilla army.²⁶² The U.S. supported General Gustavo Rojas Pinilla, an anti-Communist leader who came to power by force, through a \$170 million American loan and the support of the U.S. National Security Doctrine. The subsequent bombings against the highland guerrillas sent them retreating to the jungle, where they set up a community based on economic self-management and military self-defense.²⁶³

This disassociation of the political Left from the government-controlled areas was brought to a head in 1958, when the Liberal and Conservative parties came together to form a National Front that would allow the two parties to share public offices and alternate the presidency.²⁶⁴ It was at this point that the conflict between the oligarchy and the peasantry was shifted from a contest for power within the “legitimate” government to a struggle between the now-unified government and the guerrilla resistance movements.²⁶⁵ In 1964, prompted by the Colombian army’s capture of resistance territories, the Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN) were formed, joined by the People’s Liberation Army (EPL) three years later.²⁶⁶

Throughout the 1970s and into the early 1980s, these groups, with the FARC remaining the most powerful and prominent of the three, gained support from those displaced or dismayed by President Misael Pastrana’s rural development model, including workers, peasant leaders, students, and intellectuals.²⁶⁷ It was also at this time that the profitable cultivation of coca was embraced as a solution to the economic hardships facing the guerrilla organizations, coming in the form of the *gramaje*, a coca-trade tax on drug traffickers and coca growers.²⁶⁸

It is crucial to note that at no point during the guerrilla movements’ history have they actually been associated with narcotrafficking, as is implied by U.S. policy proposals.²⁶⁹ Colombia has dramatically increased its share of the coca market, with estimates of coca

²⁶¹ Alfredo Molano, “The Evolution of the FARC: A Guerrilla Group’s Long History,” NACLA Report on the Americas, September/October 2000, 23. The figure given by Molano of 300,000 dead is on the high end, as most estimates range from 200,000 to 300,000.

²⁶² *Ibid.*, 24.

²⁶³ *Ibid.*, 25.

²⁶⁴ *Ibid.*, 26.

²⁶⁵ This perspective, and many clarifications on the history of Colombia, come from a lecture given by Luis Gilberto Murillo, former governor of the El Choco state in Colombia, at Williams College on November 9, 2000. In addition to the historical background given here, Murillo explained the racial components of the anti-coca and counterinsurgency movement, emphasizing the oppression of indigenous peoples and Colombians of African descent, a topic that I do not cover in this paper but should not be dismissed.

²⁶⁶ Molano, 26.

²⁶⁷ *Ibid.*

²⁶⁸ *Ibid.*, 27.

²⁶⁹ See, for example, Hearing Before the Committee on International Relations, House of Representatives: “U.S. Counter-Narcotics Policy Towards Colombia,” March 31, 1998. Here, the word “narcoguerrillas” is used to describe the FARC and the ELN, a term that has no meaning in the context of Colombian politics. Using this logic, every faction in the conflict could have the prefix “narco” attached to their name. The hearing focuses on kidnappings by the FARC, using extreme and one-sided rhetoric to discredit the guerrilla position, as well as on the merits of and need for Blackhawk helicopters. The appendix consists mainly of helicopter comparisons, testimony from kidnapping victims and their families, and articles from the conservative Washington Times.

cultivation showing a 140-percent increase from 1995-1999.²⁷⁰ But the guerrillas had nothing to do with that shift; rather, it was the 1995 arrest of the Cali cartel's leaders, the Rodríguez Orejuela brothers, that precipitated the change. The downfall of the major buyers of coca leaf from Bolivia and Peru led to the "democratization" of the narco-trafficking structure and the relocation of crop areas to Colombia, many in the northern part of the country, where the guerrillas have no presence.²⁷¹ In 1989, Rensselaer W. Lee III, consultant to the U.S. government on narcotics policy, wrote that "if Colombia stopped cultivating coca tomorrow, the financial base of the FARC would shrink considerably, but the operations of the Medellín-Cali syndicate would not be greatly affected."²⁷² Though the cartels are different, the distinction between coca source and cocaine production remains as strong as ever. In fact, the U.S.-policy induced relocations of coca crops over the last decade have almost certainly improved the narco-traffickers' efficiency in moving their operations and finding new sources of product. The new diversity of criminal groups involved in the cocaine industry also allows for a greater flexibility of operations throughout the Andean region.

In 1968, the Colombian government enacted legislation authorizing the distribution of weapons to civilians in order to counter guerrilla warfare. These armed "civilian" groups, or paramilitaries, were encouraged by the military and funded and led by businesses and drug traffickers.²⁷³ In the early 1980's, the paramilitaries grew ties to the Colombian army when Fidel and Carlos Castaño, then leaders of the Peasant Self-Defense Units of Córdoba and Urabá (ACCU), offered their services to an army battalion operating in the area where the brothers owned land.²⁷⁴ The military used the ACCU and Death to Kidnappers (MAS), another paramilitary organization, to attack the guerrillas just as President Belisario Betancur was attempting to negotiate a peace.²⁷⁵ This action solidified the relationship between the army and the paramilitaries, as well as ending the peace negotiations and drawing more power into the hands of the military. In 1984, the FARC formed a leftist political party, the Patriotic Union (UP), which gained significant parliamentary representation in the 1986 elections. Over the next few years, the paramilitaries, sanctioned by the government and financed by Medellín drug lord Pablo Escobar, began assassinating leaders of the UP and other legitimate leftist political groups.²⁷⁶ This ended the last real hope for a settled peace in Colombia. By the 1990s, the paramilitary groups had unified under the leadership of Carlos Castaño, forming a powerful right-wing national organization known as the United Self-Defense Units of Colombia (AUC).²⁷⁷

The paramilitary organizations are among the worst human rights offenders in the world, and are certainly the most dangerous threat to Colombian civilians. They are responsible for 60 percent of political deaths, as well as more than 75 percent of all conflict-related deaths in Colombia, and regularly carry out massacres of non-combatant civilians that they claim are

²⁷⁰ White House Fact Sheet on U.S.-Colombia Counter-Drug Cooperation, August 30, 2000, at <http://www.ciponline.org/colombia/aid/083003.htm>. (hereafter "Counter-Drug Fact Sheet, 2000.")

²⁷¹ Ricardo Vargas Meza, "Biowarfare in Colombia? A Controversial Fumigation Scheme," NACLA Report on the Americas, September/October 2000, 22. Reports vary on how much of the coca-producing land is controlled by guerrillas versus the paramilitary groups, but it is certainly clear that the guerrillas are not involved in narco-trafficking.

²⁷² Rensselaer W. Lee III, "The Cocaine Dilemma in South America," in Mabry, Donald J., ed., The Latin American Narcotics Trade and U.S. National Security (New York: Greenwood Press, 1989), 70.

²⁷³ Nazih Richani, "The Paramilitary Connection," NACLA Report on the Americas, September/October 2000, 40.

²⁷⁴ *Ibid.*, 38-39.

²⁷⁵ *Ibid.*, 39.

²⁷⁶ Molano, 27.

²⁷⁷ *Ibid.*

guerrilla sympathizers.²⁷⁸ Fighting a “dirty war...gauged against the civilian population,” Marc Chernick notes that

It's the old Maoist dictum, that the guerrilla goes through the population like a fish in water. Well, [the paramilitary groups are] draining the water. They're killing the civilian support of the guerrillas. And what they're doing is...what people are calling the depeasantization of Colombia. They're forcing a tremendous problem of internal refugees, of displaced people, people who are leaving the rural zones.²⁷⁹

The drug trafficking and cattle ranching organizations that support the paramilitaries take control of the land that the peasants have fled, in what Chernick terms “counter-agrarian reform.”²⁸⁰ An interview with a soldier in the Colombian military was published in the January/February issue of the Index on Censorship; the soldier describes his training in brutal torture, indiscriminate civilian killings, and other atrocities, concluding that “whoever wants to can join the guerrillas, and it's a disaster. The paramilitaries' objective is guerrilla collaborators. But it's not the collaborators they'll kill, it's the ordinary people at home.”²⁸¹ The paramilitary groups continue to receive the support of the Colombian army, establishing themselves further with a recent series of military victories against the guerrilla armies. This has led to speculation that future peace talks will need to include the paramilitaries at the table, further complicating the process and forcing those who work for a peace to overlook massive human rights violations.²⁸²

Plan Colombia in the Context of the U.S. War on Drugs

Before examining the broader implications of Plan Colombia, it is worthwhile to note the specifics of the U.S. commitment. Of the \$1.319 billion aid package, only 65 percent is actually direct assistance to Colombia, with the other 35 percent marked for interdiction and alternative development programs in neighboring countries and increases in U.S. agencies' anti-drug operations in the Andean region.²⁸³ Three-quarters of Colombia's \$860.3 million is for military and police assistance, including the centerpiece of the aid package, the “Push Into Southern Colombia,” a Colombian army operation in which three newly created battalions will be assigned to create secure conditions for police anti-drug activities in the guerrilla-controlled southern departments of Putumayo and Caquetá.²⁸⁴ The focus of these activities will be the eradication of coca and opium poppies, as well as the destruction of labs, seizure of chemicals, interdiction, and narcotrafficker investigation and prosecution.²⁸⁵ The Colombian National Police (CNP) will receive \$115.6 million for a wide variety of items, ranging from helicopter upgrades and new

²⁷⁸ See statements of Marc Chernick, Carlos M. Salinas, and Russell Crandall, in Hearing Before the Subcommittee on the Western Hemisphere of the Committee on International Relations, House of Representatives, “Regional Conflict: Colombia's Insurgency and Prospects for a Peaceful Resolution,” August 5, 1998, 37-86, 103-109, 110-123.

²⁷⁹ Hearing Before the Subcommittee on the Western Hemisphere of the Committee on International Relations, House of Representatives, “Regional Conflict: Colombia's Insurgency and Prospects for a Peaceful Resolution,” August 5, 1998, 21.

²⁸⁰ *Ibid.*

²⁸¹ “This Is Your War On Drugs,” Harper's Magazine, October 2000, 17-21.

²⁸² Juan Forero, “Rightist Squads in Colombia Beating the Rebels,” New York Times, December 5, 2000, A12.

²⁸³ “The Contents of the Colombia Aid Package,” at the Center for International Policy.

<http://www.ciponline.org/colombia/aid/aidsumm.htm>

²⁸⁴ *Ibid.*

²⁸⁵ Counter-Drug Fact Sheet, 2000.

spray aircraft to training and ammunition. The CNP will also get \$100 million each year to fund the police's normal activities of illicit crop eradication, interdiction, and investigations.²⁸⁶

Non-military aid to Colombia includes \$68.5 million allotted for alternative development and crop substitution programs, including \$10 million to aid peasants who will be forcibly displaced by the "Push Into Southern Colombia." An additional \$15 million is provided for emergency assistance to those displaced by that action, and \$22.5 million is included to aid the more than 1.5 million people who have already been forcibly displaced.²⁸⁷ \$51 million has been allocated for several initiatives to improve human rights protections in Colombia, including the establishment of human rights units made up of prosecutors and judicial police, witness and judicial security for human rights cases, support for human rights institutions, and support for the United Nations High Commissioner for Human Rights field office in Bogotá.²⁸⁸ \$61 million is included for programs to streamline Colombia's judicial system, combat money laundering and corruption, and support ongoing peace talks. \$3 million has been assigned for conflict-resolution training seminars to government negotiators, the only money directly devoted to promoting a non-violent solution to the conflict in Colombia.²⁸⁹

Great care has been taken to keep paramilitary groups from receiving any part of the aid package. Of the six conditions that the Secretary of State certified to Congress as having been met at the beginning of Fiscal Year 2001 (October 1, 2000), two addressed this subject:

2. The Commander-General of Colombia's armed forces is promptly suspending from duty all military personnel who face credible allegations of gross human rights violations or of assisting paramilitary groups;...
4. The Colombian government is vigorously prosecuting paramilitary leaders and members, and any Colombian military personnel who aid or abet paramilitary groups, in civilian courts;...²⁹⁰

Other conditions pertaining to this subject include the return to the U.S. of any helicopters used to aid paramilitary groups, a ban on issuing visas to individuals associated with support for either the guerrilla or the AUC paramilitary group, and the inclusion of language similar to the Secretary of State's certification (above) in semiannual reports from the Secretary on the human rights situation in Colombia.²⁹¹

Plan Colombia was designed as a broad set of initiatives designed to help the Colombian government regain control over its territory and stabilize the nation. Devised by President Pastrana, the Plan originally contained the subheading, "A Plan for Peace, Prosperity and the Strengthening of the State," containing a series of reforms in the peace process, democratization, development, judicial reform, human rights and counternarcotics efforts.²⁹² The United States was to provide the bulk of the military component, along with billions of aid dollars from Europe and a multi-billion dollar commitment from Colombia itself, both promoting the "softer" component of aid to the country. But continuing instability in Colombia and the inability of the government to protect humanitarian workers led to the refusal of 38 humanitarian organizations

²⁸⁶ Ibid.

