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Row:	Section:	Shelf:	Position:	Stack:
42	5	10	2	V



The Trip of President Clinton to the CSCE Summit

**Budapest, Hungary
December 5-6, 1994**

TABLE OF CONTENTS

Key Speeches

President Clinton:

The U.S. and the Future of European Security

Partnership for Peace: Building a New Security
For the 21st Century

Secretary Christopher:

Transforming the NATO Alliance To Meet
New Security Needs

Deputy Secretary Talbott

The New Geopolitics: Defending Democracy
In the Post-Cold War Era

***Assistant to the President for National
Security Affairs Anthony Lake:***

American Power and American Diplomacy

Fact Sheets

Conference on Security and Cooperation
In Europe (CSCE)

CSCE Structure

CSCE: Major Conferences and Meetings,
1989-1994

Confidence- and Security-Building Measures

North Atlantic Treaty Organization

North Atlantic Cooperation Council

Country Background Note

Hungary

THE TRIP OF PRESIDENT CLINTON TO THE CSCE SUMMIT

KEY SPEECHES

President Clinton

The U.S. and the Future Of European Security

*Excerpt from a press conference
following APEC meetings, Jakarta,
Indonesia, November 15, 1994.*

Q. Mr. President, your administration is in the process of changing its policy—or developing its policy on expanding NATO and strengthening CSCE. Will you be going to the CSCE summit in Budapest? And when you look at your foreign travel—your past foreign travel—in recent weeks, you have gone to the Middle East; you spent several days here; you are going to be hosting the Summit of the Americas; you have an ambitious foreign agenda next year. Are you becoming, in essence, a foreign policy president?

A. Well, let me answer both questions. First of all, I plan to make a very brief but, I think, quite critical trip to the CSCE. I decided to do it after having communications with both

Chancellor Kohl and President Yeltsin and looking at what is at stake there in terms of the future of European security. After all, the United States played a strong leadership role in the Partnership for Peace and encouraging the growth of the European Union and European security arrangements.

What I have sought to do is create a stronger Europe that is more independent but also more closely allied with us and that at least creates the possibility that there would not be another dividing line in Europe just moved a few hundred miles east. We have a big stake in that. So I will go quickly and come back quickly, but I think I should go.

Second, on the question of foreign policy versus domestic, let me say this: If you look at what happened in the last two years, we had only the third Congress since World War II to give a

president more than 80% of his domestic initiatives as well as the foreign policy initiative—including sweeping education reform, the family leave law, the Brady bill, the crime bill, and a number of other very important issues.

So I have no intention of withdrawing from the domestic field. But we had an unusual number of responsibilities this year, and an unusual number of opportunities. Americans are both more prosperous and more secure because of these efforts, and they will be more so in the future. So if I were to give up one in favor of the other, I would be doing a disservice to the American people. I have to try to pursue both courses.

It has been somewhat more busy on the foreign front than I could have anticipated in the last few months because of the unusual developments. ■



President Clinton

Partnership for Peace: Building a New Security for the 21st Century

Intervention at the North Atlantic Council summit, NATO Headquarters, Brussels, Belgium, January 10, 1994.

Thank you very much, Mr. Secretary General and distinguished leaders. I am deeply honored to represent my nation at the North Atlantic Council this morning, as eight previous Presidents have done before me.

Each of us came here for the same compelling reason: The security of the North Atlantic region is vital to the security of the United States. The founders of this alliance created the greatest military alliance in history. It was a bold undertaking. I think all of us know that we have come together this week because history calls upon us to be equally bold once again in the aftermath of the Cold War. Now we no longer fear attack from a common enemy. But if our common adversary has vanished, we know our common dangers have not. With the Cold War over, we must confront the destabilizing consequences of the unfreezing of history which the end of the Cold War has wrought.

The threat to us now is not of advancing armies so much as of creeping instability. The best strategy against this threat is to integrate the former communist states into our fabric of liberal democracy, economic prosperity, and military cooperation. For our security in this generation will be shaped by whether reform in these

nations succeeds in the face of their own very significant economic frustration, ethnic tensions, and intolerant nationalism.

The size of the reactionary vote in Russia's recent election reminds us again of the strength of democracy's opponents. The ongoing slaughter in Bosnia tallies the price when those opponents prevail. If we do not meet our new challenge, then most assuredly, we will once again—someday down the road—face our old challenges again. If democracy in the East fails, then violence and disruption from the East will once again harm us and other democracies.

I believe our generation's stewardship of this grand alliance, therefore, will be judged most critically by whether we succeed in integrating the nations to our east within the compass of Western security and Western values. For we have been granted an opportunity without precedent: We really have the chance to recast European security on historic new principles—the pursuit of economic and political freedom. I would argue to you that we must work hard to succeed now, for this opportunity may not come to us again.

In effect, the world now wonders whether we have the foresight and the courage our predecessors had to act in our long-term interests. I am confident that the steel in this alliance has not rusted. Our nations proved that by joining together in a common effort in

the Gulf War. We proved it anew this past year by working together, after seven long years of effort, in a spirit of compromise and harmony to reach a new GATT agreement. And now we must do it once again.

To seize the great opportunity before us, I have proposed that we forge what we have decided to call the Partnership for Peace, open to all the former communist states of the Warsaw Pact, along with other non-NATO states. The membership of the partnership will plan and train and exercise together and work together on missions of common concern. They should be invited to work directly with NATO both here and in the Coordination Cell in Mons.

The partnership will prepare the NATO Alliance to undertake new tasks that the times impose upon us. The Combined Joint Task Force Headquarters we are creating will let us act both effectively and with dispatch in helping to make and keep the peace and in helping to head off some of the terrible problems we are now trying to solve. We must also ready this alliance to meet new threats, notably from weapons of mass destruction and the means of delivering them.

Building on NATO's creation of the North Atlantic Cooperation Council two years ago, the Partnership for Peace sets in motion a process that leads to the enlargement of NATO. We began this alliance with 12 members; today there are 16—and each one has



strengthened the alliance. Indeed, our treaty always looked to the addition of new members who shared the alliance's purposes and who could enlarge its orbit of democratic security. Thus, in leading us toward the addition of these Eastern states, the Partnership for Peace does not change NATO's original vision—it realizes that vision.

So let us say, here, to the people in Europe's east that we share with you a common destiny, and we are committed to your success. The democratic community has grown, and now it is time to begin welcoming these newcomers to our neighborhood.

As President Mitterrand said so eloquently, some of the newcomers want to be members of NATO right away, and some have expressed reservations about this concept of the Partnership for Peace. Some have asked me in my own country, well, is this just the best you can do? Is this sort of splitting the difference between doing nothing and full membership, at least for the Visegrad states? And to that, let me answer—at least for my part—an emphatic no, for many of the same reasons President Mitterrand has already outlined.

Why should we, now, draw a new line through Europe just a little further east? Why should we, now, do something which could foreclose the best possible future for Europe? The best possible future would be a democratic Russia committed to the security of all its European neighbors. The best possible future would be a democratic Ukraine—a democratic government in every one of the newly independent states of the former Soviet Union, all committed to market cooperation, to common security, and to democratic ideals. We should not foreclose that possibility.

The Partnership for Peace, I would argue, gives us the best of both worlds. It enables us to prepare for and to work toward the enlargement of NATO when other countries are capable of fulfilling their NATO responsibilities. It enables us to do it in a way that gives us the time to reach out to Russia and to these other nations

of the former Soviet Union, which have been almost ignored through this entire debate by people around the world, in a way that leaves open the possibility of a future for Europe that breaks totally from the destructive past we have known.

So I say to you: I do not view this as some sort of half-hearted compromise. In substance, this is a good idea. It is the right thing to do at this moment in history. It leaves open the best possible future for Europe and leaves us the means to settle for a future that is not the best but is much better than the past. And I would argue that that is the course we ought to pursue.

I think we have to be clear in doing so about certain assumptions and consequences. First, if we move forward in this manner, we must reaffirm the bonds of our own alliance. America pledges its efforts in that common purpose. I pledge to maintain roughly 100,000 troops in Europe, consistent with the expressed wishes of our allies. The people of Europe can count on America to maintain this commitment.

Second, we have to recognize that this new security challenge requires a range of responses different from those of the past. That is why our Administration has broken with previous American administrations in going beyond what others have done to support European efforts to advance their own security and interests. All of you have received our support in moving in ways beyond NATO. We supported the Maastricht Treaty. We support the commitment of the European Union to a common foreign and security policy. We support your efforts to refurbish the Western European Union so that it will assume a more vigorous role in keeping Europe secure. Consistent with that goal, we have proposed making NATO assets available to WEU operations in which NATO itself is not involved.

While NATO must remain the linchpin of our security, all these efforts will show our people and our legislatures a renewed purpose in European

institutions and a better balance of responsibilities within the transatlantic community.

Finally, in developing the Partnership for Peace, each of us must willingly assume the burdens to make it succeed. This must not be just a gesture—it is not just a forum. This Partnership for Peace is also a military and security initiative, consistent with what NATO was established to achieve. There must be a somber appreciation that expanding our membership will mean extending commitments that must be supported by military strategies and postures. Adding new members entails not only hard decisions but hard resources. Today those resources are not great but, nonetheless, as the Secretary General told me in the meeting this morning, they must be forthcoming in order for this to be taken seriously by our allies and our friends who will immediately subscribe to the partnership.

Let me also say, in response to something that President Mitterrand said and that is on all of our minds—the problem in Bosnia—that when we talk about making hard decisions, we must be prepared to make them. And tonight I have been asked to talk a little bit about the work I have been doing with Russia and what I believe we all should be doing to support democracy and economic reform there. But I would like to make two points about Bosnia.

First, I want to reaffirm that the United States remains ready to help NATO implement a viable settlement in Bosnia voluntarily reached by the parties. We would have to seek, of course, the support of our Congress in this, but let me say I think we can get it—if such an operation would be clearly under NATO command, the means of carrying out the mission would be equivalent to its purposes, and these purposes would be clear in scope and in time.

Second, I welcome the reassertion by the alliance in this declaration of our warning against the strangulation of Sarajevo and the safe areas. But if we

are going to reassert this warning it cannot be seen as mere rhetoric. Those who attack Sarajevo must understand that we are serious. If we leave that sentence in the declaration, we have to mean it. Those of us gathered here must understand that, therefore, if the situation does not improve, the alliance must be prepared to act. What is at stake is not just the safety of the people in Sarajevo and any possibility of bringing this terrible conflict to an end but the credibility of the alliance itself. And that—make no mistake about it—will have great ramifications in the future in other contexts.

Therefore, in voting for this language, I expect the North Atlantic Council to take action when necessary. And I think if anyone here does not agree with that, you should not vote for the language. I think it is the appropriate language, but we have to be clear when we put something like this in the declaration.

Let me say finally that I ran across the following quotation by a distinguished and now deceased American political writer, Walter Lippman. Three days after the North Atlantic Treaty was signed, Lippman wrote this—prophetically:

The pact will be remembered long after the conditions that have provoked it are no longer the main business of mankind. For the treaty recognizes and proclaims a community of interest which is much older than the conflict with the Soviet Union, and come what may, will survive it.

Well, this meeting will prove him right. The Soviet Union is gone, but our community of interest endures. And now it is up to us to build a new security for a new future for the Atlantic peoples in the 21st century. ■

Secretary Christopher

Transforming the NATO Alliance To Meet New Security Needs

Intervention before the ministerial meeting of the North Atlantic Council, Istanbul, Turkey, June 9, 1994.

It is a pleasure to reconvene in the North Atlantic Council. I want to thank our Turkish hosts and express our appreciation for this spectacular meeting site on the banks of the Bosphorus. I also want to thank our distinguished Deputy Secretary General, Sergio Balanzino, who will lead our discussion.

Our thoughts today also are with Secretary General Woerner. President Clinton and I offer our best wishes for Manfred's full and rapid recovery. His strength, resilience, and courage inspire us all. His contribution to the renewal of this alliance has been remarkable.

Over the last week—in Italy, Britain, and France—President Clinton made clear once again that America's commitment to Europe is resolute. Before the French National Assembly on Tuesday, President Clinton set forth our shared strategic challenge in building a stronger and more integrated Europe based on security cooperation, market economies, and democratic institutions.

The President will reaffirm his vision of a broader Europe when he travels to Italy, Germany, and Poland next month. As the most hopeful chapter in European history is being written, the United States will continue to stand with the peoples of an undivided, democratic continent.

This past week, President Clinton reiterated the pledge he made at the Brussels summit to maintain roughly 100,000 American troops in Europe. He reaffirmed that our political engagement will continue to be reinforced by our military deployment. Our presence remains necessary to safeguard America's vital interests as well as Europe's.

The NATO alliance will remain the core of American engagement in Europe and the heart of European security. Since the Athens ministerial last June, we have renewed our efforts to reinforce the trans-Atlantic bond that NATO embodies. As we move ahead with the landmark decisions taken at the summit, we are transforming the alliance to meet the security needs of the post-Cold War world.

The threat now is not invasion from the East but instability in the East. In Central Europe, new market democracies are consolidating freedom and showing promising signs of economic growth. But democracy remains vulnerable in many countries that have emerged from the Soviet empire. Demagogues have played on ethnic divisions and economic dislocation to fuel aggression. Left unchecked, such tensions will frustrate the region's progress toward reform and ultimately threaten wider European security.

As President Clinton said last January in Brussels: "This period may decide whether the states of the former Soviet bloc are woven into the fabric of

trans-Atlantic prosperity and security, or are simply left hanging in isolation." We must actively embrace the opportunity to help new democracies emerge as stable partners in security and trade.

At the Brussels summit, the alliance set two central, mutually reinforcing goals. The first was to design more flexible command structures and to address new security threats, such as weapons proliferation. The second and historic goal was to deepen our ties with the emerging democracies to the east. We invited them to participate in a broad range of political and military activities with alliance members, thereby paving the way for eventual expansion of the alliance.

We have made progress toward both these goals. Indeed, 1994 has been a year of immense significance for the alliance.

To achieve the first goal of increasing effectiveness, NATO has taken important decisions to support the efforts of allies to develop a more capable European Security and Defense Identity. That identity should maintain and build popular support in Europe for meeting European commitments and responsibilities and strengthen our collective capacity to respond to future security needs. It should also reinforce the trans-Atlantic relationship. We continue to look to our allies for a more balanced sharing of responsibilities.



Another important summit decision to achieve the first goal was to create Combined Joint Task Forces. We are making a promising start as we work to make this innovative concept a reality. Our objective remains to renew the alliance and to strengthen the Western European Union. We hope efforts in NATO and the WEU will enable us to take concrete decisions about CJTF at the December ministerial.

As part of advancing the same goal of improving alliance effectiveness, we are taking significant steps to combat the proliferation of weapons of mass destruction and the means of delivering them. NATO must address this threat, both to complement other international efforts and to meet our solemn commitment to protect the security of alliance members.

