

Hemispheres

The Tufts Journal of International Affairs

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Spring 1991

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Established in 1976, *Hemispheres* is the Tufts undergraduate Journal of International Affairs. *Hemispheres*, which is published annually, addresses a variety of social, economic, political, and legal issues, both contemporary and historical, within the framework of international relations. The contributors of this scholarly forum are from the undergraduate population and the articles represent the diverse political views found on the Tufts campus. While the Editorial Board is solely responsible for the selection of articles appearing in *Hemispheres*, the opinions of the articles do not necessarily reflect those of the Board.

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From the Editor:

As our societies and economies move rapidly toward knowledge based production and outcomes, it becomes increasingly important for students to strive for a greater understanding of our world order. *Hemispheres'* ultimate objective is to provide a glimpse of our constantly evolving international order and to inspire readers to pursue their interest in international relations. The future depends on our ability to see new possibilities to issues such as the Middle Eastern geo-political quagmire, or ethnic conflicts in Eastern Europe for instance, either through the exploration of past issues or the discussion and analysis of current events.

With its fifteenth issue, *Hemispheres* has compiled an extensive perspective on past and present international affairs. This volume also demonstrates the thoroughness and quality of undergraduate research at Tufts University. The subjects of the following articles range from World War II and Cold War foreign policy to more recent events in Africa, Asia, Central America, Europe, and the Middle East.

The editorial board congratulates Colin Woodard for the receipt of the Gibson Award for "The Once and Future Transylvania Question."

The editorial board would also like to thank Professor Gibson, Professor Klein, and Deborah Wilson for their advice and support, the faculty members who encouraged their students to submit their work, the students who did submit their pieces, and Luca Bortolami and Tony Grant for the computer and layout work.

Felicia Swindells
Editor-in-Chief

The John S. Gibson Award, named after the first Director of the International Relations Program at Tufts University, is given annually to the most outstanding, in-depth, and analytical piece written by an undergraduate and submitted to *Hemispheres*.

The 1991 Recipient of The Gibson Award is

The Once And Future Transylvania Question

written by

Colin Woodard A '91

The book is a new edition of the first
edition of the book, which was published
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The 1991 edition of the book is available

The Once and Future Transylvanian Question

by

John W. B. ...

The Once And Future Transylvania Question

Colin Woodard

Introduction

EVEN AMIDST THE ELATION OF 1989 IT WAS starkly apparent that the "New Europe" would have many challenges to overcome before a lasting peace could finally be attained. Despite the lifting of East-West barriers and the efforts of the European Economic Community, Europe is not coming together at all; rather it is fragmenting along historical fault lines. While Poland, Czechoslovakia, the German Democratic Republic, Hungary, Slovenia and Croatia appear to be rejoining the "European community of nations," Romania, Bulgaria, and the southern half of the Yugoslavian federation are sinking into profound economic stagnation and political instability. In this southern region the likelihood of internal and external confrontations has increased dramatically.

Nowhere has the division been so well illustrated by history, geography, and current events as in the case of Transylvania. Tucked into the horseshoe of the Carpathians, this border region has changed hands numerous

times. The Austro-Hungarian Monarchy and the Ottoman Empire each ruled the region in turn, but the Magyars controlled the region for several centuries before the Ottoman invasion and believe themselves to be its indigenous inhabitants. The Romanians go a step further, regarding the region as the birthplace and cradle of their civilization.

Therefore, since the conception of the Romanian state in the late eighteenth century, Hungarian and Romanian monarchs, politicians, and intellectuals have been engaged in almost constant debate over the Transylvania question: that is, which peoples—Magyars or Romanians—were the indigenous inhabitant of the region, and therefore the "rightful" rulers of Transylvania. To back up their claims they have directed the armies against each other several times during this century. Romania switched alliance during both world wars in order to ensure control of the contested region; Hungary allied with Adolf Hitler for the same reason.

The gulf between the two nations is far deeper than the 200 mile width of Transylvania would suggest. The region lies on the boundary between Roman Catholic and Byzantine Europe, between Western Christianity and Eastern Orthodoxy, between Central Europe and the

Colin Woodard is a senior majoring in history. He studied at the Karl Marx University of Economics in Budapest in the fall of 1989. Last summer, he was awarded funding by the Tufts University Young Scholars' Program for an independent study of Ion Iliescu's National Salvation Front, and spent five weeks in Romania conducting research and interviews.

Balkans. Both countries experienced 40 years of Communist dictatorship, but old Romanian principalities of Moldavia and Wallachia stagnated under the Ottomans while Hungary and Transylvania experienced the pageant of Western history from the high Middle Ages to the Enlightenment; that is, as a Magyar nationalist would quickly point out, that which made Europe. Here lies Europe's true fault line, the bridging of which offers challenges whose complexity far outmatches the differences between capitalism and communism.

The potential for future conflict between Romania and Hungary is indeed great. Contemporary economic and political trends in both countries make the prospects for a settlement of ancient ethnic and territorial conflicts over the region unlikely. Romania's National Salvation Front (FSN) destroyed post-Revolutionary hopes for a new cooperation with Hungary by closely associating itself with the anti-Hungarian Vatra Romaneasca organization, whose acts of racial violence are overshadowed only by their popular support. Vatra Romaneasca draws on the traditional Romanian xenophobia and the national passions surrounding the Daco-Roman continuity theory, a central theme in Romanian history, which holds that Transylvania is the birthplace of their peoples.

Vatra's political demands have a historical legacy of their own, as they call for a return to the same anti-Hungarian nationalism constantly implemented by Bucharest since the aftermath of the 1956 Hungarian Uprising. The very issues that Hungarian and Romanian politicians are arguing over today—the educational and cultural rights of the Magyar minority—all date back to decision made during that critical period. To emphasize the dangers of a return to the policies one need only to trace their effects on relations over the past two decades: tensions over minority rights escalated in the seventies and the eighties, and by the time Hungary finally officially commemorated the 1956 uprising in October 1989, war with Romania seemed entirely possible.

Unfortunately, the FSN has already signed many of Vatra's provocative programs into law, and Hungaro-Romanian relations have reached their lowest point since the Revolution. While the FSN is insensitive to minority issues, the new Budapest government is particularly sensitive to them, and the dangers are clear. Neither country can afford to become involved in war, nor would it bode well for the "New Europe."

The December Revolution

For a brief time in December 1989 and the following January, it seemed that the age old rivalry had ended with the execution of Nicolae and Elena Ceausescu. The Revolution, as far as anyone can ascertain, had started after all when 200 ethnic Magyars surrounded the church of their Hungarian pastor in Timisoara to prevent his arrest. The next day, December 16, the Magyar congregation was joined by thousands of Romanians who soon took it into their minds to resist the regime. Exploration of the origins of the December Revolution would require a text much longer than this one; however, it should be noted that it is nearly certain that the crowds were manipulated, perhaps orchestrated by some outside forces, although most were unaware of it.¹

Still, as news of the rioting in Timisoara spread across the country, others took to the streets. Televised images of the fighting were broadcast all over the world, with greatly exaggerated casualty reports. Hungarians from every walk of life were overwhelmed by the Revolution, which resembled the 1956 Hungarian Uprising in many ways. Many risked their lives to cross into Romania delivering emergency relief assistance. A reporter for *The Times* wrote:

During the fighting in Romania, Hungarians wept for those killed by Ceausescu's forces and were anguished when the Revolution seemed to falter. They shared joyfully the success of those they were thinking of as brothers. There is now a chance that out of the

fearful bloodshed to adjacent countries, with intermingled, once quarreling populations, can make their land fit for heroes to live in with reciprocal amity.²

Others shared that hope. The newly formed Hungarian Democratic Union (UDMR) formed a close alliance with the Revolutionary government in Bucharest, a coalition of former high communist officials and military leaders called the National Salvation Front. The future UDMR President Karoly Kiraly was named FSN Vice President and cheerfully declared in the Hungarian press that "we are going to be free Hungarians in a free Romania."³

Six month later these hopes had been dashed to pieces.

'Romanization' and the National Salvation Front

Hungarian Foreign Minister Gyula Horn held talks with the new government in Bucharest on December 29, even as the last loyalist Securitate cadres were being rounded up. "These talks were very cordial and every member of the new leadership made a favorable impression," then Hungarian Ambassador Pal Stutz recalled later.

We felt that they also wanted changes in our relations. Unfortunately, this did not last long... An organized opposition against improving relations with the Hungarian emerged very quickly, and, perhaps because of their weakness, the new leadership could not stand up to the pressure. As early as the first week in January 1990, we came to realize that there would be hardly any change in the attitude of the Romanian leadership towards Hungary...⁴

Indeed, the FSN has done little since to improve matters. Three months after taking power during the bloody December Revolution, Ion Iliescu's Front has sacrificed the support of the UDMR and the prospect of better relations with Budapest by forming a close alliance with the anti-Hungarian Vatra Romaneasca organization.

The Front openly supports Vatra Roma-

neasca and its political arm, the Romanian Unity Alliance which advocates the continuation of Ceausescu's minority policies; that is, the cultural assimilation of the minorities through the elimination of their cultural institutions, such as minority language schools and universities.⁵ Curiously, by many accounts the organization was founded in mid-January by former Communists who had been absorbed into the FSN's provincial bureaucracy; if so, Ceausescu's anti Hungarian campaign has outlived its author. For Budapest, the implementation of such proposals is regarded as both unacceptable and provocative.

To make matters worse, when Vatra Romaneasca provoked three days of violent ethnic clashes in the Transylvanian city of Tigrumures in March 1990, the FSN not only failed to condemn the acts but blamed the entire incident on the Republic of Hungary. In a public statement on March 21st, Prime Minister Petre Roman suggested that the violence had been an outgrowth of "unpleasant acts [by Hungarians] that inflamed Romanian national feelings." The state news agency ROMPRES deplored what it called "actions taken by officials from the Republic of Hungary" who had sought to "undermine the necessary steps" taken by Bucharest to restore order to Mures County.⁶

The backlash on Hungarian-Romanian relations has been severe. 70,000 attended an anti-Romanian rally in Budapest on March 20. Hungarian Foreign Minister Gyula Horn said Roman's statement was "almost in the same spirit" as the Ceausescu regime, while Premier Miklos Nemeth called for United Nations intervention and mediation in Transylvania.⁷ On the domestic front, the UDMR revoked its support of the FSN and formed a close alliance with the opposition National Liberation Party (PNL).

In the May 1990 elections, the Romanian Unity Alliance earned some 300,000 votes (2.25%) in both the Senate and the Assembly of Deputies elections: the party earned 9 Assembly and 2 Senatorial seats, making it the

fifth largest Romanian party. The true impact of the movement was much larger, given its close alliance with the FSN. The Front earned 67% of the parliamentary seats and its leader, Ion Iliescu, captured the presidency in a landslide victory; both party and president still maintain a close relationship with the Romanian Cradle.⁸

Bucharest's further attitudes toward the Hungarian minority in Transylvania is a subject of European-wide concern. Implementation of the Unity Alliance's minority policies would represent a return to the late Ceausescu era, when the possibility of a military conflict between Romania and Hungary could not be ruled out. Today, with both countries freeing themselves from the Warsaw Pact alliance, the main deterrent to intra-regional conflict has been removed. Sadly, the FSN regime appears not only to be endorsing the Vatra Romaneasca platform, but is enhancing some of its most sensitive provisions.

Daco-Roman Continuity and Vatra Romaneasca

It seems that if Vatra Romaneasca was not created by the FSN, that it is at least the driving force behind the Front's latest rulings on education and other Hungarian issues, decisions, that have at least the tacit approval of the Romanian majority. Therefore, an important question needs to be addressed: notably, why is Vatra so popular amongst ethnic Romanians?

Vatra is popular because many Romanians regard Transylvania as the birthplace and the vital center of their people's life, the true birthplace of the Romanian race. The organization's very name identifies it as the defender of the "Romanian cradle." In the country's historical works, Transylvania is not merely a long-lost portion of the Romanian nation, it is the Romanian homeland. As the late historian Constantin Giurescu wrote: "Transylvania has always been the Romanian ethnic reservoir, whence the superabundance of population in the mountainous regions overflowed in all directions, but chiefly

southward and eastward" allowing for the later creation of Moldavia and Wallachia.⁹

This is one of the major themes of Romanian history and one that was enthusiastically expounded upon in Romanian teaching at all levels starting after the 1956 uprising. As an angry Hungarian revisionist has noted:

An average history of Rumania [sic] or Rumanian historical chronology, without regard to the number of pages or overall length, will devote about one-fourth of its contents to ancient history, i.e. the elaboration and proof of the Daco-Roman continuity theory. Another fourth of the book will deal with the period between AD 275 and 1700, mainly concerning the question of Romanian continuity in Transylvania... in this way approximately the same number of pages are devoted to the first 165 years as to the next 1425 years, while intense attention is again provided for the last 280 years...¹⁰

The Daco-Roman theory focuses on three themes, all of which serve Vatra's nation of Transylvania as the Romanian's homeland. The first is the origin of Romanians as Transylvania's indigenous inhabitants, as they are descended from the ancient Dacians (who definitely did inhabit Transylvania in ancient times) and Trajan's Roman Legions who conquered and occupied the Dacian lands for two centuries. Secondly, the theory argues that these Daco-Romans stayed behind, and survived the centuries of barbarian migrations and invasion that followed the retreat of the Roman legions, to greet the Magyar "invaders" on their arrival in the tenth century. This provides the evidence for the final theme, i.e. the priority of settlement before Magyars and their German clients.¹¹ It should be noted that the Hungarians refute all of these theories, claiming that the region was uninhabited on their arrival. Magyars refer to these theories as "myths" and historians, Foreign Minister Geza Jeszenszky foremost among them, argue that Romanians are the descendants of "Goths and Mongols" who "happened to pick up a Latin language in their travels."¹²

In short, Romanians feel that any assertion of Magyar rights in Transylvania is a direct affront to the cultural heritage and purity of their "homeland." To them, the introduction of Hungarian street signs, schools, universities and, worst of all, political autonomy, represent a dangerous step back towards the repressive rule of the period of Austro-Hungarian Monarchy, when the role were switched and Romanians were even denied citizenship. Many can remember the brutal fascist rule of the Hungarians during the Second World War. It is not surprising, given the virulent anti-Hungarian propaganda of the Ceausescu period, that many identify with and support the dogma of groups like *Vatra Romaneasca*.

1956 and the Transylvanian Magyars

Until the death of Joseph Stalin in 1953, dissension amongst the "fraternal socialist states" was not permitted by Moscow. Official Hungarian complaints about the return of Transylvania to Romania were silenced after 1946, but Transylvanian Magyars also enjoyed considerable administrative and cultural freedom within the Magyar Autonomous Region, a political unit set up under Soviet direction to satisfy ethnic rights clauses of the postwar peace settlements.

However, the October 1956 Hungarian Uprising significantly changed the tone of Hungaro-Romanian relations and profoundly affected the subsequent course of Romanian socialism. It also set in motion the process of state-sponsored xenophobia and Romanian nationalism which is still being played out today, complete with all of its anti-Hungarian manifestations. The current chapter of the Transylvanian conflict begins here.

The 1956 Revolution coincided with a critical point in Moscow-Bucharest relations. Romanian leader Gheorghe Gheorghiu-Dej was in the process of consolidating his power in the face of uncertainties arising from Khrushchev's "Secret Speech" earlier that year, and hints that he was determined to purge

Stalinists like Gheorghiu-Dej from the Eastern European governments. The Romanian leader had made himself particularly unpopular in Moscow by visiting and flirting with China and Yugoslavia and echoing the latter's views on different "roads to socialism," while refusing to liberalize domestic politics. Ironically, the Hungarian Uprising saved Gheorghiu-Dej; Romanian complicity in the invasion ingratiated Moscow, while the fervor allowed the regime to eradicate suspect elements and "bourgeois tendencies" from the domestic scene.

Complicity in the invasion was key to Gheorghiu-Dej's survival, and the regime made every effort to please Moscow. Most of the Soviet troops who were involved in the suppression of the uprising had been stationed near the Transylvanian cities of Arad and Timisoara (actually part of the historical Banat region).¹³ While publicly condemning events in Hungary and Poland, Bucharest also quietly offered military support to the Soviets in the operation. The Soviets refused the offer and "some Romanian units, which probably included Hungarian conscripts, were disarmed by Soviet units and confined to their barracks during these days of turbulence."¹⁴

Transylvanian Magyars, most of them students, expressed solidarity with the rebels. University students in Cluj and Bucharest organized demonstrations and burned their Communist Youth Union membership cards. Those in Cluj walked out of their Marxism-Leninism classes. Demonstrations also took place in Tigris Mures, Oradea, Arad, and Baia Mare.¹⁵

The Romanian government moved quickly to quell Magyar unrest within the country. Within a week the Romanian security forces had arrested the leaders of the scattered demonstrations in Transylvania¹⁶; the Communist Youth Union, led at the time by young Ion Iliescu, was active in the suppression of the Magyar students. By one account, eight people were executed and 44 others given long prison terms for "separatist plotting."¹⁷ On October

31 the Romanian government sealed off the entire border area. Train service from Bucharest to Belgrade was canceled and foreigners were not permitted to enter the four border counties. Romanian army units patrolled the streets of Cluj and other towns within the Autonomous Region.¹⁸

The aftermath of the 1956 uprising saw a rapid deterioration in the position of the Magyars living in Transylvania. In return for Bucharest's support in crushing the Hungarian Uprising, Soviet troops were entirely withdrawn from Romania in 1958. This symbolically gave the Gheorghe Gheorghiu-Dej government relatively free reign in handling minority issues. Gheorghiu-Dej quickly implemented a new "nationalist course" towards the ultimate goal of a national socialist state. The declared opponents of this project were the "foreign imperialists and revisionists" which, as Steven Fischer-Galati has pointed out, included the Transylvanian Magyars:

The Hungarians could be singled out as both class and national enemies because of the role played out by the Hungarians landed aristocracy and bourgeois in the history of Hungary, and later Romania, and by the actual or potential historic Hungarian goal of the reincorporation of Transylvania.¹⁹

It was in this period that the Magyar Autonomous Region met its end. In 1960 two counties with strong Hungarian majorities were gerrymandered out of the Autonomous Region and replaced with three strongly Romanian counties. The percentage of Magyars was reduced from 77% to 62% and the area was renamed in the Maramures Magyar Autonomous Region.²⁰ With new gerrymandering in 1964, the entire region was divided up into counties in such a way that only two retained a Magyar minority.

Hungarian-American historians have noted the immediate resurrection of nationalist, "revisionist" historical theories in Romania's state-controlled journals and curriculum. The key themes of Romanian history, and of the

polemics with Hungary, lay in the theory of Daco-Roman continuity.²¹ From 1960 to the present, Hungarian schoolchildren were taught that all of Transylvania's cultural achievements were those of the Romanian people, that the Hungarians and Saxons were inferior squatters, invaders who had oppressed Transylvania's indigenous inhabitants for decades. Worse yet, they were increasingly being taught entirely in Romanian.

The first blow to the Hungarian education system came in 1959 when Romanian authorities announced their intention to merge the two major universities in Cluj. The Hungarian Bolyai University, founded in 1581, was united with the Romanian Babes University. After the merger, the university underwent a process of Romanization that would become commonplace in Transylvania. The Hungarian sections were continually reduced: the university quickly became Babes rather than Bolyai. At the time of their merger, 55% of the students at the united university attended classes taught in Hungarian. By 1977 this figure had dropped to 6%; in the 1990-91 academic year the number had dropped to 5%.²²

By Decree Law 278 of May 11, 1973 the minimum number of pupils required in order for a school to have Magyar classes was set at 25 for gymnasium and 36 for high schools. These figures were just short of the typical numbers of students in most Magyar villages, and those that did qualify usually were not able to meet the high school requirements, so students had to finish their studies in Romanian. The laws did not pertain to Romanian students living in predominantly Hungarian areas; if a village had a single Romanian pupil, a Romanian section would have to be set up. Associations of Magyar poets, writers, artists and musicians were also made illegal. The number of independent Hungarian theaters was reduced from six to two, and all six Magyar dailies were forced to become weeklies. In 1977 only 2.423 million books were published in the country, and these included disproportionate numbers of translated children's books

and the collected works of Nicolae Ceausescu; this meant that only one book was printed per Hungarian per year.²³

After graduation, Hungarian professionals were usually assigned to jobs outside their own communities, depriving those towns of a professional class that could speak the native tongue of the inhabitants. One observer noted:

Romanian citizens are not permitted to re-settle in another city without official approval. At the same time, it is government policy to prevent the minority populations of cities from growing. Accordingly, while Hungarians found it almost impossible to move into the major cities of Transylvania, the influx of Romanians is not only permitted but encouraged through offer of favorable housing appointments and other benefits.²⁴

The situation remained much the same thirty years later.

The Escalation of Tensions

During the first years after the 1956 uprising the Hungarian government was prostrate, in no position to protest (or even acknowledge) the treatment of the Transylvanian Magyars. As the bloc liberalized after the 1968 invasion of Czechoslovakia, Budapest became more vocal concerning ethnic issues and what it called "historical revisionism." With the new openness of the Gorbachev period, the Hungarian-Romanian row reached the boiling point.

Perhaps if the president of Romania had been somebody other than Nicolae Ceausescu in the 1970s, tensions with Hungary might have been lessened during the Warsaw Pact liberalization. Instead, when the Romanian economy fell into stagnation during the 1973 oil crisis, Ceausescu appealed to the nationalism of the Romanian majority to restrengthen his regime. In doing so, he also worked to erode and assimilate the Hungarian minority. This process intensified as political and economic differences between Romania and Hungary become more acute in the early 1980s.

Having borrowed heavily to expand his

country's petro-chemical refining capacity, Ceausescu was hard hit by the 1973 oil crisis and the discovery that Romania's oil reserves were running out. Caught in a balance of payments crisis, Ceausescu became monomaniacally concerned with paying off the growing foreign debt. To this end he resorted to severe austerity measures in the 1980s: while substantially reducing imports, exports of agricultural products and consumer goods increases dramatically without regard for domestic needs. This policy resulted in severe shortages and strict rationing of energy and the most basic foodstuffs. Many Romanian began going without proper heating, light, and nutrition. Increasingly, Ceausescu began to denounce the "outsiders": the Hungarians and Transylvanian Magyars.

Despite the austerity drive, Ceausescu had continued to push along his grandiose construction projects. The most damaging of these, both in Romanian and ethnic Magyar terms, was the rural systemization program by which some 13,123 villages would be concentrated into 5,500 neo-urban agro-industrial complexes. Had the economic crisis not slowed him down, millions of peasants would have been uprooted from their architectural heritage and ancestral villages and relocated in standardized 4-5 story cement housing blocks.²⁵ Critics of the project noted that Magyar and German properties were disproportionately targeted for destruction. The Hungarian government saw it as an outright attack on the cultural heritage of the Transylvanian Magyars.

The post-1956 processes were continued throughout the Ceausescu period. As a result, by the mid-1980s shortages of Hungarian teachers and textbooks became acute: the number of Hungarian teacher's schools had been reduced from five to two, and the import of foreign text was prohibited. More classes in Hungarian schools were merged with Romanian schools; even in the Hungarian sections usually the only subjects taught in Magyar were language and literature. By 1976 of 271,000 Magyar schoolchildren, only 100,000 were able to

receive instruction in their native tongue; by 1985 this ratio had doubled.²⁶ In the same year, Hungarian television programs were eliminated entirely.

To be sure, all these trends had their effect in Hungarian-Romanian relations. However, in the early Gorbachev period, these tensions were manifested in the academic, rather than the diplomatic, front; passions over current events were displaced onto historical ones. When the six-week long European Cultural Forum was held in Budapest in 1985, it was highlighted by constant feuding between Romanian and Hungary over Transylvania. Academic differences over the history of the region coupled with tensions over ethnic issues instigated an impassioned exchange in state-controlled publications that escalated over the years. At first, historians exchanged views on the period 1541-1687, when Transylvania had gained a degree of autonomy under Ottoman overrule. Afterwards, Romanian academic Stefan Stefanescu declared, Transylvania was "forcefully incorporated into the Hungarian state" at which point the Hungarian elite "carried on a policy of oppression and forced assimilation, and overt and brutal Magyarization of the Romanians."²⁷ Passions flared, and little of what was thereafter written showed any love between the "fraternal socialist states."²⁸

In early 1986, Romanian anti-Hungarian propaganda reached a new level of intensity over the behavior of Admiral Horthy's authorities during the Hungarian occupation of Transylvania between 1940 and 1944. Romania's AGERPRES news agency complained that "books and articles printed in the Hungarian People's Republic seek to rehabilitate the Horthy regime [and] absolve it of the crimes and atrocities it committed against the Romanian people and neighboring peoples in general."²⁹ The Romanian grievances focused on the atrocities committed by Hungarian troops in the Transylvanian towns of Ip and Trasnea on what they call "the night of St. Atilla" in 1940. By their accounts pregnant women were

stabbed in the womb with bayonets, children were killed in their cradles, people were forced to drink blood from their own wounds, and priests were crucified to the doors of churches.³⁰ Independent sources cite 919 dead, 157 in Ip alone. It had also been long known that the Hungarians deported 219,919 Transylvanians to Moldavia and Wallachia.³¹

The first comprehensive Hungarian history of Transylvania became a great controversy in 1987, as it raised serious questions about which people had arrived in Romania first, and therefore had a better claim to the region. The text argued that "the Hungarian culture of Transylvania has been integral to" the development of Hungarian culture and politics as a whole. The book's findings did not support the Daco-Roman continuity theory and therefore was denounced by Bucharest as "biased" and "malicious."³² Arguments also persisted over the actual number of Magyars living in Romania. The 1977 Romanian census found there to be 1.7 million (7.8% of the total population), while Hungary insisted the number was 2.5 million.

Words increasingly turned into actions as the decade came to a close. A major turning point was late in June 1988, when the Budapest government sanctioned mass protests of Ceausescu's systemization program and human rights abuses. The demonstration, organized by the (now ruling) Magyar Democratic Forum, drew over 10,000 participants who marched to the Romanian embassy chanting "Down with the dictator."³³ In retaliation, Romania closed the Hungarian consulate in Cluj in late June and the Hungarian travel agency was informed that all group travel by Hungarians had been canceled for "business reasons."³⁴ Moreover, Romanian border guards began seizing all Hungarian magazines and newspapers, and harassing Hungarian tourists.

As Romanian economic conditions worsened in the winter 1988-89, large numbers of Transylvanian Magyars began illegally emigrating to Hungary, many by sneaking across the Hungarian border. Some 20,000

Hungarian refugees escaped to Hungary during 1988 alone. According to Hungarian officials, many of these refugees were from villages that were razed under the systemization program; 6,500 had crossed illegally. To the trepidation of the Romanian regime, only a quarter of these refugees were returned, this in violation of a 1979 treaty on tourism between the countries.³⁵ Considering the ramifications of the Romanian and later East German exodus on the more orthodox East European governments, Hungary had realized its revenge for the 1956 invasion.

The 1989 Revolution and the Brink of War

In the summer of 1989 the forces of change unleashed by Mikhail Gorbachev's reforms had affected the political atmosphere throughout the region. Perhaps nowhere was bloc disunity more apparent than on Hungary's borders. As Hungary tore down its section of the Iron Curtain along the Austrian frontier, Bucharest began constructing a defensive curtain along the Hungarian border in a frantic attempt to curb the tide of refugees fleeing the country. In the first five months of 1989, 10,000 more Romanian citizens had fled to Hungary, brining the total number of refugees there to 30,000. Of these, the proportion of non-Magyars had increased from 16% to 37%, an indication of the worsening conditions under Ceausescu.

The Romanian exodus had partly been encouraged by the sweeping changes taking place across the border. Free elections were planned for the following summer and opposition parties were formed. A free press, new independent trade unions, and a radical reform Communist Party leadership had all followed in the wake of Janos Kadar's fall from power the year before. Then on June 16 the government sponsored a gigantic demonstration in memory of Imre Nagy, whom the government had already rehabilitated and now reburied as a national hero.³⁶

The following day the Romanian foreign minister handed a diplomatic protest note to

the Hungarian ambassador to Bucharest wherein he described the June 16 events as "anti-socialist, anti-Romanian, national chauvinist and revisionist." A couple days later the Hungarian media reported that Romanian border police were constructing a 2-meter high barbed wire fence and digging anti-vehicular ditches along the frontier.³⁷ Shortly thereafter Hungarian Foreign Minister Horn made a statement effectively calling for the reestablishment of the Magyar Autonomous Region to protect the rights of Transylvanian Hungarians.³⁸

More Hungarian demands were voiced when President Rezsco Nyers met with Nicolae Ceausescu in Bucharest at the beginning of July. The Hungarian delegation complained about the further deterioration of the situation of Transylvanian Hungarians, adding that Romania was failing to comply with the Helsinki Final Act. They also complained that Romania was harassing Hungarian tourists and had brought cultural exchanges to a halt. Nyers demanded that travel restrictions be lifted, and the rural systemization program be scrapped immediately. The meeting was closed, but Horn, who was in attendance, described numerous "heated exchanges" and added that relations had reached "the bottom point."³⁹

Relations managed to worsen after Budapest decided to permit thousands of East German refugees to pass into Austria without GDR exit permits. Ceausescu vehemently denounced the moves as "irresponsible actions" and called for "interference in other countries affairs to stop."⁴⁰ He continued to condemn the ever-broadening changes in Hungary, where the Communist party was losing 10,000 members a month and multi-party elections were already scheduled for the winter.