²⁸⁷ Ibid.

²⁸⁸ Ibid.

²⁸⁹ Ibid.

²⁹⁰ Ibid.

²⁹¹ Ibid.

²⁹² Winifred Tate, "Repeating Past Mistakes: Aiding Counterinsurgency in Colombia," NACLA Report on the Americas, September/October 2000, 17.

to contribute money that was to be used for refugee relief, prompting European nations to withdraw from the project as well.²⁹³ One European envoy said that “The E.U. [European Union] and member states are supporting the peace process in Colombia and not specifically the Plan Colombia, which is an American project.”²⁹⁴ Michael Shifter, a senior fellow at the Inter-American Dialogue, noted that the Plan is widely seen “as something that was cooked up in Washington...If other countries saw this was moving in the direction of being more responsive to Colombian concerns, they would support it.”²⁹⁵ Even in Colombia, the Plan was widely rumored to have been written in English and only minimally circulated within the nation. It was never discussed in the Colombian Congress or fully covered by its media.²⁹⁶

With the loss of confidence from Europe and the struggle of the Colombian government to come up with its own funds, Plan Colombia has been reduced to merely an extension of the larger American War on Drugs. The White House explains that “U.S. assistance for Colombian counter-drug programs is fully in line with our \$18.5 billion National Drug Control Strategy, which outlines a comprehensive attack on the illicit drug trade.”²⁹⁷ From the U.S. perspective, Plan Colombia is intended to serve two functions: attacking drugs at their source and increasing stability in a region that has considerable untapped natural resources that are of great interest to U.S.-based corporations. It is the first of these two motives, the elimination of drug production, that is the primary impetus for the policy, and the focus of this paper.

The broader context of the U.S. War on Drugs reveals Plan Colombia, as an extension of that war, to be an unsurprising outcome of what is at its core a flawed endeavor. Although the term was coined by President Nixon much later, the War on Drugs can trace its deepest roots back to the early 19th century. Many Americans joined societies devoted to the imposition of moral values on their fellow citizens, forming lobbying groups that fought to outlaw what they considered unacceptable behavior, including the use of alcohol and other drugs.²⁹⁸ This interplay between morality and politics is at the heart of the drug war as it is fought today. In the late 19th and early 20th centuries, drug use became associated with ethnic minority and immigrant groups: images of white women with “Chinamen” in opium dens, African-Americans made into “brutes” or rapists by alcohol and cocaine, and later, the association of Mexicans and African-Americans with marijuana use and sexual deviancy.²⁹⁹ Racism played a crucial role in shaping the perceptions both of the public and of the legislators who were to create the laws that shape the current drug paradigm. Fear of crimes by ethnic minorities and their supposed tendencies to corrupt white women added a further moral component to the anti-drug position.

The early response to drug use in the U.S. took the form of a medical model, giving doctors the right to prescribe drugs to addicted patients. This was a natural outgrowth of the position drugs held in society, used as medicines and often sold in grocery or general stores as

²⁹³ “Europeans Balk at Funding The Drug War in Colombia,” San Francisco Chronicle, October 12, 2000, at <http://www.sfgate.com>.

²⁹⁴ Christopher Marquis, “Ambitious Antidrug Plan for Colombia Is Faltering,” New York Times, October 15, 2000, at <http://www.nytimes.com>

²⁹⁵ Ibid.

²⁹⁶ Tate, 17.

²⁹⁷ Counter-Drug Fact Sheet, 2000.

²⁹⁸ Michael Woodiwiss, “Reform, Racism and Rackets: Alcohol and Drug Prohibition in the United States,” in Ross Coomber, ed., The Control of Drugs and Drug Users: Reason or Reaction? (Amsterdam: Harwood Academic Publishers, 1998), 13.

²⁹⁹ Ibid., 14-24. See also Eva Bertram, et al., Drug War Politics: The Price of Denial (Berkeley: University of California Press, 1996), 80.

well as by mail order.³⁰⁰ The Harrison Narcotics Act of 1914 set three major requirements for drug producers and distributors: they had to register with the federal government, keep transaction records, and pay a purchase or sales tax. Drug users could purchase drugs with a prescription from a physician who “prescribed [it] in good faith...in the pursuit of his professional practice only.”³⁰¹

The Treasury Department was in charge of administering the Harrison Act, and moved to shift the legal paradigm from a medical model to a prohibitionist law. The Department was supported by the antivice crusaders, who had formed lobbying organizations devoted to shifting public and legislative perceptions about drugs and drug users to the side of the extreme negative.³⁰² Continuing campaigns against drug-prescribing doctors and deep divides within the medical community led to the weakening of the medical model and the subsequent dominance of the punitive paradigm. By the late 1920’s, drug prohibition and the moralist terms of debate had taken hold:

The success of the Treasury Department in shifting the terms of debate to frame drug addiction not as a medical concern but as a law-enforcement problem thus transformed suppliers from pharmacists into drug dealers and turned addicts from patients who deserved treatment into criminals who deserved condemnation and isolation.³⁰³

In 1930, the Federal Bureau of Narcotics (FBN) was formed in the Treasury Department, and Harry Anslinger became America’s first “drug czar.” Propaganda campaigns, especially playing on the postwar associations between drugs and Communism, combined with mandatory minimum sentences in the 1950s to create the draconian punitive system that is still in place today.³⁰⁴ As with racism in the early part of the century, incorporating Communism added the elements of fear and morality to the debate. When President Nixon came to office in 1969, he brought with him an even more heavy-handed approach to combating drug use. In 1971, he called the problem “a national emergency” and proposed that “we must wage a total offensive, worldwide, nationwide, government-wide, and, if I might say so, media-wide.”³⁰⁵ This terminology marked the beginning of the War on Drugs, in terms of both rhetoric and policy. The Comprehensive Drug Abuse Prevention and Control Act of 1970 brought the expansive interstate-commerce powers of the Constitution to bear on drug-related law enforcement, suspending civil liberties in the name of fighting crime.³⁰⁶

While stepping up domestic punitive anti-drug policies, Nixon was also the first president to focus anti-narcotic efforts abroad, turning foreign supply into a prominent issue and defining drug traffickers as national enemies. Operation Intercept, an unsuccessful 1969 search and seizure operation along the Mexican border, was followed by a campaign of threats to Turkey, warning them to stop drug exports in exchange for reimbursement for losses resulting from

³⁰⁰ Bertram, et al., 61. See also Douglas Clark Kinder, “Nativism, Cultural Conflict, Drug Control: United States and Latin American Antinarcotics Diplomacy through 1965,” in Mabry, ed., 11-21, for an excellent early history of U.S. domestic drug policy.

³⁰¹ Bertram, et al., 68.

³⁰² Ibid., 70-71.

³⁰³ Ibid., 74.

³⁰⁴ Ibid., 78-85.

³⁰⁵ Ibid., 106.

³⁰⁶ Ibid.

reduced poppy cultivation.³⁰⁷ In the first example of what was to become a trend, Turkish eradication stimulated both opium production and heroin consumption by raising the world price and stimulating production along the Southern Asian rim.³⁰⁸ In response to the skyrocketing Southeast Asian market share of heroin in the U.S., Nixon sent a team of thirty Drug Enforcement Administration (DEA) agents armed with \$12 million in funds to stop the flow, and their substantial seizures of U.S.-bound heroin dramatically cut the Southeast Asian share of the U.S. heroin market. The result, however, was to open up new markets in Europe and Australia for Southeast Asian heroin, the rise of domestic synthetic substitutes in the U.S., and the substitution of complex international smuggling routes for the previously simple Turkey-Marseilles-New York pipeline. Alfred McCoy notes that “With production and consumption now dispersed about the globe, the international traffic was far more resistant to suppression than ever before.”³⁰⁹

Latin America has seen anti-narcotics diplomacy from the U.S. since the 1920s, receiving special attention because of its proximity and the high level of U.S. political and economic influence in the region.³¹⁰ The use of plants for medicinal and psychedelic effect was traditional in most Latin American cultures; it was demand from U.S. and European users that created not only the drug trade in the region, but also the illicit drug forms of the plants themselves.³¹¹ The tension created by the blame placed on Latin American producers for what is distinctly a problem of the consumer nations is a major factor in the drug war to the present day.

The Reagan administration oversaw a massive increase in international anti-drug efforts and in military involvement with interdiction campaigns. U.S. allocations for overseas narcotics control surged from \$40 million in 1980 to over \$200 million in 1987, while the cost of the U.S. Defense Department’s interdiction activities rose from \$4.9 million in 1982 to \$387 million in 1987.³¹² Reagan drew the Central Intelligence Agency (CIA) and the rest of the federal-intelligence apparatus into the anti-drug crusade, ordering them to provide guidance to civilian drug-enforcement agencies. With an amendment to the Posse Comitatus Act, the administration granted the Navy the right to join civilian agencies, such as the Coast Guard, in interdicting smuggling vessels at sea. Further bringing the military to bear on border control, all branches of the armed services were empowered to assist Customs, the Coast Guard, and the DEA with training, equipment, and information.³¹³ Despite a huge increase in military interdiction efforts and drug seizures, a 1988 General Accounting Office (GAO) study found that supplies in the U.S. were insignificantly affected.³¹⁴

As the Cold War began to show signs of easing up (if not ending) in the early years of President Bush’s term of office, the role of the military began to expand further into the realm of

³⁰⁷ Ibid., 106-107.

³⁰⁸ Alfred W. McCoy, “From Free Trade to Prohibition: A Critical History of the Modern Asian Opium Trade,” in *Fordham Urban Law Journal*, October 2000, 311.

³⁰⁹ Ibid., 332-333.

³¹⁰ Kinder, 21.

³¹¹ The most obvious example is the transformation of the benign coca leaf into cocaine; tellingly, even the potency of cocaine is not enough, as the powder is turned into crack for sale in the inner cities. Heroin is another case, but even marijuana has been bred for higher THC content in response to Western demand.

³¹² Bruce Michael Bagley, “The New Hundred Years War?: U.S. National Security and the War on Drugs in Latin America,” in Mabry, ed., 46.

³¹³ Bertram, et al., 112.