I am pleased by the early work of the senior political-military and defense groups formed as a result of this initiative. We will affirm that progress today by approving an alliance policy framework on non-proliferation. This framework lays the political foundation for improving allied capabilities to protect against the threat, or use, of weapons of mass destruction. The defense group has agreed to examine threats, defense planning, military doctrine and capabilities.

To achieve the second goal, the most significant decision reached at the NATO summit was the creation of the Partnership for Peace. The Partnership, proposed by President Clinton and adopted by the alliance, reaches out to the East in order to reassure new democracies and strengthen European security. In five short months, we can recognize a remarkable achievement: The Partnership has moved from a bare concept to become a working reality, a series of concrete relationships. Twenty countries have joined. I want to highlight two among the many steps we have taken thus far to make the Partnership operational.

First, Partner states are actively engaged at NATO Headquarters in Brussels, and will soon be present at the Partnership Coordination Cell at Mons working side by side with NATO

military planners. The previously unimaginable is on the way to becoming routine.

Second, we will fulfill the summit's call for Partnership peacekeeping exercises to begin in 1994. These exercises represent a remarkable transformation. Think of it: Troops that for half a century faced off against each other in the Cold War will come together in joint military exercises.

This fall, the Netherlands will host a field exercise, and Poland will host the first exercise on the soil of a partner country. SACLANT is organizing a Partnership maritime exercise, which will be held before the end of the year. In addition, the United States and other allies and partners will use already scheduled exercises to advance the Partnership's goals. We expect at least 14 activities of this kind to occur before the end of the year. We are also developing a robust schedule of exercises for 1995.

These exercises of NATO units with their former adversaries will send a powerful message that the old East-West division of Europe is dead. These are real, concrete steps toward the integrated and strengthened Europe that President Clinton called for at the summit and again this past week.

We will also involve partners in many NATO committee and training activities. Together, alliance members and partners will develop practical means for addressing new threats to regional security. We will enable non-NATO countries to develop the habits of cooperation, such as defense planning, that are the lifeblood of the alliance.

We are committed to NATO's expansion. Effective cooperation is a critical step in preparing partners for NATO membership. I want to underscore today what the President told East European leaders in Prague last January: "The Partnership changes the entire dialogue about enlarging NATO's membership. Now the question is no longer whether NATO will take on new members, but when and how we will do so."

Mr. Deputy Secretary General, as we consider NATO's relationship with nations to the east, Russia will figure prominently in our deliberations. Russia is undertaking a difficult transformation that will have profound implications for the world. Whatever course its internal evolution may take, Russia is and will remain a vital actor in European security affairs. It is in our interest—and Russia's—to develop broad, constructive interaction between NATO and Russia. The Partnership for Peace is central to that process.

We welcome Defense Minister Grachev's recent statement that Russia will participate in the Partnership for Peace without preconditions. As NATO has said, each partner will sign the same framework document. But each partner will design its own presentation document and each will develop its unique independent Partnership program. Clearly, Russia has significant capabilities and inherent strengths upon which it can draw in developing a Partnership cooperation program that will serve the Partnership's interests and enhance European security.

At the same time, Russia's size, broad interests, resources, and military capabilities provide the basis for a productive relationship with NATO in addition to the Partnership for Peace. Properly designed and conducted, this relationship can serve the interests of all European countries. We recently welcomed Minister Grachev to NATO headquarters for an extremely valuable session. Where Russia can and is prepared to make a constructive contribution, periodic consultations and practical cooperation outside the Partnership would be natural and mutually beneficial.

For example, Russia's nuclear capabilities establish an obvious basis for a dialogue on nuclear issues such as safe and secure weapons dismantlement. Cooperation between NATO and Russia to stem the proliferation of nuclear and other weapons of mass destruction would advance our shared interests.

Of course, other European states also may have interests or capabilities that would warrant "16-plus-one" consultations or cooperation with them outside the Partnership as appropriate. We should welcome those possibilities.

Bilateral relationships between Russia and individual allies complement Russia's relationship with NATO. The United States and other allies are developing bilateral political and military cooperation that will complement the work of the alliance.

Let me turn briefly to two important matters that have far-reaching implications for Russia's relations with NATO and for the overall course of European security. First, European stability depends on respecting the sovereignty, independence, and territorial integrity of all the states that emerged from the Soviet empire. We recognize Russia's legitimate concerns in this region, but we have made it clear that no country has a right to assert a role that is inconsistent with international norms.

A second key feature of Europe's stability and security is the Treaty on Conventional Forces in Europe. The United States is committed to maintaining the integrity of the treaty over the long term. We welcome discussion of any implementation questions among CFE signatories in the forum created by the treaty—the Vienna Joint Consultative Group.

An important area where Russia and members of the alliance have cooperated productively is in working to bring peace to the former Yugoslavia. This alliance—indeed, all nations concerned with the future of Europe and standards of human decency—remains deeply concerned about the continued fighting in Bosnia. That brutal and tragic conflict, the most savage fighting in Europe since 1945, cries out for resolution.

We remain convinced that this conflict can be resolved only through negotiations. We know that NATO cannot impose a solution. Since our last meeting, NATO has supported UN

efforts to bring peace to the former Yugoslavia. Without question, our efforts have decreased the level of violence and destruction. NATO's February 9 ultimatum ended the shelling of Sarajevo. We enforced the no-fly zone over Bosnia. NATO's April 22 decision ended the brutal attacks on civilians in Gorazde. We all recognize the leadership of the Government of Italy in providing bases for allied operations in these vital endeavors.

These and previous NATO actions, including sanctions enforcement, demonstrate our ability to make difficult decisions as 16 allies. NATO's firm actions show, as President Clinton has said, that the alliance "can still be a credible force for peace in the post-Cold War era." Those actions continue to provide crucial support to the United Nations and to save innocent lives. NATO has demonstrated in Bosnia that it is the only international institution with that capability.

We are now at a critical point in our efforts to find a negotiated solution. Working together, the EU, the UN, Russia, and the United States have made good progress in putting together a territorial proposal that we believe could serve as a reasonable basis for a settlement. Our hope is that this proposal will be accepted by both sides, and that yesterday's cease-fire agreement is a step toward a nationwide cessation of hostilities. If these efforts succeed, we can turn our attention and resources to the task of implementing a peace agreement and helping reconstruct war-torn Bosnia. We must expect, however, that the compromises necessary for peace will not come easily. The alliance must stand ready as before to back up the diplomatic process. And NATO allies must remain engaged in this effort.

The international community, and NATO in particular, are powerful forces helping to resolve this conflict. We must stay at it until we get the job done. We can contain the conflict. We can facilitate talks. We can help shape solutions. We can volunteer the mili-

tary forces essential for implementing a final agreement. And I want clearly to reaffirm the commitment of the United States to participate in this vital task.

The war in Bosnia remains a grave threat to our goal of an integrated Europe. It threatens to draw other fragile democracies into a wider war. And violent nationalism undermines the security of all European nations.

The United States is committed to greater integration among European democracies, East and West. We are determined to extend to the East the benefits—and obligations—of the same liberal trading and security order that have been pillars of strength for the West. That is the best way to secure the gains of democracy in the East. That is the best way to ensure that a wider war never engulfs Europe again.

Yesterday in Paris, many of us were present when the OECD decided to start membership negotiations with the Visegrad countries. We decided to intensify OECD activities in other Central and Eastern European countries. The OECD also signed a cooperation agreement with Russia.

We have sought to extend economic institutions to the East because we understand that the quest for security in Europe cannot rely on security institutions alone. It also must rely on the political and economic reconstruction of newly democratic nations. Our experience in Western Europe after the Second World War taught us that economic integration is essential to anchor stability among rebuilding nations. That is why we must lower the remaining trade barriers that limit the East's exports and its potential for lasting growth.

With the Cold War past, the doors of the West must be open to open societies and open markets to the East. By widening the reach of NATO and of organizations like the OECD, the EU, and the GATT, we will strengthen the prosperity of an undivided Europe and bolster the security that this alliance continues to preserve. ■

The New Geopolitics: Defending Democracy in the Post-Cold War Era

Deputy Secretary Talbott

*Address at Oxford University,
Oxford, England, October 20, 1994.*

I have three reasons for being pleased to appear before you this afternoon. The first is personal; the second is political; the third, historic.

You are, I am sure, used to your transatlantic cousins wearing their hearts on their sleeves, so I won't disappoint you: I love this place—this city and this university. They were good to me for three of the best years of my life. I'm delighted to be back.

Then there are the ties that bind your country to mine. Granted, we've had our bad moments, such as that time in 1814 when you folks set fire to my hometown. But for the most part, the U.S.-British relationship has defied Lord Palmerston's famous dictum: In some rare cases, permanent interests do make for permanent friendships or at least special relationships between nations. The United Kingdom was our principal partner in the single-most important transformation of American foreign policy: the U.S.'s emergence, a little more than a half-century ago, from a posture of not-so-splendid isolation to one of active engagement with the wider world. That shift was triggered by the Anglo-American alliance in World War II, then rendered a permanent part of the way Americans think and act during the two generations that followed.

Now, for the third reason I welcome your invitation to speak to you today: It gives me a chance to discuss why the Clinton Administration believes it has a historic opportunity in U.S. foreign policy.

A Historic Opportunity

While every period is, by definition, a passage in human history, some mark the beginning of new chapters, even of new volumes. This is one. We are now living through the third great defining moment of this turbulent century. What brings us to this point is, of course, the end of the great struggle that has lasted for over 40 years—the global rivalry between two camps clustered around two superpowers.

The end of the Cold War is, in one respect, similar to the periods of transition that have occurred when earlier, hot wars ended. Out of the combatants' exhaustion comes a new resolve to establish new attitudes, arrangements, and structures. Some of those then become fixtures on the international landscape. Others evolve, others wither away, and still others blow up in our faces.

For example, in the 17th century, the Thirty Years' War ended in the Treaty of Westphalia, which sought to impose order on the wreckage of the Holy Roman Empire. Westphalia is often cited as the inception of the

modern nation-state, in which people who spoke one language or worshipped one religion could band together under one flag within one set of boundaries: not a bad idea but not a perfect one, either. Today, we are still coping with its more extreme imperfections, particularly in the disaster zone that used to be known as Yugoslavia.

In the 19th century, the Napoleonic Wars ended with the Congress of Vienna, which enshrined balance-of-power as the guiding principle of international order. The Concert of Europe was based on the premise that no one state on the continent should become too strong. Again, not a bad idea but it, too, has its shortcomings. The balance-of-power concept and, therefore, diplomacy based on it tend to be value-free. Proponents of balance-of-power hold that what matters about a state or its government is primarily its size and strength, not so much its nature. The implication is that the difference between a democracy and a dictatorship is less important than whether they balance each other in brute strength.

This view fosters the notion that the international community has an interest only in preserving equilibrium between and among states rather than in what happens inside those states. If applied too narrowly, that can become a standard for tolerance of the intolerable. The obvious example from our century is the Holocaust. It should



have mattered to the world if Hitler's only victims had been German Jews. But one wonders: Would the world have ever done anything to stop him if Hitler had not combined genocide against Germany's citizens with aggression against Germany's neighbors, if he had been just as murderous at home but more restrained abroad? Those questions haunt the balance-of-power school of international relations; they underscore the need for statecraft to incorporate principles drawn from ethics as well as those drawn from physics.

Over the last 100 years, we have seen two world wars and two attempts at orchestrating world peace. World War I was in many ways a double disaster. It resulted not only in the slaughter of a generation but also in the squandering of the opportunity for peace that came at Versailles.

My country, which contributed to success on the battlefields of that war, also contributed to the failure that followed. The U.S. Congress rejected American participation in the League of Nations and then enacted the Smoot-Hawley Act, a monument to protectionism. That legislation, it has often been said, helped put the "Great" in the Great Depression. These and other follies of the interwar period created an international climate conducive, it turned out, to the rise of fascism and thus to another conflagration.

The leaders of the great coalition that triumphed in the Second World War learned several, if not all, of the lessons from the aftermath of the first. This time, instead of humiliating and impoverishing their defeated enemies, the victors helped rebuild Japan and Germany. Through the Marshall Plan, GATT, and the international financial institutions born at Bretton Woods, those statesmen who were present at the creation of the post-World War II world established the basis for a community of Western democracies and for an increasingly interdependent and prosperous global economy.

World War II also spurred another attempt to establish an institution dedicated to international law, collective security, and the enforcement of peace. The result—the United Nations—was a distinct improvement over the League of Nations, although it still has a long way to go before it fulfills the aspirations of its founders—and of its current members.

Yet, in a very real sense, the peace that followed the Allied triumph over the Axis was not a real peace at all. As Clausewitz might have put it, with the end of World War II, international politics became, for nearly half a century, the conduct of war by other means.

Just as the Cold War was waged by different means—propaganda campaigns, proxy struggles in the Third World, nuclear rivalry—it was also waged over different issues from those that had traditionally pitted nations against one another. Throughout previous eras, the cause of war and the spoils of victory were usually some combination of land and power. Even in wars fought in the name of religion, the question almost always was: Who would plant what flag on what piece of real estate?

The *casus belli* of the Cold War was different—not entirely different but significantly so. The central issue over which Britain, America, and the West waged the Cold War against the Soviets and their satellites did, to be sure, involve land and power. The map of the world—certainly of Europe—was largely color-coded in blue—our side, and red—theirs.

But the Cold War was not just about land and power. It was also a conflict—protracted, ruthless, and, in fact, quite often rather hot—between competing concepts of how to organize the political and economic lives of individual human beings, of individual states, and of the planet as a whole. Power, of course, played its part. NATO, as is often said, proved to be the most successful military alliance in history. The signature Western policies of deterrence and containment succeeded spectacularly.

But this was not just a case of one group of states banding together to defeat another. Rather, it was one set of ideas winning out over another. There were adherents and proponents of those victorious ideas on both sides of the battle lines—or, more to the point, on both sides of what used to be the Iron Curtain. The liberal values that unite the NATO member states have taken hold, in varying degrees, from Estonia on the Baltic to Albania on the Adriatic to Kyrgyzstan and Mongolia on the frontier of China and to Vladivostok on the Pacific.

To be sure, there are still a few countries that continue to decorate their flags with red stars and pay lip service to Marx, Engels, and Lenin. They include the most populous country on earth—China. But these holdout communist states, too, offer reason for what might be called strategic optimism—albeit tempered with tactical patience, prudence, and firmness.

One reason for optimism is the communications revolution—the permeability of even the most heavily fortified borders to radio and television broadcasts, as well as to subversively interactive influences such as telefax and e-mail. Among the forces that tore holes in the Iron Curtain was the steady bombardment by the Voice of America, Radio Free Europe and Radio Liberty, and the BBC. The communications revolution has not just permitted the transmission of news—it has helped bring about the single-most important and pervasive good news of our time: the decline of dictatorship and the rise of democracy.