Ceausescu must have been particularly irked when Budapest sponsored the memorial anniversary of the 1956 uprising. Before the crowds filling Budapest's Kossuth Ter, the acting head of state proclaimed Hungary a Republic.⁴¹ That a democratic, market-oriented nation was forming on the Romanian border could have offered Ceausescu little

comfort; that it was revering an uprising that his country had put down was doubtlessly distressing. One wonders at what Ceausescu might have done had a popular revolution not pulled him from power.

Lost Chance: The December Revolution

In early November Hungarian public attention was directed toward Romania once again. News of the plight of a Hungarian Protestant pastor, the Reverend Laszlo Tokes, had reached Budapest from Tokes' Magyar congregation in Timisoara. The Securitate had ordered Timis County Bishop Laszlo Papp to relieve the pastor from his ministry because of the threat presented by Tokes' rising popularity and vocal criticism of the Ceausescu regime. It was a commonplace occurrence in Romania but what followed was anything but usual.⁴²

Tokes refused to leave and, as his congregation gathered signatures on his behalf, continued to serve as pastor and ignored a compromise offer to relocate to a tiny village. The pastor instead agreed to an interview on Hungarian television, which managed to sneak a camera crew into his home, in which he criticized Ceausescu's repressive rule, the systemization program, and Romania's anti-Magyar policies. The interview was broadcast at the end of October in Hungary, and rebroadcast by Radio Free Europe and the BBC World Service.

After the broadcast, Tokes was denied a ration card and survived on his congregation's donations. Family members travelling to visit him were detained by the authorities. Finally, a number of thugs had broken into his home and stabbed him before being repelled by friends.⁴³ On October 20, a Timisoara court ordered Tokes' eviction. The pastor left his home that day and moved into his church.⁴⁴ Both the Hungarian public and government were incensed.

Around the same time, the reports reached Budapest that Romanian border guards had stepped-up their harassment of Hungarians

crossing the border. In one incident, guards sprayed tear-gas into the eyes of four Hungarian citizens waiting to cross at the Nagylak border station.⁴⁵ On November 17, the Nagylak border guards started turning back large numbers of tourists without explanation; trucks were delayed for 12-15 hours. The following day the command at the Ovoshaza border station announced that all those crossing the border with Hungary would be turned back. Magyar Television said that "one can only guess these are precautionary measures on account of the Party Congress" scheduled for November 20.⁴⁶ In actuality, large numbers of travelers were allowed to cross. Over the next few days, of 1308 tourists, 187 of them, mostly Hungarians, were turned back without explanation.⁴⁷

As for the 14th Party Congress, the Hungarian Socialist Party announced that they would not be attending. In the November 19 statement they called on the Romanian Communist Party to "commit itself to renewing socialism, implementing reforms and democratization, creating a constitutional state, and to represent humanist values... human rights, the collective and individual rights of minorities—including the ethnic Hungarian minority—[should] be enforced as soon as possible."⁴⁸ The Italian, Finnish and Austrian Communist Parties followed suit over the next 48 hours.⁴⁹

The Hungarian diplomatic assault continued in earnest. The treatment of the Transylvanian Magyars was frequently raised by Prime Minister Imre Pozsgay during a mid-November trip to Western Europe and North America. Pozsgay even recommended Tokes and dissident Doina Cornea as Nobel Peace Prize nominees.⁵⁰ Citing the Tokes incident, the Hungarian envoy to the United Nations told the General Assembly that Romania was violating its commitments to the Vienna Final Act.⁵¹ As it turned out, diplomacy was unnecessary.

Laszlo Tokes was to be evicted from his church on December 15. That morning 50 to 60 members of Tokes' congregation surrounded

the church. The numbers swelled to a couple of hundred curious citizens in the next few hours, and the crowd began to sense that their combined presence was serving as an eviction deterrent. Many stayed throughout the night. Strangely, the next morning Securitate agents went around telling people to be sure to check out the action at the Reformed Church later that day, a phenomenon that gives currency to FSN-Securitate conspiracy theories. The crowds grew, sensing their own power. Soon the town mayor arrived and told Tokes he could stay if he told the crowd to leave. When the pastor tried to comply someone yelled, "We don't trust them, Father!" The proclamations escalated and at dusk witnesses recall hearing "Down with C" for the first time.⁵²

That night angry crowds set fire to the Communist Party headquarters and riots broke out throughout the city. A week later Ceausescu was overthrown, to the relief and jubilation of Romanians and Hungarians alike. That Magyars and Romanian had fought side by side against Ceausescu's security forces was not lost on anyone, or so it seemed.

FSN Decisions on Education

Considering the historical precedents of Vatra Romaneasca's platform, it could only have been the intention of the National Salvation Front to provoke and anger the Hungarian government by associating itself with the organization. The alliance is ironic given the origins of the December Revolution itself, but unfortunately seems to appeal to the majority of Romanian citizens. The FSN leadership apparently feels that it stands to gain far more than it would lose in domestic support by having terse relations with Budapest. This partially explains the FSN's decision.

Terse relations with the Hungarians also distract Romanians from the shortcomings of the FSN's political and economic reforms, which fall far short of both Revolutionary expectations and the Hungarian Republic's realities. To this end after the March 1990

violence in Tigru Mures, the Romanian government has actually taken steps towards a new ethnic policy which is possibly more repressive than that of Ceausescu.

Ceausescu's Education Law No. 28 of 1978 has remained in force. Just prior to the May 20 elections, the Front announced the elimination of several articles which had extended a few benefits to minority students. The third paragraph of the introduction to the new decisions stated:

Education at all levels is conducted in the Romanian language. Conditions for mastering the mother tongue and, on a case-by-case basis, schooling in the mother tongue, are organized for the national minorities.⁵³

The old law stated that "the free use, study and mastering of the mother tongue are insured for the ethnic minorities at all levels of education." This new law also substitutes "organized" for "grants" the use of the mother tongue.

The law also put into formal law the unpublished rules dictating the minimum number of pupils required for a school to have a Magyar-language section (the number is now 15). The law also stipulates that all "specialized and technological training as well as practical instruction" must be conducted in Romanian.

The new law has been established at a time when only 41.3% of Magyar high school students and 0.8% of Magyar vocational-technical students are receiving mother tongue instruction. The new provisions threaten to eliminate some of the remaining Magyar sections. For instance, in Bihor County there are 37 Magyar classes which have less than 15 pupils.⁵⁴

The new law has come under fire from numerous minority leaders, among them UDMR President Geza Domokos. In an interview with Radio Free Europe, Domokos noted that the new legislation included more anti-democratic provisions than the law signed by Ceausescu in 1978. Foreign Minister Jeszenszky brought up the matter in October 1990 meetings

with his Romanian counterpart Adrian Nastatse. Of the education laws and the reopening of the Cluj Consulate, Jeszenszky said the Romanians felt "the public mood in the country does not allow for solving these problems at the moment."⁵⁵

While many have opposed the new law, the Vatra Romaneasca National Union has made statements of overwhelming support for the news programs of the government. In an official statement broadcast by ROMPRES in early September, the Union stated its support for the government...

in eliminating the abuses made in education during the provisional period of government after the December 1989 Revolution, which have led to separatism in certain schools on ethnic criteria... such actions were initiated and supported only by the Hungarian minority, under the leadership of the Hungarian Democratic Union of Romania (UDMR), although separation in the schools is a serious source of tension and social discontent."⁵⁶

The diplomatic consequences of such statements and policies vis à vis Budapest require no amplification.

Two Views of Vatra Romaneasca

Vatra obviously plays a key role in guiding the future course of minority legislation, and therefore of relations with Hungary. The best way to determine what can be expected from Vatra is to examine its own statements. In an interview with Hungary's largest daily, Ion Coja, the deputy chairman of Vatra's National Council said that the organization was created "as an expression of the popular reaction of Romanians in Transylvania to the separatist manifestations of the Hungarians." He denied that its daily, *Romania Mare* (Greater Romania) was an anti-Hungarian newspaper. When asked about the reason for the deterioration of Hungarian-Romanian relations since December he said:

First, because of the anti-Romanian manifes-

tations of the [UDMR] and second, because of the vast amount of Hungarian revisionist propaganda which the Romanian government did not prevent, unfortunately... I am referring to their separatist efforts... their demands for independent Hungarian schools and universities. They demand privileges that do not exist anywhere—not even in Western democracies...

Ultimately, the minority has to be loyal to the majority, because in no country is it tolerated that minorities live their own lives.⁵⁷

The FSN continues to operate in close alliance with the organization; it is safe to assume that the FSN at least tolerates, and probably agrees with the sentiments expressed by Mr. Coja. For example, here is an excerpt from the FSN daily *Adevarul*:

The Vatra Romaneasca National Union originated out of the endless love for Romania and Romanians, considering that our country was the victim of the game of history, since, after the end of the war, the conquerors imposed upon it alien and unnatural forms of government, as well as a political system which had nothing in common with aspirations and tradition. Vatra Romaneasca is making considerable effort to remove the defects which have been imposed for decades.⁵⁸

Were the FSN to lose power, Vatra might face hard times. The Romanian political opposition, defeated at the polls and terrorized in attacks by government-directed miners, largely does not agree with Vatra Romaneasca's policies and statements. The apolitical intellectual alliance known as the Group of Social Dialogue (GPDS) has been recognized in the West as perhaps the most stable and thoughtful group in Romania today. The reporter who interviewed Coja also asked the same question of GPDS member Stelian Tanase. Tanase noted that *Romania Mare*'s editor was a former *Securitate* man who "led all the anti-cultural campaigns of the old regime." On the minority issue, he said:

In my opinion, the national minority issue was one of the tests of democracy. The majority

should defend the interests of the minority and respects their culture and institutions. We, therefore, clearly take a stand in favor of establishing Hungarian schools and universities.⁵⁹

The National Liberal Party (PNL), the UDMR, and to a lesser extent, the Peasant Party, have all expressed opinions similar to that of the GPDS. Following the violence in Tigru Mures, the UDMR and PNL set up an election alliance based on the respect of minorities' cultural rights and the rejection of both Hungarian irredentism and Romanian national chauvinism. The FSN, however, scored a landslide victory over these parties, and even accounting for a certain level of electoral fraud, it would seem that the Front enjoys widespread popular support.

Policies of the Magyar Democratic Forum

The new Magyar Democratic Forum (MDF) government in Budapest won the 1990 elections on a virulent nationalist platform, emphasizing the nation's role in defending the rights of Hungarians living beyond its borders. As has been mentioned previously, Foreign Minister Jeszzenszky is a historian who views the history of Transylvania in self-serving black-and-white terms: Romania is an artificial country composed of "two Romanian regions and one that was certainly Hungarians."⁶⁰ Lajos Fur, the man nominated as the MDF's presidential candidate at their October conference, is a historian in medieval and early modern history. He was silenced for a number of years in the pre-Gorbachev era for an essay on the ethnic Hungarians in Transylvania, an indication of its' nationalist character. Prime Minister Jozsef Antall is also a historian and played an active part in the 1956 uprising.

The MDF is considered a center-right movement and favors a transformation into a "Western-style democracy." Their foreign policy objectives were described as "level-headed realism" with the ultimate goal of fol-

lowing the Austrian and Finnish patterns of neutrality. While none of this is a particular affront to Bucharest, the MDF's decidedly nationalistic tilt and the high-priority placed on national minority problems are. During the October 1989 conference the MDF addressed charges that it was "hostile" to the "neighboring allied countries" by stating that "the Hungarian people can become the best friend of the Soviet Union, provided Moscow lets Hungary use its hand freely for a handshake." Romania was not mentioned.⁶¹

The MDF has made Romanians nervous, despite the organization's disavowal of future territorial revisions. Budapest's Fall 1990 declaration of support for the future rejoining of Bessarabia to Romania was denounced by the Vatra Romaneasca leadership as an attempt to establish a basis for demanding the return of Transylvania to Hungary. The statement also claimed that for the past 70 years Hungarians have been trying to reverse the Trianon decisions and that the Tigru Mures violence had been premeditated by the Magyars.⁶² In fact, some key Nationalist Peasant Party members have accused Hungary of using the language and minority problems to turn Westerners against Romania. One *Dimineaata* editorial commented:

Will we still be as naive to doubt that the true purpose is to persuade Europe that the Romanian government wants to re-establish a touched-up communism and to punish us severely? What other purpose could there be in dragging up the Treaty of Trianon? The objective is Transylvania. What else can we think when a Budapest newspaper raises the issue of bolstering the Hungarian army and preparing to repel a possible Romanian attack? Are we possibly in a situation similar to the one in 1919 when Bela Kun attacked us in order to liberate Transylvania?⁶³

In short, the MDF is not the sort of movement that will take the oppression of the Transylvanian Hungarians lightly. It is also led by individuals who will inspire hysteric reactions from Romanian nationalists.

Conclusions: Hopes For A New Romania

As expressed at the outset, the dispute over Transylvania is a centuries-old conflict which has rendered both sides resentful and distrustful of the other. In its present incarnation the conflict is being exacerbated by an economic crisis in Hungary, and an even more severe economic and political one in Romania. And in the end, a solution to the crisis depends upon the future political and economic course of both states, but particularly Romania, where true "democracy" cannot be said to exist. There the need for a more progressive government is unquestionable. A recognition of the cultural, political, and lingual needs and rights of Romania's minorities, particularly the Magyars, and a rejection of the Vatra platform constitute a vital minimum to pave the way for productive negotiations. The matter is a Hungaro-Romanian affair, but a refounding of the Magyar Autonomous Region and the re-establishment in Cluj of both the Hungarian Consulate and Bolyai University seem logical and likely Magyar requests.

However, given the present social and political landscape in Romania, a peaceful transition towards a more democratic and tolerant government seem unlikely. There is a real possibility of another revolution or coup

d'état, but it is hardly prudent to place one's hopes on a revolutionary government. For the moment, the FSN and Vatra Romaneasca are the legitimate Romanian negotiators for any settlement between the countries.

The West can offer only a few bargaining chips to condition such negotiations. First, both Romania and Hungary aspire to European Economic Community membership. Secondly, Soviet Bessarabia is bound to reunify with Romania in the near future. Either issue could serve as incentive to Bucharest to adopt a more conciliatory attitude toward Magyars on both sides of the border.

The main point for those on the outside of the issue is that the collapse of communism and the end of the East-West division of Europe has not diminished the need for continued Western attention and presence. Transylvania is hardly a unique situation, as evidenced by crises on the Yugoslav Federation, Czechoslovakia, Bulgaria, through the teetering Soviet Union, and even in the "New Germany." The "New Europe" offers as many, perhaps even more, critical challenges to the world community and the maintenance of peace and stability than Cold War Europe did. The opportunity to set the conditions for lasting peace and growth has been presented; it would be a mistake for the industrialized democracies to turn aside such a chance.

Endnotes

1. Eyewitnesses recall that *Securitate* agents in Timisoara had told numerous citizens to go "check out the action" at the Hungarian Reformed Church, thus contributing to the growth of the crowds there. Many unproven conspiracy theories hold that the Timisoara riots were orchestrated by outside forces working in collusion with Ion Iliescu's group. By these theories, the Hungarians and the Soviets are the favored conspirators: the Hungarian media intentionally inflated the number of civilian casualties in their reports while the omnipotent KGB puppeteers pulled the strings. For more information, see Colin Woodard, *Romania in Transition*, unpublished manuscript (chapters 1-2).
2. Judith Patarki, "Free Hungarians in a Free Romania?" *Radio Free Europe: Report on Eastern Europe* (hereafter *RFE/EE*).

3. *Nepszabadsag*, January 6, 1990.
4. Tibor Eszes, "Our former Ambassador in Bucharest interviewed," *Nepszabadsag*, September 25, 1990, pp. 1, 6.
5. Colin Woodard, *Romania in Transition* (unpublished manuscript), p. 84.
6. Michael Shafir, "The Romanian Authorities' Reaction to the Violence in Tigres Mures," *RFE/EE*, April 13, 1990, p. 43-7.
7. *Ibid.*
8. *ROMPRES*, 1958 GMT 25 May 1990; 1746 GMT 25 May 1990.
9. Constantin Giurescu, p. 45-7.
10. Andrew Ludanyi, "Ideology and Political Culture in Romania" in John F. Cadzow et alia, *Transylvania: The Roots of Ethnic Conflict*, Kent: Kent State Press, 1983, p. 236.
11. *Ibid.*, pp. 229-33.

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12. Geza Jeszenszky, "History of the Lands Between," Lecture series: Budapest MKKE, Fall 1990.
13. Welles Hagen, "Rumania appeals to her minorities," *New York Times*, October 29, 1956, p. 9.
14. Andrew Ludyani, "The Revolution and the Fate of Hungarians in Neighboring States" in Bela M. Kiraly, p. 394.
15. Wells Hagen, "Rumania forbids visits to Hungarian areas," *New York Times*, November 1, 1956, pp. 1, 27.
16. Wells Hagen, "Rumania arrests unruly Magyars," *New York Times*, October 30, 1956, p. 17.
17. Stephen Fischer-Galati, "The Revolution and the Hungarian Question in Romania," in Bela M. Kiraly, *War and Society in Eastern Europe, Volume XI: The first war between socialist states: The Hungarian Revolution and its Impact*, New York: Brooklyn College Press, 1984, p. 377.
18. Wells Hagen, "Rumania forbids visits..."
19. Stephen Fischer-Galati in Bela M. Kiraly, p. 379.
20. J. F. Brown, *Eastern Europe and Communist Rule*, Durham: Duke University Press, 1988, p. 428.
21. See "Vatra Romaneasca and Daco-Roman Continuity."
22. Bulscu Veress, "Status of minority rights in Transylvania" in *Transylvania: The Roots of Ethnic Conflict*, pp. 280-1; Carmen Pompey, "Decisions on education protested by minorities," *RFE/EE* July 6, 1990, pp. 43-7.
23. Bulscu Veress, p. 278.
24. *Ibid.*, p. 285.
25. Colin Woodard, *Romania in Transition*, pp. 27-8.
26. Carmen Pompey, pp. 43-7.
27. Dan Ionescu, "Romanian-Hungarian Polemics Escalate," *RFE Situation Report/Romania*, January 10, 1986, pp. 31-2.
28. Provocative historical conclusions were published by the Romanians in the following months. Stefan Stefanescu wrote that during the period of the Dual Monarchy, Transylvania was "forcefully incorporated into the Hungarian state" and that the Magyar elite "carried on a policy of oppression and forced assimilation." Numerous Romanian authors accused the Hungarians of "chauvinist, revisionist, revanchist, and Horthyist" theses. One pair of authors remarked that Hungarian books "seek to rehabilitate the Horthy regime."
29. AGERPRES, January 10, 1986.
30. Anneli Mayer, "Romania-Hungary Invective Reaches New Level," *RFE Situation Report/Romania*, February 24, 1986, pp. 13-5.
31. Another tragic aside: in Transylvania over 100,000 Jews were deported to Nazi Germany by the Hungarians, a feat that compared to earlier actions by the Romanian government which deported double that number of Jews to death camps in the Ukraine from their Bessarabian territories. Both Bucharest and Budapest have denounced each other for crimes against their respective brethren; each are strangely silent or evasive on their nation's contributions to the Holocaust. See also *Foreign Relations of the United States: Diplomatic Papers 1941*, (Volume II) Washington: United States Government Printing Office, p.860-79; David Binder, "Tearfully, Romanian Recall a Wartime Partition," *New York Times*, September 2, 1990, p. 16.
32. Judith Patarki, "A History of Transylvania: A book with its own history," *RFE Situation Report/Hungary*, April 3, 1987.
33. "Hungarian Row with Romania Escalates," *Financial Times* (London), June 20, 1988.
34. Leslie Collitt, "Romania Places Border Restrictions on Hungarians," *Financial Times*, July 2, 1988, p. 2.
35. The two countries had signed two treaties on tourism under Janos Kadar. A 1979 document abolished dual citizenship in each country, making it more difficult for Transylvanian Magyars to pass back and forth across the borders. In July 1986, the two countries agreed to return anyone who crossed the Romanian-Hungarian frontier illegally unless he or she was a citizen of the country they were entering. For details see Edith Olay, "Hungarian-Romania relations reach new low point," *RFE Situation Report/Romania*, July 27, 1989.
36. Nagy was prime minister of Hungary during the 1956 uprising. He was betrayed and executed after the Soviet invasion and buried in an unmarked plot outside Budapest.
37. *RFE Weekly Record of Events: Eastern Europe*, 16-21 June 1989, p. 20.
38. *RFE Weekly Record of Events: Eastern Europe*, 22-28 June 1989, p. 9.
39. Edith Olay.
40. Associated Press, September 19, 1989.
41. "Republic of Hungary Declared," *Daily News* (Budapest), October 24, 1989, p.1; author's personal observations; "Parliament Declares a Hungarian Republic," *Daily News*, October 19, 1989; "Hungary Approves Free Elections and Abolishes Militia," *International Herald Tribune*, October 21, 1989.
42. Woodard, p. 29-30.
43. Peter Varda, Brasso-1987," *Nepszabadsag*, November 15, 1989, p. 2.
44. One detail is worthy of comment: When theories of a Magyar conspiracy circulated after the Revolution, many Romanians recalled that they had never heard of Laszlo Tokes before December 15-22 and questioned how this unknown Magyar could have sparked their Revolution. It is true that the state-controlled media first made mention of Tokes in the midst of the unrest, but in Hungary and elsewhere his plight was known as early as October 23. Tokes actually dispatched a letter to Ceausescu in early November which was broadcast by the Hungarian media.
45. "I am appealing to you concerning my own and the Temesvar [Timisoara] congregation's situation... [Laszlo Papp] intends to remove me from Temesvar without any legal basis, while the Hungarian members of the Temesvar congregation are harassed and threatened. For several months now, the *Securitate* and local authorities have created a restless atmosphere and feeling of outrage not only among members of the congregation, but also among other decent citizens around Romania."
46. Since Magyar Television and Radio Free Europe had a wide audience in Romania, what Tokes suggested in his letter seems quite plausible, and it lends credence to some of the events that followed.
47. Peter Varda, "Words," *Nepszabadsag*, November 8, 1989, p. 3.
48. Budapest Domestic Service, 2100 GMT, 17 November 1989.
49. MTI, 1858 GMT, 19 November 1989.
50. MTI 1703 GMT, 19 November 1989.
51. Peter Varda, "Brasso-1987"
52. *Magyar Hirlap*, November 17, 1989.
53. MTI 0158 GMT, 22 November 1989.
54. Borrows heavily from Woodard, pp. 30-31.
55. All information on new educational provisions is taken from Carmen Pompey, pp. 43-7.
56. *Ibid.*
57. MTI 0158 GMT, 10 October 1990.
58. ROMPRES, 1459 GMT, 3 September 1990.
59. Maria A. Totfulussy, "The minority should be loyal," *Nepszabadsag*, September 5, 1990, pp. 1, 3.
60. Dr. Petru Foma, "Romania and the European Spirit,"

Adevarul, August 12, 1990, p. 12.

59. Maria A. Totfalussy, *Nepszabadsag*, Sep. 5, 1990, p. 3

60. Geza Jeszenszky.

61. "Forum unfurls banner of democracy," *Daily News*

(Budapest), October 24, 1989, p. 3.

62. Budapest Domestic Service, 1300 GMT, 31 July 1990.

63. Constantin Duica, "Are We Naive Again?" *Dimineata*, July 21, 1990, p. 4.

Ethnic Minorities In Eastern Europe And Problems Of Stability In An Era Of Reconstruction

Kimberly Troland

A NEW ERA OF EUROPEAN RECONSTRUCTION dawned in 1989, as the revolutions throughout Eastern Europe toppled communist regimes and set the stage for democratic governments and free market economies throughout Eastern Europe. Within the context of East European reconstruction, the question of the ethnic minorities throughout Eastern Europe will figure prominently as the minority problem, brewing under the surface during 45 years of communist rule, reemerges in the face of inevitable social, political and economic upheaval.

Eastern Europe covers an area about two-thirds the size of Western Europe. Whereas five large nations dominate Western Europe—the Germanic, French, Hispanic, Anglo-Celtic and Italian—there are more than fifteen nations within the boundaries of Eastern Europe.¹ The issue of ethnic minority groups throughout Eastern Europe is exceedingly complex. The implications for instability in Eastern Europe arise not simply out of the number of nations in Eastern Europe, but out of the variety and locations of competing ethnic groups. Many nations have sizable

minorities within their boundaries, many have a significant number of their ethnic kin incorporated into other states, and some are affected by both of these situations. Hence, the potential for ethnic conflict is great and could be triggered by social and economic upheaval within individual states and aggravated by the fact that ethnic minorities are a historically deep-rooted issue in Eastern Europe and, as elsewhere, an emotionally-charged issue. "Ethnicity," states Joseph Rothschild, "has the capacity to arouse and to engage the most intense, deep, and private emotional sentiments... When once activated, ethnic identity, ethnic interest, and especially ethnic anxiety tend to neutralize and subsume emotionally more abstract commitments to functional social groups."² Clearly, the potential for instability resulting from ethnic conflict is inherent in the complexity of Eastern Europe's ethnic composition and the issues which surround it.

This paper will begin with an examination of the origins of the current minority situations throughout Eastern Europe. It will then proceed with an analytical overview of the "types" of minority groups that exist throughout Eastern Europe. A brief discussion of the treatment of ethnic minorities under communism will then follow. The current situations of two specific

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groups—the ethnic Turks in Bulgaria and the ethnic Albanians in Kosovo—will then be looked at in detail with regard to the possibility for ethnic conflict (between these groups and the national majorities within whose boundaries they are located), to highlight the very real potential for instability as a result today. Finally, this paper will close with some thoughts on promoting stability in the context of ethnic minority relations throughout Eastern Europe.

Reconstructing Eastern Europe After the First World War—The Treaties of Paris and National Self-Determination

The starting point for this paper's examination of the ethnic minority problems in Eastern Europe is 1919. The origins of the minority problem in Eastern Europe certainly predate the conclusion of the First World War;³ 1919 is, however, the year in which the boundaries of Europe were reconstituted by the treaties of Paris, setting up the minority problems which exist today through the imperfect implementation of the principle of national self-determination.

In examining the origins of the current minority problem, two relevant questions will be addressed: What did the new Eastern Europe, shaped by the victors through the Versailles Settlement and the accompanying treaties of Paris, look like in terms of its ethnic composition? Where were other alternatives to the boundaries that were drawn up that would have, or could have, provided greater stability for the region?

One of the main criticisms of the Paris Peace Settlement as a whole has been that it created the minority problems throughout Eastern Europe or—and perhaps more accurately—perpetuated the problem. The most obvious examples of the minority problem illustrate, through their complexity, the scope of the problem. After the settlements, Czechoslovakia's total population of 14 and one-half million included three and one-quarter million Germans, three-quarters of a million

Hungarians, and one-half million Ruthenes. Romania's population was 18 million and contained at least three-quarters of a million Germans, one and one-half to two million Hungarians, half a million Ukrainians, 360,000 Bulgarians, and as many as a quarter of a million Russians. After the Hungarian truncation there remained, in a total population of 18 million, about half a million Germans, half a million Ukrainians, half a million Jews, and a quarter of a million Slovaks. Yugoslavia's twelve million, in addition to her three major native ethnic components, included half a million Germans, half a million Hungarians, half a million Albanians, and a quarter of a million Romanians. Poland's population was 27 million, of which 18 million were Poles by Polish Count; the remaining population was composed of at least a million Germans, three to five million Ukrainians, a million White Russians, and two or three million Jews.⁴

Considering the sheer number of the ethnic groups and their locations throughout Eastern Europe, a "perfect" or even near perfect implementation of the principle of national self-determination by the victors, in reconstructing Eastern Europe in the wake of the dissolution of the German, Russian, and Austro-Hungarian Empires, was impossible. The Treaty of St. Germain-en-Laye with Austria and the Treaty of Trianon with Hungary put the final stamp on the breakup of the Austro-Hungarian Empire. With the demise of the Empire in 1918, the new states of Poland, Yugoslavia, and Czechoslovakia were formed. Following the war, Romania was enlarged by adding the areas of Transylvania and Bessarabia, formerly under the Hungarian and Russian empires, respectively. The Treaty of Neuilly with Bulgaria precipitated the emergence of a Bulgaria considerably smaller than in 1914: all the territory acquired by conquest was automatically forfeit, and Bulgarian territories of Macedonia and Thrace were made available to Yugoslavia and Greece, respectively.⁵

Both Austria and Hungary suffered severe territorial losses. The Treaty of St. Germain

forbade Austrian *anschluss* with Germany although both Germanic states desired it, for "the peacemakers realized that if Germany sat astride the Danube, its dominance of south eastern Europe would be complete."⁶ Austria lost the Istrian peninsula, the Trentino, and the (predominantly German) south Tyrol to Italy, Galicia to Poland, Bukovina to Romania, and Bosnia-Herzegovina and the Dalmatian coast to Yugoslavia. With the creation of the state of Czechoslovakia, the most productive lands of the former Austrian domain were lost. However, the Odenburg region of Hungary, containing several hundred thousand Germans, was added to Austria as part of the settlement.⁷ Hungary's territorial losses were even more severe than Austria's, with Hungary losing two-thirds of its previous territory.