³¹⁴ Don M. Coerver and Linda B. Hall, *Tangled Destinies: Latin America and the United States* (Albuquerque: University of New Mexico Press, 1999), 231.

anti-drug enforcement. Bertram, Blachman, Sharpe, and Andreas, in their seminal book, Drug War Politics: The Price of Denial, state that

To a degree unmatched by previous presidents, [President Bush] used his power as commander in chief to draft the U.S. military into the drug war, elevating what had been a sporadic and relatively minor role in assisting in civilian enforcement into a major national-security mission for the armed forces.³¹⁵

The Defense Department was made the lead agency for detecting drug traffic into the country, was given responsibility for creating an effective network of command, control, and communications for drug interdiction, and was told to approve and fund state governors' plans for using the National Guard in state interdiction and enforcement. Funding for the military's drug-enforcement activities had increased to over \$1 billion by 1992.³¹⁶

When Presidents Reagan and Bush began escalating the role of the military in the drug war, they were originally met with some resistance. Even as late as 1989, Bruce Michael Bagley could write,

For its part, the Pentagon has systematically expressed its reluctance to get involved in the war on drugs, in part because of concern that the drug effort would divert funding away from its central military mission of defending U.S. interests abroad, and in part out of concern that an expanded military role might expose the U.S. armed forces to corrupting influences.³¹⁷

The last decade has seen the adoption of the international antinarcotics effort as a major component of "defending U.S. interests abroad." With the end of the Cold War, those who support a militarized U.S. have needed new justifications for perpetuation of a massive military budget. At the same time, ardent supporters of the War on Drugs saw U.S. military technology and other resources as potentially key weapons against drug traffickers. The combination of the two has resulted in what Peter Andreas and Richard Price call "the growing fusion between law enforcement and national security missions, institutions, strategies, and technologies."³¹⁸

The military approach to the drug war has involved not only the use of the U.S. armed forces in a variety of activities, but also the incorporation of foreign militaries into the effort. In the 1970s, Mexico began what was termed the *campaña permanente* (permanent campaign), a massive drug crop eradication effort by the Mexican army. Between the mid-1970s and 1983, the share of Mexican marijuana in the U.S. market dropped from 70 percent to 10 percent, and its share of U.S. heroin supplies fell from 87 percent to 34 percent.³¹⁹ Although these numbers have never had a significant or long-term effect on the American drug market, Mexico became a model for future Latin American crop eradication programs. Colombia began spraying crops with dangerous (often untested) pesticides in the late 1970s in response to U.S. pressure. Although they have been a major recipient of U.S. anti-narcotics aid since that decade, the presence of guerrillas in the drug production areas, the influence of narco-traffickers on

³¹⁵ Ibid., 114.

³¹⁶ Ibid.

³¹⁷ Bagley, 48.

³¹⁸ Peter Andreas and Richard Price, From War-fighting to Crime-fighting: The Changing Security Agenda and the Contemporary State (Rough draft of paper prepared for the American Political Science Association convention, Atlanta, GA, September 2-5, 1999), 2.

³¹⁹ Gregory F. Treverton, "Antinarcotics Strategies and U.S.-Latin American Relations," in Mabry, ed., 142-143.

government policy, and the constant wars between the military and paramilitaries and the guerrillas have made eradication programs costly and difficult to maintain.³²⁰

In 1989, drug traffickers assassinated the leading Colombian presidential candidate, Luis Carlos Galan, a reformist candidate who had a strong anti-corruption and anti-narcotic policy. In the period immediately following the murder, the U.S. moved to reinvigorate Colombia's drug war and to bolster the military, granting a \$65 million gift of stockpiled Defense Department weapons and supplies one day after Galan was shot.³²¹ Millions of dollars of additional aid continued to pour into Colombia and its neighboring countries, making the Andean region the largest recipient of military aid in the hemisphere. Marc Chernick writes:

As the anti-Communist wars died down or were settled through international mediation and peace agreements, the Andean region emerged as the major hemispheric battlefield in the post-cold war world. The Southern Command, based in Panama, was transformed into a frontline outpost in post-cold war security environment. All military aid to the Andean region now had to be authorized within the framework of U.S. anti-narcotics policy. (his emphasis)³²²

The Drug War had replaced the Cold War as the ideological framework for supporting the Colombian government against the guerrilla movement.

By 1992, three problems with military support for the Colombian army had become apparent. First, counter-insurgency was clearly the primary goal of the army as it continued to fight against the guerrillas. Second, the crop eradication missions had the effect of driving poor farmers, who depended on coca for their livelihood, into the hands of the guerrillas, who offered protection. Third, the military was found to have committed terrible human rights offenses, often allying themselves with the paramilitaries.³²³ Given Colombia's history, these problems were neither new nor surprising, though they may have seemed so to the politicians who had authorized the military support. In addition to these problems, the street price of cocaine and heroin continued to fall, demonstrating that the efforts were having no practical success at all.³²⁴

These problems led to a shift in aid policy towards Colombia. The new approach was what came to be called "kingpin strategy," where the Medellín and, later, the Cali cartels were directly targeted by the Colombian police. As seen above, the disruption of these organizations only led to the diversification of criminal enterprise and a boom in coca leaf production in Colombia. As Chernick notes, despite the failure of the anti-drug mission, "there was one welcome development. The United States reduced and by 1995 eliminated most aid to the Colombian military. The effect has been to prevent the U.S. from being dragged into Colombia's counter-insurgency war."³²⁵

The mid-1990s saw a power vacuum in the Colombian presidency, as President Ernesto Samper took office, weakened by accusations that he had received campaign contributions from the drug cartels. Samper accepted a military withdrawal from the La Uribe region, along with other conditions, as the terms under which the guerrillas would resume peace talks. But the military, backed by the U.S., threatened a coup if they were ordered to leave La Uribe, and

³²⁰ See Treverton, 143-144.

³²¹ Marc W. Chernick, "The Sale of Military Equipment to Colombia to Support The War on Drugs," in Hearing Before the Committee on International Relations, House of Representatives, September 11, 1996, 46.

³²² *Ibid.*, 47.

³²³ *Ibid.*

³²⁴ See Bertram, et al., 266-267, for trends in drug prices from 1974 to 1994.

³²⁵ Chernick, 1996, 48.

Samper withdrew his acceptance of the guerrilla terms.³²⁶ From that point until 1998, when President Pastrana assumed office, the U.S. tended to deal directly with the Colombian military, and support for funding anti-narcotics efforts through counter-insurgency began to grow again.³²⁷ The combination of guerrilla military successes, the transplantation of coca cultivation from Peru and Bolivia into Colombia, and the growing political strength of the Colombian military led to this renewed emphasis on a military solution.

Plan Colombia, then, can be seen as the culmination both of the increasingly militarized landscape of Colombian politics and of the steady expansion of the U.S. War on Drugs into the international realm. Having examined these two historical contexts, we find that they cast considerable doubt on the project's potential for success. Contrary to U.S. propaganda, the Colombian civil war is not a case of a legitimate government being undermined by drug-supported rebels. Rather, the history of social oppression by the government and corruption at the highest levels of public office, along with the terrible human rights record of the military and the closely-associated paramilitaries, paints a picture of a conflict that has no clear moral high ground. Further, there is no guarantee that increasing the military capabilities of the Colombian army will ensure military success. As became clear in the mid-1990s, crop eradication tends to increase support for the guerrilla movement. The widely-held sentiment is that Colombia is "another Vietnam," where escalating commitments continue without achieving the desired result. Equally problematic is the single-minded focus on the guerrillas, ignoring the narcotraffickers in the Northern part of Colombia and the 40 percent of the coca leaf grown outside of the guerrillas' territory.

Finally, and most importantly, the historical context of the U.S. War on Drugs strongly suggests that this project will be unsuccessful. This criticism goes beyond the specifics of Colombia; there are endemic flaws in the nature of the war that make it unwinnable as it is currently waged. In examining the reasons for past failures and measuring that evidence against the seemingly irrational current policy, we can make observations about globalization and the changing nature of American power.

Flaws in the U.S. War on Drugs

The shift in heroin production from Turkey to throughout Asia in the 1960s and the shift in coca leaf cultivation from Bolivia and Peru to Colombia in the 1990s, as discussed above, are two examples of the unintended consequences of U.S. policy. In both cases, American intervention both diversified the supply sources and complicated the trafficking channels, making future enforcement more difficult. These cases are hardly unusual. All evidence, be it empirical or anecdotal, supports the theory that the War on Drugs is unwinnable.³²⁸ Bertram, Blachman, Sharpe, and Andreas give two reasons why this is so. The first is the "profit paradox":

³²⁶ Molano, 30.

³²⁷ See Hearing Before the Committee on International Relations, House of Representatives, September 11, 1996, 18-21, for Congressman Robert Menendez's concerns about democratic institutions in Colombia. Present at that hearing, and at others like it, are members of the Colombian military and National Police, while absent from the hearing is a representative from the Colombian government.

³²⁸ See "Is Our Drug Policy Effective? Are There Alternatives? Proceedings of a Conference Sponsored by The Association of the Bar of the City of New York, the New York Academy of Medicine, and the New York Academy of Sciences," in *Fordham Urban Law Journal*, October 2000, 4-261. For an overview of the statistics supporting the anti-Drug War position, see the testimony of Eric Sterling, counsel to the U.S. House Judiciary Committee, 1979-1989, on p. 53-63. He refers to the 1999 National Drug Control Strategy as "a Potemkin Village drug strategy" and "a fraud," concluding that "National anti-drug policy is not working and there is no strategy to make it work."

success in artificially raising drug prices also increases profits.³²⁹ The drug war thereby creates incentive for traffickers at each stage of the transportation process (including the street dealers) to enter or remain in the market, keeping the supply up and thus keeping the prices from rising too high.

The second reason that the drug war cannot be won is the “hydra effect”: as in the above cases, efforts to stop drug production wind up spreading the problem and making hard-fought gains short-lived.³³⁰ Cocaine, heroin, and marijuana are easily grown, refined, transported, and sold, limited money and skill is needed to enter the market, and the business is far more profitable than other opportunities available to most people who wind up in the drug trade.³³¹ The hydra effect applies not only to the international sphere, such as in Asia and South America, but also on the domestic level, with new dealers replacing those who are arrested and with areas of heavy drug dealing moving, as needed, around metropolitan areas.³³²

U.S. domestic drug policy has seen the development of an increasingly draconian punitive model, the natural outgrowth of policy that has its roots (as shown above) in a moralistic anti-vice crusade. Once the medical model was discarded, the state relinquished all control over the distribution of drugs. With the market in the hands of unregulated criminal enterprises, the profit paradox and the hydra effect have ensured the failure of the drug war. Nevertheless, the effort to end drug use by attacking users, traffickers, and producers continues unabated.

The characterization of the U.S. effort to control domestic narcotic use as a “war” helps to clarify the political landscape in which policy on this issue is formed. In a war, those who oppose the mainstream paradigm may be characterized as “surrendering” to the enemy.³³³ If surrender is an unacceptable solution, then the only acceptable policy is to “try harder.” This manifests itself in the continuous growth of the drug enforcement complex, harsher sentences for offenders, and the further incursion into the lives of people at home and abroad in the name of fighting what is held to be a moral war.

An example of the consequence of the “war/surrender” paradigm is the issue of border control. Eliminating the presence of drugs in the United States would require, among other things, a near-total closure of the borders. A September 1989 report from the Pentagon to Congress demonstrated the costs involved: an effort to “substantially halt” the flow of drugs would require over one-third of the Navy’s fleet (210 of 568 ships), more than three times the number of aircraft-hunting planes owned by the Air Force in addition to another 120 Navy radar and search aircraft, half the Army’s combatants and helicopter companies (more than 50,000 troops and about 1,000 helicopters), an annual cost of \$18 billion and the abandonment of many military missions around the world.³³⁴ Despite this evaluation, Secretary of State Dick Cheney expanded the military’s role the same month that the report was released. This came after members of Congress assailed the Pentagon for their pessimism, accusing the military of not committing itself fully to the issue.³³⁵

In the above example, the Pentagon report was seen as unacceptable not because it was inaccurate, but because it was a *concession of defeat*. Although there was no reason to believe that increasing border controls on a limited basis would have any effect on drug use in the U.S.,

³²⁹ Bertram, et al., 13.