A Consensus for Democracy And Free Markets

As the peoples of the world approach the 21st century, they are arriving at an unprecedented consensus about how we should organize ourselves within as well as among states. There is an increasingly universal sense—shared and championed by people on every continent—that democracy is the best.

form of political organization and the free market is the most successful form of economic organization.

To be sure, elections are neither a panacea for social ills nor a guarantee of enlightened government. Hitler's National Socialist Party, it is often pointed out, won at the polls in 1932. Vladimir Zhirinovskiy's grotesquely misnamed Liberal Democratic Party did all-too well for anyone's comfort except its own in the Russian parliamentary elections of last December. Nonetheless, as a general proposition, democracy helps bring prosperity to its people and peace to its neighbors.

As evidence, let me cite developments on my side of the Atlantic. As recently as 15 years ago, most of the nations in Latin America were ruled by military dictatorships. Now, every government except Cuba's has a genuine claim to democratic legitimacy. As these states have moved toward democracy, they have also moved away from statist economic policies. Democratically elected leaders in Mexico, Argentina, Chile, and Brazil have been able to push through comprehensive economic reforms.

South Asia, too, has moved decisively toward democracy and markets. In the past decade, 260 million people in Pakistan, Bangladesh, and Nepal have regained the right to vote in free and fair elections. In India, where democratic institutions are firmly established, Prime Minister Rao and Finance Minister Manmohan Singh are in the midst of an impressive series of reforms that will transform their country's economy—they have made the rupee a convertible currency, sharply reduced import barriers, and they are in the process of a sweeping overhaul of the banking sector and the privatization of state-owned industries. There are similar success stories in Asia and Africa—in nations as diverse as South Korea, South Africa, and Malawi.

In all these cases, there is a close linkage between democratic politics and free-market economics. All over the world, democratically elected

leaders have shown themselves more inclined than their authoritarian or totalitarian predecessors to choose the economic and social policies that will best benefit their people.

This is the case even in the world's poorer regions. Harvard economist and Oxford don Amartya Sen has noted that no substantial famine has ever occurred in a country with a democratic form of government and a relatively free press. India, for example, continued to have famines right up to the time of independence in 1947. The last famine—and one of the largest—occurred in 1943, when an estimated 2-3 million people died. Since independence and the founding of a multiparty democratic system, there has been no substantial famine, even though severe crop failures and food scarcities have occurred all-too frequently.

Similarly, famine prevention programs run by democratically elected governments in Botswana and Zimbabwe enabled these nations to withstand severe crop failures in the early 1980s. During the same period, Sudan and Ethiopia—with comparatively smaller declines in food production but with the huge disadvantage of anti-democratic regimes—suffered major famines.

The rise of democracy has also contributed to a dramatic reduction in acts of aggression by one state against another. Latin American states, for instance, skirmished regularly among themselves for most of this century. There were full-scale wars between Costa Rica and Panama, Bolivia and Paraguay, Peru and Ecuador, and Honduras and El Salvador. But here is the point: At the time those conflicts occurred, all the nations involved were governed by dictatorships. Since democracy began to spread rapidly through the Western Hemisphere in the early 1980s, no Latin American nation has gone to war with any other. The one case of a Latin American country that started a war against a European power is instructive in

more ways than one. I am referring, of course, to the fate of Argentina's military rulers after their misadventure in the Falklands. They were subsequently convicted of human rights abuses and succeeded by democratically elected civilians.

With each passing year, it becomes increasingly apparent that the proposition "democracies don't go to war with one another" is not just a bromide—it is as close as we are likely to get in political science to an empirical truth.

Partly for that reason, as Secretary of State Christopher has noted, we are now living in a unique historical moment, when none of the great powers views any other as an immediate military threat.

To be sure, the United States still has disputes with Russia and with China—and, for that matter, on certain issues with your government, as well as with France, Germany, and Japan. But there is, for the first time, no defining polarization of world politics; no match-up between two giants whose own zero-sum game establishes the rules for the rest of the world—contestants and bystanders alike. There is no equivalent, say, to Sparta versus Athens, or Rome versus Carthage, or Britain versus Spain in the 16th century—or any of the other titanic rivalries that have provided so much of the plot of history.

This state of affairs is in large part the result of an increasingly widespread, increasingly uncontested commitment to democracy, free trade, and free markets. For the first time in human history, virtually all of the world's leading economic and military powers are multi-party, free-market democracies. So, too, are most of the allies of the great powers.

That is why President Clinton believes that our generation has a historic opportunity to shape our world. He believes that since it is, above all, the triumph of democracy and markets that has brought us victory in the Cold War, it must be, above all, the defense of democracy and markets that should guide us now.

Sustaining Democracy

It is overwhelmingly in our best interests to sustain the trend of democratization. If that trend is reversed, our well-being will suffer. A military rivalry among the great powers is far more likely to arise should one or more of those powers abandon its commitment to free trade, open markets, and open society and slip back into totalitarian politics and command economics. By the same token, it is significant that we face menaces to our common security today from Iraq and North Korea, two states that have resisted the global tide of democracy.

While democracy and market economics are ascendant, they are not everywhere established—far from it. In many nations that have begun the transition, the necessary institutions—the political and economic cultures—are in their infancy. As Secretary Christopher has said on a number of occasions, it is precisely the newborn democracies that are most in need of international support.

That, in essence, is why your government and ours have joined forces with 28 other nations in Haiti, making possible last Saturday's extraordinary celebration in Port-au-Prince of the restoration of that country's democratic government. United Nations Security Council Resolution 940, authorizing the deployment of the multinational coalition, was a watershed. For the first time, the UN gave the defense of democracy standing as justification to use "all necessary means"—in other words, military force.

The UN mission in Haiti establishes that the international community can take action not just when regimes attack their neighbors but when they savage their own people as well. There are—and will always be—disagreements about how far the international community's responsibility runs and in what cases it applies. But there can be no doubt that we are in the process of redefining geopolitics.

At the same time, we have not by any means abandoned traditional concepts of sovereignty or security, nor have we foresworn the traditional means to deter and if necessary rebuff those who would jeopardize or violate the peace.

Witness the UN's response to Saddam Hussein's latest aggressive mobilization. In this episode, we have acted upon geopolitical considerations of a more conventional sort than in Haiti. In Iraq, the international community has backed down a bully who was threatening his neighbor and endangering global energy supplies. Yet this confrontation, too, contains dramatic evidence of how the world has changed for the better with the end of the Cold War—after some initial reluctance, Russia joined the U.S., U.K., and the rest of the UN Security Council in Resolution 949, which further limits Saddam's ability to deploy his army in a threatening manner.

Europe and the New Geopolitics

Let me now say a few words about how the new geopolitics—our attempt to redefine national and international security—applies to this region of the world, Europe. The European continent, after all, was the primary battleground of the Cold War. This is where that struggle was won. This is where we must consolidate the gains of victory. It is here in Europe, as much as anywhere on earth, that we must apply the principle of defending democracy where it is most fragile and vulnerable.

We in the community of established market democracies need to stay with the post-communist reformers. We must be as persistent as they are. It would be a terrible mistake to assume, complacently, that without our help democracy and markets will succeed everywhere they now have a foothold. An even worse mistake would be to succumb, fatalistically, to the fear that even with our help, reforms in these countries are doomed to fail.

Throughout the Cold War, Western resolve had indispensable allies in Eastern reformers and in the people themselves—a fact often lost in the smug and triumphalist rhetoric of some in the West. The victims of communism became the victors over communism—and we must include them in our planning for the post-Cold War world.

This is a first principle of the American Government's policy toward Europe. It is a large part of the reason why, when he came to Europe three times earlier this year, President Clinton stressed his commitment to the goal of integration: to work within the Transatlantic Partnership to build an undivided Europe—a Europe united by a shared commitment to democracy, free-market economies, and mutual respect for borders.

What does this mean in practical terms? It means bringing Eastern states into Western economic institutions—into the GATT, into the European Union, and into the OECD. If the countries of Central Europe and the former Soviet Union have the courage to take the painful but necessary steps of economic reform, then we must be prepared to do our part as well. As President Clinton has said, "it will make little sense for us to applaud their market reforms on the one hand while offering only selective access to our markets on the other."

Integration also means that we must continue to develop the first post-Cold War security structure—the Partnership for Peace. Two weeks ago, Armenia became the 23rd nation to join. Since its launching at the NATO summit in January, the Partnership has taken on practical content, coherent shape, and promising direction. Already it has produced the remarkable spectacle of former adversaries from NATO and the old Warsaw Pact exercising together in Poland. A second such exercise will take place in the Netherlands later this month.

NATO itself is also evolving. As President Clinton, Vice President Gore, Secretary of State Christopher,

and Secretary of Defense Perry have all vowed, NATO will, in due course, take in new members. It will do so on a case-by-case basis, in accordance with the interests and the will of the member states, and no other power will have a veto over the process.

If handled properly—and it will be handled properly—NATO expansion can serve the larger cause of European integration, security, and political stability. Or, to put the same point differently: NATO's evolution can help guide the evolution of Europe itself. The addition of new members to NATO need not—and indeed must not—lead to new divisions between East and West.

In this regard, we must also continue to develop other avenues of security cooperation which—like the Partnership for Peace—can or do encompass all the nations of the Euro-Atlantic world. Right now, in Budapest, the 52 nations that participate in the CSCE—the Conference on Security and Cooperation in Europe—are exploring how the CSCE can be made a more effective instrument for regional conflict management and for establishing a common security space based on shared values and principles of behavior. The United States will work hard to ensure the success of this effort.

But this effort will be all-the-more difficult if we do not meet the challenge of the former Yugoslavia. The situation in that benighted corner of Europe remains dire. The Bosnian Serbs are still committing atrocities and defying the will of the international community. Bosnian Muslims and Croats face a terrible winter under siege. If the fighting spreads, we could, with gruesome symmetry, close out this century with a sequel to the Balkan Wars of 1912 and 1913.

Moreover, Bosnia dramatizes a global problem—of nationalistically inspired separatism and civil war, feuds among tribes that fly the banner of self-determination—in other words, a new world disorder, a phenomenon that might be called Westphalia and

Versailles run amok. We have seen failed states in Rwanda and Somalia; we've seen ethnic conflict stir regional instability in the Transcaucasus. This kind of disintegration within states poses a major obstacle to the goal of integration among states, all of which is an additional reason why we cannot ignore the conflict in Bosnia. In the days and weeks ahead, we will be working closely with our colleagues in the Contact Group—the U.K., France, and Russia, and Germany, which represents the European Union. We shall work to strengthen the still-fragile Federation in Bosnia. We shall seek ways to seal the border between Serbia and Bosnia more tightly. We shall urge stricter enforcement of UN-protected exclusion zones.

There may even be glimmers, however tentative, of good news amidst the horror of the former Yugoslavia. The effort to end the conflict has seen the UN Security Council for the first time use NATO as an instrument to enforce the will of the United Nations. UNPROFOR—the United Nations Protection Force—has brought together many members of the Partnership for Peace, including not only the United Kingdom, Canada, and France but also former Warsaw Pact states such as Poland, Ukraine, and Russia. Russia's willingness to join forces—diplomatic and military—with the West in the common cause of ending the conflict is among the more striking pieces of evidence that we are indeed living in a new world.

This leads me, in closing my remarks, to say a bit more about Russia—the country whose language, literature, culture, and history I studied while I was a student here.

Many in Moscow are worried that their country will end up being excluded from an expanded and integrated European security structure. More specifically, they are concerned that the Partnership for Peace and the intention to expand NATO are, in their essence, directed against Russia. Last month, Vice

President Gore sought to allay this concern. Addressing an audience in Berlin, he explained why the expansion of NATO would not be incompatible with the security interests of Russia. He noted that "instability in Central Europe, that seedbed of European wars, has twice in this century brought tragedy to the continent." The Russian people, who suffered greatly from those tragedies, have as much reason as any to fear further instability in Central Europe. Therefore, Russia has as much reason as any to want to see stability in Central Europe—and that is precisely the goal of an expanded NATO. Expansion, when it comes, should be viewed not as an action directed against anyone but as an important component of regional security and stability.

But, one might ask—and many do—what about the stability of Russia itself? Quite simply, we do not know for sure what kind of state Russia will be in the 21st century. That vast, proud, rich, accomplished, troubled land is in the process of redefining itself, and it will be doing so for some considerable time to come. But we do know, very much for sure, what kind of state we want Russia to be: We want it to be a strong, prosperous democracy; we want it to be integrated into the economic and political life of the rest of the world; we want it to be secure in its current borders and respectful of the independence, sovereignty, and territorial integrity of its neighbors, notably including those neighbors who were, like Russia itself, republics of the U.S.S.R.

That is not just our hope for Russia—it is many Russians' wish for their own country. That includes many leaders of Russia today and many who aspire to be its leaders in the future. Theirs, of course, are not the only aspirations at play in the rough-and-tumble of the Duma and the Federation Council—and on the hustings, now that real politics has finally come to that country. There are forces very much in the open, as well as behind the scenes

and underground and in the dark alleys, that are ugly, threatening, retrograde, and worse.

There is, in short, a great struggle underway in Russia for its future, its identity, its soul, and its place in Europe. As President Clinton has put it, the Russian people must ask themselves "what does it mean to be a great power in this 21st century? Will they define it in yesterday's terms, or tomorrow's?" Or, to put it most starkly: Will they choose imperialism and repression or integration and freedom?

What we must do is everything in our power to encourage the forces that we want to see prevail, over time, in that struggle. Those are the same

forces that will, if they do prevail, allow Russia to achieve genuine security and prosperity.

What we must not do is prejudice the outcome of that struggle—and especially we must not base our prejudgment on prejudice, on historical stereotypes, on warmed-over Cold War ideology—lest we commit the fallacy of the self-fulfilling prophecy. We must heed Voltaire, who warned against mistaking our nightmares for premonitions of the future.

To put it bluntly, if we were to base our policies on the pessimistic presumption that Russia will regress rather than evolve, then we would

have committed, in the final years of this century, a strategic blunder equal to the one committed in the opening years, at Versailles and afterward.

But let me also put the same point more positively—more in the spirit of strategic optimism that Bill Clinton believes should inform American foreign policy in the post-Cold War era. We can seize the opportunities in this period of transition. We are more likely to do so if we understand why all those earlier attempts at lasting peace—Westphalia, Vienna, Versailles, Munich, and Yalta—failed or fell short. We can learn from the lessons and build on the legacies of our past as we develop a strategy for our future. And this time, we can get it right. ■

American Power and American Diplomacy

Anthony Lake

Address by the Assistant to the President for National Security Affairs at Harvard University, Cambridge, Massachusetts, October 21, 1994.

I want to speak with you about the relationship between power and diplomacy—particularly American power and American diplomacy—in a dramatically changed world.

This is an extraordinary moment in world affairs. The single, overarching threat of the Cold War has vanished. The international environment is starkly new—a far cry from the old strategic landscape, in which every move and every alteration was interpreted in relation to the Soviet threat. But even in this new era there are some old truths.