The most distinct and loud voice of criticism of the Peace of Paris, save that of Germany, emanated from Hungary. Hungarians remained the most embittered, believing they had been unfairly dealt with at the hands of the victors. "Hungary was preoccupied from the moment of the Treaty of Trianon with revisionism, expansionism and reunification with its minorities in other states."⁸ Much of the Burgenland went to Austria; both Slovakia and Ruthenia went to Czechoslovakia; Croatia-Slavonia and part of the Banat went to Yugoslavia; the rest of the Banat and Transylvania went to Romania. In all, three million Magyars were left outside the newly contracted frontiers. The Hungarian delegation to the Peace Treaty signing ceremony bewailed the Treaty, not only for the loss of territory but for its accompanying negative economic impacts. "We have just signed the most severe of all the treaties," said a member of the Hungarian delegation to the Associated Press representative after the ceremony, "but we have done so in hope and confidence of its revision. The amputation of two-thirds of our territory, with all our mining, timber and most of our manufacturing interests, will create such economic difficulties that they can be solved only by revision." This belief in the

necessity of revision, particularly in recovering Transylvania, was a significant motivating factor behind Hungary's alliance with Germany in World War II.⁹

Because the Hungarian case was the most severe in terms of territory lost and the number of Hungarian nationals who found themselves outside the state's new borders, it may thus be the most appropriate case in which to examine the success with which the principle of national self-determination, espoused by the victors in formulating the Peace, was implemented. According to the Hungarians, as might be expected, "the realisation of the theory of self-determination was not even attempted."¹⁰ The Hungarian view was articulated in 1928 by Count Albert Apponyi *et al* in *Justice for Hungary*. He states that

When peace was concluded the small nations, or at least many of them, were not consulted as to their wishes, but were simply told that the new frontiers would be such and such. Those who dictated the Peace Treaties endeavoured to give an ethical basis to their attitude before the world by proclaiming the theory of war-guilt, i.e. that those responsible for the outbreak of the war must suffer its consequences... Our country had been for a thousand years a uniform State, within whose frontiers various races were united in political community. Had we for centuries pursued a policy of coercive assimilation, there would have been no racial problem, for the non-Hungarian races would either have been assimilated or would have perished. But coercion has always been abhorrent to the Hungarian nations... The partition of the country was effected with the result that millions of Hungarians were driven under alien sway, in defiance of the right of self-determination.¹¹

It has been argued, however, that the "various races united in political community" were united against their will and that the Treaty of Trianon, in "freeing" the minority groups, indeed attempted to put the principle of national self-determination to its ideal end, though to do so necessitated the exclusion of a significant number of Hungarians, as well, from the

new state of Hungary. "Within the historic limits of the Hungarian kingdom, the Magyars even by their own exaggerated statistics constituted just over half of the total population," states Arthur P. Scott. "Nevertheless, by various suffrage limitations, by the gerrymandering of electoral districts, supplemented by intimidation, force, and fraud, they maintained an absolute mastery [over the minorities]. Transylvania, with its large Romanian population, was deprived of the autonomy which it had enjoyed in earlier periods, and Croatia, although it retained some local self-government, was kept under the closest possible control. For fifty years all the resources of the government have been devoted to Magyarizing the minorities. This process—to stamp out the separatist nationalistic consciousness in the minority groups—had the usual result. The minorities more and more despaired of securing political, religious, or cultural equality, and turned increasingly to the ideas of freedom and of union with kindred groups outside of Hungary."¹²

At this point, one may ask—keeping in mind the complexity of the ethnic minority issue throughout Eastern Europe and taking into account economic and strategic considerations—could the minority problem have been alleviated somewhat by different boundaries? Were there other choices that would have, or could have, provided greater stability for the region? These questions were examined in regard to the Hungarian situation and Treaty revision by R.W. Seton-Watson in his 1933 essay "The problem of Treaty Revision and the Hungarian Frontiers." He looked at the four independent states involved in the Hungarian settlement of 1920. In the case of Austria, Seton-Watson concluded that "on a racial basis, any rectification would have to be in favour of Austria, not of Hungary;" in the case of the Hungarian minority in Romania, he states "The only possible way of reuniting [the minority] with their kinsman in Hungary is to reannex at least three-quarters, if not the whole, of Transylvania, with two to three million

Romanians."¹³ These cases accentuate the complexity of the minority problem and suggest that although alternatives could possibly have alleviated what one group considered to be a problem, such a "solution" would have become a new problem for another group.

Hence, it appears that viable options which would have engendered greater stability by "creating" fewer minority problems simply did not exist, especially in light of the fact that the victors were restrained by economic and strategic considerations in constructing boundaries according to self-determination. "[I]t was the effort to reconcile ethnic groupings with economic and strategic necessities which led to the creation of so many minorities," states Marks. "The peacemakers acknowledged that when the language line crossed a vital railway five times in twenty-six miles, ethnicity had to yield to economics."¹⁴ In his essay "Some Recollections of Czechoslovakia," General L.E. Faucher emphasizes this fact—that, in certain instances, economic and strategic factors had to take precedence over the issue of the ethnic composition of the new states. The Czecho-Slovak State, he explains, was created as the expression of the joint will of the Czechs and Slovaks. The new state included "not only the Ruthenes of SubCarpathian Russia, but genuine minorities such as the Germans, Magyars, Poles and even a few Romanians."¹⁵ "Did this not show a serious lack of wisdom on the part of the authors of the Peace Treaties?" Faucher asks. He concludes that the minorities were incorporated not because those shaping the peace lacked wisdom, though this might be the obvious assumption, but because the representatives of the future Czecho-Slovak republic asked for the incorporation of these minorities within the boundaries of the new state: "It is probable that if they could have found a way of excluding them without hopelessly compromising the economic and defensive possibilities of the country, they would have hastened to do so."¹⁶

The Versailles Settlement, in its territorial reconstruction of Eastern Europe, was far from

a solution to the minority problem. In its imperfect implementation of the principle of national self-determination, the Versailles Settlement created the "new phenomenon of the national majority" in Eastern Europe.¹⁷ Yet the majorities did not foster the stability and toleration that could have helped to diminish the significance of the Settlement's imperfections, as Pearson observes. "The hybrid nature of the new states—neither empires with experienced dominant-minority leadership nor nation states without external or internal minorities—only exacerbated the national problem."¹⁸ Furthermore, "Although the scale of the minority problem was halved by Versailles, the investment of nationalist emotion on the part of the new majorities and the raised (but frustrated expectations of the one-quarter of the population which were still minorities made the issue more explosive than ever."¹⁹ The Depression of the 1930s served to worsen relations between minorities and majorities which were poor to begin with. "The deteriorating relations between national majorities and minorities," states Pearson, "were symptomatic of, and contributory to, a deeper malaise in East European society which could only be resolved by another war..."²⁰

"A nation must be an idea as well as a fact before it can become a dynamic force."²¹ The nations of Eastern Europe became "facts" through the Treaties of Paris by the will of the victors of the First World War. But what of the *idea* of the nation—the ethnic binding force that is a conscious expression of a people's shared sense of "peoplehood," arising out of a historical context of a shared culture, language, race and nationality?²² Perhaps the "idea" of a nation must originate with the people who will compose the "peoplehood" of the nation, if it is to become a "dynamic working force." There are many elements necessary to make a nation a dynamic working force. The condition of ethnic harmony within a state is certainly one of them, and its existence may be dependent upon the conscious acknowledgement of a "peoplehood." In the

absence of this *idea*, or when different *ideas* of a "peoplehood" exist simultaneously, ethnic tensions and conflict may result, thereby breeding instability and undermining the potential for the nation to become a "dynamic force." Hence, the nations of Eastern Europe which are composed of various ethnic groups may well be intrinsically unstable, as those ethnic groups who found themselves within a common national boundary as a result of the Treaties of 1919 may very well have different "ideas" of a legitimate nation, based on a commonality of culture, language, race and nationality—ideas differing not only from the peacemakers who constructed the boundaries but differing as well from ethnic group to group within the state.

An analytical framework which "categorizes" the minorities is necessary to understand the complexity of the ethnic composition of Eastern Europe, as it emerged in the wake of the dissolving empires at the close of the First World War.

Types of National Minorities

There are several types of national minorities existing throughout Eastern Europe.²³ In geographic terms, i.e. according to the location of the minority groups, there are two categories of minorities. The first category is that of minorities living adjacent to the frontiers occupied or dominated by their own nation. Included in this category are most Hungarian minorities—those living in Slovakia, in Transylvania, and in Vojvodina. The Szeklers (Hungarians) living in Transylvania proper are a considerable distance from the Hungarian border and are separated from the border by some districts in which Romanians compose the majority. By and large, however, "adjacency" is a characteristic of Hungarian national minorities that has made the minorities a critical issue since the Treaty of Trianon in 1920²⁴ and at times an explosive factor in East European politics²⁵—as exhibited by Hungary's alliance with Germany in World

War II in pursuit of irredentist goals. The Turkish minority, situated in the southeast part of the country next to Turkey, and the Albanian minority in Kosovo, on the Yugoslav-Albanian border, also fall into the category of geographic adjacency. "The postwar communist regime in Tirana," states J.F. Brown, "...though professing no territorial claims, has often seemed less than sincere. And the possibility that it might one day change its line adds a dangerous dimension, not only to antagonism in Kosovo itself, but also to the future of Yugoslavia as a whole."²⁶ This "dangerous dimension" permeates the issue of ethnic minorities throughout Eastern Europe; it accentuates the possibility for instability in Eastern Europe resulting from minority problems which seem especially acute when the national minority concerned is in the "adjacency" category.

A second category of minorities covers those situated at a distance from the state occupied or dominated by their own nation.²⁷ Up until 1939, most of the German minorities in Eastern Europe came under this category.²⁸ After World War II the German minorities were "expelled without distinction" from most parts of Eastern Europe, and "it was this expulsion that drastically reduced the importance of this whole category of minorities in the East European context."²⁹ There remains a few hundred thousand citizens wholly or partly of Germanic origin in Poland, concentrated in Silesia (and 180,000 to 200,000 Ukrainians; Poland is considered to be virtually free of minorities).

There are two categories which are "worth mentioning, although they have little or no significance for East European politics or international relations."³⁰ These are the single, usually small and isolated minorities like the Wends in the (former) GDR and the "veritable hotch-potches of small groups living cheek-by-jowl in a relatively confined area," such as existed in parts of prewar Macedonia (then part of Serbia) and Bessarabia (then part of Romania). These groups have become dispersed

by time, the ravages of war, assimilation, migration, change of sovereignty, and statistical manipulation.³¹

There is one final category of minorities which includes the Jews³² and the Gypsies. These groups represent what Pearson describes as "diaspora settlement—the human detritus of an outward flow of population which left them scattered haphazardly over a wide geographical area, without either their original homeland or a convincing claim to territorial status."³³

Moving beyond a framework of geographical location of minorities, there are three other factors that are important in categorizing minorities. These are (1) the different historical antecedents of the minority concerned; (2) the attitudes of different minorities to the state in which they live and to the predominant nation (or "nation of state") in it; and (3) their attitudes to integration or assimilation into the state, or by the "nation of state" concerned.³⁴

The first of these three factors, historical antecedents, can be roughly divided into two subdivisions—those ethnic groups that have been historically oppressed and those that were an integral part of an imperial nation. Turks, Hungarians, and Serbs (within the Yugoslav context) fall into the latter of these two subdivisions. Albanian, Vlachs, Gypsies, and Jews fall into the former subdivision.

The second additional factor, minority attitudes, is directly linked to historical antecedents. Members of the once "imperial" minority will tend to have a "superior, often arrogant and disdainful attitude to the new 'nation of state,' since this was formerly one of the nations they themselves dominated."³⁵ Such is the Hungarian attitude toward the Slovaks and Romanians. "In short, the Hungarian minority problem is, on currently available evidence, the result of Hungarian perceptions of superiority, an attitude which is at odds with the strong Romanian nationalism of the Ceausescu regime," concluded Lovenduski and Woodall in 1987.³⁶ This attitude of superiority is also clearly exhibited by the Serbs, and

indeed by most Yugoslavs, toward the Albanian minority.

The third descriptive category of minorities involves attitudes to integration. Some minorities have shown a willingness to integrate into the dominant society (most notably the Jews), and their success in doing this has depended upon the attitudes of the dominant society. The Turks in Bulgaria (until very recently numbering 800,000 or nearly 10 percent of the population), though members of a former imperial nation that ruled the Balkans for at least four hundred years, have shown few of the characteristics of the Hungarians, (interwar) Germans, and Serbs in ardently resisting assimilation and have instead "simply sought toleration to pursue their own way of life,"³⁷ but have instead found themselves victims of Bulgarian intolerance and persecution.

Treatment of Ethnic Groups Under Communist Rule: Muscovite v. Home Communist Attitudes Towards Minorities

The third category described above, attitudes toward integration or assimilation by the "nation of state" concerned, can be divided into two subdivisions, attitudes of "home" communists and attitudes of "Muscovite" communists toward minority groups.

"Ethnic groups are not irrational, but they do grow out of sentiment, custom, and familiarity rather than out of deliberate calculation," states Cynthia Enloe. "In this regard they are unlike labor union, peasant syndicates, corporations, and other functional interest groups."³⁸ By virtue of their very distinctive quality as a "group," ethnic minorities in Eastern Europe have received distinctive treatment. Under communist rule, differences in treatment coincide, on a general level, to the differences in attitudes concerning minorities of Muscovite communists (trained in the Soviet Union) and home communists.

When the communist regimes were installed in power in Eastern Europe after the Second World War, Stalin expected them to

take the Soviet Union as a model and grant concessions to minority groups, such as those that (allegedly) were granted to the non-Russian nationalities in the Soviet Union, and to encourage native cultures and native national languages.³⁹ "Generally speaking ... Muscovites ... were often more liberally inclined toward minorities than the 'home' communists; at least their prejudices were fewer," states Brown. "The 'home' communists, however, who had remained in their own countries and who were thus more affected by local feeling and prejudice, tended to share the popular hostility toward minorities. Leading Slovak communists, for example, like Vladimir Clementis, Gustav Husak and Laco Novomesky were known for their strong anti-Hungarian views, as was Lucretiu Patrascanu, one of the top Romanian 'home' communists."⁴⁰ Important exceptions to these generalizations existed. Georgi Dimitrov, is "said to have (privately) described the partial expulsion of Turks from Bulgaria in the late 1940s as the final steps in his country's deliverance from the 'Turkish yoke'."⁴¹ After 1948, the home communists were submerged in favor of the Muscovites in practically every East European country. After the death of Stalin, however, there was a steady reversal of this pattern which precipitated mounting pressure on national minorities.⁴² Three factors played a crucial role in increasing the pressure on national minorities: (1) the emergence of ruling elites holding the same "nations of state" attitudes toward, and historical prejudices against, minorities as those of most of the population; (2) the possibility of greater popular legitimacy for the ruling elites by exploiting the minority issue in a "nationalist" way; and (3) the greater domestic autonomy allowed—deliberately or unavoidably—by Moscow to the East European regimes.⁴³

Though the policies of the home and Muscovite communists differed, neither was able to deal with the minority problem effectively by reducing tensions between ethnic groups; forty-five years of communist rule

merely kept ethnic tensions brewing under the surface. Indeed, eradicating differences among people in regard to national origin was never a primary concern of the communist authorities. "Marx himself was little interested in nationalism or national minorities," states Brown. "The class question to him was more important than the national. Solve the former and the latter would take care of itself. The national question in all its aspects, therefore, was of peripheral concern..."⁴⁴ Cynthia Enloe states the Marxist attitude to ethnic identity as follows: "The [Marxist] solution to ethnic conflict therefore is to hasten the historical development of retarded groups. As they are liberated from feudal backwardness they will lose their uniqueness and come to share the proletarian class interest represented by the Communist party. Pampering ethnic communalism delays development and liberation."⁴⁵

"As security becomes increasingly a function of technology and the imperatives of national security are viewed less in geopolitical terms," Said and Simmons assert, "the lack of 'external' threats may catalyze ethnic consciousness and negate those forces previously contributing to social cohesion."⁴⁶ With the dawn of the post-Cold War era and the dramatic decline of Soviet influence in Eastern Europe, national security is no longer intrinsically tied to geopolitics and "external" threats are markedly decreased. Under these conditions, the three factors listed above that have in the past increased the pressure on national minorities may again come into play, and an ethnic consciousness throughout Eastern Europe, long subdued under communism, may emerge— either in response to increased pressure or else precipitating such increased pressure.⁴⁷

The potential for instability as a result of ethnic conflict throughout Eastern Europe— in the face of momentous social, political, and economic change— is great. Escalations of ethnic tensions throughout Eastern Europe following the dissolution of the communist bloc have been apparent recently— in the

dissension between the Czechs and the Slovaks, for example, and in the ethnic unrest in Moldavia, S.S.R., between ethnic Romanians and the Russian-speaking minorities which has resulted in at least six deaths. Two specific minority groups will now be examined with regard to the potential for ethnic conflict inherent in their situations.

The Potential for Conflict and Instability— The Situations of the Turkish and Albanian Minorities

The situations of the Turkish minority in Bulgaria and the Albanian minority in the Yugoslav autonomous province of Kosovo both clearly show the extent to which tensions have been brewing— indeed boiling— under the surface of communist society for over forty years.

The Turkish Minority in Bulgaria

Bulgaria has a minority population of almost 20 percent. This population consists of over 50 different ethnic groups, with most of them numbering less than one thousand and in some cases less than one hundred, though with some significant groups (Greeks, Jews, Gypsies) numbering near or in the tens of thousands.⁴⁸ The Turks, concentrated in the northwestern part of the republic, have always constituted the overwhelming majority of the non-Bulgarian nationalities. The Turks fall into the "adjacency" minority group category of geographical location and the "imperial" minority group category of historical antecedent, having been members of a once imperial system (the Ottoman Empire). However, in contrast to other "imperial" minorities, the Turks in Bulgaria have refrained from exhibiting an attitude of superiority or disdain for the "nation of state" into which they were incorporated.

Though they have sought toleration in pursuing their own way of life, the Turks have instead been the victims of one of the harshest minority policies in Eastern Europe. Starting in 1984, the Bulgarian government introduced

a policy of Bulgarization: "The members of the Turkish minority had suddenly realized they had always been Bulgarian and had voluntarily agreed to change their names!"⁴⁹ The assimilation policy included forcing Turkish citizens to adopt Bulgarian names, obstructing Moslem religious practices, and curtailing emigration policies. In a speech in March of 1985, a Bulgarian politburo member declared that ethnic Turks who wanted to emigrate to Turkey would be forcibly settled within Bulgaria.⁵⁰ Senior Turkish officials alleged in August of 1985 that at least 1,000 ethnic Turks had been killed and several thousand had been imprisoned by the Bulgarian government because of their refusal to adopt Turkish names.⁵¹

"It is difficult to discover why the Bulgarians might want to assimilate the Turkish minority," states Frederick Chary. "Bulgaria has been long been known as a land tolerant of national minorities... The reasons for this tolerance lie in the cosmopolitan traditions of the Byzantine and Ottoman Empires— Bulgaria's cultural ancestors—and the relatively high percentage of ethnic Bulgarians in the nation state."⁵²

Before World War II, there were about 700,000 Turks living in Bulgaria as a result of five centuries of Turkish rule. In general, the Bulgarian government had a good record with minorities and the Turks were treated fairly. As a result of the Treaty of Craiova or 1940, in which Hitler compelled Romania to cede Dobruja to Bulgaria, Bulgaria acquired another 100,000 Turks. The post-War communist government treated the Turks considerably worse than the bourgeois regime it replaced. Turkish minority rights of religion and separate education were revoked and many Mosques were nationalized. In August of 1950, a mass expulsion of Turks was announced, and in the following year a total of 150,000 left for Turkey, most of them taking only what they could carry.⁵³

Chary suggests that a possible explanation for the assimilation policy is the demographic crisis. There has been great concern voiced in official circles since the mid-1970s about the

declining birthrates of the Bulgarians in comparison to the non-Bulgarians, particularly the Gypsies and the Turks.⁵⁴ Even when historical cultural influences have cultivated a general atmosphere of toleration—as had been the case in Bulgaria, especially before the advent of communism—social factors such as demographic shifts demonstrate the limits of toleration when the majority feels "threatened."

Ethnic tensions in post-Zhivkov Bulgaria are evident. Clearly, Bulgaria is a case in which communist rule not only failed to deal effectively with the underlying causes of ethnic tensions but, through its extreme policies, significantly exacerbated the problems. Following Zhivkov's ouster in November of 1989, the new governments restored the rights of Bulgaria's ethnic Turks.⁵⁵ Yet, ethnic tensions within the post-Zhivkov Bulgarian government have not relaxed.⁵⁶ In Kurkzhali, Bulgaria, a committee "for the protection of national interests" supports the renewal of the anti-Turkish laws and denounces the opposition as unpatriotic for supporting the cause of the Turkish minority.⁵⁷ Thousands of Turks who fled Bulgaria for Turkey in 1989 have returned to Bulgaria⁵⁸, having found conditions in Turkey unbearable, as the weak Turkish economy is simply not strong enough to support the massive waves of emigrants. In the wake of the return of the Bulgarian Turks who emigrated to Turkey, "those Bulgarians who benefited from the Turks' absence (by taking possession of their vacant apartments) are holding violent protest meetings against Turks."⁵⁹

Yunal Lyutfiev, the spokesman for the Movement for the Rights and Freedoms of the ethnic Turks, has delineated the position of the ethnic Turk movement in the Bulgarian Assembly, stating that the Movement advocates the restoration of the religious and cultural rights of the Turkish minority and supports "the unity of the Bulgarian people and the territorial integrity of Bulgaria...[and] condemns the manifestations of Turkish nationalism as well as the manifestations of Bulgarian chauvinism."⁶⁰ The Bulgarian "chauvinism"

is, at times, blatant. In his article "Democratic Stirrings in Bulgaria," Gordon K. Haskell relates that he witnessed thousands of Bulgarians demonstrating on January 5, 1990 "against the Bulgarian Communist Party,⁶¹ not to demand more rapid democratization, but to denounce its Central Committee for reversing the 1984 policy requiring Muslim Turkish-speaking Bulgarians to Bulgarize their names, close their schools, and stop speaking Turkish in public... They believed Turkey had incited three hundred thousand Bulgarian Muslims to cross the border last summer 'for a vacation' because they intended to return on Turkish tanks and roll the Bulgarians back to the Balkan Mountains. Their dream? That their one and a half million 'Turkish' fellow citizens just vanish. How? No one says."⁶² Hence, the ethnic Turks in Bulgaria are caught in a seemingly no win situation, facing desolate conditions in Turkey if allowed to emigrate⁶³ or racism in Bulgaria, excited by the assimilation drive.

It is clear, even allowing for a certain amount of dramatic exaggeration in Haskell's delineation of the "dream" of the Bulgarians regarding the ethnic Turks, that the potential for ethnic conflict in Bulgaria is great. With a divided government that has failed to implement an economic reform program to bridge the gap between the old centralized system and a new one based on free markets, Bulgarians today are experiencing the most dramatic decline in living standards of all the peoples of Eastern Europe since the revolutions of 1989, as evidenced by the shortages of essential foodstuffs and consumer products throughout the country.⁶⁴ The current situation of increasing economic distress and decreasing social morale will only exacerbate tensions between Bulgarians and Turks.

The Ethnic Albanians in the Autonomous Province of Kosovo, Yugoslavia

Kosovo is an autonomous province within the republic of Serbia. In Kosovo, Serbs number

200,000, as compared to the 1.9 million ethnic Albanian majority (90 percent of the population). Albanian Kosovars are in the "adjacency" category of minorities, as Kosovo borders Albania. The ethnic Albanians fall into the "historically oppressed" category; the Serbs, on the other hand, in the context of their status as a *minority within Kosovo*, are the "imperial" minority and do indeed demonstrate the "superior, often arrogant, and disdainful attitude" toward the ethnic Albanians.

Though the potential for instability as a result of ethnic conflict is strong throughout the Yugoslav federation,⁶⁵ the situation of the Albanians in Kosovo is unique, in light of the historical background of Kosovo. For this reason Kosovo may present the greatest challenge to Yugoslav stability. "Although the problem of Kosovo is complex and complicated," state Alex N. Dragnich and Slavko Todorovich, "for about one-half of Yugoslavia's population, the Serbs, it is not. To them Kosovo is holy ground. It is the cradle of their nationhood, when they were virtually its sole occupants. It was the center of Serbia's empire of the middle ages, at one time the strongest empire in the Balkans. It was in Kosovo in 1389 that Ottoman forces won the crucial battle with Serbia, leading to the end of the empire... Kosovo is also the place where Serbia's most historic and religious monuments are located."⁶⁶ For these reasons, historic ties to the land remain unbreakable in the eyes of the Serbs, despite the fact that Albanians now make up ninety percent of the region's population: Kosovo is the cradle of Serbian civilization, and the Serbs are not willing to abandon it.

This was made strikingly evident by the adoption of the new Serbian constitution by the Socialist Party of Serbia on September 28, 1990. The constitution strengthened the Party's control over Serbia by giving greater power to its president, Slobodan Milosevic, and ending virtually all autonomy for the provinces of Kosovo and Vojvodina (which has a significant Hungarian minority population).⁶⁷ Serbian

nationalism has been spurred on by the Serbian contention that the ethnic Albanian demand for making the province Yugoslavia's seventh republic is a step toward complete independence in an ultimate plan for merging Kosovo with neighboring Albania. (Here, the fact that the Albanian minority is in the "geographical adjacency" category takes on great significance.) The contention is not entirely unfounded (as noted above) because of the existence of the "dangerous dimension" that Albania may change its line regarding territorial claims on the province and actually back a plan for Kosovo's unification with Albania.⁶⁸

As Serbia sinks deeper into economic, political, and constitutional crises, Serbian nationalist sentiments are increasing,⁶⁹ along with ethnic tensions throughout the province. In the past, economic upheaval in Kosovo has precipitated conflict between Albanians and Serbs. Despite attempts to develop Kosovo's economy (most notably in the 1970s in which, during a five year period, some 150 million dollars were pumped into Kosovo annually), Kosovo has persistently lagged far behind other parts of the federation and remains among the poorest regions of Yugoslavia. The economic disparity exacerbated ethnic tensions, leading to demonstrations in 1968, during the 1970s, and in 1981. The riots which shook the province in 1981 involved ten to twenty thousand participants throughout Kosovo and occurred "as public discussion began on the economic quagmire in the province, with the provincial press itself conceding that using the criteria adopted by the party, the situation was actually worsening."⁷⁰ Albanian sources inside and outside of Yugoslavia insisted that one thousand or more people were killed; one American Embassy source in Belgrade estimated that 200 to 300 were killed in the uprisings.⁷¹

Almost ten years later, tensions have not relaxed. "Kosovar Albanians are fed up with the status quo, increasingly alienated from the Serbs and Montenegrins, and facing a deteriorating economic situation that cannot

make the prospect of remaining within Yugoslavia seem by any means easy."⁷² "The most constructive federal policy," suggests Robin Alison Remington, "would be to tackle the cycle of poverty that breeds Albanian nationalist-chauvinists faster than the Kosovo security forces can hunt them down. The search for political scapegoats to blame for the conditions that set fire to Albanian national emotions in 1981 does nothing to address the lure of nationalist subculture and organizations for Albanian students, whose primary economic prospects are to join the ranks of the unemployed. Finding jobs for returning Serbs and Montenegrins will only worsen ethnic tensions, unless concrete measures are given to give Kosovar Albanians a sense that they have an economic future in a Yugoslavia that does not regard them as second-class citizens."⁷³ Increasing Serbian nationalism and a new Serbian constitution that virtually ends autonomy for ethnic Albanians only perpetuates the self-perception of the Albanians as second-class citizens and reinforces this idea in the eyes of the Serbs. Political and economic crises—as in Bulgaria and throughout Eastern Europe—can only exacerbate already poor inter-ethnic relations.