³³⁰ Ibid.

³³¹ Ibid.

³³² Ibid., 24.

³³³ See Douglas N. Husak, *Drugs and Rights* (Cambridge: Cambridge University Press, 1992), 9-16.

³³⁴ Bertram, et al., 158.

³³⁵ Ibid., 159.

the need to demonstrate a commitment to fighting nevertheless justified the increased involvement of the military. As Bertram, Blachman, Sharpe, and Andreas note,

Faced with the evidence of structural flaws in the policy and with challenges to its core premises, decision makers frequently act to deflect or deny the evidence, to shoot the messenger, or both. When evidence of failure is heard and accepted, a common tendency is to reject its implications or draw wrongheaded conclusions - focusing on the need for better coordination, greater force, or more resources. Those who understand the full implications and attempt to challenge the policy and its premises are met with misleading indicators of success from officials in the narco-enforcement complex who are defending their institutional interests and with impatience and dismissal by peers who are anxious to win the war.³³⁶

Increasingly, the “institutional interests” of those in the “narco-enforcement complex” include an increased role of the military in fighting the War on Drugs. The more institutionalized the role of the military in fighting drug trafficking becomes, the deeper the commitment and its characterization as a war will bury themselves into U.S. politics.

Fueled by an unopposable rhetorical paradigm where war and surrender are the operative terms, the U.S. attempt to end domestic drug use is not founded in logic. Interdiction, crop reduction, and a harsh punitive model at home are all attempts to raise the costs of participating in the illicit drug trade, but the profit paradox and the hydra effect doom such efforts to failure. Deeper even than these problems are the conflicts that this policy has raised with the broader U.S. policy of promoting globalization.

Conflicts and Costs in the U.S. War on Drugs

The 1989 Pentagon report cited above demonstrates the immense financial and military costs of attempting to close the U.S. borders. But even these considerable costs do not address the underlying conflict inherent in efforts at border control: U.S. policy throughout the Cold War and to the present day has been centered around promoting an openness of borders, facilitating a process of market integration and barrier-breaking that is commonly known as globalization. This term is given too much power by certain theorists; Paul Hirst and Grahame Thompson characterize the position of these theorists as follows:

A truly global economy is claimed to have emerged or to be in the process of emerging, in which distinct national economies and, therefore, domestic strategies of national economic management are increasingly irrelevant. The world economy has internationalized in its basic dynamics, it is dominated by uncontrollable market forces, and it has as its principal economic actors and major agents of change truly transnational corporations that owe allegiance to no nation-state and locate wherever on the globe market advantage dictates.³³⁷

For the purposes of this paper, I want to ally myself neither with the theorists whose claims are described above, nor with Hirst and Thompson and the camp that opposes this outlook. I agree that the forces of globalization have less power than they are often granted, and that a globalized world should not be treated as an inevitable outcome of the current state of the world. At the

³³⁶ Ibid., 161.

³³⁷ Paul Hirst and Grahame Thompson, “Globalization – a Necessary Myth?” in David Held and Anthony McGrew, eds., *The Global Transformations Reader* (Cambridge: Polity Press, 2000), 68.

same time, it is important to recognize that the interests of the U.S. have been tied to promoting globalization through a wide variety of policies, since World War II.

In 1944, the International Monetary Fund and the World Bank were established at Bretton Woods, New Hampshire. Secretary of State Henry Morgenthau sought to facilitate international cooperation among the capitalist nations through an institutionalization of the international monetary system, a policy that continued three years later with the Marshall Plan.³³⁸ The U.S. made the dollar the benchmark of international currency value, supplanting gold as the global standard and placing itself in the center of the world financial system. When floating exchange rates were made the basis for currency values in 1976, removing the privileged position of the dollar, the decision was made with the support of the U.S., which recognized the need for open currency markets and multinational corporate growth.³³⁹ These decisions at key moments to favor openness, where economic liberalization was by no means a given, were crucial in the development of the more global world that exists today.

Globalization, as encouraged by the above policy, has supported U.S. interests, both economically and politically. American control of key financial institutions, combined with domestic institutions that support economic openness, a strong financial elite, an industrial base, communications infrastructure, and the wealthiest consumer market in the world, combine to ensure U.S. financial strength. The U.S. has also used globalization to become politically powerful. The successful post-World War II shift of the global paradigm from military to economic, while maintaining security as a quasi-hegemon, has led to the creation of a prosperous liberal system centered around the U.S. that merges the economic and political realms.

Sacrificing economic power for political stability, while maintaining political control, has been crucial to maintaining the U.S. hold on power. The U.S. has maintained a trade deficit for decades as the world's largest importer. While there have been occasional backlashes against this policy from American workers and politicians, its continuance serves to tie the prosperity of many nations to the U.S., increasing the likelihood of good relations.

Crucial to the facilitation of international free trade is the ease of border crossing, which allows for the development and perpetuation of free and open markets. In 1999, nearly 500 million people, 100 million vehicles, and \$850 billion worth of imported merchandise passed through the U.S. cross-border inspection program.³⁴⁰ As borders become more open, they also become less selective, increasing concerns about weapons (potentially to be used for terrorism), drugs, and aliens. Stephen E. Flynn suggests that "the Southwest border is seen as out-of-control, despite the substantial rise throughout the 1990s in federal agency budgets and personnel dedicated to policing the 1,951-mile border."³⁴¹ As with drug policy, efforts to stem the tide of immigration have only pushed the sites of border crossings to more remote and unpoliceable locations along the border, furthering public perception that the region is "out-of-control."

³³⁸ See Robert B. Packer, Financial Liberalization and the Reconstruction of State-Market Relations (New York: Garland Publishing, Inc., 1998.), 79.

³³⁹ See Harry Magdoff, Globalization: To What End? (New York: Monthly Review Press, 1992), 11-20. For a specific list of policy changes and programs, see Adriano Lucatelli, Finance and World Order: Financial Fragility, Systemic Risk, and Transnational Regimes (Westport: Greenwood Press, 1997), 23.

³⁴⁰ "Customs Reports Year 2000 Status of Cross-Border Inspection Program," U.S. Customs Service Press Release, October 15, 1999, in Stephen E. Flynn, "Drugs, Thugs & Trade: Border Control in an Era of Hemispheric Economic Integration," a paper prepared for the Council on Foreign Relations' Study Group on Globalization & the Future of Border Control, February 7, 2000, available at <http://www.cfr.org/BorderControl/chapters/chapter3.html>

³⁴¹ Flynn.

The U.S. inability to keep undesirable elements out of the country, as seen most dramatically with the drug war and with border control in general, has serious implications for U.S. power. The issue at hand is not merely that of pitting U.S. power against the “forces of globalization,” or locating specific aspects of the globalization process that are antithetical to U.S. interests. As seen above, the global liberal paradigm was both founded by and continues to be led by the U.S.; globalization is the desired result of American policy. Therefore, in internationalizing the drug war, the U.S. is waging war against the international system that it has created.

With the attributes of the international system that have allowed the drug trade to flourish identified as also being the foundations for U.S. power, the consequences of waging the War on Drugs in its current manner are considerable. Flynn notes that “advocates of greater trade liberalization and economic integration should find...worrisome” the increase in public support for tighter border controls. He summarizes his position by concluding that “not doing enough about border control is likely to erode support for free trade; doing too much border control could effectively kill free trade.”³⁴² But what is unrecognized in this account is the degree to which U.S. control over the international system is predicated on its role as leader of the open, liberal economic order. If U.S. policy serves to “kill free trade,” removing itself from the center of the global system, the consequence would be a reconfiguration of world order. At a minimum, this would result in diminishing U.S. power. An alternate view could see a return to an anarchic, military paradigm as possible in such a scenario.

A further conflict between the War on Drugs and the liberal global order is the flagrant abandonment of human rights as a policy concern. Along with free trade and open economic and political systems, protection of human rights is one of the pillars on which the new order has been built. The domestic consequences of the drug war have been documented broadly. Charles Adler, chair of the Criminal Law Committee of The Association of Bar of the City of New York, cites the proactive enforcement of drug laws as “a wholesale abandonment of the principles embodied in the Fourth Amendment,” noting that:

The powerful techniques of drug enforcement...were historically reserved for rare and extreme cases like treason or significant instances of organized crime. However, these techniques have become routine since the criminal docket is now dominated by drug cases. The courts have tortured the Constitutional framework in order to accommodate them.³⁴³

The use of surveillance technology, searches without warrants, and other violations are commonly accepted methods of fighting drug use in the U.S.³⁴⁴

Furthering the problematic nature of these policies is the location of the bulk of their efforts in inner cities, targeting the poor and minorities for drug-related crimes. Bertram, Blachman, Sharpe, and Andreas note that

Carrying out a war against supply in the inner city creates a powerful vacuum pump that draws poor and minority citizens into the lucrative trade itself - and then into the criminal-justice system...In outcome if not in intent, the antidrug

³⁴² Ibid.

³⁴³ Testimony of Charles Adler, in “Is Our Drug Policy Effective? Are There Alternatives?”, 92-98.

³⁴⁴ See also Christopher L. Blakesley, *Terrorism, Drugs, International Law, and the Protection of Human Liberty* (Ardsley-on-Hudson, New York: Transnational Publishers, 1992), 303-307, for an examination of drug courier profiling, aerial search, and open field laws.

battle has been waged more intensely and more ruthlessly against African Americans, Hispanic Americans, and the poor.³⁴⁵

35 percent of people arrested for drug possession are African American, despite that racial group only constituting 15 percent of monthly drug users.³⁴⁶ The disparity in sentencing is even worse, with users and dealers of crack, a drug used primarily by African Americans, receiving far harsher penalties than those who handle cocaine. Further, African Americans are far more likely to be sent to federal courts for drug violations, where sentences are much stiffer.³⁴⁷ Although two-thirds of weekly drug users in New York State in 1987 were white, 91 percent of the persons imprisoned on drug charges were African-American or Hispanic.³⁴⁸ In comparing the death rates from AIDS of African Americans and whites who use drugs, Dawn Day, Director of the Dogwood Center, found that “racial profiling is a major factor in the spread of AIDS among African-Americans who inject drugs.”³⁴⁹ The increased danger of carrying needles for African-American intravenous drug users, who are about 4 times as likely as whites to get stopped and searched, is the biggest factor in disparities in AIDS-related death rates among drug users.³⁵⁰

Issues related to health and sentencing do not only affect minority communities. The use of dirty needles, while higher in African-American populations, is promoted in all communities by the difficulties, promoted by law, in obtaining clean syringes.³⁵¹ Pregnant women who are drug users face prosecution or the loss of their child if they seek treatment or medical care. More broadly, drug use is made far more dangerous because of the unregulated market. Drug overdoses often occur because the user has no indication of the potency of the product they ingest.³⁵² Sentencing issues are equally appalling; mandatory minimum sentences, drafted arbitrarily by politicians in order to appear “tough on crime,” eliminate the association between the severity of the crime and its punishment.³⁵³ Penalties for drug offenses are harsher than those for violent offenses, and serve to push more dangerous criminals out of the system to make room for benign drug users.³⁵⁴

The broadening of the War on Drugs to the international realm has expanded the violation of human rights both within the U.S. and abroad. The introduction of police work into the military agenda has been well-documented by Andreas and Price, who find that “the role of the state’s externally-oriented coercive apparatus has been shifting in emphasis from war-fighting to crime-fighting functions.”³⁵⁵ They note that the result of a 1996 intelligence authorization bill giving the CIA the authority to collect evidence outside the country against foreigners suspected of breaking U.S. criminal laws would permit that evidence to be used in an American court against a U.S. citizen, regardless of whether the evidence was obtained using methods that are illegal in the U.S., such as “strong-arm interrogations, break-ins without search

³⁴⁵ Bertram, et al., 37-38.