Old Truths

The **first** is that divisions and debates about our role in the world are as old as our Republic. On one side stand severely limited forms of foreign engagement and protectionism; on the other, active American engagement abroad on behalf of democracy and on behalf of expanded trade.

After World War II—thanks in large part to the threat posed by the Soviet Union—that debate was resolved in favor of active engagement. Today, as in the late 1940s, we face again the old impulse to retrench. And today, as in the late 1940s, our interests demand that we check that impulse. But our task is more difficult now, because we undertake it in circum-

stances not of the late 1940s but of the 1920s: Much of our society now, as in the 1920s, seeks a rest from the rigors of international activism, and there is no single threat against which to rally public opinion.

A **second** old truth is this: Ideas matter. They are at stake in most of the daily struggles we see around the world. As the President has said,

We face a contest as old as history—a struggle between freedom and tyranny; between tolerance and isolation. It is a fight between those who would build free societies governed by laws and those who would impose their will by force. Our struggle today, in a world more high-tech, more fast-moving, more chaotically diverse than ever, is the age-old fight between hope and fear.

This brings me to the **third** old truth in this new era: Power still matters. We are not the world's police officer. But in this struggle between hope and fear, our power will make the critical difference, as it did in two world wars and the Cold War. And at the heart of American power lies the threat or use of military force. Without it, Haiti would not today be at the dawn of a difficult but exciting democratic opportunity. And without it, Iraq would today be threatening its neighbors with a dangerous military deployment on the borders of Kuwait.

Negotiating From a Position of Strength

In short, diplomacy disconnected from power usually fails. At the same time, power without diplomacy is dangerously lacking in purpose.

This, I know, is not a novel thought. In antiquity, Thucydides set out with graphic horror in the Melian dialogue the weakness of diplomacy without the backing of force. The sound arguments of the Melians for preserving their independence provided no defense against an Athens bent on subjugation. Without the power to back their positions, Melos's men were put to the sword; women and children were sold as slaves.

The same arguments many centuries later in Europe in the late 1930s were resolved by Hitler and his policy by panzer, and in the Pacific by Pearl Harbor. Following World War II, farsighted statesmen like Dean Acheson worked to keep that lesson in the American mind. Acheson and other wise men knew that the United States needed all the instruments of diplomacy and power to defend vital interests and prevail over the long haul in the Cold War. It was Acheson who coined the phrase, "negotiate from a position of strength."

The New Global Economy

Today, of course, American diplomacy draws considerable strength from its economic power and the power of our example.



It is not only that our global economic reach makes the American voice an important one on almost every global issue that we can think of. The new global economy may also be causing a small revolution in the nature of diplomacy. As the economy of every nation depends increasingly on participation in the single world marketplace, most economies thus become more vulnerable also to the effects of economic isolation.

This means that they may be more susceptible to both economic inducement and economic penalties. South Africa presents a wonderful example of this. And we have seen just how effective both incentives and sanctions can be in our negotiations with North Korea over their nuclear weapons program. We welcome, of course, the North Korean decisions that led to the agreement being signed today. I think it is a hell of a deal. The agreement is in their interest, as well as ours, for it can help end their economic and political isolation. But it may not have been accidental that real progress in the talks occurred last summer when it became clear we were about to take a sanctions resolution to the United Nations Security Council.

We also see the power of sanctions in the case and behavior of Serbia. Indeed, you can draw a direct line from the dramatic effects of the isolation of the Serbian economy to the evolving policy of Slobodan Milosevic.

Military Force: The Threat Of America's Power

But at the very heart of America's power is military force. This is why President Clinton has vowed that our armed forces will remain the best trained, the best equipped, and the best prepared military in the world. I say "remain" the best, because the efficient and rapid way in which our military conducted their recent operations in the Gulf and Haiti can leave no doubt about their current readiness and strength.

The Cassandras attacking our readiness are simply wrong: We have prepositioned arms in hot spots like the Persian Gulf, expanded our sea- and airlift capabilities, and increased

funding for operations and maintenance in fiscal year 1995 by over 5%. There are indeed readiness and mobility concerns for the future that we must and will address; but our troops' rapid and highly effective successive deployments to Haiti and Iraq confirmed our confidence: We remain prepared to fight and win two major regional conflicts almost simultaneously.

Our challenge is not only a matter of maintaining our military might. We also need a new national debate today on the critical questions of when, where, and how to use military force. In the late 1940s and 1950s, there was just such a wide-ranging discussion on questions of nuclear doctrine and limited war. I believe we desperately need a similar exchange today, and you in this room have a central role to play in shaping the debate and thereby shaping our common future.

When will we use force? The short answer remains what it always has, or should have been—when our interests require us to do so. What are these American interests?

Defining National Interests

During the Cold War, our interests were defined overwhelmingly in terms of the threat to the United States posed by Soviet nuclear weapons. That led to the policy of nuclear deterrence. Thanks, in part, to that policy, we are free and alive and assembled here today.

The policy of containment also flowed from America's definition of interest in light of the Soviet threat. The national consensus behind containment helped produce victory in the Cold War. But as Vietnam showed, the relationship between means and ends in fighting limited wars was never satisfactorily defined.

Today, with an ever-increasing choice of possible missions in a rapidly changing world, our thinking needs still finer resolution than it has ever had before.

Just as in the promotion of democracy and open markets we concentrate on those areas where our interests are most deeply engaged, so we must be as

clear as possible on when and where we will use military force. For there is no more important decision a President makes.

No matter how clear our military doctrine, that decision has and should always come down to a judgment that weighs the importance of a particular mission—defined in terms of our interests—against its presumed costs.

Here, in general if not perfect order of priority, are the seven national interests, taken in some combination or even alone, that this Administration believes can merit the use of our military, especially in areas of greatest strategic significance:

- To defend against direct attacks on the United States, its citizens at home and abroad, and its allies.
- To counter aggression, which is central to preserving a peaceful world.
- To defend our most important economic interests, because it is here that Americans see their most immediate personal stake in our international engagement.
- To preserve, promote, and defend democracy, which, in turn, enhances our security and the spread of our values.
- To prevent the dangerous proliferation of nuclear weapons and other weapons of mass destruction, to prevent acts of terrorism, and to combat the deadly flow of drugs.
- To maintain our reliability. When the U.S. makes commitments to other nations, we must keep our promises.
- And for humanitarian purposes, such as combating famine and other natural disasters and in cases of overwhelming violations of human rights.

Setting Priorities

An array of interests need not mean disarray in setting our priorities. By itself, none of the interests in this general hierarchy—with the certain exception of attacks on our nation and its allies and the possible exception of aggression elsewhere—should automatically lead to the use of force. But the wider the range of these interests at stake, the more likely that we will call again on our military. That is why, in Haiti, when we saw democracy

denied, our borders threatened, our reliability on the line, and a reign of brutality so close to our own shores, we saw a compelling case for intervention.

It is not our interests alone that decide when and where to use force. Against the interests at stake we must measure the costs and benefits of each specific operation, and answer such questions as: Is there a clearly defined, achievable mission? What is the environment of risk we are entering? What are the prospects for success? What is needed to achieve our goals? What are the potential costs—both human and financial—of the engagement? Do we have a realistic exit strategy?

There is no algorithm here—no simple formula that asks us only to fill in the numbers in calculating the risks and the requirements of each mission. But we do know that those are the factors we must consider as we decide when and where to send our young men and women into danger. There is also a set of guidelines that help shape how we use force, and its likely utility when we do.

When we send American troops abroad, we will send them with a clear mission and the means to prevail. And when we use force, we must be prepared to use it unflinchingly. To do otherwise endangers the interests we seek to safeguard, as well as the troops we send.

We should never delude ourselves: Deploying our military often will not solve underlying problems, and we must carefully limit the missions we choose. Force can defeat an aggressor, but it will not conjure democracy into existence or flip the switch on to prosperity. It may only begin to make a solution possible farther down the road. When we do act, we will do so with others when we can, but alone when we must. In some cases, in which we should not act unilaterally, we may choose to join in multilateral action as we share the burdens and spread the risks. The United States has consistently led the effort to build coalitions to meet the needs of the international

community. Joining together in common cause makes us all stronger, and deepens our moral authority.

The more deeply our interests are threatened, of course, the more inclined we are to act alone. That is why we have said that we will act by ourselves in the Persian Gulf, if necessary—and did so earlier when the Iraqis plotted against the life of a former American President and thus against our whole people, as well.

Finally, a cautionary note on another potential guideline. Some have argued for a simpler policy: That we should assert a sphere of influence in our own hemisphere and in limited areas beyond, leaving to others the task of maintaining stability and order in their own spheres. This view, I believe, is dangerously wrong.

Certainly, proximity counts. Had Haiti not been so close to our shores, we would have been less likely to act. The dramatic advance of democracy in this hemisphere is one of the truly stirring developments of our time, and we have an obvious interest in preventing any unraveling of that achievement.

We recognize that all nations have greater concerns for their immediate surroundings than they do for distant regions. But as a great nation whose interests and ideals are global in scope, we cannot—and will not—cede to others a right to intervene as they wish in the affairs of their neighbors without regard to international norms of behavior. Specifically, we must expect of others that they will respect the sovereignty and territorial integrity of their neighbors, just as we do.

These, then, are the calculations of interest and cost that have produced our past uses of military power and will guide us in the future.

Putting Power Behind Diplomacy

Every time we have used force, we have balanced interests against costs. And in each case, our use of our military has put power behind our diplomacy, allowing us to make progress we would not otherwise have achieved.

Iraq poses a threat of aggression in which a broad range of American interests are engaged. So we are leading a coalition under the authority of the United Nations—but are prepared to act alone if we must. The result of the President's decisive action has been not only the near-resolution of the current crisis, but a new injunction by the Security Council against future Iraqi aggression.

In Haiti, where lesser but nonetheless important interests are at stake, we also acted—but at a potentially lower cost. Over three years, we had exhausted all avenues of negotiation and the use of economic sanctions in our efforts to redeem the pledges of two administrations to restore the democratically elected government there. But in the end it was only the use of force that could finally bring success. When the Haitian generals received the news that the 82nd Airborne Division was, in fact, airborne and headed their way—they gave way. As a result, we achieved peacefully what we were prepared to do under fire. I recall that Sunday afternoon vividly when it looked like we might have to use force. If you are prepared to use force you may “subdue the enemy without fighting,” to use Sun Tzu's words. The ancient strategist called that “the acme of skill.”

In Bosnia, we have not seen all the progress that we would like, but when diplomacy has been married to military power, positive movement has been the result. For example, the Sarajevo ultimatum succeeded primarily because the threat of NATO air strikes was concrete. NATO's decision on the use of air power substantially eased the pressures on Sarajevo, prevented the fall of Gorazde, and provided the foundation for last spring's agreement between the Bosnians and Bosnian Croats to end their conflict and form a federation. The recent NATO decision to seek greater clarity and flexibility from the United Nations in Bosnia is a step in the right direction.

In Rwanda and Somalia, our missions were primarily humanitarian, our interests more narrow. Only the American military could have done

what it did, saving hundreds and hundreds of thousands of lives, and we are very proud of that. But over the longer run, our interests did not justify more than support for multilateral peace-keeping efforts once our own missions were concluded. And there, as elsewhere, international peace-keeping efforts can only give a fractured society a window of opportunity—a time of relative security—in which to heal its own wounds. No outside force can impose on any society what is, in the end, its own responsibility.

Cooperation and Understanding

A final point: Policy, of course, does not succeed or fail in a vacuum. Public opinion and the Congress rightfully play central roles in how the United States wields its power abroad. Perhaps the outstanding lesson we learned during Vietnam was the importance of what Les Gelb once called "the essential domino": public opinion. That conflict taught us to think more carefully about costs, more carefully about willpower as well as firepower, and more carefully about the length of engagement. But above all, it taught us that the United States cannot long sustain a fight without the support of public opinion.

Public opinion is formed in our era in even more perplexing ways than during the Vietnam years. This is especially true for humanitarian and other non-traditional interventions. The quantum leap in coverage brought about by CNN and the other networks means that almost every day, every American must be beset by a painful ambivalence.

Images of violence, misery, and brutality naturally call up the impulse to intervene. The television screen transforms a particular incident into an apparently universal condition in that foreign society. The camera, unfortunately, does not have peripheral vision. My country and perhaps my country alone—the viewer feels—can do something about this carnage and must do something about this carnage.

But when images of casualties—our casualties—appear, everything can

change instantly. The costs become painfully obvious, and the question arises: Can this possibly be worth even one American life?

Neither of these sentiments should surprise or dismay us. Both reactions are expressions of the high value Americans place on human life, and we are a better people for it.

But while as individuals we all may share this painful ambivalence, it is the responsibility of government to make real choices and to act—distinguishing between the essential and the tangential, acting on the basis of what is right, and then, when action is taken, doing so without hesitation or vacillation.

To do this, there must be better understanding and cooperation between the Executive and the Congress. We both, of course, must ultimately be responsible to the public for our decisions. And this means a necessary and proper caution about incurring the costs of military action. It is, after all, the American people who bear the burdens and pay the price.

But we also know, from our most recent experience in the Persian Gulf, that the American people are not so averse to the use of force as some might think, especially if classic interests like security in Europe or Asia or the Middle East are in question. And as a new Rand study indicates, they want to see our troops succeed once they are committed.

Congress, we have seen, also supports the use of force whenever the nation's classic interests are at stake. That is a great advantage, since it is imperative that the Executive branch and Congress work together on these issues.

But in the post-Cold War world, we must also have the capacity for the limited use of force in new circumstances. And too often in such cases, some in Congress react by emphasizing only the cautionary notes, seeing only costs and casualties rather than benefits and opportunities.

And when we use force—to repeat—we must use it unflinchingly. Otherwise, we risk our objectives and we endanger our troops, both in the

specific mission at hand and around the world. When Congress almost automatically considers resolutions calling for an early withdrawal of our forces when deployed in non-traditional settings, it undermines our objectives and it compounds the risk for our troops. It is virtually an invitation for the thug of the month to see if he can force our departure from some difficult corner of the world by attacking our soldiers there. For this reason, among others, President Clinton opposed a hasty withdrawal from Somalia last fall. That would have been the wrong way out and sent the wrong message around the world. Instead, he raised our troop level before successfully drawing it down, over time, on schedule and without further casualties.

This issue transcends the daily work we do in dealing with Congress. And recognizing Congress' role, this Administration has consulted with it in unprecedented ways—75 times alone in the case of Haiti.

But what is needed is a war powers mechanism and system of consultations that work. Next year, we will hold serious discussions with Congress on amending the War Powers Resolution in an effort to ameliorate a struggle between these branches of government that has lasted two centuries. It will never be resolved, and perhaps never should be. But the terms and tone of the competition over the making of national security policy must be improved, and must lose some of its current partisan cast, or our nation and troops could pay an unnecessary price for it.