In a September 7, 1990 speech, Serbian president Milosevic abandoned his usual tactic of appealing to Serbian nationalism and, in a tactical turnabout, called on all Serbs to "restrain their national passions and to focus their energies instead on economic prosperity and social equality in the Republic."⁷⁴ Such a "turnabout" is of great significance, for the groundwork for immediate stability, as well as the prospects for a lasting stability in Serbia and Yugoslavia, may very well depend on this crucial ability and willingness of all ethnic groups to restrain their national passions and work toward the promotion of social equality and economic prosperity. The recognition of this by the leaders of Serbia is obviously vital, and if Milosevic's speech is an indication of a changing attitude within the Serbian Social Party,⁷⁵ it may prove to be an important step in

fostering stability in Yugoslavia, in regard to improved ethnic relations.

***Towards a Stable Eastern Europe—
Decreasing the Potential for Ethnic Conflict***

Looking back on the 'peacemaking' of 1919 during the Second World War, Harold Nicolson wrote: 'We succeeded in Balkanising [sic] Europe, although we Europeanised the Balkans.' In a broader sense, one might say that the choice today is between Balkanizing Europe and Europeanizing the Balkans (where 'the Balkans' is taken to mean an actual or potential state of affairs in parts of non-EC Europe, rather than a precise location). Basic conditions for this Europeanization include the recognition of existing frontiers... however historically arbitrary or unjust; common high standards of respect for the rights of minorities within those frontiers...⁷⁶

That existing boundaries within Eastern Europe must be recognized— "however historically arbitrary or unjust"— is of great significance in terms of stability in Eastern Europe. The nature of the ethnic "problem" throughout Eastern Europe is so complex that reopening the question of borders could have disastrous implications for stability, as there is certainly more than one ethnic group in Eastern Europe which could identify itself as the victim of a specific injustice (with its origins most likely in the 1919 Peace Treaties) which demands rectification, though at another group's expense. Once the first thread has been cut, the complex "patchwork quilt" of ethnic minorities throughout Eastern Europe could begin to unravel altogether. For example, if Kosovo is united with Albania, the Hungarians of Vojvodina (also an autonomous province of Serbia) may be encouraged to press demands for unification with Hungary.⁷⁷ This, in turn, could precipitate a greater demand for autonomy on the part of ethnic Hungarians in Transylvania, thereby setting the stage for ethnic conflict in Romania. Clearly, reopening the question of existing frontiers has dangerous implications.

On the November 14, 1990 occasion of

the signing of the treaty between Germany and Poland under which Germany permanently surrendered its claim to 40,000 square miles of territory lost in World War II, Johann Kroll, a leader of the Polish German minority present at the signing, said the treaty "does not create too much joy for us. However, it is necessary. The present borders ... we consider to be temporary because we count on the fact that ... borders will vanish in the common Europe."⁷⁸ If Eastern Europe is to become eventually integrated into the "common Europe," there must be stability in Eastern Europe in minority group relations.⁷⁹

To this end—eventual integration into the European Community—the states of Eastern Europe must recognize a commonality of interests in reducing the potential for ethnic conflict and resisting political nationalism. The peacemakers reconstructing Eastern Europe in 1919 were well aware that the dissolution of the Habsburg Empire would create economic problems and, foreseeing this, they formulated treaties that "provided for a substantial measure of economic integration among the succession states," states Sally Marks. "But intense political nationalism inevitably engendered an economic nationalism which rendered economic cooperation impossible."⁸⁰ In 1990, the dissolution of the Communist Bloc is creating economic problems as well, as the fledgling democracies throughout Eastern Europe struggle to dismantle the old, centralized systems and replace them with new ones based on free markets. Historically, in the face of economic upheaval, relations between ethnic minorities and majorities have become increasingly strained. For example, the Depression of the 1930s hit Eastern Europe very hard and heightened ethnic tensions: "With the economy floundering, unemployment in an already overpopulated environment rose to unprecedented levels, undermining the stability of society and furnishing a volatile, potentially explosive element which threatened to burst the bonds of conventional social control," states Pearson. "The Depression worsened

relations between majorities and minorities, reinforced pejorative national stereotypes and fostered violence and extremism as solutions where consensus and negotiation had failed."⁸¹ If today—in the face of similar harsh economic circumstances which can potentially increase ethnic tensions—strong political nationalism (such as the Serbian Socialist Party has attempted to foster) develops, economic cooperation between the states of Eastern Europe could become imperiled, if the lesson of the interwar years, in this regard, is forgotten. This in turn would further diminish the prospects for stability, for economic cooperation between the countries of Eastern Europe (and Western Europe) will figure prominently in the development of Eastern Europe and hence in creating stability in the region.

Timothy Garton Ash has stated that "The largest challenges in Europe over the next few years may not lie at all in the relations between states, but rather in the relations between peoples within states. Racial tensions will almost certainly be exacerbated by the social and economic strains of European unification."⁸² Though it is clear that relations between peoples within states will pose great challenges, Ash has overlooked the fact that the majority of the ethnic tensions throughout Eastern Europe are not by nature isolated problems, in the sense of affecting groups that exist only within the boundaries of one nation. The opportunities for economic cooperation between the states of Eastern Europe—and the possibility that opportunities may be lost because of ethnic tensions, as they were in the interwar period—underline the fact that relations between states will pose significant challenges to Europe over the next few years, as social and economic strains increase ethnic tensions.

Certainly, the relations between different ethnic groups within states will pose formidable challenges—such as fostering conditions in which, for example, the Hungarians and Romanians in Transylvania, the Serbs and Albanians in Kosovo, and the Bulgarians and

Turks in Bulgaria can live together in relative harmony. Nevertheless, the fact remains that ethnic minorities outside of the boundaries of their nation-state are of significant concern "back home." The facts that Turkey has called on Moscow for mediation assistance in the ongoing saga of the Turkish minority in Bulgaria⁸³ and that relations between Bulgaria and Turkey remain strained over the issue, demonstrate that large challenges of state relations do exist and will certainly continue to exist, so long as the relations of the peoples within states pose challenges. These two challenges—relations between states and relations between peoples within states—go arm in arm and tend to reinforce each other: the greater the difficulties in relations between peoples within states, the greater the difficulties in relations between a state in which an ethnic minority group lives and a state that has a real interest in the welfare of its kin outside its borders. Hence, to propose, as Ash did, that the "largest challenges" may *not lie at all* in relations between states wrongly assumes that states will turn their back on the plight of their ethnic kin outside of their boundaries in forming relations with other states.

That the states, however, are now democratic (with degrees of solidification varying from country to country) may make it easier for the challenges of East European reconstruction to be met. "The condition for a solution to the national question is democracy," states Christopher Hitchens. "The problem of chauvinism will remain for the future, but as Bulgaria has just shown by reversing its shameful anti-Turkish campaign, and as the Charter 77 forces have shown by refusing to persist with Gustav Husak's policy of pitting Czechs against Slovaks, the old system was more often the cause of those problems than the cure."⁸⁴ It is highly unlikely that democracy will "solve" the problem of the national question throughout Eastern Europe; as the complexities of the minority issues described above have shown, the "problem" doesn't lend itself to a solution. However, democracy

can certainly supply more mechanisms for dealing with ethnic tensions than could the communist systems that it replaced.

As Hitchens has noted, in regard to the ethnic Hungarian minorities in Romania, "While the Hungarian minority in Transylvania was living under Ceausescu's cultural and political repression, any demagogue could pose as its spokesman abroad. Now...the minority can speak in its own voice without any self-appointed envoy."⁸⁵ Now that the minorities can "speak in their own voice"—for example, the Hungarian minority in Transylvania is represented in the Romanian parliament by the Union of Democratic Hungarians; the Movement for the Rights and Freedoms (of the ethnic Turks) give the Turkish minority a voice within Bulgaria—it will become increasingly difficult for governments to simply deny the existence of minority problems. For example, the official line in Sofia has denied the existence of an ethnic Turkish minority in Bulgaria, describing the group as descendants of Bulgars who were "Islamicized" during five hundred years of Ottoman rule; Bulgaria has officially described ethnic Turks who emigrate to Turkey as "tourists." A "problem" that is not recognized cannot be solved. In this respect, minority representation will foster a greater "understanding" of the problems.

To form sensible policies that will generate reductions in ethnic tensions, the new democratic governments must recognize the intractability of the problem of ethnic minorities. There are simply no concrete solutions. The problems are historically deep-rooted; often two groups can make justified claims on the same territory—such is the case with Transylvania, having historically been a part of both Romania and Hungary, for example, or Kosovo, of extreme importance to Serbs as the cradle of their civilization but now overwhelming populated by ethnic Albanians. Changing existing boundaries, therefore, would create at least as many problems as would be solved.

There are ways in which better relations between minority groups and majorities—as

well as between states affected by minority issues—can be fostered, especially as it is in the common good of all states to alleviate ethnic tensions, either to promote general stability or to encourage similar positive treatment of one group's own ethnic minority community within another state's boundaries. To this end, steps taken to guarantee the protection of the human rights of minorities would help to assuage the concern of nations for their minorities within foreign boundaries. Ideally, positive state action⁸⁶ (rather than the state simply leaving its minorities alone) should be taken on behalf of minorities to promote minority culture and language, "either in the provision of financial aid or in the adoption of special legislative or administrative measures," such as ensuring minority representation in parliament.⁸⁷ At this point, taking into consideration the extreme economic situations that exist throughout Eastern Europe today, significant financial programs to foster positive state action for the improvement of minority relations may not be given top priority. However, development (by those in power and the by the majority national groups) of an atmosphere which fosters respect, toleration, and even appreciation—necessary to encourage such programs if the means were available—can be developed and would undoubtedly have a positive impact on ethnic relations.

The problem of ethnic minorities throughout Eastern Europe is exceedingly complex and, to this point, has proven intractable. The social and economic strains of East European reconstruction will undoubtedly continue to exacerbate ethnic tensions in the near future, as the situations of the ethnic Turks in Bulgaria and the ethnic Albanians in Kosovo suggest. Clearly, as Eastern Europe enters an era of reconstruction following the tumultuous changes of 1989, the issue of ethnic minorities will play a significant role in fostering, or delaying, stability. It is up to the peoples of Eastern Europe to recognize a commonality of interest in reducing ethnic tensions to promote the stability of the region

and its eventual integration into the European Community. Conditions in which minority ethnic groups and the members of the majority nation can live harmoniously are necessary for the functioning of a stable and free society throughout Eastern Europe. To fall short of

promoting this would tragically undercut the incredible events of 1989 which opened the door to the formation of a free and democratic Eastern Europe, for the impetus to cross the threshold of the opened door comes not from events, but from people.

Endnotes

1. J.F. Brown, *Eastern Europe and Communist Rule* (Durham: Duke University Press, 1988), p. 415.
2. Joseph Rothschild, *Ethnopolitics: A Conceptual Framework* (New York: Columbia University Press, 1981), pp. 60-61.
3. Raymond Pearson states that "The primary explanation for the ethnic pattern of Europe lies in its progressive colonisation from the east over approximately the first millennium AD. The present population of Eastern Europe may be divided, theoretically at least, into descendants of the original autochthonous residents and of the immigrant tribal settlers from Asia. Although the origins of races lie in the shadowy disputed period where history, archaeology and anthropology meet, 'Europeans' have been identified as the peoples whose ethnogenesis dates from the late Bronze Age 'Urnfield Complex' of central Europe, who around 800 BC were separating into three distinct groups: the proto-Celts to the west, the proto-Illyrians in the eastern Carpatho-Danubian area, and the proto-Slavs in the north-east Lusation region. The spontaneous dispersal of these groups was hastened and complicated by the mass immigration of a succession of Asiatic tribes [Huns, Goths, Avars, Magyars, Mongols], a process deplored by the European residents as the 'Invasion of the Barbarians' and excused by the Asiatic newcomers as a *Volkerwanderung*, a natural and entirely justifiable shift of population into Europe" [*National Minorities in Eastern Europe, 1848-1945* (London: MacMillan Press, 1983), p. 3].
4. Figures from Sally Marks, *The Illusion of Peace: International Relations in Europe 1918-1933* (New York: St. Martin's Press, 1976), p. 3.
5. Pearson, p. 174.
6. Marks, p. 18.
7. Arthur Pearson Scott, *An Introduction to the Peace Treaties* (Chicago: University of Chicago Press, 1920), p. 213.
8. Raymond Pearson, p. 176.
9. The Vienna Dictate, imposed by Hitler and Mussolini upon Romania, forced Romania to cede Transylvania (more than 16,000 square miles of territory) to the Hungarian fascist government of Horthy as a bribe to secure Hungarian support. The intensity of emotion on the part of both Hungarians and Romanians surrounding the issue of Transylvania today is attributable in large part to the historical and emotional ties which both countries have to the area. Romanians consider Transylvania a more integral part of their country than the other territories; August 30, 1940, the date of the forced transfer of territory, is called "the blackest day" in Romania's history. Hungarian troops committed atrocities throughout Transylvania in the weeks following the Dictate, leaving 919 Romanians dead and thousands wounded. The recent fiftieth anniversary marked the first time the annexation of Transylvania by Hungary was publicly commemorated in Romania. In the past, commemorative ceremonies had been forbidden by the communist government, in keeping with the Stalinist doctrine of proletarian internationalism in which the existence of ethnic rivalries were denied. The Union of Democratic Hungary, the second largest in the Romanian parliament, condemned the ceremonies marking the anniversary as "a diversion to intimidate the Hungarian minority that 'threatens the inter-ethnic crisis.'" (David Binder, "Tearfully, Romanians recall a wartime partition," *The New York Times*, September 2, 1990, section 1, p. 16)
10. Count Albert Apponyi *et al*, *Justice for Hungary* (London: Longmans, Green, and Co., 1928), p. 246.
11. *Ibid*, pp. 246-247.
12. *Ibid*, pp. 237-238.
13. R.W. Seton-Watson, "The Problem of Treaty Revision and the Hungarian Frontiers," *International Affairs*, vol. XII, no. 4, July 1933, p. 490, 493.
14. Marks, p. 22.
15. General L.E. Faucher, "Some Recollections of Czechoslovakia," *International Affairs*, vol. XVIII, no. 3, May-June 1939, p. 346.
16. Faucher, p. 347.
17. Pearson, p. 184.
18. *Ibid*, pp. 184-185.
19. *Ibid*, p. 185.
20. *Ibid*, p. 189.
21. Sir Ernest Barker quoted in Abdul Said and Luiz R. Simmon, *Ethnicity in an International Context* (New Brunswick, New Jersey: Transaction Books, 1976), p. 18.
22. See Said and Simmons for a more detailed discussion of the foundations of a "peoplehood," p. 24-25.
23. J.F. Brown outlines the types of national minorities in Eastern Europe in *Eastern Europe and Communist Rule* (Durham: Duke University Press, 1988), pp. 419-425.
24. Clearly, minorities—particularly ethnic Hungarians in Transylvania—are still a critical issue in Hungary today. The success of the Hungarian Democratic Forum (MDF), the ruling party in Hungary recognized as a distinctly nationalistic party, demonstrates that minorities are a very real concern to Hungarians and a significant issue in Hungarian politics. Concern for Hungarians outside of Hungary, as a primary issue of the MDF, is explicit in the Program of the Hungarian Democratic Forum. Article 9, "Foreign Affairs and National Security," states: "Hungary must accept responsibility for the situation of Hungarian minorities living beyond its borders and consistent concern for these minorities must be part of the overall strategy" (quoted in *East European Reporter*, March 25, 1990, p. 75).
25. Brown, p. 419.
26. *Ibid*, p. 420.

27. *Ibid.*, p. 420.
28. The crucial exception here is the German minority (which numbered three million) in Czechoslovakia, which fell into the "adjacency" category. Hitler took up the plight of the Germans in Czechoslovakia, proclaiming their situation intolerable and insisting that the situation demanded a permanent solution—reuniting the German minority with the German nation. It was the question of the German minority in Czechoslovakia that precipitated the Munich crisis of 1938.
29. Brown, p. 420.
30. *Ibid.*
31. *Ibid.*
32. Hungary is the only country in Eastern Europe that has a sizable Jewish population, estimated to be little more than 80,000, though it once was as high as 750,000 (more than 450,000 Hungarian-speaking Jews were killed in the Holocaust). Only the Soviet Union has a Jewish population larger than Hungary's. "The rest of Central Europe has become, as the Nazis so graphically put it, virtually 'Judenfrei,'" states Judith Miller. "In Poland, where 3.5 million Jews had lived, there are now only 4,000 to 15,000; in Czechoslovakia, once home to more than 210,000 Jews, there is a largely assimilated community of 11,000, or which only 5,500 admit to being Jews." ("Out of Hiding," *The New York Times Magazine*, December 9, 1990, p. 72).
33. Pearson, p. 1.
34. Brown, p. 420.
35. *Ibid.*, p. 421.
36. Joni Lovenduski and Jean Woodall, *Politics and Society in Eastern Europe* (Bloomington: Indiana University Press, 1987), p. 162.
37. Brown, p. 422.
38. Cynthia H. Enloe, *Ethnic Conflict and Political Development* (Boston: Little, Brown and Company, 1973), p. 39.
39. Brown, p. 423.
40. *Ibid.*
41. *Ibid.*, p. 424.
42. *Ibid.*
43. *Ibid.*
44. *Ibid.*, p. 422.
45. Enloe, p. 43.
46. Said and Simmon, p. 44.
47. An example is the case of the Jews in Hungary. "With the first stirrings of democracy [in Hungary] has come, if not yet a renaissance of Jewish life, certainly a new degree of Jewish consciousness unimaginable even a year ago," writes Judith Miller. There is a proposal being put forth by the conservative Democratic Forum that would officially declare Jews (and any other group that seeks minority status) to be an ethnic minority. Though some Jews favor the proposal—national minorities are entitled to certain privileges, such as sending their children to special minority schools or classes that the Government is required to finance—others are opposed to it. As Andras Kovacs, a Jewish sociologist stated, most Jews think of themselves as culturally Hungarian, despite their unique history, and "they would deeply resent being asked to choose between being a Hungarian and a Jew." (Quoted in "Out of Hiding," *New York Times Magazine*, December 9, 1990, pp. 72-76). Whether the motive of the Democratic Forum is truly to protect the rights of minority groups, or whether the Forum's proposal is indicative of a conservative interpretation of nationalism (based on being a Magyar and a Christian), which seeks to accentuate differences and underline historical prejudices by emphasizing Hungarianness for the purpose of increasing popular legitimacy, remains to be seen.
48. Frederick B. Chary, "Bulgaria's role in East Europe," *Current History*, Nov. 1985, no. 84, p. 383).
49. Brown, p. 436.
50. Chary, p. 383.
51. *The New York Times*, August 5, 1985.
52. *Ibid.*
53. J.F. Brown, *Bulgaria Under Communist Rule* (New York: Praeger Publishers, 1970), p. 294.
54. Chary, p. 383.
55. Slavenka Drakulic, "Bulgaria's Opposition: Struggling to be Born," *The Nation*, May 28, 1990, vol. 250, p. 737.
56. The attitude of the new Bulgarian Prime Minister, Dimitar Popov (who was elected in December 1990 by the Grand National Assembly following Andrey Lukanov's resignation), toward the ethnic Turks in Bulgaria does not bode well for a decrease in ethnic tensions. Popov articulated anti-Turkish and anti-Moslem sentiments in an interview published on December 8, 1990 in the provincial newspaper *Ruse Dnes* (Duncan M. Perry, "The New Prime Minister and the Moslems," *Radio Free Europe Report on Eastern Europe*, vol. 2, no. 3, January 18, 1991, pp. 9-10). The interview was apparently given shortly before he was nominated as Prime Minister. Although he has since attempted to back away from his statements by stating that the Bulgarian government would do everything possible to guarantee all Bulgarian citizens full human rights, including the freedom to choose their ethnic identity and religion, Popov clearly expressed anti-Moslem and anti-Turkish feelings in the interview. He was quoted as saying that "Moslem aggression is starting now, and in some way it must be blocked so that it does not invade Europe." Bulgaria, he said, had "the unhappy historical fate of being the barrier [that keeps] the Moslems [out of] Europe." Furthermore, according to Perry, "[Popov] also noted that the Turkish Minister of Defense, Husnu Dogan, was a Moslem fundamentalist who advocated an Anschluss, presumably a reference to annexing areas of Bulgaria inhabited predominantly by Turks. In an interview with the official new agency BTA on January 3, 1991, Popov said that he advocated enacting legislation that would prohibit the sale of real estate to foreigners in order to prevent wealthy Turks from purchasing large areas of Bulgarian land."
57. Marc Champion, "Of hunger and freedom in Bulgaria," *The Boston Globe*, November 14, 1990, p. 2.
58. *Ibid.*
59. Drakulic, p. 737.
60. *Daily Report, Eastern Europe*, FBIS EEU 90-190, October 1, 1990, p. 22.
61. In June of 1990 the Bulgarian Socialist Party, the only successor to the Bulgarian Communist Party, became the only former communist part in Eastern Europe to win free elections in the wake of the 1989 revolutions.
62. Gordon K. Haskell, "Democratic Stirrings in Bulgaria," *Dissent*, spring 1990.
63. In August of 1989 the Turkish prime minister, Turgut Ozal, decided to put tight restrictions on the number of ethnic Turks entering Turkey, allowing Turks to be admitted only if they have an entry visa issued by a Turkish consular within Bulgaria and following directives from Ankara. With no end in sight to the flight of ethnic Turks, and the present total at the time about 300,000, the decision was taken suddenly despite weeks of boasting that Turkey's doors would always be open to its ethnic kin in Bulgaria. The previous policy was an open door policy that had the effect of encouraging refugees to pour across the border by rail or road at the rate of three thousand per day

(The Economist, August 26, 1989, vol., 312, p. 39).

64. Champion, p. 2.

65. Currently, eight minority movements in Yugoslavia are demanding either cultural or political autonomy, or both, according to Milan Andrejevich, "Milosevic and the Serbian Opposition," *Radio Free Europe Report on Eastern Europe*, October 19, 1990, vol. 1, no. 42, p. 38.

66. Alex Dragnich and Slavko Todorovich, *The Sage of Kosovo: Focus on Serbian-Albanian Relations* (Boulder: East European Monographs, 1984), p. 1.

67. Nesho Djuric, "New constitution in Serbia boosts communist rule," *The Boston Globe*, Sept. 29, 1990, p. 2.

68. The Chairman of the Democratic Alliance of Kosovo (DSK), Ibrahim Rugova, headed a six man delegation to Albania in February 1991 at the invitation of President Ramiz Alia and the Albanian Democratic Party. The DSK is the largest political organization of Albanians in Kosovo. Upon returning Rugova stated, in response to a journalist's remark that a large number of Albanians in Kosovo want to be united with Albania, that the DSK's stance is that Albanians should first find their identity in Yugoslavia: "Free circulation of people in the spirit of European integration should be endured first, while the issue of integration should be a matter of time and future." ("Kosovo Official Criticizes 'Serbian Policy,'" [Tanjung] *Daily Report, East Europe* FBIS-EEU-91-047, March 11, 1991, pp. 56-7.) On the other hand, the Belgrade Daily *Politika Ekspres* reported on February 26, 1991 that leaders of ethnic Albanians in Kosovo told officials in Tirana recently that "the time had come for the fulfillment of century-long aspirations for the unification of all Albanians worldwide." The article claims that the motive for Rugova's visit to Tirana was the realization of the "secessionist plan to break the Republic of Serbia" and that "the secessionist leaders of ethnic Albanians in Kosovo are holding stepped up consultations on the forming of a single Parliament in Tirana, whose members would also be representatives of Kosovo and western parts of the Yugoslav Republic of Macedonia" where ethnic Albanians are the majority population. ("Belgrade Daily on Albanian Secessionists' Plans" [Tanjung] *Daily Report, East Europe* FBIS-EEU-91-039, February 27, 1991, p. 56.

69. The two most popular groups in Serbia—the Socialist Party and the opposition's ultranationalistic Serbian Renewal Movement—both appeal to Serbian nationalist sentiments. The leader of the Serbian Renewal Movement, Vuk Draskovic, is more openly intolerant of the non-Serb minorities than Milosevic, the Serbia state president and leader of the Socialist Party (the result of a July 16 merger of the League of Communists and the Socialist Alliance). Still, Milosevic's trademark in his rise to power over the last three years has been a constant appeal to Serbian nationalism, and he has consistently criticized his immediate predecessors for allowing Kosovo to slip out of Serbia's control ("Yugoslavia: Fighting Back," *The Economist*, July 1, 1989, vol. 213, p. 38).

68. Pedro Ramet, quoted in a statement in a Congressional Hearing and Briefing on the "Persecution of the Albanian Minority in Yugoslavia," *U.S. House of Representatives, Committee on Foreign Affairs*, 1987, 1-5, p. 72.

70. Dragnich, p. 166.

71. Ramet, p. 73.

72. Robin Alison Remington, "Nation Versus Class in Yugoslavia," *Current History*, November 1987, no. 86, p. 386.

73. Andrejevich, p. 39.

74. In a January, 1991 article, Andrejevich cites two subsequent speeches that Milosevic made shortly before the December elections which suggest that his call in September of 1990 for a new political dialogue may only have been a tactical maneuver. According to Andrejevich, Milosevic's later speeches "reverted to playing on nationalist sentiment and Serbian fears that Serbia's territorial integrity was endangered by outside threats..." (Milan Andrejevich, "The End of an Era, New Beginnings?" *Radio Free Europe Report on Eastern Europe*, vol. 2, no. 1, January 4, 1991, pp. 42-43)

75. Timothy Garton Ash, "Ten Thoughts on a New Europe," *The New York Review*, June 14, 1990, p. 22.

76. After all, although the Hungarians in Vojvodina may not have the numerical preponderance that the Albanians in Kosovo have, it is Kosovo (not the northern province of Vojvodina) that is the cradle of 800 years of Serbian history and civilization.

77. John Daniszewski, "Germans, Poles affirm existing border in treaty," *The Boston Globe*, November 15, 1990, p. 2.

78. Writing in regard to Romania and its Hungarian minority, Dennis Deletant highlights the connection between a state's entry into the European Community and its treatment of its national minorities: "Since acceptance of the European Convention on Human Rights is a condition for entry into the European Community, the promise to satisfy this condition will exert a powerful lever upon the Romanian government to comply with the convention not only in word but also in deed. This means that the Romanian government will be obliged to allow legal cases to be brought against itself in the European Court for Human Rights and to accept that other state or citizens are entitled to comment on its treatment of national minorities." (Dennis Deletant, "The Role of Vatra Romaneasca in Transylvania," *Radio Free Europe Report on Eastern Europe*, vol. 2, no. 5, February 1, 1991, p. 36.)

79. Marks, p. 21.

80. Pearson, p. 186.

81. Garton Ash, p. 22.

82. *The Economist*, July 8, 1989, p. 36.

83. Christopher Hitchens, "Minority Report," *The Nation*, January 22, 1990, vol. 250, no. 3, p. 78.

84. Ibid.

85. An example of commitment to minority rights in terms of positive state action taken on behalf of the minority group can be found in the programs carried out in response to the cultural diversity of Canada (as described in "State Duty Towards Ethnic Minorities: Positive or Negative?" *Human Rights Quarterly*, 1988, no. 10, p. 359): "It would be difficult to list all the programs intended to promote the advancement and development of the various cultures in Canada. For example, mention could be made of the fact that the secretary of state is responsible for developing and implementing government policy concerning cultures other than the English and French. For this purpose, the government provides financial assistance to encourage teaching, publications of newspapers, periodicals, and so on, and broadcasting in minority languages. It has also established a program for professional, technical and financial assistance to cultural and linguistic minorities."

86. As suggested by the Human Rights Commission (in regard to ethnic minorities in states throughout the world) in "State Duty Towards Ethnic Minorities: Positive or Negative?" p. 355, 371.