³⁴⁶ Testimony of Marc Mauer, in “Is Our Drug Policy Effective? Are There Alternatives?”, 79. See also Bertram, et al., 36-45.

³⁴⁷ Ibid., 79-80.

³⁴⁸ Husak, 57.

³⁴⁹ Testimony of Dawn Day, in “Is Our Drug Policy Effective? Are There Alternatives?”, 70-77.

³⁵⁰ Ibid. Hepatitis B and C are also spread through dirty needles, and thus the same problems apply.

³⁵¹ Bertram, et al., 35.

³⁵² Ibid.

³⁵³ Testimony of Julie Stewart, in “Is Our Drug Policy Effective? Are There Alternatives?”, 83-87. Stewart notes that judges often disapprove of the sentences they are forced to give out, but have no choice but to comply.

³⁵⁴ Husak, 56.

³⁵⁵ Andreas and Price, 7.

warrants, and unauthorized electronic eavesdropping.”³⁵⁶ Military procedures have been used in domestic law enforcement, notably in border issues and in the Bureau of Alcohol, Tobacco, and Firearms’ 1993 raid on the Branch Dividian compound in Waco, Texas.³⁵⁷ These examples demonstrate the blurring of the line between international and domestic uses of force.

In the international realm, the acceptance of human rights violations by U.S. allies in the War on Drugs creates a parallel to the political realities of the Cold War, where allegiance to the West trumped all other concerns. Plan Colombia attempts to improve human rights conditions in Colombia, but its efforts are more rhetorical than practical. Although more than \$100 million has been pledged to support a variety of human rights and justice-related programs, these do not counterbalance the negative consequences of intensifying the conflict and displacing, injuring, or killing thousands of civilians.³⁵⁸

The most prominent causes of human rights abuses in Colombia are the paramilitary groups and, most importantly, the civil war itself. In addressing these two areas, the U.S. comes up dramatically short, as seen in the White House Fact Sheet on Human Rights and U.S. Assistance for Plan Colombia. U.S. influence in ending the paramilitaries’ abuses is limited to “supporting President Pastrana’s efforts to stamp out collaboration between security force members and paramilitaries,” a solution that does not actually address the human rights violations themselves.³⁵⁹ Other methods used to promote human rights will be to “press” the Colombian government to eliminate links between the military and the paramilitaries (an equivalently meaningless proposition), and to “call on” the paramilitaries and the guerrillas to “respect international human rights norms and international humanitarian law.”³⁶⁰ Finally, the Sheet addresses the issue of peace, saying that “U.S. support for the Colombian peace process is in part premised on the principle that a negotiated peace settlement will be a key step in eliminating human rights violations.”³⁶¹ With only \$3 million devoted to improving peaceful relations balanced against \$860 million in police and military assistance, it is clear that the effect of Plan Colombia will be to perpetuate and deepen the Colombian civil war with its human rights abuses intact.

The U.S. is trying to play two games at once. On the one hand, U.S. policy actively promotes the further establishment of a global liberal economic and political order, centered around the U.S. and bolstered by international institutions. The principles of free trade and human rights are central to this policy. At the same time, the War on Drugs assaults these principles by marshaling public support for tighter borders and by supporting considerable human rights abuses in the nation that holds itself up as a model for the rest of the world to follow. As the War on Drugs expands ever outward, it highlights the hypocrisies inherent in the global system and threatens the foundations upon which it is built. Because it is driven by moral rhetoric and a war-like mentality, and because it cannot be won, there is no evidence that the drug war will stop even when dramatic gestures such as Plan Colombia prove to be unsuccessful.

³⁵⁶ Ibid., 17.

³⁵⁷ Ibid., 20.

³⁵⁸ See Scott Wilson, “Colombia’s Anti-Drug Plan Fuels Fight in Coca Country,” *Washington Post*, October 14, 2000, A14, found at <http://www.washingtonpost.com>, for early effects of the Plan on Colombian civilians.

³⁵⁹ White House Fact Sheet on Human Rights and U.S. Assistance for Plan Colombia, August 30, 2000, at <http://www.ciponline.org/colombia/aid/083006.htm>. (hereafter “Human Rights Fact Sheet, 2000.”)

³⁶⁰ Ibid.

³⁶¹ Ibid.

Conclusion: Possible Alternative Worldviews

Hirst and Thompson speak of the fundamental problematic nature of governance in a globalized economy:

The systematic economic interdependence of countries and markets would by no means necessarily result in a harmonious integration enabling world consumers to benefit from truly independent, allocatively efficient market mechanisms. On the contrary, it is more than plausible that the populations of even successful and advanced states and regions would be at the mercy of autonomized and uncontrollable (because global) market forces. Interdependence would then readily promote dis-integration - that is, competition and conflict - between regulatory agencies at different levels. Such conflict would further weaken effective public governance at the global level.³⁶²

The U.S. War on Drugs provides an example of this “disintegration” in action. The law enforcement complex, expanded to include the military and intelligence organizations, attempts to tighten the borders and subject the flow of goods and people to closer scrutiny even as the market dictates that precisely the opposite policy be adopted. The international drug trade may be the most resilient market activity in the world, absorbing the constantly rising cost of transportation as the War on Drugs expands. Insofar as “public governance at the global level” continues to define its authority in terms of its ability to stop the flow of drugs, it has proven to be weaker than market forces. Unlike the above description, however, these forces are not uncontrollable, though they may appear to be so if conventional notions of control are used.

Globalization demands a rethinking of the nature of control. In her 1998 book, Globalization and Its Discontents, Saskia Sassen argues this point for immigration policy in the West:

While the new conditions for transnational economies are being produced and implemented by governments and economic actors in highly developed countries, immigration policy in those same countries remains centered in older conceptions about control and regulation.³⁶³

Immigration policy, she argues, continues to focus on border control and the individual actions of emigrants as the determining factors for regulation. Sassen wants to replace this focus with a new understanding of the state’s role, one that accepts the reduced autonomy of the state and the multiplicity of actors involved in the immigration process.³⁶⁴ She does not argue that the state must or should relinquish control; instead, she finds the actual points of control to be located in places other than the realms where states have traditionally assumed control.³⁶⁵ For example, she notes that “domestic U.S. policies with a foreign, overseas impact have contributed to emigration to the United States.”³⁶⁶ The state continues to have a tremendous impact on immigration, but its power comes in new forms.

³⁶² Hirst and Thompson, 72.

³⁶³ Saskia Sassen, Globalization and Its Discontents (New York: New Press, 1998), 6-7.

³⁶⁴ This is a paraphrase of Sassen, 20-21.

³⁶⁵ See Sassen, 12-18.

³⁶⁶ *Ibid.*, 13.

In places where the state continues to attempt to establish old forces of control, such as the border, criminal organizations thrive by exploiting the holes formed by globalization. James H. Mittelman and Robert Johnston argue that

Heavily laden with the trappings of force, circumscribed but not disempowered, the state is less autonomous, with diminished ability to control borders. Not only is the state porous in terms of flows of knowledge and information, but also, increasingly, transnational criminal elements are entrants. In the face of such cross-border flows, the traditional notion of jurisdiction based on territoriality is progressively brought into question. New forms of criminality infringe on the principle of sovereignty, the centerpiece of the Westphalian interstate system.³⁶⁷

While I agree with Mittelman and Johnston's description of the state's inability to control transnational criminal organizations, I disagree with their contention that a loss of sovereignty is the only possible result. Instead, as Sassen argues for immigration, new policies must arise out of a recognition of the changed or changing locations where states actually exercise control.

A broadened conception of power realities is necessary. Flynn argues that "our aim should be *to achieve the ends of border control without focusing primarily on the physical borders themselves.*"³⁶⁸ However, his policy prescription involves nothing more than an application of new technologies to old methods, focusing on point-of-origin controls, transparency of trade, travel, and commerce, and the creation of incentives for adhering to this new system.³⁶⁹ Even if these solutions serve to temporarily control various cross-border flows, there is no reason to believe that they will last. As long as the terms of control remain mired in older conceptions of state authority, efforts to combat those enterprises that have adapted to and thrived in a globalized world will fail.

In applying this theory to the War on Drugs, we find that the solution to solving the conflict with globalization already has tremendous support in a variety of communities. The anti-drug war movement has long argued that a total reevaluation of U.S. drug policy is in order, usually involving a return to the original conception of drug use, what Bertram, Blachman, Sharpe, and Andreas call the "public-health paradigm":

Politicians would most likely still be "tough on crime," but drug use and addiction would be regarded primarily as health problems, not as crime problems. Members of Congress and the media would demand to know whether a particular program had attracted substance users into treatment, enabled them to keep or find jobs, or slowed the spread of AIDS and other drug-related diseases - instead of demanding to know how many tons of heroin were interdicted, how many drug users were arrested, and how many coca fields were destroyed.³⁷⁰

The argument for this conception of drug use, as seen here and elsewhere, centers around the principle of harm reduction, where the immoral stigma of drug use is set aside in recognition of the adverse effects of a punitive paradigm to users and, both by extension and through the

³⁶⁷ James H. Mittelman, *The Globalization Syndrome* (Princeton: Princeton University Press, 2000), 215. (Chapter 11, "Global Organized Crime," coauthored with Robert Johnston) This chapter provides an excellent examination of the position of organized crime in a globalized world.

³⁶⁸ Flynn.

³⁶⁹ Ibid.

³⁷⁰ Bertram, et al., 204.

creation of drug-related crime, to society as a whole. This argument also stems from a disgust for the wastefulness of what has proven to be a failed enterprise, diverting resources from other areas where funds are badly needed and which are known to achieve better results.

Shifting the drug paradigm from a punitive model to a public-health model would not imply, as drug war advocates might argue, that drug use is being condoned, or that decreasing drug use would be deemed an impossible goal. The shift would not be one of changing the ultimate goal, but of changing the strategy used to achieve that goal, based on a recognition of where state power does and does not lie. Domestically, this would mean deemphasizing the narco-enforcement complex, conceding an inability to control drug use through punishment and interdiction. Legalization of currently illegal drugs, while problematic in its perceived moral message, would allow for greater state regulation of drugs and would remove the profit source for much of the world's organized (and disorganized) crime, and thus should be considered as a possible solution. The state retains tremendous coercive power in its ability to shape society through education, welfare, and a variety of social programs. These could be strengthened in an effort to provide conditions where drug use, and especially drug abuse, are not desirable.

Internationally, an acceptance of power realities would mean ending the global interdiction effort, which we have seen is unproductive and in opposition to the broader U.S. foreign policy goals of maintaining a liberal economic and political order. Plan Colombia is the most recent and most dramatic example of the War on Drugs as an endeavor that cannot succeed and serves only to exacerbate a variety of problems, including those that it is attempting to solve. The state, and the United States specifically, does not have to "retreat" and has not lost its sovereignty. In order to remain in control, however, the U.S. must recognize the new terms of power, terms that it has dictated with its success in shaping a new world order.

An interview with Richard Boucher, Assistant Secretary, U.S. Department of State: Promoting Democracy, an official Prospective.

Conducted by Samer Abou-Ezzeddine and Abdallah

Hemispheres: with regards to recent diplomatic initiatives in China, how do you view the uncertainty associated with political successions coming up in 2002-3 as influencing future relations between the US and China?

Boucher: Let's start out with the basics. Overall, our goal with China is to bring it in to the world system, and see its emergence into the world as a power within the standards of world rules and international standards. Subsequently you have our effort which looks at getting China to meet international standards on the sale and export of weapons and nuclear materials as per its responsibility as a security council member with standards of human rights and standards of trade in the WTO. So overall, it's not really a political question with China, it's a question of this broad sense of China's emergence and the need for China to abide by and participate in world rule. I have spent 20 years of my life analyzing China at different moments and studying Chinese succession questions, but somehow the specific issue of a succession in China and how it works out doesn't seem as important as does this broad question of whether China is generally going to adopt and abide by world rules.