Conclusion

Americans know that the passing of the Cold War, reassuring as that is, does not mean we live in a world of true safety. We also know that we have before us an opportunity to build a world of more democracy, more tolerance, and more pluralism. It is the kind of opportunity that comes, at most, once in an era. To defeat the dangers and seize the day, we must summon our creativity and all of our diplomatic skill. And to that skill, we must always harness our power. So let

us keep fixed in our minds the precept of one of the Enlightenment's great realists, Frederick the Great, who said: "Diplomacy without arms is music without instruments."

And let us remain alert to the danger of slippage and retreat. We must reject the calls from the left and the right, as well as the rhetoric of neo-know-nothings of no particular view, to

stay at home rather than engage. You in this room may not believe that we are fighting a new round of the old struggle between engagement and retrenchment. The debate is less clearly defined than it was in the period between the two world wars. But every time a foreign aid bill is slashed, a troop deployment opposed on ideological rather than practical grounds, or a good trade agreement is attacked, it

is part and parcel of that same traditional argument. The impulse to retreat from the world, like the fog, comes in on little cat feet. So I ask you to join in efforts to keep our nation from becoming befogged in the face of a new world of continuing danger. For it is also a time of immense and wonderful opportunity. I think we will seize it. ■

THE TRIP OF PRESIDENT CLINTON TO THE CSCE SUMMIT

FACT SHEETS

Conference on Security and Cooperation in Europe (CSCE)

From Vancouver to Vladivostok, the Conference on Security and Cooperation in Europe (CSCE) brings a new kind of diplomacy—one built on respect for human rights and regional cooperation as the bases for security among Atlantic, European, and Eurasian countries.

While its most prominent characteristic is furthering European security and cooperation by defining and protecting human rights, CSCE also fosters these goals through programs centered on press and culture, economics, conflict prevention, and military security. CSCE is committed to developing democratic institutions at the grass-roots level, through local officials and activities, and through non-governmental organizations.

Evolution of the CSCE

CSCE began during the Cold War as a way to promote dialogue and decrease tensions between East and West. In August 1975, 35 nations signed the Helsinki Final Act, a politically binding declaratory understanding of the democratic principles governing relations among nations. The act contained a provision to continue regular discussions on a broad range of concerns—from migration and military security to the environment and media relations—in what became known as the "Helsinki process."

During the 1980s, follow-on meetings in Madrid, Stockholm, and Vienna reviewed implementation of CSCE agreements and continued the opportunity for discussion. Although CSCE had no permanent headquarters and no

enforcement capability, important progress was made to establish firm standards for the protection of human rights and to increase confidence through the advance notification of military activities and the exchange of military information.

With the end of the Cold War, all CSCE states for the first time accepted the principles of pluralism and free markets as the basis for their cooperation. This made it possible for CSCE to explore ways to act on its rigorous principles and to ensure that they were upheld. To do this, CSCE in 1990 established the Secretariat in Prague, Conflict Prevention Center in Vienna, and Office for Democratic Institutions and Human Rights in Warsaw. A decision to create an office of Secretary General was made at the December 1992 Stockholm meeting of CSCE Foreign Ministers.

During 1992, the decision to move from principle to action was most marked in a new Helsinki document which established a number of practical tools that help CSCE work with NATO, the EU (European Union), and other international bodies to defend human rights and manage the unprecedented changes now taking place in Europe. In particular, it sets out an ambitious role for the CSCE in conflict resolution and "preventive diplomacy."

CSCE is also an important framework for conventional arms control in Europe. The Treaty on Conventional Armed Forces in Europe, signed in November 1990, limits non-nuclear ground and air forces from the Atlantic to the Urals. A separate political

CSCE Participating States

Albania	Liechtenstein
Armenia	Lithuania
Austria	Luxembourg
Azerbaijan	Malta
Belarus	Moldova
Belgium	Monaco
Bosnia-Herzegovina	Netherlands
Bulgaria	Norway
Canada	Poland
Croatia	Portugal
Cyprus	Romania
Czech Republic	Russia
Denmark	San Marino
Estonia	Slovak Republic
Finland	Slovenia
France	Spain
Georgia	Sweden
Germany	Switzerland
Greece	Tajikistan
The Holy See	Turkey
Hungary	Turkmenistan
Iceland	Ukraine
Ireland	United Kingdom
Italy	United States
Kazakhstan	Uzbekistan
Kyrgyzstan	Yugoslavia*
Latvia	

* Excluded from all CSCE meetings □

agreement, concluded in July 1992, covers personnel in the same region. Through continued negotiation, confidence-building measures have been extended and higher expectations for treaty compliance and verification have been set. A new security negotiation—the Forum for Security Cooperation—opened in Vienna on September 22, 1992.



CSCE and European Conflicts

The civil war in the former Yugoslavia has been an early test of the CSCE's ability to take an active part in conflict prevention. On August 6, 1992, the U.S. Government called on the CSCE to help monitor the human rights situation in the Balkans and inhibit the spread of the conflict.

The CSCE quickly sent fact-finding and rapporteur missions to the region and supported the sanctions and humanitarian measures taken by the UN and the EU. The CSCE then established a completely new kind of presence in the areas adjacent to the conflict. These "missions of long duration" provided an early warning system for any spill-over of the hostilities into the regions of Serbia and Montenegro—Kosovo, Vojvodina, and Sandzak—and into The Former Yugoslav Republic of Macedonia. Until the missions in Serbia and Montenegro were expelled in July 1993 by Belgrade authorities, they made a significant contribution to stability, as the mission in The Former Yugoslav Republic of Macedonia continues to do. Missions also have been sent to Serbia and Montenegro, Croatia, and Bosnia-Herzegovina to investigate alleged violations of CSCE principles.

In August 1992, the London Conference on the Former Yugoslavia asked the CSCE to assist in monitoring sanctions compliance. There are now missions in Hungary, Bulgaria, Romania, The Former Yugoslav Republic of Macedonia, Ukraine, and Albania. The post of Sanctions Coordinator was created to oversee the CSCE-EU sanctions missions in the countries around Serbia and Montenegro.

The CSCE is in the forefront of conflict resolution in other parts of the region as well:

- Under CSCE auspices, the Minsk Group—11 nations (including Azerbaijan and Armenia)—is the focus of international efforts to solve the crisis in Nagorno-Karabakh.

- The CSCE mission in Georgia is assessing the political and human rights situations in the Abkhazia and South Ossetia regions of Georgia, as well as monitoring peace-keeping forces and participating in political negotiations in South Ossetia.

- Rapporteur missions have been sent to the new Central Asian republics to assess the governmental and human rights situations.

- In February 1993, CSCE agreed to send a long-term, conflict-prevention CSCE mission to Moldova and a mission to Estonia to promote integration and better understanding between communities there.

- In October 1993, the CSCE agreed to send a mission to Latvia to monitor Latvian-Russian minority issues.

- The previous Chairman-in-Office (Sweden) sent a personal representative to investigate the situation in Tajikistan, which led to a December 1993 decision to send a mission there. The Tajikistan mission has a mandate to foster confidence-building, democracy, and human rights.

- In 1994, the CSCE established preventive diplomacy missions in Ukraine and Bosnia.

As a charter member of the Conference on Security and Cooperation in Europe, the United States has been central in the promotion of uncompromising humanitarian standards and their practical implementation. From the beginning, CSCE has embodied America's hopes for a unified, democratic, and prosperous Europe. Americans continually have worked to ensure that the CSCE process remains flexible, innovative, and unbureaucratic. The United States established the first permanent delegation to the CSCE in Vienna in August 1992, charting a course for other nations to follow. ■

CSCE Structure

The Charter of Paris, signed in November 1990, committed Conference on Security and Cooperation in Europe (CSCE) member states to a substantial enhancement of CSCE decision-making bodies, mechanisms, and institutions in order to give permanence and strength to a 16-year-old process of ad hoc political consultations. Since the signing of that document, CSCE has gained several new institutions and a number of expanded consultative mechanisms geared toward intensifying the pan-European discussions commonly referred to as the Helsinki process.

Council of Ministers (COM). CSCE members agreed at the Paris summit to establish a Council of Ministers (COM)—comprised of foreign ministers—as its highest decision-making body which would meet at least annually. The Charter of Paris set a broad mandate for the COM to deal with any issues relevant to security and cooperation in Europe. The state hosting a COM meeting assumes the chairmanship of CSCE and holds the position until the opening of the next ministerial; Italy is the current CSCE Chairman-in-Office.

Committee of Senior Officials (CSO). The Charter of Paris also established a subsidiary working group/executive body at the ambassadorial/political director level. The Committee of Senior Officials (CSO), acting as the agent of the ministers, is charged with preparing for meetings of ministers, carrying out their decisions, reviewing current issues, and considering future work of the CSCE, including its relations with other international organizations. CSO meetings are held at least quarterly. Several additional meetings have been called to deal with the conflicts in the former Yugoslavia and Nagorno-Karabakh. The state chairing the COM also heads CSO meetings.

Secretary General. The Stockholm COM agreed to establish the position of Secretary General as the CSCE's chief administrative officer to manage CSCE structures and operations, work closely with the Chairman-in-Office in the preparation and guidance of CSCE meetings, and ensure implementation of CSCE decisions.

CSCE Secretariat. The CSCE Secretariat opened in Prague in February 1991. It is charged with administrative support of the COM and CSO; the maintenance of archives; and the dissemination of information to the public, non-CSCE states, and other international organizations.

Parliamentary Assembly. Legislators from CSCE states have agreed to meet on an annual basis. The first session was held in Helsinki in July 1993. The assembly has a consultative role in the CSCE process.

Office for Democratic Institutions and Human Rights (ODIHR). The Office for Free Elections (OFE) started operations in April 1991, with a general mandate to collect and disseminate information on elections within CSCE states. In 1992, CSCE states agreed to expand the OFE into an Office for Democratic Institutions and Human Rights. In addition to its original OFE duties, the office now serves as a central information source for all aspects of democratic institution-building and organizes seminars on specific topics in this area. It is responsible for organizing periodic meetings to review CSCE human dimension commitments. It also supports use of the expanded Human Dimension Mechanism (HDM) and the activities of the newly created High Commissioner for National Minorities.

High Commissioner on National Minorities. Acting under CSO aegis as an instrument of conflict prevention, the High Commissioner on National Minorities will provide "early warning"

and, as appropriate, "early action" on tensions involving national minority issues which have the potential to affect peace, stability, or relations between participating states.

Conflict Prevention Center (CPC). The first CSCE institution to open—in Vienna in January 1991—was the Conflict Prevention Center, which is charged primarily with overseeing the sharing of data on military forces in Europe and hosting annual implementation meetings and those called under the Unusual Military Activities mechanism. The CPC is in charge of supporting implementation of the Peaceful Settlement of Disputes mechanism. In February 1993, the CSO approved a plan to have the CPC provide operational support for the CSCE's ever-growing diplomatic, conflict-prevention, and peace-keeping missions.

Forum for Security Cooperation (FSC). At the 1992 Helsinki summit CSCE established this forum as the only pan-European forum for security dialogue and arms control negotiations. The Helsinki summit also established a program of immediate action which includes development of further confidence- and security-building measures, and exchange of global military information, cooperation on non-proliferation, and cooperation on regional measures. The FSC convened in September 1992 in Vienna and will continue to meet in semi-permanent session.

Permanent Committee. Created by the Rome Council in 1993, the Permanent Committee is responsible for the day-to-day operational tasks of the CSCE. It conducts comprehensive and regular consultation and when the CSO is not in session it takes decisions on all issues pertinent to the CSCE. It meets in Vienna. ■



CSCE: Major Conferences and Meetings, 1989-1994

In addition to institutional activity, the CSCE pursues its goals through a regular series of meetings and seminars. These meetings focus on practical application of CSCE commitments and feature participation by experts and non-governmental organizations actually working on the subject being discussed. CSCE commitments also provide for regular meetings of foreign ministers and for periodic reviews of implementation.

1989

April-May: Information forum—London

May-June: Meeting of the Conference on the Human Dimension—Paris

October-November: Meeting on the protection of the environment—Sofia

1990

March-April: Conference on economic cooperation in Europe—Bonn

June: Meeting of the Conference on the Human Dimension—Copenhagen

September-October: Meeting on the Mediterranean—Palma de Mallorca

October: Meeting of CSCE Foreign Ministers—New York

November: CSCE summit—Paris

1991

January-February: Meeting of experts on the peaceful settlement of disputes—Valletta

May-June: Symposium on cultural heritage—Krakow

June: Meeting of the CSCE Council of Ministers—Berlin

July: Meeting of experts on national minorities—Geneva

September-October: Meeting of the Conference on the Human Dimension—Moscow

November: Seminar of experts on democratic institutions—Oslo

1992

January: Meeting of the CSCE Council of Ministers—Prague

March: Preparatory meeting—Helsinki

March-June: Follow-up meeting—Helsinki

July: CSCE summit—Helsinki

September: Forum for Security Cooperation convenes—Vienna

October: Meeting on peaceful settlement of disputes—Geneva

November: Tolerance seminar—Warsaw

December: Council of Ministers meeting—Stockholm

1993

March: Economic forum—Prague

April: Migration seminar—Warsaw

May: National minorities seminar—Warsaw

May: Mediterranean seminar—Valletta

July: CSCE parliamentary assembly—Helsinki

September: Boreal and temperate forests seminar—Montreal

September-October: Implementation review meeting—Warsaw

November: Free media seminar—Warsaw

November 30-December 1: Council of Ministers meeting—Rome

1994

January: Early warning seminar—Warsaw

February: Creating small and medium-sized businesses seminar—Bishkek

March: Economic Forum—Prague

March: Migrant workers seminar—Warsaw

April: Human dimension seminar—Almaty

May: Local democracy seminar—Warsaw

May: Regional security seminar—Ashgabat

July: CSCE Parliamentary Assembly—Vienna

September: Business and environment seminar—Tallinn

September: Roma issues seminar—Warsaw

September: CSCE issues seminar—Tashkent

October-December: Review Conference—Budapest

December 5-6: CSCE Summit—Budapest ■



Confidence- and Security-Building Measures

Confidence- and Security-Building Measures (CSBMs) are designed to enhance transparency and increase mutual understanding about military forces and activities. CSBMs foster contacts, cooperation, and consultation among participating states through agreed mechanisms for sharing and verifying military information. The flexibility of CSBMs makes them especially helpful for building confidence in the new, more fluid European security environment.

Over the past two decades, the array of confidence-building measures has expanded steadily. Within the framework of the Conference on Security and Cooperation in Europe (CSCE), the Stockholm Document in 1986 and the Vienna Document in 1990 established a politically binding regime of CSBMs. While not explicitly linked to the CSBM regime, nor to various European arms control agreements, the Open Skies Treaty, signed in 1992, introduced into CSCE detailed procedures for aerial observation and established a new framework for contacts, cooperation, and consultation among the treaty's participants.