European Community- United States Trade Conflict Before And After 1992

Jason Gross

Introduction

THE PROMISE OF A TWELVE-NATION EUROPEAN single market in 1992 and uncertainty in the United States economy will test the strength of European-American trade relations. Close allies during the post-war period, these two economic superpowers now find their trading partnership on "a tightrope that may unravel at any time given the delicate balance on which their sensitive relationship depends."¹ Conflict between the two trading blocs has intensified since the two amicably forged the economic structure governing international trade for the post-war period. Economic imbalance between the crippled Western European nations and the flourishing United States eased relations after World War II. The U.S. could afford to be generous with the Marshall Plan and to support Common Market integration because the Europeans posed no threat to the American trade hegemony. Two factors, however, complicated the alliance. As other nations recovered, the United States could not maintain its unique hold on world trade. In addition, EC integration implied discrimination against non-members, creating conditions incompatible with the U.S. interest in

maintaining its markets in individual European nations.

Today the European Community is a potential economic giant. With 350 million people, it already owns a larger GNP and share of international import/export trade than the United States. It enjoys a 12 billion dollar surplus with the United States.² In contrast to the paternalistic relationship between America and Europe in the forties and fifties, today's relationship finds both parties on equal footing. Although the high stakes of global trade push the powers toward rivalry, several factors encourage European-American co-operation on trade issues:

- dependence on each other's vast markets
- mutual commitment to liberal trade order with large stakes in global trade
- commitment to defence of Western political/economic systems from the Soviet Union (although this bond is becoming less relevant)
- common beliefs in democracy
- ethnic and historical links

Despite these unifying elements, important conditions impede productive trade talk between the two sides. The unproductive

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Uruguay Round of the General Agreement on Tariffs and Trade (GATT) has exposed fundamental EC-US conflict over trade. There are several roots to this conflict:

- rivalry for increasingly competitive markets
- intense domestic pressures
- sharp disagreement over the nature and extent of subsidy
- limited formal bodies to
- conduct calm EC-US trade discussion
- adjudicate EC-US trade disputes

After 1992, relations between the European Community and the United States may either worsen or improve. If the single market enhances the Community's production and export capacity as so many predict, the trade deficit across the Atlantic can grow even wider. A frustrated reaction in the United States to a growing deficit with the Europeans may foster protectionism. On the other hand, protectionism may recede as the European nations unite. As important decisions move from Copenhagen, Athens, or Rome to Brussels, the European Community should find it easier to reduce protectionism uniformly, and to encourage the United States to join them in further liberalizing trade.

In the past, European Community members' varying opinions about the United States have hindered the creation of a coherent American policy from the EC. The close Anglo-American relationship compared unfavourably with strained relations between Paris and Washington. When the notion of a single Europe cements even further after 1992, Brussels may find it easier to form a foreign policy towards the United States that reflects a European consensus.

At present, the precarious state of world trade negotiations looms very importantly for the European-American relationship. Should the Uruguay Round of GATT collapse without an agreement on world trade, the global situation could give rise to a system of protectionism. The single market may assume a

symbolic meaning as one of the three world trading blocs, in competition with similar entities in the Americas and the Pacific Basin. Thus other nations in the Americas and Asia would feel pressure to join their respective hemispheric trade blocs, or be excluded from world trade altogether. Without a neutral body such as GATT to regulate trade, hostility between the trading blocs in Europe, America, and Asia may very well end the system of liberal global trade which has prevailed for forty years.

History of European-American Trade Relations

The European-American accomplishments of the 1940's

...attempted and largely succeeded in delivering the world from the straitjacket of arbitrary bilateral constraints and limitations inherent in nationalistic economic policies of the 30s.³

An Englishman providing great impetus for this movement was the economist John Maynard Keynes. He played a key role in developing the Bretton Woods institutions: the International Monetary Fund (IMF), and the World Bank. Another chapter of the Keynesian legacy, the Havana Charter, emerged later in a different form. After the United States Senate refused to adopt a provision of the Charter calling for an International Trade Organization (ITO), a hybrid version of the Charter appeared. This became known as the General Agreement on Tariffs and Trade (GATT), which lacked the controversial ITO provisions on commodity policy and investment. The IMF, World Bank, and GATT formed the backbone of the post-war international economy and strove to establish the first trade order.

Although major trade restrictions gradually receded by the late 1950's, "it was still apparent, however, that the issue of trade discrimination was being postponed against the promise of future political benefits."⁴ Eco-

conomic confidence and political Cold War strategy motivated the United States to overlook explicitly discriminatory European Community features. These barriers included a common external tariff, variable levies on food-stuffs, and association agreements with former colonial possessions. Despite concern in United States agricultural and industrial circles, American statesmen agreed with Michael Smith's analysis that it was "evident at an early stage that the requirements of...a non-discriminatory trading system were at odds with the need for recovery."

American criticism of European barriers muted in the early sixties because of expected political benefits from a united Europe and potential economic benefits from access to a wide Common Market. Having accepted and encouraged the European Coal and Steel Community and the Treaty of Rome, US officials now encouraged their close ally Great Britain to join the European Community. But as a symbol of declining American influence over European integration, Adenauer tacitly supported de Gaulle's veto of British accession.

After President Kennedy's death, a new era of hostility and misunderstanding developed between the two sides. From 1963-70, tensions increased over the disinclination on both sides to surrender specific areas of protection. The European Community showed no inclination to abandon its agricultural preferences and industrial protection against American multinationals. Neither did the US eliminate its discrimination against manufactured imports, its tariffs, and its "buy American" measures. Surfacing in 1963-4 as a tangible sign of EC-US hostility was the infamous "Chicken War." European Community farm policy from the Common Agricultural Policy (CAP) applied high import levies to protect its infant poultry industry from outside competition. This move had a drastic effect on the US share of the EC poultry market. Pressured by producer groups, the United States responded with high tariffs on brandy, Volkswagen pick-up trucks, and potato starch.

By the mid sixties the "issue of EC discrimination was unmistakably on the political agenda."⁵ As the decade wore on, it appeared to numerous American policy makers and citizens that the European Community threatened United States trade without returning any substantial political advantage. The faltering US economy in the midst of the Vietnam War reinforced American frustration. President Nixon, who saw the European Community "as mystifying as Tibetan theocracy,"⁶ did not improve relations when he broke traditional US support for EC bodies by re-initiating bilateral ties with individual European nations.

Coolness and neglect towards the European Community reached a peak after Nixon unilaterally suspended the Breton Woods agreements and ended the gold exchange rate fixed on the dollar. For the first time in the post-war era a United States administration began to treat the European Community "as it would a hostile state."⁷ Attempting to regain favour with the Community, Nixon's and Secretary of State Henry Kissinger's designation of 1973 as the "Year of Europe" appeared clumsy and patronizing to the Europeans. Remarkably, however, the Kennedy Round GATT negotiations of this period managed to significantly reduce tariffs, although it "avoided any attempt to deal with agricultural trade."⁸

President Giscard d'Estaing aspired to encourage international monetary and trade co-ordination by teaming with West German Chancellor Helmut Schmidt to begin the Western Economic Summits in 1975. These gatherings of the leaders of the major industrial nations provided the opportunity for President Carter to change the tone of EC-US relations. Assigning a greater importance to EC-US dialogue, Carter made an official European Community visit in 1979, approved the participation of the European Commission President at OECD summits, and ordered the US Department of Agriculture to accept the CAP as a *fait accompli* and to work with it. But Carter's perceived lack of resolve undercut his sincere efforts to revive relations. Paul Taylor

insists that during this period, "The United States gave way on almost every major European Community's claim."⁹

In succession, the Kennedy and the Tokyo Rounds of GATT made progress in Atlantic trade. Customs duties dropped by more than half and excessive peaks of tariff protection diminished. Equally important, this era saw the European Community rise as a credible partner in Atlantic negotiations, able to firmly negotiate with the Americans. Closing in 1979, the Tokyo Round ended with a major issue unresolved: no agreement had been reached on a method to measure subsidies. Not surprisingly, this was an issue which dominated the agenda during the Reagan era.

President Reagan's administration brashly attacked EC trade policy soon after entering office. Reagan's numerous complaints refueled

the CAP controversy. In addition, the President blasted EC export subsidies, export credits, and high variable import levies. His eight years in office were characterized by trade brinkmanship and near trade wars over steel and Spanish-Portuguese accession to the Community. The lethargy of negotiations during the Reagan-Bush years manifested itself in the stagnant Uruguay Round.

Major Areas of Dispute

The major sources of conflict between the two trading giants do not differ from those of the early sixties. Headlining the list are agriculture and steel. As Stephen Woolcock explains, "Most if not all of the current difficulties in transatlantic trade relations reflect deep-seated differences."¹⁰ While American policy makers

UNITED STATES TRADE BALANCE IN THE 1980s

(in billions of dollars)

YEAR	Merchandise *		Current Account **	
	EC	TOTAL	EC	TOTAL
1989	1.5	-108.6	-12.1	-105.9
1988	-9.1	-119.8	-28.7	-126.5
1987	-20.6	-152.1	-22.6	-143.7
1986	-22.6	-138.3	-25.7	-133.2
1985	-18.8	-117.7	-22.2	-112.6
1984	-9.7	-106.7	-23.3	-104.2
1983	2.7	-52.4	-7.3	-44.3
1982	8.1	-27.5	1.4	-7.0
1981	13.6	-22.3	8.1	8.2
1980	20.6	-19.5	18.4	1.5

* Value is price only, does not include insurance and freight
 ** Value of goods, services, investment and unilateral transfers
 SOURCE: United States Department of Commerce

prefer to remain distant from business, their European counterparts work more closely with industry. While the United States relies on external barriers to protect its industry, the European Community prefers to subsidize its business directly. This basic conflict led the two sides to the brink of trade wars in the eighties over steel, aircraft, high technology exports, and, above all, agriculture.

Under the banner of the Common Agricultural Policy, the Europeans directed large public funds to aid their farmers. As a result, American agricultural exports declined not only in Europe but in the rest of the world as the EC's increased production challenged American market shares. The increasing agricultural self-sufficiency of third world nations such as India and China further intensified competition between the US and EC.

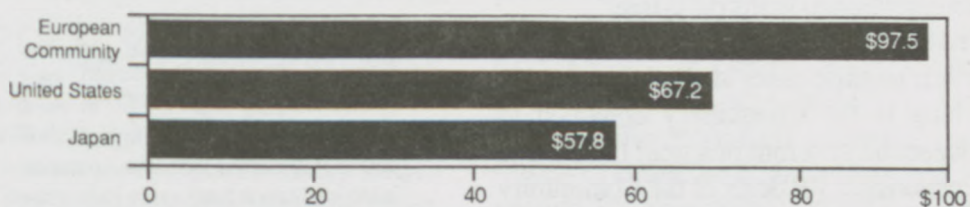
President Reagan stridently revived complaints against the CAP. After 1981, the United States claimed the Europeans were dumping their surplus produce on world markets

causing gluts and depressed prices. In addition, the United States complained that the high variable import levies protected the EC market from fair world prices. The European Community countered that American foreign grain assistance effort was a disguised subsidy. Inability to reduce the number of farmers creating surpluses on the two continents has caused drifts on both sides of the Atlantic toward protectionism.

In response to CAP "massive subsidies,"¹¹ the Reagan Administration introduced the 1985 Export Enhancement Program. Attempting to improve international sales, the federal government dispersed free surplus farm products to American exporters. The increasing hostility reached a crescendo during the mid-eighties. In 1985, when the two blocs could not resolve a dispute over EC trade preferences for Mediterranean nations, the United States imposed duties on pasta imports from the Community. The EC countered with extra tariffs on US lemons and walnuts. Punitive

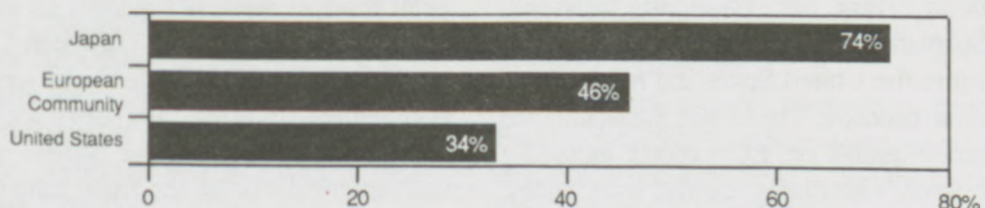
A SUBSIDY PRIMER

TOTAL AGRICULTURAL SUBSIDIES (BILLIONS OF DOLLARS)



SOURCE: Figures based on 1989 production, OECD

PERCENTAGE OF SUBSIDIZED AGRICULTURE *



* Based on total value of agriculture produced

SOURCE: Figures based on 1988 production, OECD

duties by both sides disappeared after a compromise emerged in 1986. The European Community agreed to widen access of American citrus and nuts while the US pledged to extend openings for European anchovies, olives, and cherries. Nevertheless, the two sides did not resolve the argument over Mediterranean preferences after the US agreed not to pursue the matter through an appeal to GATT.

The Mediterranean issue did not take long to resurface. Later that year, plans called for Spain and Portugal to join the Community. Under terms of membership, Portugal was required to purchase 15 percent of its grain from the EC. Spain had to raise its tariffs placing them in line with the Community's external duties. Alarmed by these actions, the United States International Trade Commission estimated costs of 400 million dollars to American corn and sorghum growers. As author Roy Ginsberg observes, the bitter response from the United States stemmed from a deep concern for the future. American soybeans, oilseeds, and corn gluten feed enter the Community tariff-free and comprise a great portion of American agricultural trade on the continent. As the Community was admitting Portugal and Spain, it was reconsidering its pledge during the early days of GATT to admit the aforementioned items duty-free.

The effort by the United States to hold the EC to their promise raises interesting questions. How long is the Community obligated to continue such a generous practice? Is the EC of 1992 responsible for deals of the Community of 1957 or the pledges of a fragmented and crippled Europe of the immediate post-war era?

In any event, the Community insistence that Spanish and Portuguese accession would not injure the United States did not mitigate American concerns. The United States inflicted numerous quotas on EC exports including white wine, chocolates, candy, fruit juices, and beer. Trade officials set these quotas high so as not to immediately inhibit European imports, but to preview forthcoming damage

if the sharp effects of Iberian accession were not softened. In addition, the US completed an additional list of European products which would be restricted if adequate compensation was not presented. The European Community, in turn, released a reciprocal list of retaliation. After negotiations collapsed in late 1986, the United States announced plans to levy 200 percent duties on certain EC imports, totalling (not coincidentally) 400 million dollars. The European Community vowed it would retaliate.

This brinkmanship ended in 1987 when the European Community agreed to grant compensation for Spanish/Portuguese accession. First it decreed Spain would import two million tons of corn and 300,000 tons of sorghum a year from non-EC producers. Secondly, the Community withdrew the 15 percent EC grain purchase requirement for Portugal. And finally, Community-wide tariffs were lowered on 20 industrial and farm products.

Three agricultural wars — the Chicken War (involving 50 million dollars), the Pasta War (35 million), and the Spanish/Portuguese War (400 million) — have left bitter residual feelings on both sides. A European journalist, Wolfgang Hager, takes exception to the Americans constantly portraying themselves as victims in farm trade negotiations:

It does not help, of course that the United States also champions an unjust cause in agriculture: trying to get the EC to welsh on its commitments on citrus imports from poor and unstable Mediterranean countries in the interest of fat cat interests in Florida and California.¹²

There is merit to Hager's argument, but European motives were not always so altruistic. Until Lomé in 1975, the European Community enjoyed reverse preferences with some poor nations, thus mixing charity with profit. Another European, Arthur Sarris, suggests that Americans break the frustrating CAP by engaging in a subsidy war. To impose an optimal export tax on grain and to inflict a budget loss on the EC by introducing export

subsidies is the technique Sarris recommends.¹³

Also writing in the Baldwin collection are Americans Hayes and Schmitz who concur that the costs of the CAP are heavy to both the European Community and the United States. Although agriculture contributed only 2.7 percent to the European Gross Domestic Product, it cost EC tax payers 93 billion dollars to support the CAP.¹⁴ A recent OECD study estimated liberalization of agricultural trade could produce gains of 50 billion dollars a year to the OECD area.¹⁵ Expressing fear for the future, the two authors insist that recent legislation from United States Congressional involves long term implications similar to the CAP.

To alter this trend, Hayes and Schmitz recommend a per-unit subsidy. All production would be sold at the market price, but through use of the per-unit subsidy, officials could maintain a certain reference income to those farmers whose operations stand at preferable sizes. Smaller, less efficient farmers would receive income less than the reference income, but more than the market sales. Larger, more efficient units would get at least the reference income either from their market sales or the government. Ideally, this plan would shift the emphasis from rampant surpluses to cost reduction and output price enhancement.

Another commodity in contention between the United States and the European Community is steel. As Stephen Woolcock concedes, "one must recognize that trade in steel has never been free and seldom fair."¹⁶ Although this issue has recently lost its primacy to agriculture, steel remains a trade matter that highlights an ideological divide across the Atlantic. Initially asking voluntary quotas, European Community steel policy later set mandatory limits to maintain a minimum price. Later, a code of subsidies emerged which was intended to be temporary. In contrast, the United States government declined to intervene directly and permitted market forces to determine plant closings.

Tension began in 1968 after slow growth in the US economy heightened attention on

steel import penetration which surpassed the 15 per cent mark. As domestic pressure increased to control imports, the United States managed to secure voluntary restraints with European and Japanese exporters. These export caps lasted until 1974, when a boom in steel demand rendered the agreement unnecessary. Unfortunately, as Woolcock notes, "The six year period of relief was not used to restructure what was becoming a progressively obsolete American steel industry." Thus, when demand fell in 1985 the United States (as well as the European Community) could not effectively handle its surplus capacity. Progressive stagnation followed, and in 1977 the European Community, the United States, and Japan agreed on international guidelines which were formalized as an OECD steel committee in 1978 to lessen the growing steel crisis.

After 1978, the US and EC endeavored to restructure their steel industries through different methods. While Europe employed intervention, the United States maintained its laissez-faire approach, but both imposed external protective barriers. Meanwhile, American producers pressed their government to impose countervailing duties against EC subsidies. In June 1982, the US Department of Commerce echoing producers' claims, issued preliminary countervailing duties against European steel for the first time. Defending their position, the Europeans insisted that the Commerce Department failed to distinguish "between direct production subsidies and aid linked to industrial restructuring and reconversion."¹⁷ Nonetheless, GATT ruled that European steel practices caused material injury to American industry. Before countervailing measures were imposed, however, the European Community agreed to a Voluntary Restraint Agreement.

This last minute prohibition supports Budd's claim that "export restraint agreements, negotiated between the U.S. and the Community, as a whole, have held well."¹⁸ In the late eighties, many steel firms recovered to enjoy a profit, but as Baldwin indicates steel produc-

tion and employment in both trading blocs declined one third since 1974. Arguing in the Baldwin collection, Tarr predicts a more viable, efficient EC steel industry only if the Community eliminates its domestic controls on prices, output, and investment. He claims these create more distortions over time and make adjustment problems worse. In addition, Tarr insists both the US and EC should forego all non-tariff barriers, "the costs of which far exceed adjustment costs they are designed to save."¹⁹

Confrontations have by no means confined themselves to agriculture and steel. A potential conflict is brewing in the field of finance. If the EC succeeds in creating free movement of banking across the continent in 1992, it will be in contrast with the United States. Firms such as American Express fret over future retribution if US laws remain intact limiting both native and foreign banking across state lines. Americans justify these restrictions on the grounds of national economic security. But the Japanese consider rice central to national security, and justify their massive rice subsidies on that grounds. It is another issue blurred by a nation's priorities.

Still another controversial trade issue has revolved around textiles. The US plan to create even stronger curbs on textile trade than exist within the current Multi-Fibre Agreement has met with opposition from virtually every other nation. Apparently, the embattled American textile industry has secured support in both the White House and the Congress for this trade restrictive move. Although, the textile dispute is not a specific U.S.-EC conflict, it could indirectly affect trade reform between the two blocs. In defending their protectionist farm policies, the Europeans can point to American restrictive textile practices to justify inaction over dismantling their CAP.

Defence priorities have sparked controversy in several areas in recent years. Europeans voiced growing frustration over bans enforced by the United States on sending certain high technologies to eastern bloc nations. They

questioned whether the interdictions were enacted to protect Western defence or to protect American commercial interests by denying EC access to Eastern Europe. After the political upheaval over the past year in that region, this controversy should fade. Europeans' bitter memories of these events may not disappear so quickly, however.

Pointing to hypocrisy in the United States' claims to be the victim of competitors' subsidies, Harvard University professor Robert Reich charges, "The United States government continues to subsidize American industry to a degree that makes most other nations seem like laissez-faire purists by comparison."²⁰ These subtle methods of subsidy include federally subsidized loans, state/local tax abatements, and generous grants of "eminent domain" authority. Overall, one-third of American research and development costs are funded by the federal government. One of the biggest offenders in Reich's eyes is the Pentagon who creates policies to "buy American" while the United States chides its rivals for barring foreign bidders.

In short, the Pentagon and its sister agencies have become the source of America's high-tech industrial policy — a policy that is more costly, complex and intrusive upon the private sector than any ever imagined by our trading partners.²¹

Drift Towards Protectionism

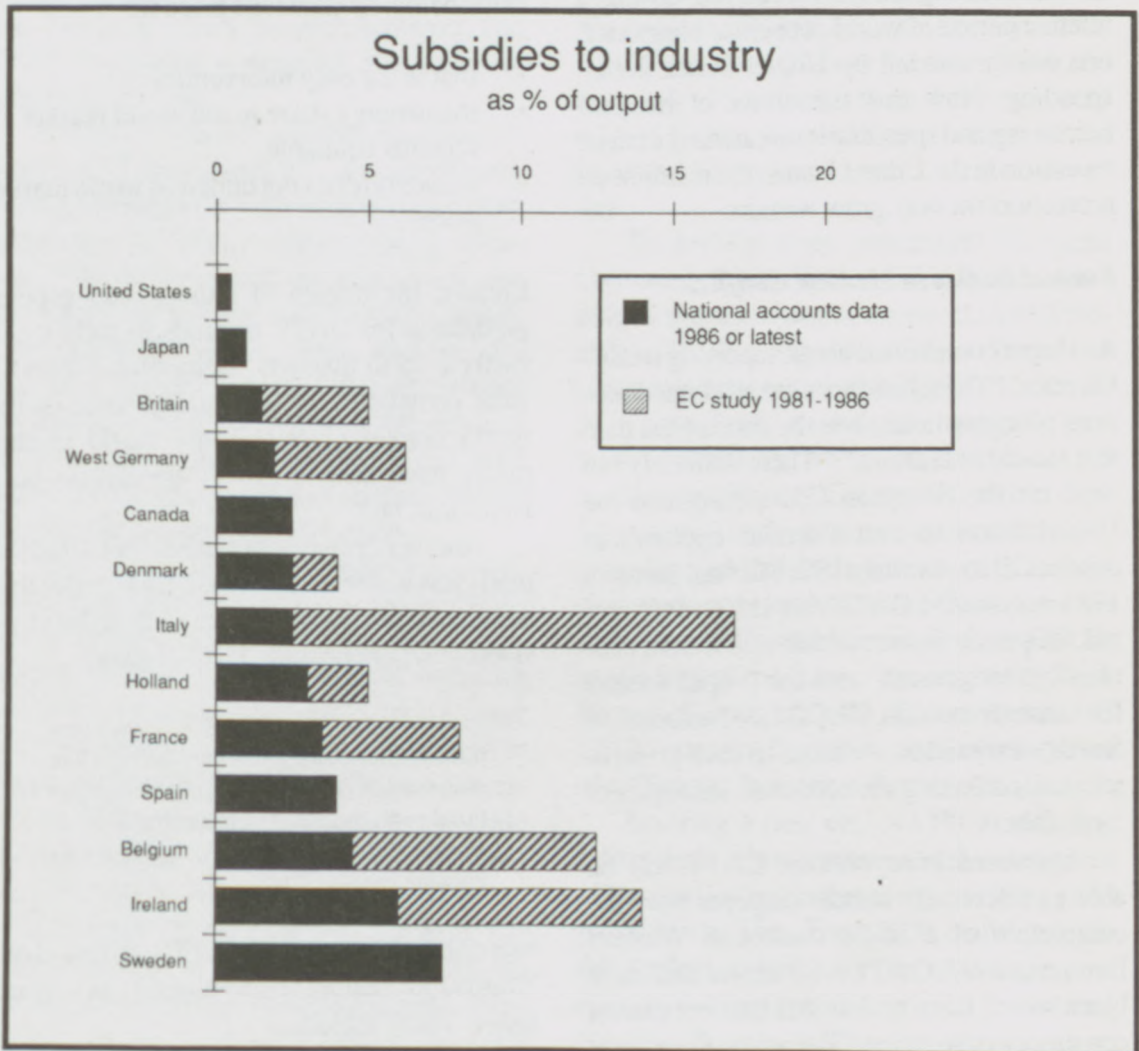
These continual conflicts over trade issues have produced a drift towards protectionism, particularly on the American side. By the end of 1987, 35 percent (by value) of goods in the United States were protected by some form of non-tariff barrier. Countervailing duties, anti-dumping levies, and "voluntary" restraint agreements (a euphemism for accepting US demands or facing more severe quotas) all composed American protection. Although he claimed to be a champion of free trade, Ronald Reagan presided over a 15 percent rise in the number of protected goods compared to a level

of 20 percent when he entered office in 1980.²² Trade retaliation became easier to implement. Nevertheless, US firms were obligated to accept a five year plan to restore competitiveness if they agreed to protectionist measures.

In May 1988, the Democratic-controlled Congress introduced the controversial "Omnibus" trade bill, which called for a host of new tariffs on items ranging from kitty litter to chocolate. President Reagan vetoed the "Omnibus" bill, not because he disagreed with its protectionist elements, but because he disagreed with the bill's provision to extend workers' plant closing notification from thirty days to sixty days. Other protectionist measures originated directly from the White House. After repeatedly complaining about subsidized

EC export credits to artificially restrain interest rates on export financing, the Reagan Administration fought back with its own export credits. Roy Ginsberg claims these subsidies cost each side "hundreds of millions of dollars."²³

In late 1985, the European Community began an annual practice of presenting a list of trade complaints to the United States. Principal among the complaints were "Buy American" regulations, the Export Enhancement Program, Department of Defence research and development expenditures, and export controls related to national security. By April 1987, the list had grown to thirty unfair US measures. That same year GATT ruled a higher American oil tax on imported oil violated the charter. GATT also concurred with a Euro-



pean Community complaint about illegal American-Japanese price fixing. A semi-conductor agreement set price floors not only in Japan and the United States, but in third nations as well. Writing in *Stern*, Avinash Dixit concedes:

The United States has a somewhat better record of success in cooperating with other countries to maintain a broadly liberal trading order, but this record is becoming increasingly tarnished, and the order is under increasing pressure.²⁴

Author John Palmer believes an unexpected recovery cycle in 1987-88 precluded additional friction and moves toward protectionism. One must remember this previous drift toward erecting barriers occurred during a relative period of world economic prosperity, one which was led by United States deficit spending. Now that the effect of rampant borrowing and spending is threatening a major recession in the United States, the restraint on protectionism may grow weaker.

Formal Bodies to Mediate Conflict

As Hager complained about reporting of EC-US trade, "These headlines are all about diplomats plugging holes; it is the state of the dam that should interest us."²⁵ There definitely is a need for the European Community and the United States to find a *modus operandi* to conduct relations after 1992. Michael Smith in 1984 maintained GATT and IMF were "arenas for political competition rather than economic management," not the proper forums for future discussion. OECD fared no better in Smith's estimation, "unable to take positive measures affecting the economic strategies of its members."²⁶

Questions arise whether GATT will be able to effectively handle disputes over the completion of a single market in Western Europe in 1992. GATT rules decree that trade blocs which have no internal barriers cannot construct external ones. But as the *Economist*

indicates:

...[GATT] has no proper enforcement mechanism to prevent the emergence of a 'Fortress Europe' if the EC's 1992 single market programme veers that way nor for that matter a 'fortress North America.'²⁷

The framers of GATT always hoped it would become the indisputable arbiter of world trade, but this never occurred. Thwarting its effectiveness has been GATT's legal vulnerability, since the agreement does not rest upon a ratified treaty. Wellenstein finds a major flaw in the General Agreement to be its lack of control of agricultural trade: "provisions concerning primary products are elusive."²⁸ Although GATT does not encourage farm subsidies, it permits a nation to lower its export price below its domestic price if:

- that is the only intervention
- the nation's share in the world market remains equitable
- the action does not undercut world market prices

Clearly, the degree of latitude and general guidelines for GATT officials to follow can easily lead to disputes. Determining exactly what constitutes an inequitable share of the world market or how badly world market prices have been undercut appears to be a Herculean task.