Hemispheres: Well, if I could take for a second what you said about the WTO. In US efforts to bring China into the WTO-- and more generally to bring China into the international community-- to what extent can economic liberalization be isolated from political transition in that country as in for example working on human rights and so forth?

Boucher: You know that the history that we have seen in many places, including Taiwan and South Korea and various places in South America is that there is a connection between economic liberty and political liberty. The success that we have seen in a number of places shows that economic and political freedom work together. And yet we also know many situations where this connection does not seem inevitable, but rather seems slow. But I have worked in China for 20 years and I started when I first went there in 1979, when people could not travel without permission from their office, could not get married without permission, could not even visit each other or live in the same town as their spouse without permission. And now I look at the individual's life in China, seeing that my Chinese friends have much more control over their own lives. So I have to think that in the long run it is true, but in the shorter term there are a lot of things that happen that we don't like, that are very bad, and that we have to keep pushing on. But I think it means you keep doing good things, you stand on the side of change and that's where we want to be in the US. We want to stand on the side of reform and change, and on the side of these international standards.

Hemispheres: Well, you mention change. Do you see a specific government that the US is advocating, especially with regards to economic integration or, for example, a strand of democracy that the US is pushing for?

Boucher: No, this is not much broader than China. I think first and foremost we want people live up to the commitments they have made. So in the case of human rights, it's not really the US constitution that we are asking people to abide by. We want people to abide by their own commitments on the universal declaration of human rights. That's the standard. But the manifestation of democracy comes in many flavors. And so, yes, people have to work this out, but there are certain things, like portions of the universal declaration, that are very fundamental. People have the right to chose, they have a right to say what they what, think what they want, and to choose their government. So you start with that and you find that simple thought sort of leads you beyond democratic election. If you look at the Summit of the Americas this weekend, it was about democracy and elections. But it was also about judiciaries and anti-corruption, and giving people educational skills and modern connectivity, for example, bringing in indigenous people. It was about making sure that the economics of free trade and the virtues and benefits of democracy can really be made to work for many more people.

Hemispheres: What is the US doing specifically toward reaching that goal in China?

Boucher: In some ways, first, look at this hemisphere. We had this meeting over the weekend with thirty-four democratic heads of state. Ten years ago, this was impossible. There were not that many democratic leaders and many of the non-democratic leaders were troubled by uncertainty. This new development is a wonderful thing. Look at what's going on in Europe and Russia. We have an national interest; the world is better and safer because these places have become democratic. So in some ways you can say that the world is made safer by democracy. And, how do we apply this? Well, we do it with our aid money, we support civic groups, we provide groups with internet access so that they can be connected around the word. We help the media and provide journalism training. We help train legislatures. We provide experts to countries that are trying to write new laws. We try to get our civic groups and NGO's involved; I think that's one of the things you have seen more of in our foreign policy in recent years-- our government doesn't try to do all this on its own. We try to get our people talking to their people. We try to get our civic groups to help develop civic groups in other countries. In China sometimes this is hard. We certainly support the efforts of our business people to get out there and to bring American meritocracy to China. We also support a lot of exchanges with teachers, scholars, and constitutional experts. We try to support meetings between justices and lawyers so that they can help with the development of law in China. But we also find a lot of things that are very disturbing that we have to push real hard on and complain about. We went to Geneva and tried to get a resolution against China for the things it has done. We do try to support some of the long-term things, but there are some immediate concerns that we have that are tough.

Hemispheres: If I could just shift gears for a second, I'd like to talk about another area of interest, especially in this year's journal. How do you see the promotion of democracy figuring in to US policy in resolving, or helping to resolve the Arab-Israeli conflict?

Boucher: That question is a little harder to deal with because certainly part of our fundamental relationship with Israel is based on the fact that Israel is a democracy. Also, we have a relationship with Israel that's based on our traditional support and our interest, but also based on Israel's democracy. So, one can argue that in some ways the really close ties with Israel are because of that. On the other hand, we recognize that many of the countries and groups that

we're dealing with aren't democracies. Nevertheless, we have leaders that come from those areas who are the leaders that we have to deal with. I guess I would say that to some extent the Middle East is not an exception because we do encourage human rights, and democracy everywhere. In addition, it's not an exception because where there are things that we can do in our interest—and making peace is obviously and foremost one of them—we're going to do that as well, making whatever progress we can make on the broader question.

Hemispheres: And to what extent do you see international forums, for example the Condemnation of Human Rights Abuses, as being an instrument of US foreign policy in the region? For example, if you take the Arab-Israeli conflict, how does the US try to basically orchestrate international efforts to that end? What role do you perceive the US as playing in that vein?

Boucher: Well, as I said, I think the US is really concentrating its engagement on the side of peace. Our traditional support has been first for the security of Israel and secondarily on the side of peace. That requires, as you know, enormous effort and I have to admit that's where the concentration is. Over the long term, do the same principles apply as elsewhere? Yes. I would say maybe the next best example are probably the work we do in Egypt, Jordan, and Kuwait on issues of democracy and human rights. We raise these issues everywhere, but I think the immediate cause of peace is pretty much the dominant use of our energy.

Hemispheres: Another question that I was interested in was getting your opinion on what you see as the balance between this promotion of democracy, and human rights, and then on the flip side the promotion of stability in the region because, as we both know, many of the regimes in the Middle East are not democracies.

Boucher: Well, that's where I kind of left you with my last answer. The key interest of security is what we spend most of our energy on. But, in some ways I think our general belief is that the more open regimes are, the more respect for human rights there will be, and the more stable the region will be. And so, over the long term, you have to kind of keep that in mind. In the short term, there're people killing each other everyday. People shouldn't have to live this way, whatever their type of government. If we can reduce the violence and reduce the suffering and reduce the killing then we ought to devote ourselves to that and neither Palestinians nor Israelis should have to live in this way.

Hemispheres: Given the fact that many Islamic groups, even political groups in general, enjoy a certain amount of support in the region, suppose there was some sort of democratic transition in which these groups might be propelled to the floor and might be the negotiating partners with the United States. What efforts is the US taking to reach out to these groups or to engage in dialogue with them?

Boucher: It depends on the group. We keep in touch with some of them, while others are on our terrorist list. It depends on what they do. If people are devoted to peaceful change, we want to talk to them. If people are devoted to democratic change, we want to talk to them. But if they are people that are kind of blowing people up and talking out of the other side of their mouth,

we tend to put them on our terrorist list and say we're not going to have anything to do with them and that we don't think Americans should either.

Hemispheres: How do you anticipate the easing of sanctions on Iraq as changing the trajectory of US policy toward that country? Specifically, how does the US anticipate dealing with the government of Iraq?

Boucher: I think it's not really about us dealing with the government of Iraq. It's about preventing Saddam Hussein from using this false argument that somehow sanctions are hurting the Iraqi people. It's removing from his hands the ability to justify his regime by sanctions.

Hemispheres: And you believe that to be false...

Boucher: Oh, it's false. I mean I know it to be false. The fact is there's 16-20 billion dollars available to him to spend on the Iraqi people through UN accounts. There's never been an embargo on food or medicine. He spends his money on palaces, and on the elite, and it doesn't go to the people. And what we want to do is open things up to the extent that there's no excuse and no argument. We're not interested in hurting the Iraqi people. We want to get civilian goods to the civilian population and we want to control the acquisition of military goods and weapons of mass destruction that he might use to threaten his neighbors because his intentions have not changed. He has made clear, his people have made clear, and his son has made clear they still have designs on Kuwait, designs on their own people and designs on the region.

Hemispheres: So do you have faith in the fact that political support for him will turn once the sanctions come down and once he can't use that as an excuse?

Boucher: I don't know. It's a very tightly wound and inward-looking regime, but one that has terrible tools and terrible fear among the population. What it would take to change it, I suppose, is something that we're looking at right now because part of our policy is regime-change. In the long term there is no stability in a region with a regime there trying to threaten its neighbors and kill its own people. But how we're going to come out on doing that I think remains to be seen; how we're going to come out with a program to support that remains to be seen. It's not an easy prediction to make and I wouldn't want to try to make one.

Hemispheres: Last question that I have. If I could just get back to the general theme of this year's journal--it is mostly a theoretical question. What do you see as the final evolution of democracy in terms of Francis Fukiyama's article on The End of History.

Boucher: Well, Frank used to work here you know. He used to be one of our policy planning guys and we talked to him about it. I think we don't see a final evolution of democracy. Somewhere in the President's statements over the weekend with the OAS, he was quite clear—democracy is ever-evolving. We have to keep working on it to get it right, to get it better. We still have problems in this country that have to be fixed. We have problems of respect for human rights that have existed in this country for hundreds of years. But the fact is that it works, and it works because it relies on the creativity of the individual. It works as a governance system because you can get the creativity of people out in a proper way. It works as an economic system

because, especially in the new age, it's getting the maximum creativity from every individual that makes a nation a leading nation. That's what we want to do, and that's what we want to help others do as well.

Hemispheres: Thank you very much for your time Ambassador Boucher.

NGOs Building Democracy: Macro and Micro Level Perspectives. An interview with Patrick Merloe, National Democratic Institute

Conducted by Joshua Goldberg and Stacia Neeley

Hemispheres: Given that you have finite resources as an institution, how do you make the strategic determinations of where to send personnel and funds?

NDI: What we do is an analysis, region-by-region, based on the knowledge of our regional team, of which countries are on the verge of making important steps forward in democratic reform and development. Based on that, we determine whether there is the political space for the NDI to operate openly and effectively with partners within the country who have sought NDI's advice and assistance. We also look at whether we can raise the funds to be able to conduct such a program. Now, these criteria can produce a country that has recognized importance internationally based on its size, location, etc., or it can be a country that does not fit those criteria but appears to be likely to make some important democratic step, in which case we are just as interested.

Hemispheres: You are funded by both the United States government and private benefactors, is that correct?

NDI: There are a number of sources. Most of our grants come from the United States Agency for International Development (USAID). We also receive funding from the United Nations, from small grants from European and American foundations, from private donations, and so on.

Hemispheres: Does having the USAID as your primary source of funds allow US foreign policy to dictate when and where you engage in democracy promotion and the goals of the organization, or are those parameters already set forth?

NDI: Excellent question. It does not dictate where we go or what we do. What we do is make an independent analysis of where it's important to be and where opportunities for democratic reform and development are. We concentrate on where we can match those opportunities to programs that we have a comparative advantage in conducting, given our history, etc., and where we have sound partners to work with in implementing the program. This is necessary because we essentially help the capacity of people on the ground advance their own democratic processes. So, we would hope that in many, if not most, circumstances that correspond to what would be positive US foreign policy, but on occasion there are differences on that. We make our independent judgements about it. Having said that, it's important to recognize that all organizations are limited both by available human resources and financial resources. So, if there's a place where we would like to do something and we don't have qualified people to go or we can't find funding to do it, then we're in a rather frustrating position because we can see something that needs to be done and we can't respond to the need.

Hemispheres: In the NDI literature, at least on the web site, there's a quote from Tabo Mwabeke from South Africa regarding the fact that elections are the first step towards achieving democracy, but one step in a much longer process. Do you believe that there is an order to the democratic process in which elections are the first step? If elections are the first step, what issues have to be addressed prior to conducting those elections? What occurs in the process of democratisation?