The present CSBM regime, contained in "Vienna Document 1992," was the result of negotiations held from November 1990 to March 1992. CSCE

members adopted the document on March 4, 1992. Key provisions include:

- An annual exchange of military data on personnel and equipment holdings, major weapons and equipment systems, and defense budgets;
- Risk reduction measures including mandatory consultations in the case of unusual military activities, cooperation on hazardous military incidents, and voluntary visits to dispel concerns about military activities;
- A framework of military-to-military contacts, including air base visits, cultural, sporting, and educational contacts, and demonstrations of new weapons and equipment following their deployment;
- The right to observe military activities meeting certain size and type thresholds;
- Provision of an annual calendar forecasting military activities of a certain size and type for the following year;
- Constraints on the frequency of military activities involving more than 40,000 troops or 900 battle tanks;
- Visits to evaluate and verify data on forces and weapons systems; and
- An annual implementation assessment meeting held in Vienna to discuss the annual exchange of information and other security topics as agreed by CSCE members.

A revised version of the Vienna Document, adopted by the Review Conference in preparation for the December 1994 CSCE Summit in Budapest, further strengthened the CSBM regime. Notable changes include:

- A new provision to provide greater transparency in states' defense planning, which includes information on states' intentions regarding the size, structure, training, and equipment of their armed forces and their defense policy, doctrines, and related budgets;
- Increased opportunities for military-to-military contacts among CSCE states, including expanded contacts between members of the armed forces at all levels and between military units and exchanges of visits of naval vessels and air force units; and
- Steps to enhance the operation of the CSCE communications network, including specifying use of standard operating procedures and establishing a communications group that will address issues concerning the viability and effectiveness of the network. ■



The North Atlantic Treaty Organization

NATO Today

NATO remains the core of American engagement in Europe and at the heart of European security. It is the member nations' most effective instrument for coordinating defense and arms control and maintaining stability throughout Europe. The collapse of the Soviet Union, the dissolution of the Warsaw Pact, and the progress of European integration have not ended the need for NATO's essential commitment to safeguard the freedom and security of all its members by political and military means in accordance with UN principles. The London Declaration on a Transformed North Atlantic Alliance, issued after the summit meeting of the North Atlantic Council (NAC) in July 1990, signaled the vitality of the alliance in adapting to security needs in a post-Cold War world. At that meeting, NATO allies announced a fundamental review of strategy and invited the Soviet Union and the countries of Central Europe to establish regular diplomatic liaison and to develop a new partnership.

The November 1991 Rome Declaration on Peace and Cooperation further underlined NATO's intention to redefine its objectives in light of changed circumstances. The declaration took into account the broader challenges to alliance security interests, such as the proliferation of weapons of mass destruction, regional instability, and terrorism. It outlined its future tasks in the context of a framework of interlocking and mutually reinforcing institutions, including the Conference on Security and Cooperation in Europe (CSCE), the Western European Union (WEU), the European Community (now the European Union), and the Council of Europe, working together to build a new European security system. The "New Strategic Concept" announced at the meeting stressed the alliance's mis-

NATO Background

The North Atlantic Treaty Organization was formed against the backdrop of emerging post-war tensions engendered by the threat of Soviet expansionism and concern over political and economic instability in Western Europe. On April 4, 1949, in Washington, DC, the Foreign Ministers of Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, Netherlands, Norway, Portugal, United Kingdom, and United States signed the North Atlantic Treaty, the political framework for an international alliance designed to prevent aggression, or, if necessary, to resist attack against any alliance member. In 1952, Greece and Turkey acceded to the treaty, fol-

lowed by the Federal Republic of Germany in 1955 and by Spain in 1982.

This alliance of sovereign states pledges, through a combination of political solidarity and military force, to preserve its mutual security. Reaffirming faith in the principles of individual and collective self-defense embodied in the UN Charter, the parties to the treaty pledge to defend the common heritage and civilization of their peoples and to promote stability and well-being in the North Atlantic area. While recognizing the need to maintain adequate military strength to safeguard the security of its members, the alliance also resolves to work toward the establishment of a just and lasting peaceful order in Europe. □

sion in crisis management and mandated a more flexible force structure and reduced reliance on nuclear weapons. The Rome meeting also created the North Atlantic Cooperation Council (NACC) to develop an institutional relationship of consultation and cooperation on political and security issues between NATO and its former adversaries. This initiative culminated in the participation of Foreign Ministers and representatives from the 16 NATO countries, six Central European countries, and the three Baltic states at the inaugural meeting of the NACC in December 1991. At the second NACC meeting in March 1992, the new independent states of the former Soviet Union became members, except Georgia, which was admitted the following month. Albania joined the NACC in June 1992.

NATO Foreign Ministers affirmed their readiness to support peace-keeping activities under the auspices of the CSCE on a case-by-case basis in June 1992. The following month, the North Atlantic Council agreed on a NATO

maritime operation in the Adriatic, in coordination with the WEU, to monitor compliance with the UN embargo against Serbia and Montenegro (upgraded to enforcement in November 1992 following UN Security Council resolutions to tighten economic sanctions). On June 8, 1993, agreement was reached to place the NATO/WEU Adriatic task force under the operational command of the Supreme Allied Commander Europe.

On December 17, 1992, NATO foreign ministers agreed that NATO would be prepared to support a UN Security Council resolution on enforcement of the ban on military flights over Bosnia and Herzegovina. NATO has been enforcing the no-fly zone over that country since April 12, 1993. In the spring of 1993, NATO planned for a peace settlement in Bosnia under UN auspices once an equitable agreement is reached by all of the parties and put into effect.

On September 2, 1992, the NAC approved UN humanitarian relief efforts in Bosnia-Herzegovina. In



June 1993, NATO agreed to provide its air power to protect UNPROFOR forces in case of attack. In August 1993, in extraordinary session, the NAC agreed that air strikes could be used, as authorized by the UN Secretary General, to support UNPROFOR's overall mandate; to assist in the relief of Sarajevo, the safe areas, and other threatened areas in Bosnia; and to relieve the wide-scale interference with the UNPROFOR mandate and humanitarian assistance operations. NATO remains willing to consider positively any further requests by the UN for assistance in enforcing Security Council resolutions.

In June 1993, the U.S. proposed a NATO summit to discuss the Clinton initiative, which set an agenda for NATO's future work. The initiative included strengthening cooperation among the allies, developing relations with the former Warsaw Pact states, improving NATO's links with other institutions, and addressing threats to security that arise from outside the North Atlantic Treaty area. The January 1994 NATO summit endorsed several of the President's proposals that advance NATO's adaptation to the post-Cold War European security environment.

The summit launched the Partnership for Peace (PFP), which expands and intensifies practical political and military cooperation between NATO and the former Soviet bloc, as well as some of Europe's traditionally neutral countries, and allows them to consult with NATO in the event of a direct threat to their security. PFP does not extend NATO security guarantees.

As of October 1994, 23 countries have joined PFP: Albania, Armenia, Azerbaijan, Bulgaria, Czech Republic, Estonia, Finland, Georgia, Hungary, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Poland, Romania, Russia, Slovakia, Slovenia, Sweden, Turkmenistan, Ukraine, and Uzbekistan. The central organs of the Partnership are the Steering Committee at NATO Headquarters and a planning organ, the Partnership Coordination Cell, at Mons, Belgium (at the same location as Supreme Headquarters Allied Powers Europe).

PFP has thus become a permanent and central feature of the transatlantic security system. PFP military exercises began in fall 1994: Poland hosted the first PFP field exercise in a former communist state, and a PFP maritime exercise took place in the North Sea. The

NATO Structure

North Atlantic Council

The Council is the principal forum for consultation and cooperation between NATO member governments on all issues affecting their common security. Its decisions are based on consensus, with each member having an equal right to express its views. The NATO Secretary General is chairman. The Council meets at least twice a year in ministerial session. It also meets weekly at the level of Permanent Representatives, who hold ambassadorial rank.

Defense Planning Committee (DPC)

The DPC deals with overall issues of defense and is composed of representatives of all countries except France (which withdrew from NATO's integrated military structure in 1966). Like the Council, it meets regularly at ambassadorial level and twice yearly, when member countries are represented by their defense ministers.

Nuclear Planning Group

This group has authority for nuclear matters. All countries except France participate. Iceland participates as an observer.

Military Committee

The highest military authority in the alliance; is composed of the chiefs of staff of each country except France, which is represented by a military mission. Iceland, which has no military forces, is represented by a civilian member. The

Military Committee advises the Council and the DPC on military measures necessary for the common defense and provides guidance to the NATO commanders.

Regional Commands

The strategic area covered by the North Atlantic Treaty is divided into three regional commands: Allied Command Europe, Allied Command Atlantic, and Allied Command Channel, with a regional planning group for North America. With the exception of France and Iceland, all countries assign forces to the integrated military command structure. The NATO Defense area covers the territories of member nations in North America, in the Atlantic area north of the Tropic of Cancer, and in Europe, including Turkey. However, events occurring outside the area which affect the preservation of peace and security in the treaty area also may be considered by the Council.

North Atlantic Cooperation Council

The North Atlantic Cooperation Council (NACC) was established in November 1991 to conduct NATO's outreach program to the former Warsaw Pact states. Current members include the 16 NATO allies, seven Central European states (Albania, Bulgaria, Czech Republic, Hungary, Poland, Romania, and Slovakia), the 12 former Soviet republics, and the three Baltic states. It meets in ministerial session at least once a year. Finland, Slovenia, and Sweden attend as observers. □

Netherlands hosted a PFP field exercise in late October 1994. NATO allies also have invited observers from PFP countries to a number of previously scheduled bilateral and multinational exercises. NATO is establishing now the exercise and work program for 1995 and beyond.

At the January 1994 summit, NATO leaders welcomed an evolutionary expansion of NATO membership to include new democracies in the region. Participation in PFP does not guarantee entry into NATO, but it is the best preparation for states interested in becoming NATO members. For those countries that do not aspire to NATO membership, PFP will remain as a primary link to the Alliance.

The summit also endorsed a concept of "Combined Joint Task Forces" designed to make NATO military struc-

tures more flexible and to encourage the development of "separable but not separate" European military capabilities that could undertake operations under the auspices of the WEU when an alliance response was not required. NATO and the WEU are working to develop this concept.

Finally, the summit directed immediate work to intensify and expand NATO's political and defense efforts against the spread of weapons of mass destruction. This led to agreement on a political framework for NATO actions which was approved at the North Atlantic Council ministerial meeting in June 1994. Consultations proceed on specific allied political and defense steps to combat and defend against the proliferation of such weapons.

NATO's role as a forum for political consultation and an association of nations committed to collective defense remains unchanged, even as its new responsibilities in the areas of peace-keeping and crisis management continue to evolve.

U.S.-NATO Relations: The Trans-Atlantic Partnership

The decision of the United States after World War II to participate in a regional peacetime, defensive alliance represented a fundamental change in American foreign policy. The United States recognized that its interests no longer could be confined to the limits of the Western Hemisphere: U.S. security was linked inextricably to the future of the West European democracies. Concepts of individual liberty and the rule of law, coupled with those of a common heritage and shared values, provided the foundation for the NATO alliance. These ideals, as well as the ongoing goal of each member country to achieve a just and lasting peaceful order in Europe, continue to link the fate of America to that of its NATO allies.

The history of U.S. engagement in NATO has been one of commitment by America and its allies to reduce tensions in Europe and to improve East-West relations. They have pursued a series of initiatives designed to lower levels of personnel and equipment and increase mutual confidence, while adhering to a policy of political cohesion and military strength. Arms control measures aimed at enhancing stability have included the Intermediate-Range Nuclear Forces (INF) Treaty in 1987 and the Treaty on Conventional Armed Forces in Europe (CFE) in 1990.

The CFE Treaty between the allies and the nations and successor states of the former Warsaw Pact provides for an unprecedented level of transparency in the security field through an information exchange and obligatory inspections. Most importantly, it mandates a sharp reduction in conventional weapons throughout Europe. The NATO allies coordinate closely to meet their own obligations under the treaty and to ensure full compliance in its information, verification, and reduction provisions.

NATO has played a leading role in developing far-reaching proposals for CSCE's Forum for Security Coopera-

tion (FSC). Alliance proposals on force planning, non-proliferation, and harmonization of existing arms control commitments already are being developed.

The United States supports the development of a greater European security identity and defense role as a means of strengthening the integrity and effectiveness of NATO. At the NATO summit in Rome, the alliance welcomed the prospect of a European political union with a greater security and defense dimension but underlined that this would not diminish the need for NATO. The alliance's "New Strategic Concept" also reaffirmed the essential nature of the trans-Atlantic partnership, recognizing as a basic principle the indivisibility of security of all its members. The U.S. proposed, and the January 1994 NATO summit agreed, that "separable but not separate" European capabilities be made available to undertake independent European missions, drawing as necessary on NATO collective assets when NATO-wide actions are not necessary.

The North Atlantic alliance and the American presence in Europe have helped keep peace for more than 40 years. Having helped to forge successful policies toward the former Soviet Union and the Warsaw Pact since the foundation of NATO, the U.S. with its European allies must play a central role in building the framework of the new Euro-Atlantic architecture.

NATO Strategy

NATO collective security strategy was mainly based on the principle of deterrence. Defense capabilities were created to deter military aggression or other forms of pressure. Parties to the treaty agreed to consult whenever the territorial integrity, political independence, or security of any party was threatened. They further pledged to maintain their individual and collective capacity to resist armed attack and, should such deterrence fail, to defend the territory of the alliance. As a purely defensive alliance, NATO maintained only a level of military strength sufficient to be credible. Given the marked inferiority of allied conventional strength in Europe, the NATO guarantee rested primarily on the nuclear superiority of the United States.

At the conclusion of a 1967 comprehensive review of NATO strategy, the alliance adopted a revised approach to

the common defense, based on a balanced range of responses, conventional and nuclear, to all levels of aggression or threats of aggression. This reassessment of the nature of the potential threat to member countries prompted the realization that the alliance must increasingly look to the dangers of more limited forms of aggression beyond the possibility of a massive Soviet attack. The basis of the new concept of "flexible response" was the belief that NATO should be able to deter and counter military force with a range of responses designed to defend directly against attack at an appropriate level, or, if necessary, to escalate the attack to the level necessary to persuade an aggressor to desist.

At the same time, the alliance accepted the recommendations of the report written by former Belgium Foreign Minister Pierre Harmel and titled "Future Tasks of the Alliance," which outlined the need to work toward the achievement of disarmament and balanced force reductions. The maintenance of adequate military forces would be coupled with efforts at improving East-West relations.

Soviet deployment of new mobile theater nuclear missiles (SS-20s) called into question the accepted NATO strategy of deterrence based on the concepts of forward defense and flexible response and lead to a decision in 1979 to modernize its defensive capability. The resulting "dual-track" decision by the alliance combined pursuing arms control negotiations with responding appropriately to the increased imbalance created by the new Soviet systems. Alliance governments agreed to deploy U.S. ground-launched cruise missiles in Western Europe.