Another criticism of GATT states that the treaty has become outdated. Critics argue that at the time GATT originated trade in services stood nowhere near the level of today.

...services- banking, insurance, consultancy, telecommunications, transport and the like- now account for over \$600 billion of international trade, compared with merchandise trade worth \$3.1 trillion in 1989, and their share is growing rapidly.²⁹

Nor did sophisticated non-tariff barriers of the "third kind" feature so prominently as they do today. These include:

- complicated testing procedures
- health/safety standards
- technical specifications

The nebulous and anachronistic qualities of GATT have inevitably led to disputes concerning the interpretation of its rules. From 1960-85 there have been 80 GATT lawsuits. One-third of these disputes were between the European Community and the United States. Forty-three out of eighty lawsuits involved agriculture trade, and of those 43, the European Community was the target of the suit in 25 — over half. Writing in Baldwin, Hudec believes the United States filed suits in GATT to satisfy domestic political pressures. In contrast, he maintains the EC litigated defensively, without actually believing in the process. Hudec is a firm believer, however, that GATT "provided a peaceful alternative to economic warfare."³⁰

Phedon Nicolaides applauds the objectivity of GATT, but criticizes "...an injured party is not given support by other parties apart from permission to impose countervailing measures."³¹ Even after a heated case is adjudicated the methods to enforce a decision are lacking. Consequentially, large countries flout the rules and small countries seek agreements outside of GATT. Wellenstein estimates 40 percent of all world trade proceeds in disrespect of GATT rules. But even he predicts without GATT world trade conduct would worsen.

Woolcock advances the belief that "rule-oriented dispute settlement is preferable to power-oriented solutions."³² Implicit in this argument is that if we have a code of rules such as GATT we should use them. On the other hand, successful challenges in GATT lead to countervailing duties. Should these countervailing duties spiral out of control, the trade liberalization of the sixties could be jeopardized. Therefore, the choice for major trading blocs is between rule or power methods, between bilateral or multilateral pacts. To the dismay of some free trade proponents, most notably the *Economist*, the United States has

pursued bilateral trade pacts with Canada and with Israel. Simultaneously voicing impatience with GATT negotiations and forging bilateral agreements, the United States has retreated somewhat from its previously unswerving commitment to the multilateral post-war order.

Despite declining progress within GATT, other formal EC interaction has improved. European-American exchanges have increased in recent years at various levels. Senior European Community-United States ministerial officials now meet every December. The European Parliament and United States Congress exchange regular visits, although questions remain how substantive these meetings have been. Senator William D. Roth, however, described a recent ministerial meeting in Washington, DC as a "gigantic step forward in US-EC relations."³³ Both President Bush and Secretary of State James Baker have expressed a keen interest in attending meetings of the European Commission and Council of Ministers.

To develop more meaningful European Community-United States dialogue, some have proposed a rethinking of the structure of diplomacy. Traditionally, the United States has separately negotiated with NATO, the European Free Trade Association, and the European Community. As an alternative, the US could view Western Europe as a single configuration of trade, political, and security relationships. Subscribers to this school of thought may very well embrace the Conference on Security and Co-operation in Europe (CSCE) as the way of the future. Encompassing both Eastern Europe and the Soviet Union, the CSCE may finally realize de Gaulle's dream of a "Europe from the Atlantic to the Urals."

Entering a new era, NATO is suffering from a decline in relevance, and the economies of Eastern Europe need resuscitation to maintain political stability. The CSCE could provide the perfect opportunity to encourage new European-American cooperation in building the new Europe. Within this framework of

partnership, perhaps mature and substantive U.S.-European trade talks can progress. At a minimum, the CSCE could provide a transitional forum for EC-US trade dialogue until GATT could be sharpened or scrapped completely for a new trade system. Promising signs for EC-U.S. partnership emerged at an April 1990 meeting in Washington DC. These talks between European Commission President Jacques Delors, President Bush, and Secretary of State James Baker appeared very friendly. The Bush-Baker team not only endorsed the European Commission's leadership role in aiding Eastern Europe but also encouraged an active EC role in Latin America.

Outside Influences on Progressive Trade

Resembling trade discussions across the globe, EC-US dialogue has become increasingly affected by politics.

Political, diplomatic, and security issues have infiltrated to make the distinction between commercial and political merely an illusion.³⁴

Some of these outside issues have already surfaced in previous sections of this paper (e.g. restrictions on technology to Eastern Europe). Clearly, a discussion on trade must include a broader look at trade in a global context.

Mutual security concerns have for the most part encouraged friendly relations between the two economic giants. "NATO has, with some exceptions, kept the trade peace for four decades."³⁵ Efforts such as the Marshall Plan mixed military and economic co-operation. Marshall Plan aid in Germany, for example, was linked to the attempted destruction of German cartels and expansion of free trade. But while a common cause to repel Communism bonded the United States and Western Europe, the recent disintegration of the Warsaw Pact eroded that bond. Prominent joint manoeuvres in the Rhineland or strong communiqués denouncing Soviet arms shipments

will no longer succeed in calming tempers over a grain subsidy dispute.

A strong military alliance such as NATO did not always mask political disagreements, however. A year of trade tension, 1986, also held its share of political confrontation between the EC and the U.S. Intense disagreement over the appropriateness of the Libya bombing and the merits of the Strategic Defence Initiative (SDI) did little to soothe tension over Spanish and Portuguese membership in the Community. Adding to this conflict was the stronger assertion of EC in world affairs through the EPC (European Political Cooperation).

While in the past the United States expected a rubber stamp approval for its efforts from its European allies, the EC began to challenge some American foreign policies. The extensive United States commitment to the Contras in Nicaragua and to Israel in the Middle East provoked sharp criticism from the European Community. American patience with European trade protectionism survived because of perceived political benefits. Recent foreign policy collisions have fueled doubts that these political benefits still exist.

Still another outside influence over the state of EC-U.S. trade is Japan. As tumultuous as European-American trade has been in recent years, this tension pales in comparison with that of Japanese-American trade. How Pacific trade will affect Atlantic trade is a fascinating subject. The impetus behind protectionist legislation in Congress has been the consistently large trade deficit the United States has suffered with the Japanese. One school of thought holds that the spill over from this Japanese antipathy will be a more combative tone with the European Community.

...the widespread belief in the United States is that others, especially Japan and the EC, are the real culprits and the United States has suffered as a result. Added to the perceived economic injury is the insult of other countries' ingratitude for years of US leadership in working toward a liberal trade order. The

corollary drawn by advocates of this view is that the United States should recognize the ideal of free trade as a mirage and instead seek fair trade.³⁶

"Fair" trade surfaced as an alternative idea to "free" trade and is an apparent euphemism for power-oriented tactics and bilateral agreements (and some would argue protectionism). Carla Hills, United States Trade Secretary, has been a vocal proponent of fair trade, especially while negotiating with the Japanese.

Other scholars question whether future EC-US negotiations will mirror recent trends in Japanese-American trade. Japan's extraordinary exporting prowess in combination with its perceived obstructive internal market may force the European Community and the United States to unite in self-defence. This was the case in 1988 when the US and EC teamed in GATT to charge Japan and South Korea with dumping practices. In this case as in others the teamwork succeeded because the

mere threat...of an anti-dumping investigation can often be enough to persuade exporters to acquiesce in bilateral price-rigging or trade-restraining deals of dubious legality.³⁷

Could the economic threat of the Japanese propel the United States and the European Community closer in the nineties, just as the Soviet military threat united the two in the forties and fifties?

Conclusion: What for the Future?

The fear of "Fortress Europe 1992" erecting impregnable trade barriers has receded in the United States. In fact, multinationals such as Ford see great opportunity in the single market. Business would simplify as their European operations no longer would have to sift through dozens of different product standards. When the single market was announced, giants such as General Electric rushed to build a 1.7 billion dollar plant in Spain, and AT&T sprinted to open its first major European office in Brussels.³⁸

Other facts in this paper, however, point to more ominous signs for future European Community-United States trade relations. Recent belligerent rhetoric over farm and Airbus subsidies will not suddenly disappear because of excitement over the 1992 dawn of a single European market. Certain inevitable circumstances still impede productive trade between the two economic superpowers:

- heterogenic trade patterns (subsidy vs. external barriers)
- bitter competition for scarce foreign markets
- over-production
- powerful local interests demanding protectionism
- the growing inability of existing organizations to properly mediate trade disputes

Launched in September 1986 in Punta del Este, Uruguay, this Round of GATT assumed the burden of being the last hope to reduce disputes over subsidies. Not only has the Round not accomplished that lofty goal, it has not produced any plan of substance to diffuse protectionist tensions. Utter disappointment characterized the July Economic Summit in Houston. Optimistic rumors circulated that the G-7 partners would each sacrifice to build a better global system. The Bush administration was expected to surrender its opposition to carbon dioxide emission reduction targets. In return, the European Community was to take strong steps to dismantle the CAP.

Instead, the final product was inaction, and both sides clung to their archaic structures. President Bush managed to postpone the European specific timetable to reduce carbon dioxide emissions, vowing to continue his trademark "studies" on the issue. On the agricultural ledger, the Houston communiqué committed the OECD leaders to a "high level of personal involvement" and to "exercise political leadership" to reduce obstructive subsidies. Simultaneously, the statement

insisted "social and economic conditions must be reflected in farm policy.³⁹ After all of the optimism, there were no tangible reductions in agricultural subsidies. Although the language in the communiqué represented a slight step forward, the step would have appeared more promising a few years ago. At this late stage of the Uruguay Round more substantive concessions are necessary as Canadian Prime Minister Brian Mulroney indicated in Houston.

We would like to get rid of these [agricultural] support subsidies. The EC argues that 'They are part of our culture.' Well, they are part of our culture too. But they cost an arm and a leg.⁴⁰

Trade negotiators could not complete a package before March 1, 1991, the expiration of President Bush's "fast track" mandate from the US Congress. This mandate permitted Congress only to ratify or reject the GATT treaty, without right to amend. Should the Congress choose to shackle a GATT agreement with numerous amendments, the delicate

accord between 100 nations may very well collapse. A squandered GATT treaty could force disastrous repercussions, sending the trade system spinning into confrontation and protectionism. Canadian Trade Minister John Crosbie foresees "economic disaster for the world,"⁴¹ if the Uruguay Round fails to produce an agreement.

The last protectionist war occurred in the twenties, which contributed to a world depression terrible enough to cripple the Weimar Republic in Germany and lay the seed for Nazism. At a time of strained trade relations, and on the eve of a single market developing in Europe, this is no time to abandon the liberal trade order which has served the post-war world so well. Self-discipline and flexibility must replace the political expediency of US and EC leaders attacking their counterpart's protectionism without solving their own:

Who wants to travel far spares his horse: we must spare our framework of co-operation or the trip will end in bitter disillusion.⁴²

Endnotes

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The United States' Response To The Holocaust: Immigration And Rescue Policy From 1938-1945

Harry Leff

Give me your tired, your poor,
Your huddled masses, yearning to breathe
free,
The wretched refuse of your teeming shore.
Send these, the homeless, tempest-tost to me,
I lift my lamp beside the golden door!
- Emma Lazarus
"The New Colossus"¹

THESE WORDS WRITTEN BY EMMA LAZARUS IN 1884 and placed at the base of the Statue of Liberty in New York Harbor in 1886 attest to the waves of immigrants who had journeyed to America and who would continue to do so in their search for the opportunities—whether political, social, economic or religious—guaranteed by the United States of America's democracy. Yet thirty-five years later, that very same American democracy severely limited all immigrants' access to these opportunities by legislating restrictive immigration laws. These laws barred the entry of communists, radicals and certain races into the United States. In 1921, the U.S. Congress enacted a provisional measure which limited the number of immigrants of each nationality each year to three percent of the number of foreign-born

persons of that nationality residing in the U.S. at the time of the last census, which was in 1910.² In 1922 it extended this measure for another two years, and in 1924 it legalized these immigration restrictions through the Johnson-Reed Act. This act was implemented in order to stabilize the ethnic composition of the United States' population.³ It abandoned the three percent rule and instead instituted a quota system based upon a maximum allowance of 150,000 immigrants per year. The quota for each nationality was determined in proportion to its current population in the U.S. However, until the new system was operational, the quotas were based on the 1890 census and only two percent of each nationality's population would be admitted to the United States.

The Johnson-Reed Act mainly affected the number of European immigrants entering the U.S. It exempted Western Hemisphere immigrants and certain professionals and intellectuals from the quota system and prohibited Japanese immigration entirely. Within the quota system itself there was discrimination. By basing the system on the 1890 census, immigration from eastern, central and southeastern Europe was severely restricted, whereas immigration from western, southwestern and

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northwestern Europe was encouraged. When the "national origins" system was fully operational in 1929, the "quotas were apportioned to northwest and southeast Europe in the proportion of five to one."⁴ The new system "doubled the British quota while drastically reducing those of Germany, Scandinavia, and the Irish Free State. Thus, despite the fact that German, Scandinavian, and Irish immigration had, during the twenties, outnumbered the British by almost three to one, Great Britain was now given a quota larger than the total of all other countries in northwest Europe combined."⁵

The onset of the Depression curbed immigration even more, this time due to the poor world economy, nativist reactionism and the need to protect job security. In 1929, President Herbert Hoover applied the LPC (likely to become a public charge) clause from the Immigration Act of 1917 to all immigration in order to prevent the immigration of people unable to support themselves financially.⁶ Hoover's implementation of the LPC clause placed more power to restrict immigration in the hands of the State Department, which was eager to use it. The officers of the State Department were mostly old-stock Protestants with a strong leaning towards nativism and cared little about European immigration, especially that from eastern, central and southeastern Europe.⁷ The use of "the LPC clause was among the most potent of the devices that allowed the State Department, acting through American consuls and vice consuls abroad who issued visas to potential immigrants, to regulate the level of immigration administratively."⁸ The Depression and the LPC clause staunched the flow of immigration to the U.S. for several years, at a time when many Europeans were not looking to immigrate to the United States because they could not afford to immigrate. However in 1933, this all changed.

The rise of Adolph Hitler and Nazism and the construction of an anti-Jewish fascist state in Germany, beginning in 1933, spurred a surge in the immigration to the U.S. of Jews

and other European ethnic groups targeted by Nazi persecution. Even with the restrictions of the past twelve years, America was viewed by Europeans as possessing "an older tradition of serving as a refuge for European emigrants. Unlike any other country in the world, the U.S. was not only populated by immigrants, it was also a society that touted itself as a sanctuary... It also possessed land, resources, and civic ideals embracing religious and political freedom"⁹ Another reason that Europeans, especially Jews, looked at America so hopefully as a refuge from persecution was due to the inauguration of a president who seemed to care, President Franklin Delano Roosevelt. He promised all Americans a New Deal and was attempting to better the standards of living of all. This is why "America, especially the America of Roosevelt, was expected to muster more concern for the unfortunates than nations without humanitarian pretensions."¹⁰ However, unbeknownst to these masses of hopeful immigrants, American opinion was against their entry into the United States of America.

Prior to the Great Depression and the immigration restrictions of the 1920s immigrants were welcomed to the U.S. In times of economic prosperity their contributions to the country in terms of labor and cultural diversity were seen as an asset. The early 1920s, characterized by fear of communism and radicalism, the Great Depression and the ensuing troubled U.S. economy did not allow for the leisure of accepting immigrants. These events contributed to the emergence of nativism and a concerted effort to restrict immigration to the U.S. throughout the 1930s and World War Two. It has been propounded that there was a "recurrent fear of subversion by new arrivals unfamiliar with— and, therefore, possibly unappreciative of— republican ideals" on the part of the Anglo-Saxon Protestant majority, the molders of American values.¹¹ Into this group of subversives, the nativist movement lumped blacks, Orientals, Roman Catholics and Jews. The nativists were afraid that immigrants would take away jobs from "real Americans" and

were looked at solely as consumers and not as producers. Veterans groups, such as the American Legion, the Veterans of Foreign Wars, and the Daughters of the American Revolution, desperately searched for employment for World War One veterans and therefore actively pursued tighter restrictions on immigration.¹² Nativist sentiment extended to all areas of American life and in all branches of the American government. Entire organizations, political platforms and radio shows promoted the nativist cause. In Congress, the nativists attempted to pass more restrictionist legislation. They failed. The State Department officers, as mentioned earlier, actively pursued a nativist immigration policy. Ironically, it was into this atmosphere that immigrants were eager to enter in the 1930s, especially Jewish immigrants, who felt that the democratic U.S. was far superior to the fascist Nazi state.

Perhaps European Jews were eager to enter the U.S. because they knew that the Jewish community was prospering even in a poor economic situation. The Jews received a very good deal from President Roosevelt's New Deal. Jews were heavily concentrated in the urban centers of the Northeast. They were recovering from the Depression at a faster rate than any other ethnic group. There was a disproportionate number of Jews in commerce and wholesaling. Because of the treatment they received, Jews believed in the sensitivity of the New Deal to human misery and supported President Roosevelt with an almost blind devotion. Yet the success of the Jewish community led to an increase in anti-Semitism and anti-Semitic acts and even a reluctance on the part of Jews to allow immigrants, even Jewish immigrants, into the United States.¹³

Anti-Semitism worldwide rose dramatically in the 1930s. This was related to the rise of fascist regimes such as Hitler's Nazi Germany and the general prosperity of Jews in industrialized or democratic states. Nowhere did this prove more true than in the U.S. Increasing nativist sentiment among Ameri-

cans greatly contributed to the rise of anti-Semitism in the U.S. as did the higher economic standing of the Jews. Anti-Semitic organizations such as Father Charles E. Coughlin's Social Justice Movement, William Dudley Pelley's Silver Shirts, Reverend Gerald B. Winrod's Defender's of the Christian Faith and the German-American Bund sprang up and were active until the early 1940s.¹⁴ There was an increase in the number of graveyard and synagogue desecrations. Groups of young men attacked Jews in New York and Boston. Anti-Semitic handbills, pamphlets, newspapers, radio shows, posters, jokes and jingles inundated America. Anti-Semites sent hate-filled letters to President Roosevelt and to Congress. Incidences of social, economic and military discrimination increased.

Nativism and anti-Semitism also influenced Jewish opinion towards immigrants, even Jewish ones. Like their fellow Americans, Jews worried about what immigration would do to the job market. However, their other concerns were more related to the anti-Semitic atmosphere and their economic standing in the U.S. The rise in anti-Semitism had many Jews fearing not only for their standing in American society, but also for their lives. They feared that an influx of Jews would exacerbate this problem and arouse even more discrimination and anti-Semitism. Additionally, Jewish organizations such as the Hebrew Immigrant Aid Society and the American Jewish Joint Distribution Committee (JDC), who traditionally aided new Jewish immigrants, were in weak financial shape and worried that they would not be able to support the assimilation into American society of a large wave of Jewish immigrants.¹⁵

As Hitler continued with his program of excluding the Jews from German society, American Jews began to realize that their own problems were relatively small as compared to the crisis facing German Jewry. After the institution of the Nuremberg laws in 1935, American Jewish leaders began to pressure the government for a relaxation of the immigra-

tion restrictions. The annual quota for Germany was 26,000 immigrants. This quota was never filled because of State Department and consular usage of the LPC clause. Jewish leaders approached Roosevelt about this. Roosevelt eased the procedures somewhat, but still the quotas went unfilled. In 1934-1935 only 5,201 immigrants entered under the German quota; in 1935-1936, 6,346 entered; and in 1936-1937, 10,895 entered. Most of these immigrants were Jewish.¹⁶

1938 proved to be the crisis year for immigration. In March, Hitler conquered Austria and this action added to the number of refugees, especially Jewish refugees, fleeing Nazi persecution. The states of the world began limiting immigration because they were afraid of a flood of refugees. The United States did the same, yet also tried to aid the refugees. According to Henry L. Feingold in *Politics of Rescue*:

The Roosevelt Administration chose to combine the German and Austrian quotas despite the fact that such a step indirectly bestowed a legality on the German annexation. At the same time, despite growing opposition at home and a sudden jump in the unemployment figures, the Administration pressed forward with its new policy of giving special consideration to Jewish visa applicants in the Reich. Complaints regarding the visa procedure continued to flow into the White House and it soon became apparent that the Administration's good intentions remained largely rhetorical. They were being thwarted by the recalcitrance of the consular officials who legally held the final responsibility for determining whether visa applicants qualified.¹⁷

These actions of Roosevelt, the consular officials and the State Department would serve as a blueprint for most of the immigration/rescue policy for Jews from 1938 until the end of the war in 1945. The formula for many immigration/rescue policy decisions throughout this period was: a government or a group would pressure Roosevelt to pursue a certain

immigration/rescue policy; Roosevelt would consult his advisers and then hand the policy over to the State Department; if the policy only regarded rescue issues, the State Department would try to delay its implementation or obstruct its operations; if the policy regarded immigration issues, consular and other State Department officials would deny or delay immigration visas until such a time when immigration was no longer possible. This pattern, or variations of it, can be traced in almost every immigration/rescue action for Jews undertaken by the U.S. government. The factors affecting this pattern lay in the previously discussed origins of restrictionist immigration policy and the nativism and anti-Semitism that swept America in the 1930s. This policy pattern and the factors affecting it prevented the U.S. from taking effective action throughout the period of the Holocaust. Even when concrete actions were taken that circumvented this policy process, the actions were either too small or too late to have much of an effect on the given situation. A close examination of different events related to rescue and immigration from mid-1938 until 1945 shows how rescue and immigration were hampered by presidential and State Department policy considerations. Only after this has been examined can a determination of the consequences of the United States' immigration/rescue activities for the Jews be made. The areas to be discussed are: the Evian Conference of 1938; the tightening of immigration policy from 1938-1943; the suppression of information about the Holocaust from 1938-1943; the obstruction of rescue programs from 1938-1943; the Bermuda Conference; the end of State Department control over policy; and the creation and operations of the War Refugee Board. This paper will focus mainly on American policy, but will also include other countries' policies when necessary.

The first global attempt at coordinating refugee policy occurred in July 1938 at the Evian Conference in France.¹⁸ The initiative for the conference came from a surprising

source, from the President of the United States, Franklin Delano Roosevelt. While this gesture on the President's part might seem purely humanitarian, in actuality the rationale behind calling the conference was that Roosevelt "wanted to stand firm against admitting more refugees and to deflect sentiment favoring a liberalization of immigration laws and procedures" in the U.S.¹⁹ It was thought that by promoting a conference devoted to refugee policies that the pressure by Jewish and other organizations for rescue and open immigration would temporarily abate. The President also understood that world opinion was very negative towards refugees. For these reasons, the President promoted a specific and narrow agenda for the conference. The President's invitation to the conference stated that the refugee conference would consider "facilitating the immigration from Germany and presumably Austria of political refugees," that "no state would be expected to receive greater numbers of emigrants than is permitted by its existing legislation," and that private organizations would pay all costs of immigration and resettlement."²⁰ The invitation limited the discussions of the conference of the conference to only one set of refugees, German and Austrian, and did not provide any incentive for accepting them. It also did not differentiate among these refugees. It considered all refugees political refugees, whereas it should have mentioned the fact that most of the refugees were religious/ethnic refugees, in other words, Jews. The Administration's lack of distinction "between Jewish and non-Jewish refugees was made [because], it reasoned, only the latter would be resettled and Jews would be left stranded."²¹ The invitation to the conference was sent to all the "democratic" nations, but Germany and countries incapable of accepting refugees were excluded. The narrow definition of the issues to be covered at the conference was greeted with consternation by other states. The British automatically announced that Palestine would not be included in the discussions and expressed their fears about a

flood of refugees should the conference liberalize immigration. Other nations communicated their fears about increased immigration, too. Italy rejected the invitation. However, on July 5, 1938 thirty-two democratic states would meet at Evian to discuss the refugee crisis.²²

After extending the invitation to the conference, the President then charged the State Department with forming an agenda in line with the restrictions mentioned in the invitation. Undersecretary of State Sumner Welles was assigned this task. Aware of restrictionist sentiment in the U.S. and abroad, Welles' agenda covered very specific areas: there would be no request to change quota systems; the possibility of mass resettlement of refugees would be examined; the conference would be limited to German and Austrian refugees; the committee would cooperate with the League of Nations; a plan would be made to provide aid for immigrants; each state's report on the number of refugees it was willing to admit would remain confidential; a new system of furnishing stateless refugees with documentation would be organized; and the formation of an intergovernmental committee on political refugees.²³ This agenda met with Roosevelt's approval and was taken by the American delegation to Evian.

The American delegation to the Evian Conference was led by Myron C. Taylor, the former head of the U.S. Steel Company, who was given the title of Ambassador Extraordinary Plenipotentiary.²⁴ He was assisted by Robert Pell of the State Department Division of European Affairs and George Brandt, the former chief of the State Department Visa Division.²⁵ Taylor was elected president of the conference on July 7 and presided over it for the ten days that it met. During this time, the thirty-two democracies discussed their refugee policies, the great work that they had accomplished and the formation of a committee to aid the refugees, whom they now defined as all persons from Germany and Austria "who must emigrate on account of their political opinions or religious beliefs or racial ori-

gins."²⁶ At least this definition, though not explicitly identifying Jews, acknowledged them with the words "religious beliefs or racial origins."

There was a feeling of optimism at the outset of this conference that almost anything could be accomplished. However, the articles of Clarence K. Streit from *The New York Times* showed how quickly this optimism faded. In his opening article "32 Nations Gather to Help Refugees" of July 6, Streit provided the history of the conference, its purpose and stressed the fact that the democracies were there to aid the refugees, but then stated that "One repeats all this to one's self here because it seems to be in some danger of being lost sight of at the start."²⁷ He also characterized the general attitude of the attending states towards refugees as: "Most of the participating governments seem to agree in regarding it as a burden to receive these refugees and the bargaining among them is mainly on how to share this burden, how to limit or reduce the total supply and how to handle it in the future outside or through the League of Nations."²⁸ It was because of this attitude that the states lost sight of what they really needed to accomplish at the conference, which was establish a rescue mechanism for the endangered Jews.

From the beginning, it was recognized that the U.S., Britain and France would dominate the conference. On July 6, Taylor officially opened the conference. His speech proved to be almost prophetic in its contention that "if some governments continue to toss large sections of their populations lightly upon a distressed and unprepared world, then there is catastrophic human suffering ahead which can only result in general unrest and in general international strain."²⁹ He then continued by saying "I need not emphasize that discrimination and pressure against minority groups and the disregard for human rights are contrary to the principles of what we have come to regard as the accepted standards of civilization."³⁰ The British representative, Lord Winterton, immediately reminded the delegates that these

principles were not really even upheld in their own states. He demanded that the conference not discuss other refugee problems because these other problems were not their responsibility. He stressed the difficulties in assimilating new refugees and the need to absorb refugees already in the country.³¹ An attitude like this did not bode well for the conference. The U.S. was trying to make a sincere effort at solving the refugee crisis caused by Hitler's expansionist tendencies and the British countered every U.S. move.

During the conference each state, especially the U.S. and the countries of Latin America, made claims about the number of refugees they had allowed to enter (the U.S. claimed 27,000 German refugees annually, when with the combined quotas it could have accepted much more than that) and the difficulties they would have in accepting more. Streit points out that "One noteworthy thing about this conference where the importance, power and wealth of the member countries is in direct relation to their size and the density of their populations, is that almost all of the delegates, including the Americans, have assumed the contrary in their speeches."³²

The arguments against accepting refugees revolved around anti-Semitism and the possible German response to a worldwide open immigration policy. Delegates were afraid that with current labor markets, an influx of refugees would cause an increase in hostility and anti-Semitism, especially in countries where it did not already exist. Many of the Latin American countries feared German retaliation and the loss of barter agreements if they accepted immigrants. These countries were also looking for farmers, whereas many of these refugees were intellectuals and professionals.

At the conference, several Catholic and Jewish organizations pressed for an intergovernmental committee for refugees, which was agreed upon by the U.S., France, and Britain on July 12.³³ The committee would be headed by a director from the U.S. and a chairman from the United Kingdom with a small techni-

cal board. The permanent committee would be composed of the thirty-two states present at the conference. It would cooperate with the League of Nations High Commission for Refugees. Most importantly, it would be able to negotiate with the German government. Its central purpose would be that it "shall undertake negotiations to improve the present conditions of chaotic exodus and replace them with conditions of orderly emigration and shall approach the governments of the countries of refuge with a view to developing opportunities for permanent settlement."³⁴ On July 14, the other twenty-nine nations accepted the Intergovernmental Committee for Refugees (ICR) and constituted it as a permanent organization.³⁵ A second resolution was passed that recognized the difficulties of resettlement in all nations, but emphasized the difficulties faced by the nations bordering Germany. This resolution from the technical subcommittee urged that governments "should continue to study in a generous spirit" these technical problems."³⁶

With the declaration of the ICR, it appeared that the refugee situation was much better off. The U.S. finally broke from its isolationism and backed the new rescue organization. The ICR would be headed by a prominent American (yet to be determined) with great authority and a freer hand in dealing with the refugee problem. The ICR would be the first all-democratic world body to deal with the refugee problem. And the second resolution left a small door open for future refugees.