NDI: I think that there's not a specific order in democratic reform or development. There are countries in which there have never been elections before, and in those countries the demand of the citizens to have their will be the basis for the authority of government takes an organizational form. We saw this in the form of the Velvet Revolution, the anti-apartheid movement in South Africa, and many other places in the world. What you see as that is taking shape are citizens coming together, exercising their right to freedom of association and expression and pushing for reforms, which eventually lead to an election. However, this process does not start with the elections; it starts with the citizens becoming conscious of their rights and organizing and making a demand for their rights. They must realize that they not only have the rights, but that they have a real opportunity to exercise them. So, elections are part of a cycle. They are not the first step nor are they the last step. The sequence in which an election falls depends upon the particulars of the country.

Hemispheres: With respect to the citizens and the civil society, what measures are taken in order to ensure that they are educated properly? How do you deal with the fact that in a number of states the government that is in power, whether it be a dictator or not, is potentially not amenable to the NDI or to democracy?

NDI: There are circumstances in which you know that the government itself is not genuine in building an effort for true democratic reform and democratic elections. Nonetheless, that government is allowing the political space for its citizens to organize themselves openly. You may make a conscious decision to go in and to help those citizens in their efforts knowing that it is highly unlikely that this election is going to end up being a democratic election. For example, that was the case in 1997 in Indonesia. In many ways, people felt that about Zimbabwe last year. However, the democrats in those who countries who wanted to learn the techniques of monitoring the election process themselves—conducting checks in the voter registry, conducting activities of civic education, conducting, on the part of the political contestants, their own campaign in attempts to win people to support them in the vote—present opportunities for those in the country to build their strength, learn skills, and set the stage for something that may be gained today or for a breakthrough in the future. You may decide to go in and engage in countries that are in a situation where you know the government itself doesn't appear to be genuine.

Hemispheres: Many people talk of how Africa's economic problems, such as massive poverty, keep it from being ready to embrace democracy. Do economics play an important role in considering where democracy promotion would be achievable? How do economics factor into your policy-making strategy?

NDI: Economics are important because the conditions under which people live ultimately affect the way they can engage in governmental processes. You can't divorce economic and social rights from political and civil rights; there's no question about that. At the same time, to say that a country has to achieve a certain level of economic development before it's prepared to have democratic development is a fallacy. This has been proven true in so many places around the world. So, if you look in a relatively poor country like Mali in Africa, you see that political movement in that country has been able to establish a democratic constitution and hold democratic elections. We also look at economics in terms of the political stability it brings to a nation in terms of more investment, economic development, health reform, and so on. Those are the ways it makes most sense to look at the question. We do not hold back from engaging with people who, in a given country, want to push democratic development forward because they happen to be low on the economic development scale.

Hemispheres: With respect to a few issues, like the fact that the US election was a bit of a failure and that there tends to be some anti-American sentiment in various countries and regions around the world, do you face allegations of cultural imperialism? Does that prove to be an obstacle in the implementation of initiatives to promote democracy in different countries?

NDI: The really important thing to understand about the National Democratic Institute (NDI) is that while we are an American organization, we are not exporting an American approach to democracy or political processes. What we're doing is engaging in a comparative undertaking, drawing upon traditions in many countries—both developed democracies and developing democracies—to help democrats within any given country address the challenges that they face. So, when we come to a country, like Peru for example in the last year, we come together with democrats from throughout this hemisphere and other places in the world. We're not coming to export an American approach to the situation. The second thing is we're not going to help one particular party, interest or ideology; we draw upon all political ideologies across the spectrum that fall within the democratic sphere—the Christian Democratic tradition, the Socialist tradition, the Liberal tradition, the Conservative tradition. We have a multi-ideological approach. In reality, this is the only organization in the world that holds an Associate Membership with the three main political internationals—the Christian Democratic International, the Liberal International and the Socialist international. These things are very important. To be able to conduct your activities with credibility and for it to be clear that you're there to provide assistance rather than to dictate a particular approach. In every country, you have to prove yourself based on your practice. The fact that we're Americans does raise questions; but I think we have been successful overcoming that country by country.

Hemispheres: I had a question in terms of the theoretical nature of democracy that's being promoted. Is there one style of democracy that's being promoted or is it acceptable to the NDI for so called illiberal democracies to occur, whether it be in the Philippines or Central America, where freedom and democracy are relative concepts?

NDI: First of all, democracy is a description of a process. It's not a description of a particular specific content. There are government in the world that have democratic forms in the liberal sense of the traditions that are best known in the West. That is, they hold elections, allow more than one political party to exist, allow a certain amount of freedom of expression, etc. But at the

same time, the substance and essence of democracy—a government, derived from a genuine and free expression through democratic elections, that affords the right to its citizens to participate in public affairs—is sacrificed and there is in fact a sham democracy. You may call it illiberal, but the reality is it's not a true democracy in any way. In those situations, we work together with the people in those countries who are trying to bring about a genuine democracy. So, we find that it's a process of constantly trying to improve and push forward. You can walk into a situation where there has been civil war and you're in a post-conflict situation, those circumstances are very different than if you're in a country where there's been a peaceful transition back to a long tradition of democracy. You can walk into countries that are now in their third and fourth election and are, more or less, improving a process that's already been established and underway. On the other hand, you can walk into countries like Slovakia just a few years ago in 1998, where there was a backsliding that was taking place and a real threat to the democratic process. Each of those conditions will shape the content of a democratic development and reform program, but there's not one set agenda or prescription of how a democracy should function.

Hemispheres: In terms of evolution, of democracy promotion at first and of the NDI, how do globalisation, economic dislocation and the barriers that are broken down by globalisation, affect your efforts to promote democracy on a theoretical level and also on a practical level?

NDI: Globalisation is a very important component of this, and in effect, I think the trend of democratic development that you've identified is a part of the globalisation that's taking place. You can go back as early as 1948 and identify principles in human rights instruments such as the Universal Declaration of Human Rights, Article 21 that outline the right to democratic elections, to citizens' participation in government, and the statement that the authority of government derives from the will of the people freely expressed. But, in the last ten years, not just with the end of the Cold War but with the globalisation of the economy and of communications systems, you can see an emerging consensus about the right to democracy and the content of democracy. For example, if you go to Zimbabwe today, people will talk about the democratic breakthrough that happened in Serbia. If you go to Serbia, they'll tell you about things that have happened in Peru, and so there is, in effect, a global communications system that continues to push forward political reform.

Hemispheres: If I could shift gears a little bit, I'm curious to know who have been your greatest allies in promoting democracy abroad—maybe business interests, other NGOs, or social forces.

NDI: The biggest allies in promoting democracy are the political and civic associations of the citizens within these countries. What pushes forward the democratic process in places as far away as Kyrgyzstan, Burma, Cambodia, or Peru is the citizens' need and power to express their own democratic aspirations. That's the most important ally in all of this. As these groups have learned and seen what's been done in other countries, they've turned to organizations that they know have knowledge of this and have a capacity to help them learn how to be better at what they're doing. That's by far the most important dynamic in all of this. The second is inter-governmental organizations and international non-governmental organizations that have worked together as partners in engaging and helping people do these things in other countries. That's been very important to us. Third on the list is the financial assistance that's provided by

governments, inter-governmental organizations, foundations and individuals. Those things all are part of a dynamic that's very important.

Hemispheres: What changes tend to occur between the initial mandate and strategy that's implemented in Washington and the actual implementation on the ground?

NDI: This is very much a field-driven organization. The NDI now has more than forty field offices around the world and also assists in programs in another ten or more, working in a total of about fifty or more countries. We can help design a program by meeting with political, civic and religious leaders in a given country to identify the key people who could go in and help assist in that program, what countries they should be from, and what their backgrounds should be. Once they're on the ground and begin the implementation phase, they know best how to shape and evolve the plan. As you pass through one phase of democratic reform and new opportunities develop in new arenas, they're the ones who are in the best condition to identify changes. There is collaboration between Washington and the field where we collect global experience, global trends and regional knowledge and provide assistance and support to what's happening on the ground where we have field offices. Of course, information and people flow back and forth; but really, it's what's happening on the ground that's most important.

Hemispheres: The last question is: in light of the post-Cold War predictions that democracy is the last feasible system of government and despite setbacks in various parts of the world, do you believe that the world is still on a forward trajectory towards the spread of democracy worldwide? How long do you believe that countries such as China and North Korea will be able to sustain and isolate themselves from the international community?

NDI: Yes, I believe that there's a forward trajectory in terms of democratic development that's global. Like all processes, it's not straightforward. In any given country, there are ups and downs, deviations, and backsliding, all of which are evident in terms of regions and global trends. Even within countries like China, there are experiments underway at the village level with elections. There are explorations taking place in think tanks about comparative governmental systems. There are informal movements among people, studying democracy and building a demand for democracy. It's hard to predict a given year or a given point at which it will become more clear that a breakthrough is near in places like China, North Korea or Cuba. Nonetheless, if you look inside the islands that are holding out, you can see the embryos of reform that are taking place.

Hemispheres: Thank you for your assistance.

NDI: It was fun.

An interview with Lloyd Pierson, International Republican Institute

Conducted by Joshua Goldberg and Stacia Neeley

Hemispheres: What are the basic ingredients required in promoting democracy?

IRI: When the International Republican Institute (IRI) is working in a country helping to promote and advance democracy, what we're really looking at is trying to help the people of that country build a pluralistic society in which they have a better quality of life and have choices they can make regarding their type of government. We're looking at a government of the people, by the people, for the people, and at least in the area of the world where I spend the majority of time, Africa, I've had the opportunity to be in hundreds if not thousands of villages, and the kinds of desires that I see in the individuals of Africa are much the same as those in the United States or any other place in the world where people want to be free. They don't want to be suppressed, they don't want a government to hold them down. So when IRI as an organization is working in a country to promote democracy, what we're really trying to do is help the people of that country have choices to make in terms of having multi-parties in a pluralistic society in which they can choose not only who their leaders are, but what kind of government and what kind of policies that government is going to have.

Hemispheres: How do you go about avoiding the disdain of the government that you are working with? You obviously work with local and indigenous parties, but how do you avoid angering the central government that you essentially may be working to get rid of?

IRI: Let's remember our goal. Our goal is not to support one party over another. Our goal is to promote and advance democracy, so in every country in Africa, except one, we work with all of the parties that are there. And there's been a great interest. For example, we can cite Angola where we worked with the majority party, the MPLA [the Popular movement for the liberation of Angola], as well as the opposition parties. In Mozambique, we worked with the majority party as well as the opposition. The kind of things which we are engaged in is to try to advance democracy and not go into a country and pick and select one party over another. I think actually one of the nicer things that have happened is where we've gone into some countries and the majority party in that country may have had reluctance in the beginning about working with us, they've actually turned around and become some of our biggest supporters. If you talk to the MPLA in Angola, or to Frelimo in Mozambique, you would find political parties, majority political parties that recognize and respect the work of IRI because they know that we're there to try to advance democracy in the country.

Hemispheres: Does the IRI make distinctions of where it will or will not go, or does it simply go into most countries to promote democracies?

IRI: Any organization, and ours in particular, has to make decisions regarding where we will go. You don't have unlimited resources, and while we're trying to bring democracy to a country, we sometimes just don't have the money or the staff to be everywhere, and so we do have to make some choices. When we look at the kind of choices that we make, one of the factors is whether or not we feel that intervening in the country is in the national interest of the United States. But if

there's any one single determinant it's whether we, as an organization, can have an impact in that country, and so when we're looking at how to allocate the resources that we have, we're looking at whether success is achievable? Can we help bring about democracy or good governance in that country? And the impact, the success, the achievable nature of what we do is a major criteria.

Hemispheres: Is it fair to say that a country that is autocratic, despotic or dictatorial is not a country in which the IRI envisions success or in which it gets involved?