The successful conclusion of the Intermediate-Range Nuclear Forces (INF) Treaty in 1987, while eliminating all Soviet and U.S. land-based, intermediate-range missiles, required a new appraisal of NATO policy. In response, the alliance developed its "Comprehensive Concept of Arms Control and Disarmament," which provided a framework for alliance policy in nuclear, conventional, and chemical fields of arms control and tied defense policies to progress in arms control.

In July 1990, the NAC issued the "London Declaration on a Transformed North Atlantic Alliance" to adapt to the new realities in Europe. The ministers pledged to intensify political and

military contacts with Moscow and with Central and East European capitals and to work not only for the common defense but to build new partnerships with all the nations of Europe. They underlined the need to undertake broader arms control and confidence-building agreements to limit conventional armed forces in Europe. In recognition of the radical political changes in Europe and the improved security environment, the ministers mandated a fundamental review of the alliance's political and military strategy.

The "New Strategic Concept" was outlined at the meeting of the North Atlantic Council in November 1991. The threat of a massive full-scale Soviet attack, which had provided the focus of NATO's strategy during the Cold War,

had disappeared after the end of the political division of Europe. The alliance acknowledged that the risks to its security, such as proliferation of weapons of mass destruction and acts of terrorism and sabotage, were now less predictable and beyond the focus of traditional concerns. The new strategy adopts a broader approach to security, centered more on crisis management and conflict prevention. It assumes completion of the planned withdrawal of military forces from Central Europe and the Baltics and the full implementation of arms control agreements limiting conventional forces in Europe.

In the context of changed circumstances, the alliance will maintain a mix of nuclear and conventional forces based in Europe, although at significantly lower levels. To ensure effectiveness, alliance forces will be increasingly

mobile to respond to a range of contingencies. Forces will be organized for flexible buildup to react to regional instability and crises. Collective defense arrangements will rely increasingly on multinational forces within the integrated military structure. Nuclear forces will continue to play an essential role in allied strategy but will be maintained at the minimum level sufficient to preserve stability.

The new strategy reaffirms the principle of common commitment and mutual cooperation in support of the indivisibility of security for all alliance members and underscores the essential political and military link between European and North American members provided by the presence of nuclear forces in Europe. ■

The North Atlantic Cooperation Council

NACC Today

The North Atlantic Cooperation Council (NACC) joins the North Atlantic Treaty Organization (NATO) allies and the newly free and independent states of Central and Eastern Europe, the Baltics, and the former Soviet Union in a program of political-security dialogue, partnership, and cooperation. Subjects discussed in regular meetings between allies and partner states include defense planning and budgeting, democratic concepts of civil-military relations, defense conversion, and scientific and environmental topics. Members also discuss current political issues of common concern. In this way, the NACC complements the Conference on Security and Cooperation in Europe (CSCE), NATO, the European Union, and the Council of Europe in building a Euro-Atlantic community of stable, democratic, and market-oriented societies from Vancouver to Vladivostok.

NACC's Origins

As the advent of *glasnost* and *perestroika* in the Soviet Union and the crumbling of communist control in Eastern Europe changed the nature of the European security challenge, NATO turned from a posture of confrontation with the East to one of dialogue and cooperation. The June 1990 Turnberry North Atlantic Council ministerial and July 1990 London NATO summit extended the hand of friendship to NATO's former adversaries and called for the alliance to institute a liaison program with the Warsaw Pact states. The June 1991 Copenhagen North Atlantic Council ministerial developed this theme in its statement on "Partnership with the Countries of Central and Eastern Europe."

In their October 3, 1991, joint statement, Secretary of State Baker and German Foreign Minister Hans-Dietrich Genscher proposed the institutionalization of the NATO liaison program in a North Atlantic Cooperation Council. The following month, the Rome NATO summit formally established the NACC as a forum in which allies could offer their experience and expertise to partner countries on security and related issues.

Ongoing Projects

In its first year, NACC developed a solid basis of cooperation and dialogue. The first NACC ministerial, held on December 20, 1991, in Brussels, brought together representatives of the 16 NATO allies, the Baltic states, the U.S.S.R., Poland, Czechoslovakia, Hungary, Bulgaria, and Romania. Participants pledged to uphold CSCE principles, support arms control efforts, and work together in building a Europe whole and free.

The second NACC ministerial held on March 10, 1992, in Brussels, admitted all the states of the former Soviet Union except Georgia (which joined the following month). Ministers adopted the first NACC work plan, which spelled out a program of intensified consultations and cooperative activities focused on security and related issues, including political, military, economic, scientific, and environmental subjects. Specific topics for cooperation included defense planning, conceptual approaches to arms control, democratic concepts of civilian-military relations, civil-military coordination of air-traffic management, defense conversion, and enhanced participation in NATO's "Third Dimension" scientific and environmental programs. Ministers also

pledged to cooperate in disseminating information about NATO in the partner countries and gave their support to the NACC's ad hoc High Level Group charged with facilitating entry-into-force of the Conventional Armed Forces in Europe (CFE) Treaty.

With the admission of Albania in June 1992 and the Czech-Slovak split in January 1993, membership in the NACC now stands at 38. Finland, Slovenia, and Sweden have attended recent ministerial meetings as observers.

A major step forward in NACC cooperation came at the December 1992 ministerial in Brussels. Ministers adopted a work plan for 1993 that included for the first time a provision for joint planning and training for peace-keeping. Subsequently, the NACC established an Ad Hoc Group on Cooperation in Peace-keeping to coordinate activities in this area. The NACC has welcomed the participation in Ad Hoc Group deliberations of three non-NACC states with extensive peace-keeping experience—Finland, Sweden, and Austria. A representative from the CSCE also attends.

Building on the momentum of cooperation created by the NACC, NATO established in January 1994 a program within the framework of NACC called the Partnership for Peace (PFP). PFP activities complement other activities undertaken in the framework of the NACC and are designed to intensify political and military cooperation between the Alliance and members of the Partnership. The PFP is open to states participating in NACC and other CSCE states able and willing to contribute to the Partnership.

At their next meeting, in Brussels in December 1994, ministers will review progress on implementing the



PFP, hold extensive consultations on regional issues, and exchange views on the evolution of European security architecture, including the mutually reinforcing relationships between NATO, NACC, and the CSCE.

The 1995 work plan, expected to be adopted by ministers on December 2, 1994 in Brussels, continues and expands NACC/PFP work on peace-keeping and other topics.

As it concludes its third year, NACC already has established itself as an important element in post-Cold War

Europe's security architecture. It will continue to develop as a complement to other European and trans-Atlantic organizations forging the links of a peaceful, democratic, and prosperous Euro-Atlantic community of nations. ■

THE TRIP OF PRESIDENT CLINTON TO THE CSCE SUMMIT

COUNTRY BACKGROUND NOTE

November 1994



Official Name:
Republic of Hungary

PROFILE

Geography

Area: 93,000 sq. km. (36,000 sq. mi.); about the size of Indiana.

Cities: *Capital*—Budapest (est. pop. 2 million); Debrecen (220,000); Miskolc (208,000); Szeged (189,000); Pecs (183,000).

Terrain: Much of Hungary is flat, with low mountains in the north and northeast and north of Lake Balaton.

Climate: Temperate. January average temp. 0°C (32°F); July 20°C (70°F).

People

Nationality: *Noun and adjective*—Hungarian(s).

Population (est.): 10 million.

Ethnic groups: Magyar 92%, Romany 3% (est.), German 1%, Slovak 1%, Jews 1%, Southern Slav 1%, others 1%.

Religions: Roman Catholic 68%, Calvinist 20%, Lutheran 5%, others, including Jewish, Baptist, Adventist, Pentecostal, Unitarian 5%.

Languages: Magyar 98%, other 2%.

Education: Compulsory to age 16.

Attendance—96%. **Literacy**—99%.

Health: *Infant mortality rate*—15/1,000.

Life expectancy—67 yrs. men, 75 yrs. women.

Work force (5 million): *Agriculture*—19%.

Industry and commerce—49%. *Services*—27%. *Government*—5%.

Official language: Magyar (Hungarian).

Government

Type: Parliamentary democracy.

Constitution: August 20, 1949. Substantially revised in 1989, amended in 1990.

Branches: *Executive*—Council of Ministers. *Legislative*—Hungarian National Assembly (386 members, four-year term). *Judicial*—Supreme Court and Constitutional Court.

Administrative regions: 19 counties plus capital region of Budapest.

Principal political parties: Socialists (MSZP, reform communists) 32%; Alliance of Free Democrats (SZDSZ center-left) 19%; Hungarian Democratic Forum (MDF center) 12%; Independent Smallholder's

Party (FKGP center right) 9%; Federation of Young Democrats (FIDESZ center-left) 7%; Christian Democratic People's Party (KDNP center-right) 7%.

Economy (1993)

GDP: \$38 billion.

Annual growth rate: -2.3%.

Per capita income: \$3,700.

Natural resources: Fertile land, bauxite, brown coal.

Agriculture/forestry (7.3% of 1993 GDP):

Products—meat, corn, wheat, potatoes, sugar beets, vegetables, fruits, sunflower seeds.

Industry/construction (33% of 1993 GDP):

Machinery, buses, and other transportation equipment; precision and measuring equipment; textiles; medical instruments; and pharmaceuticals.

Trade: *Exports*—\$8.9 billion: machinery, buses, and other transportation equipment; medical instruments; pharmaceuticals; textiles; other consumer manufactures; and agricultural products. *Major markets*—Germany, Commonwealth of Independent States (CIS), Austria, Italy, U.S., France. *Imports*—\$12.5 billion: energy, raw materials, machinery, and transportation equipment. *Major suppliers*—CIS, Germany, Austria, Italy U.S., France.

Exchange rate (1993): About 100 forints=U.S.\$1. ■



HISTORY

Since its conversion to Western Christianity before AD 1000, Hungary has been an integral part of Europe. Although Hungary was a monarchy for nearly 1,000 years, its constitutional system preceded by several centuries the establishment of Western-style governments in other European countries.

Sharing defeat of the Austro-Hungarian Dual Monarchy (1867-1918) at the end of World War I, Hungary lost two-thirds of its territory and nearly as much of its population. It experienced a brief but bloody communist dictatorship and counter-revolution in 1919, followed by a 25-year regency under Admiral Miklos Horthy. Although Hungary fought in most of World War II as a German ally, following an unsuccessful attempt to switch sides on October 15, 1944, it fell under German military occupation until the end of the war. In January 1945, a provisional government concluded an armistice with the Soviet Union. It also established the Allied Control Commission, under which Soviet, American, and British representatives held complete sovereignty over the country. The Commission's chairman was a member of Stalin's inner circle and exercised absolute control.

Communist Takeover

The provisional government, dominated by the Hungarian Communist Party (HCP), was replaced in November 1945 after elections which gave majority control of a coalition government to the Independent Smallholders' Party. The government instituted a radical land reform and gradually nationalized mines, electric plants, four heavy industries, and some large banks.

The communists ultimately undermined the coalition regime by discrediting leaders of rival parties and by terror, blackmail, and framed trials. In elections tainted by fraud in 1947, the leftist bloc gained control of the government. Post-war cooperation between the U.S.S.R. and the West collapsed, and the Cold War began. With Soviet support, Moscow-trained Matyas Rakosi began to establish a communist dictatorship. By February 1949, all opposition parties had been forced to merge with the HCP to form the Hungarian Workers' Party. In 1949, the

communists held a single-list election and adopted a Soviet-style constitution which created the Hungarian People's Republic. Rakosi became Prime Minister in 1952.

Between 1948 and 1953, the Hungarian economy was reorganized according to the Soviet model. In 1949, the country joined the Council for Mutual Economic Assistance (CEMA)—a Soviet-bloc economic organization. All private industrial firms with more than 10 employees were nationalized. Freedom of the press, religion, and assembly were strictly curtailed; the head of the Roman Catholic Church, Cardinal Jozsef Mindszenty, was sentenced to life imprisonment.

Forced industrialization and land collectivization soon led to serious economic difficulties, which reached crisis proportions by mid-1953, the year Stalin died. The new Soviet leaders blamed Rakosi for Hungary's economic situation and began a more flexible policy in Eastern Europe called the "New Course." Imre Nagy replaced Rakosi as prime minister in 1953 and repudiated much of Rakosi's economic program of forced collectivization and heavy industry. He also ended political purges and freed thousands of political prisoners.

However, the economic situation continued to deteriorate, and Rakosi succeeded in disrupting the reforms and in forcing Nagy from power in 1955 for "right-wing revisionism." Hungary joined the Soviet-led Warsaw Pact Treaty Organization the same year. Rakosi's attempt to restore Stalinist orthodoxy then foundered as increasing opposition developed within the party and among students and other organizations after Khrushchev's 1956 denunciation of Stalin. Fearing revolution, Moscow replaced Rakosi with his deputy, Erno Gero, in order to contain growing ideological and political ferment.

1956 Revolution

Pressure for change reached a climax on October 23, 1956, when security forces fired on Budapest students marching in support of Poland's confrontation with the Soviet Union. The ensuing battle quickly grew into a massive popular uprising. Gero called on Soviet troops to restore order on October 24. Fighting did not abate until the Central Committee named Imre Nagy as prime minister on October 25, and the next day Janos Kadar

replaced Gero as party first secretary. Nagy dissolved the state security police, abolished the one-party system, promised free elections, and negotiated with the U.S.S.R. to withdraw its troops.

Faced with reports of new Soviet troops pouring into Hungary despite Soviet Ambassador Andropov's assurances to the contrary, on November 1, Nagy announced Hungary's neutrality and withdrawal from the Warsaw Pact. He appealed to the United Nations and the Western powers for protection of its neutrality. Preoccupied with the Suez Crisis, the UN and the West failed to respond. The Soviet Union launched a massive military attack on Hungary on November 3. Some 200,000 Hungarians fled to the West. Nagy and his colleagues took refuge in the Yugoslav Embassy.

Kadar, after delivering an impassioned radio address on November 1 in support of "our glorious revolution" and vowing to fight the Russians with his bare hands if they attacked Hungary, defected from the Nagy cabinet; he fled to the Soviet Union and on November 4 announced formation of a new government. He returned to Budapest and, with Soviet support, carried out severe reprisals; thousands of people were executed or imprisoned. Despite a guarantee of safe conduct, Nagy was arrested and deported to Romania. In June 1958, the government announced that Nagy and other former officials had been executed.

Reform Under Kadar

In the early 1960s, Kadar announced a new policy under the motto of "He who is not against us is with us." He declared a general amnesty, gradually curbed some of the excesses of the secret police, and introduced a relatively liberal cultural and economic course aimed at overcoming the post-1956 hostility toward him and his regime. In 1966, the Central Committee approved the "New Economic Mechanism," through which it sought to overcome the inefficiencies of central planning, increase productivity, make Hungary more competitive in world markets, and create prosperity to ensure political stability. However, the reform was not as comprehensive as planned, and basic flaws of central planning produced economic stagnation.