Taylor closed the conference by calling for the salvation of millions of refugees (while the U.S. was only accepting thousands) and stated that "I am anxious to emphasize that we are seeking to approach this human problem with which we must deal in an objective manner, and we seek a solution promptly that will lighten the burden of many who are suffering and are in sorrow, in sickness and in want."³⁷

Taylor's last words almost seem ironic

because he did not know that millions would be "suffering...in sorrow, in sickness and in want" in a few years and that the states of the world would forget the promises they had made at Evian. In this respect then, Evian, though touted as a great accomplishment, seemed to have accomplished little. The democratic states could now attribute all of their rescue policies or rescue failures to the ICR, while claiming that they were doing everything possible to help. This would prove to be tragically true in the case of the U.S. Its first foray into the world of international rescue policy formation was a failure. Other states accused it of not opening up its immigration policy enough in proportion to the size of its territory and absorptive capacity. The U.S. attempted to prove that it was a place that all refugees could enter. However, it misled other states and Jewish and Christian rescue groups with its claims about the number of immigrants who had entered the U.S. annually, and its pretensions to be a protector of human rights. As the next five years would prove, the U.S. really did not support the ICR, nor would it relax its immigration policies. Most of this was due to the machinations of the State Department.

From 1938-1943 the situation of Jews in Germany, the occupied countries and its allies grew progressively worse. On November 9 and 10, 1938 the Germans instigated a program, now known as Kristallnacht, in its territories that resulted in the breaking of glass windows of Jewish stores, the burning of books, and mass arrests of Jews. Harsher rules were instituted against Jews. Deportations to the concentration camps began. Germany invaded France in 1940 and the Soviet Union in 1941. The Jews were searching for ways to escape Germany, "but now the German machinery of destruction held them captive."³⁸ In early 1941, the German SS formed mobile armed execution units, the Einsatzgruppen, that murdered Jews in Eastern Europe and the newly conquered Russian territory. According to David S. Wyman, author of *The Aban-*

donment of the Jews, "Between June and December 1941, the Einsatzgruppen and associated support units murdered some 500,000 Jews in what had been eastern Poland and Russia. A second sweep through the occupied territory lasting from fall 1941 through 1942, annihilated close to 900,000 more."³⁹ The deportations from west to east continued at an incredible rate. On January 30, 1942 Chief of Reich Security Main Office, Reinhard Heydrich, convened the Wannsee Conference which gave final approval to the "Final Solution," the plan to exterminate the approximately 11 million Jews in all of Europe.⁴⁰ Even before this plan had been approved, the Nazis had been experimenting with gas vans at Chelmno. After the approval of the "Final Solution" additional extermination sites were established in the East, including Belzec, Majdanek, Treblinka, Sobibor and Auschwitz.⁴¹ The methods used to murder the Jews included gas vans, gas showers, hanging, shooting, etc. From 1942-1944 some 3 million Jews were slain in the six extermination camps, not to mention the countless others who died in their native countries or on the way to the camps.⁴²

During this same period of 1938-1943, instead of aiding the Jews in their efforts to escape the Nazi murder machine, the State Department was restricting immigration, suppressing information about the "Final Solution" and preventing rescue. The man most directly responsible for this was Breckinridge Long, the Head of the Special Problems Division (SPD) of the State Department, which included the visa division. Before he worked as Head of the SPD, he served as the U.S. ambassador to Italy. During that time, he demonstrated an admiration of fascism and isolationism and even hinted that accommodation with Berlin was possible. Soon after, he grew to distrust dictators, though he did approve of some of their actions. Long's diaries revealed much about his character and the policies that he implemented while Head of the SPD. Long linked communism and Jewish internationalism, harbored anxieties about

communism, was extremely xenophobic, very conservative and extremely paranoid.⁴³ All of these factors led Long, and many like-minded mid-level State Department officers, to enact restrictionist immigration policy, conceal the truth about the "Final Solution" and obstruct rescue efforts.

After the events of Kristallnacht, world opinion turned against the Germans and there was an international call to aid Jewish refugees and others seeking to leave the German territories. The reaction of the State Department was this: "Indeed, so intense was the public reaction that officials in the State Department feared that the Department would be forced into some kind of retaliation and incidentally some liberalization of the immigration law."⁴⁴ Nevertheless, the U.S. ambassador, Hugh Wilson, was recalled to Washington, D.C. for consultations. The Germans reciprocated by recalling their ambassador. However, actual immigration policy was not liberalized. President Roosevelt did offer to extend all visitors' visas for another six months through the Labor Department, yet did not move to open up the immigration quotas.⁴⁵ The situation was thus: "Roosevelt, taking great care to publicly guarantee that the quota itself remained inviolate, announced the extension of the visitors' visas of approximately 15,000 refugees on November 18. He did not know that we had a right to put them on a ship and send them back to Germany under the present conditions."⁴⁶ Roosevelt, demonstrating his humanitarian side, effected a balance between rescue advocates and nativists with this policy. By only slightly circumventing the State Department, he acknowledged its control over the visa policy. The President rarely challenged State Department immigration policy on his own initiative. Usually, he was prodded by someone else to do so.

In 1940, the State Department regained its control over immigration policy and instituted new restrictions. Visitors' visas now required the furnishing of evidence of the ability to return to one's country of origin after the four-

month period for which they were issued.⁴⁷ Transit visas also required the furnishing of evidence of the ability to move to a third country.⁴⁸ This made obtaining these visas virtually impossible because by 1940 no Jew would be allowed to return to Germany, its occupied territories or its satellite states and guarantees of safe travel, or any travel for that matter, were difficult at a time when the world was at war. Another regulation placed upon the granting of these visas was that all visas previously issued and forthcoming would be subject to a review examination.⁴⁹ This same year, admission of refugees from the Nazi territories was cut by fifty percent because of the fear of spies entering the U.S. among the hordes of refugees.⁵⁰ Congress also participated in these measures. House Resolution 5138, the Alien Registration Act, mandated the registering and fingerprinting of all aliens above the age of fourteen.⁵¹ The consuls, in reaction to all of this, introduced their own immigration regulations. In July, Long required exit permits from refugees before they could obtain a visa.⁵² These regulations were not disclosed to potential refugees or to rescue organizations and severely hampered immigration. Some criticism was raised of the policies, but nothing occurred until 1941.

Alfred Wagg, an officer of the State Department involved in the Dominican Republic Settlement Association (one of several refugee resettlement schemes) who was forced to resign from the State Department, wrote a series of articles for the *New Republic* in 1941 which accused the State Department of anti-Semitism and challenged the validity of the security excuse used to deny emigrants from enemy countries.⁵³ Long suggested to Secretary of State Cordell Hull that a publicity campaign was needed. Long prepared a statement which detailed reasonable explanations for the obstruction and inaction and extolled the accomplishments of the State Department in the face of tremendous obstacles.⁵⁴ With this issue settled, Long returned to his work in hindering immigration. He asked Senators

Richard B. Russell and Hatton Summers, both Democrats, to enact a law which would "exclude all immigrants 'inimical to the public welfare'" from entry to the U.S.⁵⁵ The Russell Bill passed into law in June and permitted "consuls to deny any type of visa to any immigrant whom they felt would 'endanger the public safety of the United States.'" The State Department might review such cases, but the consul retained the last word.⁵⁶ Matters were made even more difficult for refugees when consulates closed in the occupied countries and Germany ceased issuing exit permits.

The "close relatives" rule was then implemented. This rule denied admission to any immigrant with a relative in occupied Europe (the rule was liberalized by Roosevelt in September).⁵⁷ Other obstructions at this time included: visa applications took six months to process; a biographical statement, financial affidavits and two letters of reference by American citizens were required; the applicant and the affiants would be investigated by the Interdepartmental Committee to determine the purpose of entry and attitude to the U.S.; consuls could veto recommendations; and a review board would be established.⁵⁸ Frances Biddle, the head of the Justice Department, challenged Long on the veto and review board measures. He wanted an independent board to review stalemated cases. In the end, a Board of Appeals was established, its members appointed by Roosevelt, yet the Secretary of State retained the ability to reverse a decision in exceptional cases.⁵⁹ These regulations cut the flow of immigrants significantly. Of the 9,500 visa applications submitted in 1941, only 4,800 were cleared and this was at a time when the entire world was involved in the war, millions of people were being uprooted from their lands, and immigration to freer states was in high demand.⁶⁰

In 1941 and 1943 when the situation became desperate for Jewish refugees, American refugee organizations confronted the State Department.⁶¹ They decried the regulations

that far exceeded any legitimate concern for protecting the U.S. from enemy subversives and pressed for modification of the policy. These cries had little effect and received little attention from the State Department. Further regulations were imposed in 1943. The visa application process now lasted nine months and for enemy aliens took even longer. The application itself was four feet long, had to be filled out by a sponsor who was sworn in under the penalty of perjury and had to be copied six times. Refugees in neutral countries and refugee havens were placed in a new category, refugees 'not in acute danger,' and would be refused visas. Visas would only be issued to those refugees not able to go to the refugee camps. Most were able. The State Department never gave reasons for the refusal of a visa application even though applications were available for reconsideration six months after the rejection date. The screening committees themselves were likely to be prejudiced and usually concentrated mainly on the personal affairs and communist connections of the sponsors.⁶² All of this delayed the immigration of refugees to the U.S. and abandoned Jewish refugees in hostile states.

The only mitigating influence on this process was the Board of Appeals, whose members were Dr. Frederick P. Keppel, the former president of the Carnegie Corporation, and Robert J. Bulkley, a former Senator from Ohio. These men overturned one-fourth of the negative recommendations made by the review committees.⁶³ The philosophy behind their actions was that they "found benefit in maintaining the traditional American policy of providing a haven of refuge for decent people who are in distress or peril."⁶⁴ Perhaps they were also a cause of the simplifying of the visa application procedure in 1944. In any case, the State Department's restrictive policies were effective in slowing the flow of immigration to the U.S. and were specifically targeted against Jews, who could no longer fulfill many of the requirements of the visa application process because of, first, their

exclusion from the societies of Central and Eastern Europe and, second, the program of mass murder, the "Final Solution," implemented by Hitler in 1942.

The details of the "Final Solution" arrived in the United States soon after it was implemented, and information about the mass killings in and deportations to the East had been known for quite some time. The earliest information surfaced in late 1939, but did not become an issue until 1941.⁶⁵ That year the Einsatzgruppen were activated. The Jewish Telegraphic Agency (JTA) sent releases about the mass killings to the press around the world. One of its reports from November 25, 1941 stated that 52,000 people were massacred in Kiev in a "merciless, systematic extermination" and qualified this as one of the most "shocking massacres in Jewish History."⁶⁶ In early 1942 reports came from Jewish organizations in neutral countries about the murder of 240,000 Jews in the Ukraine and from the Polish underground about Chelmno and the murder of 700,000 Jews there in the gas vans.⁶⁷ The information about Chelmno was given to the Jewish Labor Bund in London, which prepared a report that was sent out to the governments and press agencies of the United Kingdom and the U.S.⁶⁸ When reported by the BBC, the *Seattle Times*, the *New York Times* or the *Boston Globe*, generally the report was diluted or, if reported in its entirety, was placed somewhere around page twelve.⁶⁹ The World Jewish Congress met on June 29 to discuss the Bund report and prepared its own report, which combined the information from the Bund report with all other information that had been received.⁷⁰ It detailed a country by country summary of murder and estimated that 1 million Jews had been killed. AP and UPI sent the story out, but few newspapers reported it.

Based on this information, the Jewish community arranged mass meetings and protest demonstrations in various major cities across the U.S. The most famous of these occurred on July 21, 1942 at Madison Square

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Garden.⁷¹ The meeting was arranged by the American Jewish Congress, B'nai B'rith and the Jewish Labor Committee. Speakers at the rally included Rabbi Stephen Wise, one of the foremost leaders of the American Jewish community, New York Governor Herbert Lehman, Mayor Fiorello La Guardia, Methodist Bishop Frances McConnell and William Green, president of the AFL. Roosevelt and Churchill sent messages to the meeting. Roosevelt's said that the American people "will hold the perpetrators of these crimes to strict accountability in a day of reckoning which will surely come."⁷² Churchill's message cited the fact that "the Jews were Hitler's first victims" and that he would "place retribution for these war crimes among major purposes of this war."⁷³ A declaration was made at the meeting that hailed the heroism of the Jews in Europe and called upon the United Nations to take notice of the Jewish tragedy and to express determination to bring the Nazis to justice. The Jewish community also reaffirmed its support for the struggle against Nazi tyranny. This meeting was covered by the press, but it gave no publicity to the number of Jews massacred in Europe. Another interesting point is that the United Nations did not issue a joint declaration on prosecuting Nazi war crimes until December 1942. Evidently the meeting and the information streaming from Europe did not seem compelling enough to the Allies to make a statement.

There are many reasons given as to why the information about the Holocaust was not believed in the U.S. and worldwide. Jan Ciechanowski, the Ambassador of the Polish government-in-exile to Washington, D.C. had several meetings with Roosevelt and top officials of the State Department. He observed that "The general lack of understanding of German barbarity and a certain basic kindheartedness toward the Germans were most striking at the time... The average American, and even officials who had every means of being fully informed, practically refused to believe the Germans capable of the horrors which they

were committing."⁷⁴ Another problem lay in the Jewish community itself, which also refused to believe that exterminations were taking place and at first attributed the killings to massive pogroms and persecution. There was also a sense of optimism for some time that something could be done to rescue these people. The problem was that the world community was against immigration, especially Jewish immigration, and did not facilitate it. Other reasons why the extermination reports were discounted are: during World War One the British propagandists inflated atrocity stories and Americans thought that they were crying wolf this time; the amount of Nazi terror against all of the populations under its control made singling out the Jews very difficult; limited amounts of news reached the public; and there was sporadic reporting of the numbers of massacred Jews.⁷⁵

The fact that newspapers were unwilling or unable to print much information about the Holocaust occurring in Europe is a reflection of a policy formulated by the State Department, as exemplified by the case of the Riegner cable. Dr. Gerhart Riegner was the World Jewish Congress representative in Geneva. He received information about the "Final Solution" from a German industrialist. Before doing anything, Riegner checked to see if the source of the information was reliable. It was. On August 8, 1942, Riegner sent a cable detailing the deportations to the East of Jews and their subsequent extermination.⁷⁶ The information was first received by the American and British consulates in Bern and then forwarded to their respective countries several days later. Along with the cable, U.S. vice-consul in Geneva Howard Elting requested that the State Department give the information to Rabbi Stephen Wise. The reaction of the State Department to the cable was nothing unusual. Officials discounted the reports of extermination because they felt they were unsubstantiated and refused to send the cable to Wise. A British M.P. and member of the World Jewish Congress, Samuel Sidney Sil-

verman, who read the cable, decided that Wise needed to be made aware of its contents. Unknown to the State Department, Silverman cabled a copy to Wise on August 28.⁷⁷ With this information in hand, Wise cabled Undersecretary of State Sumner Welles and asked that the information be made public. Welles told Wise to wait until the State Department could confirm the contents of the Riegner cable. Wise agreed to do so. Other telegrams were sent to the U.S. in September detailing the cleaning out of the Warsaw ghetto, the murdering of Jews and the use of their bodies as war production material. The State Department suppressed these reports. Only a confrontation with a group of rabbis forced Welles to investigate the claims made by the telegrams and on September 10 he revealed that they were indeed mostly true.⁷⁸ However, the State Department still would not allow this information to become public knowledge. Wise began revealing his information to select individuals and even approached Roosevelt and the Vatican about it. According to Wyman, "Throughout these weeks, Wise was pessimistic about achieving any results. In Washington, he found many officials unable to perceive the deportations from Warsaw and from Western Europe as anything other than part of a forced-labor program."⁷⁹

The cover-up of the Riegner cable continued until November. During those intervening months, Jewish newspapers accepted the idea that a Jewish holocaust was occurring and began printing special issues about the mass murders. In October, the JTA disclosed the gist of the Riegner cable in its releases.⁸⁰ In November, the *Jewish Frontier* published a special issue that summarized and documented all of the information then known about the extermination of the Jews.⁸¹ In this issue, there was even a call to the Allies to do all possible to prevent the horror from continuing. Information was also published in *The New York Times* about the deportations and the JTA sent out reports about Lodz and Chelmno.⁸² *The Nation* and *The New Republic* protested the

State Department's concealment of the information and began their own investigations.⁸³ The pressure placed on the State Department by these publications and others, and the fact that it had confirmed through independent sources the Nazi's "Final Solution" for the Jews, forced the State Department to allow the information to be publicly revealed in November. However, there was a catch. The State Department would not disclose the information itself. As Welles said to Wise, "For reasons you will understand, I cannot give these to the press, but there is no reason why you should not. It might even help if you did."⁸⁴ The State Department was probably afraid that it would be accused of concealing vital information and that more charges of anti-Semitism would be leveled against it. These were the only possible fears Welles could have as far as public reaction was concerned since all the information had been confirmed by reliable sources such as: diplomats from neutral countries still in Germany, its territories and the satellite states; the Polish underground; and even the Vatican.⁸⁵

On November 24, 1942, Rabbi Stephen Wise called a press conference wherein he disclosed all the information known about the "Final Solution" and cited the figure of 2 million Jews exterminated (many more than that had actually died by this time).⁸⁶ Wyman says this "marked a turning point in Holocaust history. From then on, the news of Hitler's plan to annihilate the Jews was available to every one in the democratic world who cared to know. But those not especially concerned were hardly confronted with the problem, because the news media gave it little prominence."⁸⁷ The entire impact of the disclosures was muffled by a lack of coverage by the press and removed a great deal of pressure from the State Department. The next day, November 25, Wise held a smaller conference in New York. This one also received little press attention.⁸⁸

Questions have been raised as to whether Wise should have remained as silent for as

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long as he did. Wyman explains that Wise really had no choice. If he had revealed the information before the State Department had verified it, he would have alienated the State Department and ruined any chances of a change in policy towards the immigration and rescue of Jews. The other positive aspect of waiting for State Department verification was that the cables from Riegner and others and the eye-witness accounts would not have been credible if they only came from Jewish sources.⁸⁹ Sadly enough, anti-Semitism had penetrated so deep that America was unwilling and unable to believe solely Jewish claims of a Jewish holocaust.

The revelations made by Wise about the "Final Solution" spurred Jewish organizations' publicity efforts. On November 25, seven Jewish organizations joined together as the Temporary Committee on European Jewish Affairs.⁹⁰ By March of 1943 this group would be known as the Joint Emergency Committee on European Jewish Affairs.⁹¹ The organizations that composed the Temporary Committee were the American Jewish Committee, American Jewish Congress, Jewish Labor Committee, B'nai B'rith, World Jewish Congress, Synagogue Council of America and Agudath Israel of America.⁹² These groups ranged in their beliefs from reformed to orthodox and from anti-Zionist to activist Zionist. The Temporary Committee organized a five-point platform of action. First, the facts of genocide had to be announced to the press. Wise accomplished this with his conference that afternoon. Second, telegrams would be dispatched to over five hundred newspapers requesting editorials about mass murder of the Jews. Few did. Third, telegrams would be sent to important non-Jews requesting them to make statements about the Jewish situation. Some of these responses were printed in the *Congress Weekly*. Fourth, a Day of Mourning and Prayer would be declared on December 2. Fifth, the Temporary Committee would request to have a meeting with President Roosevelt.⁹³

The meeting with Roosevelt was held on December 8 and was the only one between the President and a group of Jewish leaders.⁹⁴ Rabbi Wise, Henry Monsky, Rabbi Israel Rosenberg, Maurice Wertheim and Adolph Hell met with Roosevelt. A letter from the Temporary Committee was read that asked for the issuance of a war crimes declaration. Roosevelt was also presented with a consolidated report of the extermination data. Roosevelt responded to this saying: "The government of the United States is very well acquainted with most of the facts you are now bringing to our attention. Unfortunately we have received confirmation [of these reports] from many sources."⁹⁵ Roosevelt agreed to issue a war crimes warning statement, but made no promises about rescue efforts. Roosevelt allowed Wise to prepare the statement, which, when Wise read it to the press, stated that Roosevelt "was profoundly shocked to learn that two million Jews had perished as a result of Nazi rule and crimes" and that "the American people will hold the perpetrators of these crimes to strict accountability in a day of reckoning which will surely come."⁹⁶ This statement was also buried by the press, although it demonstrated that the President knew about the extermination of the Jews and that there should not have been any obstruction of rescue efforts.

However, rescue efforts were constantly obstructed by the State Department. Immediately after the Evian Conference opportunities arose for the IGC and the State Department to rescue Jews from Germany and other fascist states. The IGC was directed by George Rublee (U.S.) and the chairman was Lord Winter-ton (U.K.).⁹⁷ From 1938-1939, the IGC negotiated with Germany for the release of Jews through the Schacht-Rublee negotiations.⁹⁸ These negotiations centered around a plan to free 100,000 Jews with some of their property and provide them with a chance to settle in a new country using funds provided by Jews from abroad. Once the initial group was settled, their families would be permitted to join them

and the old and the sick that remained in Germany would be provided for by using Jewish capital. The problem with this plan, according to Yehuda Bauer in "Genocide: Was it the Nazis' Original Plan?," was that "The Jews in the United States and elsewhere not only did not have the necessary money at that time, but it was also feared by Jews and non-Jews that this plan would increase German exports and help Nazi Germany economically."⁹⁹ The "aiding the German economy" excuse was used to obstruct every rescue plan, even when the Jewish organizations possessed enough funds and enough drive to rescue their brethren on their own. When Germany and the IGC concluded the "Statement on Agreement," Rublee resigned his post. Herbert Emerson (U.K.), the new director, and Robert Pell (U.S.), the vice-director continued negotiations with Germany.¹⁰⁰ The invasion of Czechoslovakia on March 15, 1939 complicated matters as did the Jewish reluctance to form a corporation that would finance immigration.¹⁰¹ Though the Coordinating Foundation was founded in July with \$1 million from the JDC, it never accomplished much.¹⁰² The State Department grew more reluctant about it and the ever-widening war. New State Department and Nazi policies aimed at Jews hampered rescue attempts. This failure and others of the IGC rendered the organization impotent in its rescue efforts. However, in 1943 it would prove useful to the State Department precisely because of its importance.

Other plans for rescue included resettlement schemes formulated by the IGC, the State Department and the President himself. The President formed a multi-religious advisory committee in 1938 called the Presidential Advisory Committee on Political Refugees (PACPR).¹⁰³ Though the IGC basically covered the same mandate as the PACPR, the PACPR advised the President directly of resettlement possibilities. According to Feingold, "By December 1938 PACPR had screened fifty resettlement suggestions and was daily receiving more than its small staff could

handle."¹⁰⁴ Some areas considered for resettlement were Alaska, Madagascar, the Virgin Islands, and the Philippines. Only the Philippine plan nearly worked, but then war erupted in the Pacific.

The President was extremely interested in resettlement and encouraged it. At an October 1938 meeting of the ICR he said "What was needed was a massive resettlement project in one of the many vacant spaces of the earth's surface, a venture in nation building which by its magnitude would capture the imagination of the world and make a real contribution to a permanent resolution of the problem of the refugee."¹⁰⁵ The problems encountered in resettlement were the unwillingness of any other state to resettle Jews in their territories and the lack of enthusiasm of Jews to settle as a group in any area other than Palestine.

The State Department handled resettlement and rescue on its own terms. First, it differentiated between resettlement and infiltration. Resettlement was defined as "the movement of communities or ethnic, social, or political groups to unsettled areas, where re-routing and pioneering occur."¹⁰⁶ Infiltration was defined as "the movement of immigrants to established communities where a process of acculturation then begins."¹⁰⁷ Jews were interested in infiltrating established communities because they usually had relatives there and there were support systems available to aid them. Nativists, on the other hand, believed in resettlement, which was based on a tradition in American history that began with the Pilgrims' escape from persecution, and ended with the building of a new democratic state on the shores of America. Feingold states that "During the refugee crisis, the United States, perhaps more than other nations placed a great deal of faith in the efficacy of resettlement, undoubtedly because the existence of a restrictive immigration policy made it impossible to think in terms of infiltration."¹⁰⁸ Another obstacle to an effective rescue policy for Jews was the universalization of the "Final Solution," which was applied not only to Jews, but

to Ukrainians and Poles and other persecuted peoples as well. This universalization provided a "rationale for keeping the priority low. It permitted officials...to wash their hands of the rescue question and argue that the only sure means of saving Jewish lives was to win the war quickly."¹⁰⁹ This policy of rescue-through-victory was used by all states to defend their rescue policies. Almost as soon as it was employed by the State Department, it was criticized. Reaction against it was even stronger when the State Department allowed 15,000 tons of wheat and 3,000 tons of material to reach the Greeks in Nazi-held territory in 1942, yet obstructed all Jewish efforts to secure shipping and food relief for Jews in Nazi-occupied territories, the satellite states and concentration camps.¹¹⁰

Examples of the State Department's obstruction of rescue are numerous. When mass deportations of mostly non-French Jewish refugees occurred in France in 1942, the Nazis allowed children under the age of eighteen to remain behind. International relief organizations hurried to appeal to the State Department for visas for as many children as possible.¹¹¹ French Church leaders appealed to their congregations and to foreign governments to help save all Jews, but especially the children. Pinkney Tuck, the chargé d'affaires at the U.S. embassy protested the deportations. Many officers in the State Department felt that he had overstepped his bounds, but Secretary of State Cordell Hull then delivered his own condemnation of the deportations to the Vichy Ambassador in the U.S. Initially, the relief organizations asked for 1,000 visas, but then increased the number to 5,000.¹¹² The State Department agreed to issue these visas after some delay. The Vichy government and the Nazis also stalled the visa process and only five hundred children were allowed to leave.¹¹³ The entire deal was canceled as soon as the invasion of North Africa occurred.

During the crisis in France, members of Congress tried to enact legislation that would help increase emigration from France. Repre-

sentatives Emanuel Celler (D-NY) introduced a bill that would open "America's doors to refugees in France who could prove they were facing roundup, internment, or religious persecution at the hands of the Nazi or Vichy authorities."¹¹⁴ The House Committee on Immigration, a nativistic group, did not allow the bill to reach the House Floor.

In October, Jewish organizations petitioned the State Department to allow them to send aid packages to Polish and other persecuted Jews. Two months later, after the Wise revelations about the "Final Solution," the State and Treasury Departments announced that they would allow the shipping of \$12,000 per month of aid and foodstuffs. By this time however, most of the potential recipients of these packages had been killed or deported. Thus the program, because of State Department delays, failed.¹¹⁵

Throughout the second half of 1942, the British were pressured by Jewish organizations to form a War Crimes Commission. The plan was considered viable and the British Foreign Office approached the State Department with the idea in October. The State Department placed immediate limitations on the plan. It wanted the War Crimes Commission to only prosecute top echelon Nazis. This "tended to severely limit the usefulness of the commission. The precedent for men like Eichmann, who had actually operated the killing apparatus, to argue that they were bound to obey the orders of their superiors, was established in Washington."¹¹⁶ By December a compromise was reached. After the Jewish leaders' meeting with Roosevelt on December 8, the State Department felt pressured enough to set a date for the issuance of the joint declaration. On December 17, the United Nations declaration known as the "German Policy of Extermination of the Jewish Race" was issued, which acknowledged that atrocities were being committed against the Jews and ensured "that those responsible for these crimes shall not escape retribution."¹¹⁷ The U.N. declaration was widely publicized and spread the facts of genocide and future retribu-

tion for the crime to all countries. However, the War Crimes Commission did not begin functioning until December 1943. It was only in June 1943 that Herbert C. Pell was selected to be the U.S. representative to the War Crimes Commission, a delay of six months from the time of the Allied declaration that signified a delay in gathering information about war crimes.¹¹⁸

This initial euphoria of recognition of the holocaust of the Jews moved Jewish organizations to formulate rescue proposals such as: havens of refuge for Jews fleeing Axis territory; the removal of restrictions on immigration; appealing to neutral countries to accept refugees; sending food and medical supplies to camps; appealing to the citizens of the occupied states to aid, shelter and abet Jews; and the formation of a special government rescue policy or agency to deal directly with the refugee problem.¹¹⁹ Unfortunately, as the New Year approached and passed, Jewish activism and worldwide outrage of the crimes against the Jews subsided.