IRI: No, many would certainly say that Angola in the past has been a very authoritarian government, and in many respects remains that way. We're very active in Zimbabwe, which does have an extremely authoritarian government. And that is one country in Africa where we're not working with the majority party; we're working with democratic reform activists in that country, both with the opposition political party and with civil society there because we believe that our work can help them achieve results.

Hemispheres: On an anecdotal level, can you discuss some of your personal experiences working in countries where the leadership was unfriendly to democratic organizations? Was there something that you personally witnessed or something in which you took part that turned the tide? How challenging is a situation like this and how do you pursue change?

IRI: It may vary from country to country, but when we first went into Angola, for instance, the majority party there, while it wanted us in the country, was not particularly enthusiastic about working with us. We did not want to just sit there, and we did offer to work with the majority party, but there was some reluctance. Nevertheless we were very active and aggressive. We started working with other parties and the majority party came to us and said, 'Why don't you work with us?' and we answered, 'We want to work with you, we tried.' This shift occurred because they were seeing our success, because they were seeing, in terms of strategic planning, that opposition parliamentarians were being trained better. We have conducted training on the necessity for constituent outreach. We stressed to Members of Parliament that 'you, as a legislator, need to listen to the people of your district or your country,' that a legislature is a people's body. And in Angola, subsequent to our initial training there, you had legislators that started doing some constituent outreach. It was even a front page headline in one of the local papers that Members of Parliament were visiting constituents. In every instance that I know of, and I would say Zimbabwe is an exception because there's such a distinction between the majority and the opposition, when the majority party has seen that our training and our emphasis on good government is a healthy experience, then the majority party comes in and joins us.

Hemispheres: You say that democracy is essentially freedom: It is the accountability of the government. When you help parties, and you help promote democracy in a country, do you champion a specific model? Is it an American style or a Western style model? Or is it specialized for each country?

IRI: When we discuss democracy overseas, we're not trying to say that there is just one model. What we're really talking about is the values of a democracy: the human rights, a basic bill of rights, rule of law, and we know that country to country, the type of democratic model or

structure that they have, is not going to be the same. So we are not trying to say, and we cannot possibly say, alright here's what a democracy looks like and here's what you must do. We're trying to help them, as they want to do, to get to a point where they can make choices as to how their government operates and what their government looks like. And one of the bigger issues you face in Africa is the traditional chieftaincy. How that traditional chieftaincy is integrated into the government structure is important. We don't have that in the United States, but the traditional chieftaincy is a very integral part of the way that every country in Africa has functioned throughout history. Different countries in Africa choose to bring in the traditional leadership in different ways. So in a short answer, we are not trying to say there's only one model of a democracy.

Hemispheres: How do you measure success in a country? Because it could be that a country has gone from complete dictatorship to some accountability. When do you withdraw from a country?

Response: In Mozambique, we thought about how it came out of a twenty-year, very brutal civil war, and how at one time the parties that were considered to have the worst human rights record in the world. We worked with all of the parties prior to their 1994 elections to try to ensure ballot security, or the integrity of the election process, and worked with the parties not only in the election process, but encouraged them to take an over-the-horizon view that considered the possibility of defeat. Are you going to pull out of the system or are you going to stay in the system? I think Mozambique is a real success story because the opposition at one time was considering pulling out of the elections, but the senior people all kept repeating, 'Well IRI says, stay in the system,' and the decision was made that it was better to stay in the system than to pull out. Mozambique has moved on to being a real success story in Africa.

Hemispheres: In the Philippines, a movement known as the People Power revolution ushered in democracy but has now given way to cyclical coups. These coups are ostensibly billed as "pro-democracy." Is this something that you perceive as a success for democracy, or does the situation maintain too many components of instability?

IRI: I think you'd have to talk to somebody much more familiar with the Philippines than myself. But, dealing with the question of sustaining democracy, this is something which is very important in terms of where a country is, because a part of what you're looking at in a democracy is whether people have the opportunity to choose their leadership at a local, national, and provincial level. Then, when leaders' terms of office are up, having a peaceful transition to perhaps another person or another party is essential. If you can't have that peaceful transition, then they haven't reached that level of democracy that you would want a country to have.

Hemispheres: Could you outline what steps that IRI takes once it is determined to enter a country? What does IRI do from the beginning to the end to make itself successful and to make the UN call it 'the best organization in making and helping political parties?'

IRI: It's going to vary from country to country because the needs and the circumstances are going to be different, but let me use KwaZulu Natal in South Africa as an example. Our program there trains newly elected counselors in financial management, economic development, and

strategic planning, determining what their community is going to look like. In South Africa we had some important choices to make as to what our program was going to look like. We decided very early on—after the 1994 apartheid elections—that since local government officials were the only directly elected officials in South Africa, we wanted to work in the local government area. Furthermore, we wanted to work in what was the most troubled area of South Africa, KwaZulu Natal. While our program concentrates on financial management and economic development, what it really does is prepare many of those elected government officials who never had the opportunity to participate in the government before. Then, for the first time, sitting around the city council table you had people of all races who were making decisions about the quality of their lives. So when we're making the decisions about the steps we take, in South Africa we made a very fundamental decision: working with newly elected local government councilors in who never before had an opportunity to be a part of government was the kind of program approach that we wanted. It's going to vary from country to country.

Hemispheres: Is there a cultural component to democracy? Is one culture more apt to accept a democracy than another based on different norms?

IRI: That is an interesting question, particularly in terms of Africa. I have heard it said so many times that Africans are not ready for democracy. That their cultural history, the psychology of the “big man,”—an authoritarian person at the top—would not lead to a democratic system of government. There are many instances in Africa where tribes had what most of us in the Western world would call democracy. The one that's most frequently mentioned is called the Kgotla among the Bamangwato in Botswana. But I've heard this type of reasoning often—that culturally, Africans are not ready for democracy. I've stood at many forums and stated—from my experience working in Africa—that the Africans I've seen show a desire for freedom and a desire for a better quality of life that are not any different than you would find if you went to a town hall meeting in Boston or Washington. There may be cultural factors but I think there's a more universal factor: people want to be able to make decisions about their own life.

Hemispheres: The economic statistics on Africa are staggering. To what extent do you feel that democratic and economic development go hand in hand? Does prosperity have to exist in order to create and foster democracy?

IRI: I think it helps, but I don't know that it's always the requisite factor, and in every country in which we work there's no question that one of the priority issues is jobs, jobs, jobs. Much like in the United States, people want to work, people want to have a job. There are some staggering statistics in Africa that, for us in the United States, are just unbelievable in terms of the economics. If we have a six or seven percent unemployment rate each year, then that's very high. In some parts of Africa including many parts in South Africa, Zimbabwe, Angola, you might have a sixty to seventy percent unemployment rate. When you have an economy where a relatively small percentage of the people are employed, then you do have a lot of dissatisfaction. But, I would say again, if I were to rank the top reasons why people really want a democracy, from what I've seen in Africa, the freedoms of a democracy remain at the top of the list. People don't want the police coming in and abusing them, and they *do* want jobs. In short, they want a healthy and productive economy, but it is essentially the quality of life things that they're looking at.

Hemispheres: In Washington, how is the IRI's policy formulated? How and where are the decisions made? Are they made on the ground? Or are they made in Washington? Once you get to the policy formulation stage and it is implemented as you discussed, how do you work with other NGOs to guarantee and make sure that those policies are more effective?

IRI: I'd say that every decision here starts on the ground and in the country. In every region in which the IRI is present, we have staff that has ground experience in the countries in which they are operating. In every instance we conduct an assessment—to see where the country is—and what kind of programming would be most helpful and realistic. We work with USAID (the United States Agency for International Development), and we work with the National Endowment for Democracy, but I'd say we certainly start on the ground level. That's not to say that we don't talk to each other. We are relatively small and we have a very active Board of Directors. We also have a terrific president here, and we work together to try to come up with what would be best in a particular country, but it starts on the ground.

Hemispheres: Would you consider yourself to be in competition with other NGOs? That is, is there a redundancy that characterizes NGO work in promoting democracy?

IRI: We make sure that there is not redundancy. There are limited resources, and you don't want two organizations doing exactly the same things. We take part in a lot of collaboration, and we work very closely with the National Democratic Institute (NDI). The redundancy, however, just does not occur. We also work very closely with international NGOs, not only with U.S. NGOs. Our whole philosophy is centered around the idea of building local capacities. Again, we're not just sending in ex-pats [expatriates] to say 'here's how you must do things,' but we're working to build a local capacity. When we're working with organizations, it's not only the U.S., European, and German NGOs. We focus on working with local NGOs in the hopes of contributing to their development along the way.

Hemispheres: What exactly is the connection between the U.S. government and the IRI?

IRI: We were created the same way that the National Democratic Institute and the National Endowment of Democracy were created. President Reagan's administration submitted legislation in 1982-1983 with the goal of promoting and advancing democracy and good governance internationally. The bulk of our funding comes from appropriated dollars, and that means that we get the majority of our funding either from USAID or the National Endowment for Democracy. Consistent with our philosophy of private sector involvement, however, the IRI works very hard to raise private funds.

Hemispheres: As a result of the IRI's close financial ties to the U.S. government, does U.S. foreign policy influence the degree to which your organization can engage in a foreign country? Do changes in political administrations affect your strategy in promoting democracy?

IRI: I would say that for the most part, the IRI is making decisions on its own but in collaboration with the civil society. We also work closely with the USAID and the National

Endowment [for democracy], but if your question concerns the existence of an external body that dictates where the IRI can engage and what we must do, the answer is no.

Hemispheres: Has the U.S. ever been involved in a conflict with a country where the IRI is or was active? What would be the standard practice in such a situation?

IRI: The only country, to my recollection, in which there was actually a military conflict was Angola. During the Cold War, there were over 50,000 Cuban troops fighting on the part of the Soviet Union. Meanwhile, South African troops and UNITA (National Union for the Total Independence of Angola) were supported by the West. So we're in a number of countries, Angola being the most specific, *because* there was an actual military conflict. We, as an organization, have been able to gain the respect of the leadership in these countries, because they know we're fulfilling our mission to advance democracy, and not just trying to pick one side over the other.

Hemispheres: How did the recent U.S. elections affect credibility abroad?

IRI: I think overall [that] it was very positive. What it did show was that the United States respects the rule of law, that there was a peaceful transition, that politicians were not locked up, beaten up, jailed, kidnapped, etc. It was a model for democracy. Certainly there was a lot of international comment, but every single person that I dealt with overseas, both before this election and after the election, says there's a reason they want us there. They know the United States is a model for democracy, and if anything, I think this last election demonstrates that. While there has certainly been plenty of comment about it, overall I think it has been very positive.

Hemispheres: Lastly, as a person who's an expert, and has been around the continent of Africa, what do you perceive as the future for democracy in African countries, whether the Ivory Coast or anywhere else? What needs to be done on the ground to improve those prospects, and to continue the current work? What are your recommendations?

IRI: I know that it's relatively easy to paint a bleak picture of Africa; there's plenty of reason to do that. I don't support that line of reasoning. Based on my experience working in Africa and seeing so many people who have such great hopes for the future and for their children, I am optimistic. They want their children to have a better education than they had. They want their children to have better health care than what they've got. They want their roads so that they can take their products to the market. And they want a government that doesn't have price controls and doesn't suppress what is really a great entrepreneurial spirit. So I'm on the side of those in the category that really see a great future for Africa. Many governments over there do have to change, however, and that is occurring. It is occurring because the people want something different than what they've had, and they want a better quality of life—they want a better government. It is not going to happen overnight. You're not going to wake up Monday morning any different, but you can just look at countries like Botswana, South Africa, Namibia, and Benin and see many discouraging developments. Similarly, Cote D'Ivoire is one of those that

unfortunately is in a transition that's not very pleasant right now. But they've had a good history of democracy in the past. I think the future of Africa is going to be a very positive one.