Over the next two decades of relative domestic quiet, Kadar's government responded to pressure for political and economic reform and to counter-pressures from reform opponents. By the early 1980s, it had achieved some lasting economic reforms and limited political liberalization and pursued a foreign policy which encouraged more trade with the West. Nevertheless, the New Economic Mechanism led to foreign debt in pursuit of economic stimuli for unprofitable industries.

Transition to Democracy

Hungary's transition to a Western-style parliamentary democracy was the first and the smoothest among the former Soviet bloc, inspired by a nationalism that long had encouraged Hungarians to control their own destiny. By 1987, activists within the party and bureaucracy and Budapest-based intellectuals were increasing pressure for change. Some of these became reform socialists. Others began movements which were to develop into parties. Young liberals formed the Federation of Young Democrats (FIDESZ); a core from the so-called Democratic Opposition formed the Association of Free Democrats (SZDSZ); and the neopopulist national opposition established the Hungarian Democratic Forum (MDF). Civic activism intensified to a level not seen since the 1956 revolution. In 1988, Kadar was replaced as prime minister, and Reform Socialist leader Imre Pozsgay was admitted to the Politburo. That same year, the parliament adopted a "democracy package," which included trade union pluralism; freedom of association, assembly, and the press; a new electoral law; and a radical revision of the constitution, among others.

A Central Committee plenum in February 1989 endorsed in principle the multiparty political system and the characterization of the October 1956 revolution as a "popular uprising," in the words of Pozsgay, whose reform movement had been gathering strength as communist party membership declined dramatically. Kadar's major political rivals then cooperated to move the country gradually to democracy. The Soviet Union reduced its involvement by signing an agreement in April 1989 to withdraw Soviet forces by June 1991. National unity culminated in June 1989 as the country

reburied Imre Nagy, his associates, and, symbolically, all other victims of the 1956 revolution. A roundtable, made up of representatives of the new parties and some recreated old parties (such as the Smallholders and Social Democrats), the communist party, and different social groups, met in the summer and fall of 1989 to discuss major changes to the Hungarian constitution and the steps in the transition to a fully free and democratic country. In October 1989, the communist party convened its last congress, which ended with a substantial victory for the party's reform faction and a change in name to the Hungarian Socialist Party.

In a historic session on October 16-20, 1989, the parliament adopted legislation providing for multiparty parliamentary elections and a direct presidential election. The parliament aimed to transform Hungary from a people's republic into the Republic of Hungary, to protect human and civil rights, and to ensure separation of powers among the judicial, executive, and legislative branches of government. It asserted the "values of bourgeois democracy and democratic socialism" and gave equal status to public and private property as a prerequisite for moving toward a market economy.

National Security

Hungary spearheaded the move leading to the dissolution of the Warsaw Pact Treaty Organization by its 17% reduction of defense expenditures and the 30% reduction of its armed forces between 1989 and 1992 to a level of 100,000. This latter figure includes 26,000 civilian employees of the Hungarian Home Defense Forces (HHDF). The military HHDF (or Honvedseg) is undergoing major restructuring in organization, orientation, and training. Hungary is also coping with severe budget constraints while attempting to adopt a Western-style defense force that can be integrated into NATO. Both the previous and the present governments have declared a desire to join NATO, and Hungary has welcomed the "Partnership for Peace" initiative. The Honvedseg includes the army, which is the largest, followed by the air force and a small naval contingent that patrols the Danube River.

On March 11, 1989, Hungary and the Soviet Union concluded an agreement under which the latter withdrew all 65,000 troops from the country in June 1991 and asked that Hungary compensate the former Soviets for the military bases they

relinquished. Hungarian counter-claims charge that some of the bases were built without permission and do not conform to Hungarian building codes. Toxic wastes and other Soviet materials left behind at these bases constitute a serious environmental hazard. The zero option of no claim for compensation by either side was finally worked out. As compensation for a portion of state debt to Hungary, both sides—Hungary and Russia—agreed that a sum of up to \$800 million in military equipment would be made available to Hungary.

Principal Government Officials

President—Arpad Goncz
Prime Minister—Gyula Horn (MSZP)
Minister of Foreign Affairs—
Laszlo Kovacs (MSZP)
Ambassador to the U.S.—Gyorgy Banlaki
Ambassador to the UN—Istvan Nathom

The Hungarian embassy is located at 3910 Shoemaker St. NW, Washington, DC 20008 (tel. 202-362-6730).

POLITICAL CONDITIONS

The prime minister selects the ministers in the cabinet. Under a system of checks-and-balances, each cabinet nominee appears before four parliamentary committees in open hearings. The unicameral Hungarian National Assembly is the highest organ of state authority and initiates and approves legislation sponsored by the prime minister. A 15-member constitutional court has power to challenge legislation on grounds of unconstitutionality.

Hungary's first free, multiparty elections in more than 40 years were a milestone in the move toward a parliamentary democracy. In 1990, the Hungarian Democratic Forum (MDF) won 43% of the vote to 24% for the Alliance of Free Democrats (SZDSZ). As a result, the MDF leader, Jozsef Antall, became prime minister and formed a center-right coalition government—with the Independent Smallholders' Party (12%) and the Christian Democratic People's Party (6%)—to command a 60% majority in the parliament. In addition to a small number of independents, the other parties represented in the parliament were the HSP, who gained 8%, and the Young Democrats (FIDESZ), who received 6%. Upon the death of Josef Antall in December 1993, Peter Boross succeeded to the post of Prime Minister.

The Antall/Boross coalition governments achieved a reasonably well-functioning parliamentary democracy and laid the foundation for a free market economy.

In May 1994, four years after it peacefully surrendered power, the reformed Hungarian Socialist Party (MSZP) came back to win a plurality of votes and 54% of the seats in parliamentary elections focused largely on economic issues and the substantial decline in living standards since 1990. A heavy turnout of voters swept away the right-of-center coalition but soundly rejected the extremists on the right and the left. Although it has a majority, the MSZP, which has announced its intention to continue economic reform and privatization, to preserve political rights, and to seek a historical reconciliation with Hungary's neighbors, formed a broader based coalition with the left-of-center Alliance of Free Democrats (SZDSZ), which took second place with 18% of the seats. This coalition, which assumed power on July 15, commands the two-thirds majority required to pass certain key legislation such as a law on electronic media and constitutional amendments.

ECONOMY

Before World War II, Hungary had a predominantly agricultural economy. Following the standard Stalinist pattern, industrialization was forced on Hungary in the post-war period. Under communism, most economic activity was conducted by state-owned enterprises or cooperatives, although various small businesses were allowed to operate. Agriculture was collectivized, undoing the immediate post-war division of large estates among small peasant owners. Today, farms are being privatized, both to small holders and to agribusiness firms.

In 1950, more than 50% of the labor force worked on the land; in 1993, slightly more than 7% engage in agricultural activity. Recently, Hungarian agriculture has been generally self-sufficient and an important source of export earnings. Both the agricultural and industrial sectors have suffered from a lack of investment since the late 1970s. In the 1970s and 1980s, Hungary accumulated a huge foreign debt, largely to finance subsidies to consumers and to unprofitable state enterprises. Net foreign debt rose from about \$1 billion in

1972 to about \$15 billion in 1993, giving Hungary the highest per-capita debt in Central Europe. Its repayment record, however, has been excellent.

Changes introduced by the communist regime, particularly during its last two years, eased the transformation to a market economy. When Antall took office, 150 state enterprises already had been privatized under a "business transformation" law. Private firms had rights equal to those of state enterprises under a law on corporate association. A joint venture law was in place, and foreign companies had begun to invest in Hungary. A little-used bankruptcy law was in place. A value-added tax and a progressive personal income tax had largely replaced the former arbitrary levies on profits of state enterprises. The 1990 budget passed by the communist parliament had slashed the annual deficit by cutting subsidies while raising charges on fuel, cigarettes, and liquor.

The Hungarian Government has encouraged the founding of private businesses and moved forward on privatization of state enterprises. In 1993, the private sector generated about 50% of GDP.

The 1993 federal budget ended with a deficit of 6% of GDP, stalling a three-year program with the IMF, as revenue shortfalls exceeded budget cuts. The government cut all consumer subsidies and reduced the real value of subsidies to the remaining state enterprises. Subsidy cuts led to increases in the price of medicines, bakery products, sugar, rice, railroad and bus transportation, postage, telephone calls, water and sewerage services, electricity, coal, and gas. Charges on concessionary home mortgages were increased substantially.

The deregulation of prices begun under the communist regime was extended by the Hungarian Government; more than 95% of prices have been decontrolled. The reform effort incurs painful, immediate costs to achieve more productive use of economic resources and higher incomes in the longer term. Phasing out uneconomic activities and reducing exports to the former Soviet bloc helped lead to a decline in the gross domestic product (GDP) in 1992 that amounted, in real terms, to 2.3%. Unemployment rose from 1.7% of the labor force in 1990 to an average of about 12% in 1993.

Foreign Trade

Hungary has shifted much of its trade from its former Soviet-bloc partners to Western countries. In 1993, 70% of Hungary's trade was with Western countries; Germany now is Hungary's principal trading partner, providing more trade with Hungary than with all of the former Soviet republics. Trade with Russia has been further reduced because of declining oil exports to Hungary. Trade with the United States is increasing; total trade has risen to more than \$800 million in 1993. The U.S. has extended to Hungary most-favored-nation status, Generalized System of Preferences concessions, Overseas Private Investment Corporation insurance, and access to the Export-Import Bank. The two countries have concluded a bilateral intellectual property rights agreement and are negotiating a bilateral investment treaty.

Foreign concerns have invested over \$7 billion in Hungary—more than half of all foreign investment in Central and Eastern Europe. The United States is the largest investor, with about \$3.6 billion invested by mid-1994, followed by Germany and Austria. Foreign capital is attracted by low wages for highly skilled workers, generous tax incentives, favorable geographic location, fertile land, and knowledge of the market of the former Soviet bloc.

Any Hungarian person or enterprise may engage in international trade now, and about 90% of imports have been freed from license restrictions.

FOREIGN RELATIONS

Except for the short-lived neutrality declared by Imre Nagy in November 1956, Hungary's foreign policy generally followed the Soviet lead from 1947 to 1989. During 1948-49, Hungary maintained treaties of friendship, cooperation, and mutual assistance with the Soviet Union, Poland, Czechoslovakia, Romania, and Bulgaria. In 1950, it concluded a friendship treaty with the then-German Democratic Republic. It was one of the founding members of the Soviet-led Warsaw Pact and CEMA, and it was the first Central European country to withdraw from those organizations, both now defunct.

Along with other European associates of the former Soviet Union, Hungary has been participating in East-West cooperation agreed upon at the 1975 Helsinki

Conference on Security and Cooperation in Europe (CSCE). It has signed all of the CSCE follow-on documents since 1989. Hungary's record of implementing CSCE Helsinki Final Act provisions, including those on reunification of divided families, remains among the best in Eastern Europe.

Hungary has been a member of the United Nations since December 1955. As with any country, Hungarian security attitudes are shaped largely by history and geography. For Hungary, this is a history of more than 400 years of domination by great powers (the Ottomans, the Habsburgs, the Germans during World War II, and the Soviets during the Cold War) and a geography of regional instability and separation from Hungarian minorities living in neighboring countries.

Hungary's current foreign policy, a direct response to these factors, has three equal priorities: integrating rapidly with the West and its institutions, improving relations with neighboring countries—particularly those with ethnic Hungarian minorities—and supporting the rights of Hungarian minorities abroad. Currently, the Hungarians view ethnic instability as the greatest threat to European security.

U.S.-HUNGARIAN RELATIONS

Relations between the United States and Hungary following World War II were affected by Soviet armed forces' occupation of Hungary. Full diplomatic relations were established at the legation level on October 12, 1945, before the signing of the Hungarian peace treaty on February 10, 1947.

After the communist takeover in 1947-48, relations with Hungary were increasingly strained by the nationalization of U.S.-owned property, unacceptable treatment of U.S. citizens and personnel, and restrictions on the operations of the American legation. During the difficult period following the Hungarian national uprising in 1956, relations continued to erode.

Embassies were opened in 1966, and bilateral relations slowly but steadily improved after ambassadors were exchanged. In 1972, a consular convention was concluded to provide consular protection to U.S. citizens in Hungary. In 1973, a bilateral agreement was reached under which Hungary settled the nationalization claims of American citizens. In 1976, Hungary paid its debt arrearages to the U.S. Government in full, including those dating back to the post-World War I era. In 1977, an agreement on exchanges and cooperation in culture, education, science, and technology was concluded.

In January 1978, the United States returned to the people of Hungary the historic Crown of Saint Stephen and other Hungarian coronation regalia that had been safeguarded by the United States since the end of World War II. Symbolically and actually, this event marked the beginning of excellent relations between the two countries. A 1978 bilateral trade agreement included extension of most-favored-nation status. Cultural and scientific exchanges were expanded. Major U.S. official cultural exhibits have been well received. In 1989, the United States and Hungary renewed a civil air agreement providing for direct service between New York and Budapest.

As Hungary began to pull away from the links forged by Soviet communism, the United States offered assistance and expertise to help establish a constitution, a democratic political system, and a plan for a free market economy. Between 1989 and 1993, the Support for East European Democracy (SEED) Act provided more than \$136 million for economic restructuring and private-sector development. The Hungarian-American Enterprise Fund, capitalized at \$65 million, offers loans, equity capital, and technical assistance to promote private-sector development of Hungarian-American joint ventures.

In 1991, the U.S. and Hungary initiated a security assistance relationship that is now active in both the International Military Education and Training Program (\$700,000) and the \$13-million Foreign Military Sales Program.

Additional U.S. assistance includes a \$10 million energy-sector grant and other technical assistance. Grants to the International Executive Service Corps, MBA Enterprise Corps (composed of recent recipients of Master of Business Administration degrees), and the Center for International Private Enterprise help these non-governmental organizations provide expertise directly to private enterprises.

The U.S. Environmental Protection Agency and the Environmental Law Institute assist the Ministry of Environment and the Hungarian Parliament in drafting the country's first environmental legislation. Other issues receiving attention include health care, employment, housing, education, and small business development. About 140 Peace Corps volunteers throughout Hungary work to improve English-language training and environmental awareness.

Principal U.S. Embassy Officials

Ambassador—Donald M. Blinken

Deputy Chief of Mission—

James I. Gadsden

Press/Cultural Affairs Officer—

Donna Culpepper

Political Officer—William Siefkin

Economic Officer—Charles English

Commercial Officer—Patrick Hughes

Science Attache—Lawrence Cohen

Administrative Officer—

Martha L. Campbell

Consul—Arnold Haskin Campbell

Defense Attache—

Col. John Concannon, USA

USAID Director—David Cowles

The U.S. embassy in Hungary is located at Szabadsag Ter 12, Budapest (tel. 112-6450). ■