Another option available to the Jewish community was the ransoming of captives, which is one of the most important duties for Jews as related in the Old Testament and other books of Jewish law. Yet this was not possible under State Department and Allied restrictions. The transferring of foreign currency to Axis states and satellites was prohibited by law and strictly enforced.

The opportunity to ransom Rumanian Jews arose in February of 1943.¹²⁰ The story was reported by *The New York Times*. It said that Rumania was willing to move 70,000 Jews to any place chosen by the Allies and would even provide ships to do so. In return, the government wanted 20,000 lei (almost \$130) per person for expenses and additional money if its own ships were used. Rumania was trying to ingratiate itself to the Allies at a time when it seemed as though the Axis powers were losing their battles. The information was brought to Roosevelt's attention by Henry Morgenthau, Jr., the Secretary of the Treasury. Mor-

genthau was told to see Welles, who said he would research the Rumania offer. He contacted the British Foreign Office (BFO), which had actually known about the proposal in January, when representatives of the Jewish Agency in Palestine had told them about it. The BFO believed that the plan was blackmail, but that there existed the possibility that the Rumanians were turning against the Nazis. The State Department checked the offer with its embassy in Turkey, which verified it. Welles then told Morgenthau that the offer was legitimate, yet in all other State Department responses to inquiries about the Rumanian offer, it answered that the story was "without foundation."¹²¹ The State Department feared that the Rumanian offer was a bit of disinformation courtesy of the Nazi propaganda machine that was meant to discredit the Allies. Yet the State Department never bothered to verify the offer with the Rumanian government through its contacts in neutral states. As in many other cases, this offer was genuine, even if it may not have been entirely feasible. Any money given to the Rumanian government could have been placed in blocked accounts, unusable until after the war. Also, Allied troop ships and neutral merchant marine were available to move refugees from Rumania to anywhere in the world or to any of the neutral countries such as Turkey.

This inaction by the State Department caused another wave of rallies and demonstrations by Jewish organizations. The Committee for a Jewish Army (CJA) placed ads in major metropolitan newspapers decrying the lost opportunity to save the Rumanian Jews at such a low cost. The CJA organized its own rescue platform that requested the establishment of an intergovernmental commission of experts to seek out ways to counter the Nazi program of genocide and a demonstration on March 9 at Madison Square Garden.¹²² The former members of the Temporary Committee under the leadership of Wise arranged for a demonstration at Madison Square Garden on March 1.¹²³ The former organizations of the

Temporary Committee disagreed with many of the CJA's previously strong pro-Zionist policies and philosophy and therefore decided that representation by the true voice of Jewish rescue efforts was needed.

The March 1 rally, called "Stop Hitler Now!" was sponsored by the organizations of the former Temporary Committee, the AFL, the CIO, the Church Peace Union, the Free World Association and several other organizations.¹²⁴ Approximately 75,000 people attended the rally, both inside and outside Madison Square Garden.¹²⁵ Many prominent leaders such as AFL president William Green, Mayor La Guardia, Rabbi Wise and Chaim Weizman spoke at the rally, while Wendell Willkie, Governor Dewey and others sent supportive messages. At this rally, an eleven point program was formulated that was later sent to President Roosevelt. These eleven points covered many of the rescue efforts attempted in the past that were obstructed by the State Department. The eleven points were:

1. To approach through neutral channels Germany and the satellite governments to secure agreements for the Jews to emigrate.
2. The swift establishment of havens of refuge by Allied and neutral countries.
3. Revision of U.S. immigration procedures to permit full use of quotas.
4. An agreement by Great Britain to take in a reasonable proportion of Jewish refugees.
5. An agreement by the Latin American states to modify their tight immigration quotas and provide temporary havens of refuge.
6. The opening of the gates of Palestine to Jews with the consent of Great Britain.
7. A U.N. program to transfer Jewish refugees rapidly out of neutral countries bordering Nazi territory and to encourage those countries to accept additional refugees by guaranteeing financial support and eventual evacuation.
8. The organization by the U.N., through neutral agencies such as the ICRC, of a system for feeding the Jews remaining in

Axis territory.

9. Provision by the U.N. of the financial guarantees required to implement the above rescue programs.

10. Formation by the U.N. of an agency empowered to carry out these programs.

11. To appoint, without further delay, a commission to assemble evidence for war crimes trials and to determine the procedures for them.¹²⁶

All of these measures would be dealt with in some manner by the end of the war, but for now the State Department only said that it was planning a conference with the British to explore rescue options.

The March 9 CJA demonstration was called "We Will Never Die" and presented a pageant in memorial to the millions of murdered Jews.¹²⁷ The rally drew 40,000 participants, yet did not have the cooperation of other Jewish organizations nor did it have broad-based support.¹²⁹

On March 15, the Temporary Committee was reconstituted as the Joint Emergency Committee on European Jewish Affairs (JEC) and added some new members.¹³⁰ It pressed for a large public relations campaign prior to the refugee and rescue meeting promised by the State Department that would be held in April. The JEC held multi-ethnic and multi-faith mass meetings, tried to spread information about the conference and the Nazi atrocities in newspapers and on the radio, and tried to get Congress to go on record against the atrocities and for rescue.¹³¹ The House and Senate both passed resolutions advocating punishment for war crimes, but would not go on record about rescue.¹³² That would be discussed at the upcoming conference in April at Bermuda.

The idea of holding another rescue conference was conceived of by the British. The BFO was feeling more pressure from Jewish organizations than the State Department. It decided that something along the lines of the Evian Conference had to be convened to solve the refugee problem, but mostly it would serve to satisfy the rescue organizations by some

small effort on the part of the British government.¹³³ The proposal given to the State Department was to hold an "informal U.N. conference" to consider the possibilities of removing 'a proportion' of the thousands of refugees who had reached neutral European countries. This could encourage those countries to allow more refugees in from Nazi territory."¹³⁴ It also stated other points: discussion of the refugee problem would have to be non-specific and not refer expressly to Jews since they were a minority in the greater refugee population; anti-Semitism had been stimulated in several areas where Jews had been transferred; Germany might change its policy of extermination to one of deportation and flood the Allies and neutrals with refugees; Palestine as a refuge would not be discussed; and there would be no publicity for this meeting.¹³⁵

Long and his associates studied the proposal for five weeks. There was no immediate pressure on them as there was on the BFO. Long suggested that the U.S. and Great Britain should work through the ICR. After the demonstration in March, the State Department decided that the conference was necessary if only "to relieve the pressure of prorescue opinion."¹³⁶ The conference would also serve another purpose. By not caving into prorescue opinion, the administration would be able to maintain the support of the nativists. The State Department released information about the conference after the March 1 rally.¹³⁷ This angered the British who wanted no publicity and who now felt that the U.S. was trying to take all the credit for the conference. Both states decided that the conference needed to be held somewhere with limited access. Bermuda became the most obvious choice because wartime restrictions denied all access to the island. Between March and April 19, when the conference was held, the JEC and several Congressmen tried to lobby Roosevelt for concrete rescue action and an easing of the immigration rules. These tasks were given to the State Department by Roosevelt and it

virtually silenced both of these groups and delayed the transmission of their requests to the U.S. delegates at the Bermuda Conference.¹³⁸

The Bermuda Conference could have had a large positive impact on rescue policy except that "all parties approached it with their guard up, eager to see the gathering transpire without surprise and without any alteration of existing policy."¹³⁹ This attitude was extremely distressing considering that new reports were arriving in the U.S. about the mass killings of Jews at Treblinka and other extermination camps.¹⁴⁰ The information about the exterminations did not affect the objectives given to the delegation by the State Department.¹⁴¹ The delegation consisted of chairman Dr. Harold W. Dodds, the president of Princeton University, Senator Scott Lucas (D-Ill.), Representative Sol Bloom (D-NY) and R. Borden Reams of the State Department. It was also accompanied by a support staff of technical experts. Their objectives were to: devise steps to encourage neutral European states to accept more escaped refugees; seek temporary havens in U.N. territories in Africa and Europe; locate the necessary transportation; and call a meeting of the ICR to implement the Bermuda decisions. The delegation was told not to place any special emphasis on Jews, not to make any commitments regarding trans-Atlantic shipping, and not to suggest that immigration laws could be relaxed or rescinded.¹⁴² These regulations gave the delegation very little to work with.

The conference started with speeches that placed even more limits upon any actions that would be discussed there. Richard K. Law of the British delegation stated "I believe, above all, that it is of the utmost importance that the persecuted people themselves should understand this truth and that they should not be betrayed by false hopes of what may be possible into a belief that aid is coming to them, when, in fact, we are unable to give them immediate succor."¹⁴³ The American delegation fared no better. Dodds presented the clas-

sic State Department line in order to discourage results from this conference. He said, "Complete and final victory will, of course, afford the time and final solution of the refugee problem."¹⁴⁴ Interestingly enough, in an article in *The New York Times* below the one from which these quotes were taken, it was disclosed that more than two million Jews had been murdered since 1939 and that another five million were still in danger. The Inter-Allied Information Committee prepared this information in a report that also included descriptions of the occupied territories and the methods used to exterminate the Jews. It also decried Nazi brutality.¹⁴⁵ It seems ironic then that at the conference both delegations stressed that they could not arrive at a final solution for the refugee problem, while millions of Jews were dying under the Nazi "Final Solution."

During the conference, the delegates heard testimony from representatives of the ICR and other agencies. Sir Herbert Emerson, the director of the ICR, whose job it was to aid refugees, placed another limit on the implementation of rescue policy. He said that it "should not be inconsistent with the efficient waging of the war," another common State Department excuse.¹⁴⁶ He proposed that the Allies should try to increase the refugee flow out of Spain so that it equaled the number entering Spain and would not force Spain to limit entry. He also proposed that the Allies should establish emergency camps in North Africa, as long as these camps would not cause undue unrest - military, political or racial - in the area.¹⁴⁷ The delegates focused on Emerson's points for the duration of the conference.

One of the Allied worries was how to secure shipping to transport refugees to safe havens, especially from Spain to North Africa. Another worry was a fear of enemy infiltration into the Western Hemisphere. The Allied governments contended that no shipping was available because all ships were being used to transport troops, supplies, POWs and wounded men.¹⁴⁸ George Backer, a member of the U.S. technical staff and head of the JTA and ORT,

presented his investigation of the State Department's claims about shipping and enemy agents. He discovered that shipping was readily available to transport refugees without detracting from the war effort. It was already transporting POWs all the way to the U.S., but the State Department had formulated its "no shipping available" policy in 1940 solely to prevent a more aggressive rescue effort. In terms of the "security risk" policy, Backer proved that it was ludicrous especially since Britain, which was closer to Nazi Germany by thousands of miles, did not have such a policy. Backer's findings helped "remind the delegates that the alternative to rescue was annihilation" and that the suggestions by the Jewish community for rescue were actually legitimate. He also reminded the delegates of something even more important, which could have motivated them to enact concrete measures. He said that "it is history which must bring the account," and by all accounts of the conference so far, it seemed as though history would doom it to failure.¹⁴⁹

Representative Sol Bloom attempted to raise other issues such as eased immigration policies and the opening up of Palestine to refugees, yet he was beaten on both counts. Bloom had been chosen to serve on the delegation because he was a Jew. Long knew that any motion Bloom made would be countered by the other delegates, but wanted the U.S. delegation to appear balanced between nativists and prorescue supporters.¹⁵⁰

By the end of the conference, both delegations had agreed upon a plan of action. It would recommend that Cyrenaica, Libya be used as a refuge for non-Jewish refugees; that the U.S. accept 1,000- 1,500 refugees; that a reception camp be established in North Africa that could accommodate 3,000 refugees; that neutral shipping be secured to transport refugees; that a declaration be made allowing refugees to be repatriated; and that the ICR be revamped and given a broader mandate that still did not allow it to negotiate with Germany about potential refugees.¹⁵¹ The plan was bal-

anced towards Jews and non-Jews, and did not commit the governments to any real rescue activity. This was why they reconstituted the ICR. It would serve as a dumping ground for all rescue proposals and would work independently enough that the governments would feel no need to carry out rescue policy themselves.

A vague press release was issued about the new ICR and some of the accomplishments of the conference. However, most of the "achievements" of the conference were kept secret in the U.S. and a full report was not released by Long and the State Department until November 19, 1943.¹⁵² Even so, enough information was released that people were disappointed in the conference. The conference was seen as a sham. Jacob Rosenheim of the Agudath Israel World Organization said, "The Bermuda Conference has crushed any chance of hope for the rescue of our unhappy brethren and sisters doomed to death by Hitler."¹⁵³ The State Department answered reactions such as these and rescue proposals after the Bermuda Conference with a stock response which stated that "the plight of the unfortunate victims of Axis tyranny is a matter which has been, and is, receiving the careful and sympathetic attention of this Government. In addition the Conference at Bermuda has examined in detail every possibility for the relief of the sufferings of the persecuted people of occupied Europe. Steps are now being taken to put into effect the recommendations made by the conference."¹⁵⁴ It was an answer such as this, and the culmination of years of restricting immigration, suppressing information about the "Final Solution" and the obstructing of rescue efforts, that led to the fall of the State Department in January 1944.

The State Department's fall from grace began as soon as it implemented its first restrictive policy in the 1930s, but did not steamroll out of control until 1943. The Bermuda Conference was just one incident in a string of many that year that led people to question State Department policy and motivated the

Treasury Department to investigate it. The incidents that gave proof to the obstructionist policies of the State Department were the reformation of the ICR, the suppression of cables with information about the atrocities, and the obstruction of another effort to rescue Rumanian Jews.

After the Bermuda Conference, the State Department was charged with reorganizing the ICR. Myron C. Taylor and Robert T. Pell were appointed delegates to the ICR.¹⁵⁵ The first meeting of the newly reorganized ICR was held in London on August 4, a delay of almost four months from when it received its new mandate. The executive board approved of its new mission, to take all steps necessary to "preserve, maintain and transport" European refugees. Yet from the beginning the new ICR was plagued with problems. Of the nineteen states asked to join, only seven did (by spring 1945 the ICR has 36 members). The ICR had a very small staff. The funding of administrative expenses was shared by all members and the costs of operational rescue expenses was covered by the U.S. and Great Britain. However, the ICR received no money until 1944. Thus from its inception it relied heavily upon funds provided by private relief organizations and committed rescue actions through these same private relief organizations such as the Joint Distribution Committee, through which it channeled over \$1.28 million by the end of the war.¹⁵⁶ The ICR did not become effective until 1944 and then, except through organizations like the JDC, it accomplished little.

The State Department used the ICR for its own needs. As regards the opening of a camp in North Africa and other rescue proposals, "the State Department had already referred the problem of government-financed relief shipments and the establishment of a refugee camp in North Africa to the [ICR]. It appeared as if the State Department planned to use the [ICR] to rid itself of the rescue problem in much the same way that the Roosevelt Administration used the Department to absorb the pressure of

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the rescue advocates."¹⁵⁷ Even when the President himself advocated doing more for Jewish refugees as he did in the fall of 1943 when he "suggested additional refugee camps and small offices staffed by Americans in Spain, Portugal, North Africa, Italy and Turkey" through the ICR, the State Department delayed the implementation policy.¹⁵⁸

Rescue advocates became more active during the summer of 1943 than at almost any other time. The CJA organized the Emergency Conference to Save the Jewish People of Europe and then renamed the group the Emergency Committee to Save the Jewish People of Europe.¹⁵⁹ The JEC tried to stop the conference and urged U.S. leaders not to attend, yet it received broad support from Eleanor Roosevelt, Secretary of the Treasury Henry Morgenthau, Jr., Wendell Willkie, Mayor La Guardia, Herbert Hoover and others. This conference, like the JEC's of March 1, elaborated a set of proposals for the U.S. government. It requested the formation of a U.S. government agency charged specifically with rescuing Jews; the pressuring of Axis countries to allow emigration and if not emigration, then to allow for the supplying of food and other basic necessities by the U.N., the ICRC or another neutral body; the urging of neutral countries to grant temporary asylum to refugees; the transporting of refugees on neutral ships; and the publicizing of the plight of European Jews. This meeting received a lot of press coverage and raised questions about what the U.S. was doing to aid the refugees and the Jews trapped in the Axis and satellite states.¹⁶⁰ Statements such as "What about the Jews, FDR?," "the State Department and Downing Street avert their eyes from the slaughter," "You, Mr. President, must take the lead," "Remember Americans, this is not a Jewish problem. It is a human problem" were common after the conference and expressed the disgust which many Americans felt with the Administration's and the State Department's policies.¹⁶¹ One chance for rescue, the one that toppled the State Department, proves how State Department policy was used to

obstruct rescue efforts.

This example centers around two recurring incidents, the Riegner cables and the Rumanian and French rescue plans. On January 21, 1943 Undersecretary of State Welles received cable 482 from the Bern legation. This cable included information supplied by Riegner about the starvation of Jews in Germany and Rumania and that 6,000 Jews per day were being killed in Poland.¹⁶² Welles released the cable to Wise on February 9 with a comment that the State Department had not verified the information.¹⁶³ Welles then asked Leland Harrison of the Bern legation to keep him informed. The mid-level officials in the State Department opposed this transfer of information about the atrocities through State Department lines. On February 10, 1943, cable 354, which banned the transmission of information destined to private citizens, was signed by Welles (who may not have fully understood its ramifications) and sent to the Swiss embassy.¹⁶⁴ It virtually halted the flow of information about the atrocities.

In April, Riegner sent another cable to the U.S. that managed to reach the World Jewish Congress and Wise and detailed a rescue proposal for Rumanian and French Jews.¹⁶⁵ Riegner hoped that American Jewish organizations would be able to send relief supplies and fund emigration from Rumania to Palestine, and also send funds to France to support the Jewish children in hiding there and finance their immigration to Spain. Wise asked Welles to check the information. Harrison sent Welles the original Riegner cable and asked that similar information no longer be subjected to the restriction of cable 354. Welles agreed and the order was rescinded.

The Jewish organizations then attempted to implement the rescue proposals suggested by Riegner. They encountered several obstacles. The plan would take large sums of money to function and needed agreement from the British for the entrance of refugees into Palestine. The State Department was opposed to both. At a State Department and Treasury

meeting that summer, R. Borden Reams declared that "it [is] unrealistic to encourage large-scale rescue because only 30,000 places remained available under the Palestine White Paper quotas and he did not know of any other areas to which the remaining Jews could be evacuated."¹⁶⁶ The Treasury Department was unconvinced and was willing to issue the license for money transfer on July 16. Wise talked with Roosevelt on July 22, who approved the Riegner plan. All arrangements to carry out the rescue of the Rumanian Jews and transfer them to Palestine were ready by August 14.¹⁶⁷ All that was now needed was approval by the State Department.

The State Department utilized its usual excuses to delay the issuing of the license for money transfer for another six and a half weeks. Long and his associates were sure that the Riegner plan would give foreign exchange to the enemy. Herbert Feis, the advisor on international economic affairs, and Bernard Meltzer, the acting chief of the Division of Foreign Funds Control, pressed the other officials to issue the license.¹⁶⁸ During this crisis, Welles resigned as Undersecretary and Edward R. Stettinius, Jr. was appointed in his place.¹⁶⁹ Long resented being passed over for promotion. Finally on September 28, the State Department telegraphed the Treasury license to Harrison in Bern. Harrison waited for explicit orders before giving the license to Jewish rescue authorities because of the increased opposition the British had expressed about the plan. The State Department did not send back a response. The Treasury Department heard about this and drafted a set of orders to give to Harrison and then confronted the State Department about the delays. Orders were then drafted by the State Department itself and the license was finally issued on October 26, more than six months after its initial request.¹⁷⁰ Yet even then, Harrison did not act because the British raised more objections about the issuance of the license.

Treasury again took action. Morgenthau wrote a letter to Hull to clarify the situation

with the British. Hull sent John G. Winant, the U.S. ambassador to Britain, to talk with the British Ministry of Economic Warfare. The British did not respond to the U.S. overture until December 15. The BFO answered the U.S. by saying that it was "concerned with the difficulties of disposing of any considerable number of Jews should they be rescued from enemy occupied territory."¹⁷¹ The British were concerned about transporting and accommodating Jews in Palestine and other havens, yet talked about it as though they themselves were planning a "Final Solution." This use of "extermination" language angered the Treasury Department, as did the withholding of the license. Morgenthau arranged to meet with Hull to vent his anger and disgust about the delays. However, by the time the two men met, Hull and Long had already approved the license and \$25,000 for the Riegner plan.¹⁷² Long also sent a letter criticizing the British response to rescue efforts. By the time Riegner received the license, eight months had passed since it was originally requested. During the meeting, Morgenthau confronted Hull and Long with accusations of anti-Semitism and obstruction. Hull concurred that obstruction had occurred. The accusation of anti-Semitism was directed at Long. Long tried to blame the State Department's inaction on Meltzer (who had pushed for the license). He also admitted that he might appear anti-Semitic, but that he was not. Morgenthau then alluded to the apparent similarity between State Department and BFO policy. Long denied it and assured Morgenthau of his support for rescue efforts and cooperation with the Treasury Department.¹⁷³

The Treasury Department allowed the case against the State Department to rest until Josiah DuBois, the chief counsel for the Treasury Foreign Funds Control Division, discovered the infamous cable 354 through one of his contacts. He also learned about cable 482, the one that provided the details about the extermination of the Jews.¹⁷⁴ Morgenthau felt that action against the State Department was still

unnecessary at the time, though many other leaders of rescue organizations felt that rescue operations needed to be removed from the State Department's jurisdiction.

While this battle was being fought by the State and Treasury Departments, Congress was also battling over the rescue issue. Since November 23, it had been debating the Rescue Resolution, a measure initiated by the Emergency Committee that would declare Congress' support for the rescue of Jews and advise the President to form a multi-departmental committee to aid in rescue.¹⁷⁵ State Department officials were asked to testify at the meeting. At this point in time, it may have been in the interest of those who testified to derail the Rescue Resolution because it would take all power of rescue away from the State Department and possibly necessitate an investigation into State Department obstructionist policies. What Long hoped to do was "impress on the Committee the idea that no new agency was needed and to create one would repudiate the magnificent effort the Department had thus far made."¹⁷⁶ Long was also actually against voting down the resolution. He said "I think it would be very dangerous to vote it down. I think this is a very important moment in the history of the refugee movement, and I think the Jewish people are looking forward to this action and the decision of the Committee."¹⁷⁷ He felt that a negative decision might be misconstrued and be harmful to the Jews still under German control. In the end, the Senate Committee approved of a rescue resolution, but would not vote on it until after the Christmas break.

During this time the true extent of the State Department's obstructionist policy was uncovered by the Treasury Department. On January 10, 1944 Morgenthau's staff agreed with Arthur Cox, of the Lend-Lease Administration and a proponent of a governmental rescue agency, that a plan must be pushed upon Roosevelt for rescue because of public demands for one and Senate inaction.¹⁷⁸ The Treasury prepared a memorandum entitled

"Report to the Secretary on the Acquiescence of This Government in the Murder of the Jews," which charged the State Department with "gross procrastination and willful failure to act ... even willful attempts to prevent action from being taken to rescue Jews from Hitler."¹⁷⁹ Hull and Morgenthau met on January 12. Hull agreed that U.S. efforts to rescue the Jews were "most shocking," yet he showed no knowledge of British Foreign Secretary Anthony Eden's view, cabled by Winant five days earlier, that possible 'transportation and accommodation problems' which might be 'embarrassing' to both governments could well ensue from adoption of Riegner's scheme [which would move Jews to Palestine and other havens]."¹⁸⁰

On January 16, Morgenthau, John W. Pehle and Randolph Paul presented the Treasury memorandum to Roosevelt in a report entitled the "Personal Report to the President."¹⁸¹ The report detailed the State Department delays of the Riegner plan and food relief to the ghettos, cable 354, and opposition to evacuation plans. Included in the report was an executive order that would create a new governmental agency for rescue under the Departments of State, Treasury and War. The President acknowledged the charges leveled against the State Department and ordered that the governmental rescue agency be formed. On January 22, executive order 9417 was declared and charged the newly formed War Refugee Board (WRB) with carrying out "the policy of this Government [which is] to take all measures within its power to rescue the victims of enemy oppression who are in imminent danger of death and otherwise to afford such victims all possible assistance consistent with the successful prosecution of the war."¹⁸² The State, Treasury and War Departments were charged with executing all requests, plans and programs of the Board within their respective spheres and "it shall be the duty of the heads of all agencies and departments to supply or obtain" information, supplies, shipping, assistance and facilities required by the Board.¹⁸³

Executive Order 9417 finally achieved a legitimate rescue policy, ended the State Department monopoly on rescue policy and cleared the way for the salvation of the Jews. Or did it? A final evaluation of the WRB's activities will show how the State Department continued to interfere with rescue policy and that many more Jews were not saved that could have been. But what were the immediate effects of the Treasury report and the creation of the WRB? One important result of the Treasury report was the reorganization by Stettinius of the State Department. Long resigned from his visa and refugee responsibilities and continued as the assistant to the Secretary until he resigned office completely later in 1944.¹⁸⁴ The State Department was forced to acknowledge the facts of the Jewish holocaust and there was now a possibility for a freer flow of related information. The creation of the WRB also had many important results, the most important being that it gave hope to the Jewish relief organizations that something might still be done for their fellow Jews still trapped in Germany and the satellite states. Giving hope to the Jews was only a secondary purpose of the WRB. Its main purpose was rescue.

Two weeks after the announcement of executive order 9417, John Pehle of the Treasury Department was appointed director of the WRB. His appointment was never publicized by Roosevelt. Although, Roosevelt did give Pehle and the WRB \$1 million from his emergency fund to start rescue operations.¹⁸⁵ The WRB was also aided by private rescue organizations and these organizations carried out most of the WRB's rescue operations. The WRB was never funded by Congress. The WRB placed representatives with diplomatic status in the neutral countries near the Axis states and its satellites. These states included Turkey, Switzerland, Sweden, North Africa, Italy and Portugal. It was unable to place representatives in Spain, Egypt or the U.S.S.R., but in those states consular officials assumed the duties of WRB representatives. The WRB

solicited rescue proposals from private organizations and at that time "well-informed observers believed that there would be several million Jewish refugees once the Nazis were defeated."¹⁸⁶ Estimates ran from 1 million to 3 million refugees that needed aid.¹⁸⁷ This made the mission of the WRB even more critical.

No matter how critical the mission of the WRB seemed, its efforts were still obstructed. The British did not approve of the WRB, nor did they establish a similar British organization. Officials in the BFO thought that the WRB was "fundamentally all part of a Zionist drive and is liable to make much trouble for us in Palestine and with our relations with American over Palestine."¹⁸⁸ Michael R. Marrus in *The Unwanted European Refugees in the Twentieth Century*, characterized the British attitude towards the WRB. The British felt that "the WRB's concerns were narrowly partisan and that the Americans were inordinately prone to such preoccupations."¹⁸⁹ For these reasons, whenever Palestine or any other British territory was mentioned as a place of refuge, the British were adamantly opposed to the idea. The British also tried to use the excuses of the Allied blockade and the placing of foreign exchange in enemy hands to prevent rescue. Tensions arose between the ICR and the WRB early on in the WRB's operations. However, this problem was settled by an agreement by the two organizations to remain independent, yet keep each other informed of their operations. The State Department's track record improved somewhat, but as early as March of 1944 it resumed its obstructionist policies.¹⁹⁰ The War Department also was uncooperative. Only the Treasury Department supported the WRB wholeheartedly.

The operations of the WRB covered many areas, from warnings of punishment for war crimes to actual rescue and relief programs. Some of the most dramatic rescue/relief programs were carried out by the WRB of Turkey and for the Jews in Hungary. In Turkey, Ira Hirschmann, the WRB representative, and Laurence Steinhardt, the U.S. Ambassador to

Turkey, worked actively to open the gates of emigration from the Balkan and Nazi satellite states to Palestine.¹⁹¹ Several plans were arranged to save Jews in Bulgaria and Rumania by transporting them by ship to Turkey and from Turkey, by ship or train to Palestine. The plans were usually approved of by the Bulgarian and Rumanian governments, yet the Turkish government's intransigence on permitting refugees who might possibly be Axis agents to pass through Turkey led to the failure of many of these plans. However, even without safe conduct assurances and with Turkish and Bulgarian reluctance, the Jewish Agency managed to use some slightly unseaworthy ships to rescue some 3,000 Jews from Bulgaria.¹⁹² Steinhardt was even able to convince the Turkish government to issue visas for these people, who were then taken by rail to Palestine. Hirschmann worked with the Rumanian government and an agreement was reached that Jews should be moved from Transnistria to the interior of Rumania so that they would be removed from the path of the German march. Approximately 48,000 Jews were evacuated.¹⁹³ In August, Bulgaria abolished its anti-Jewish laws because of pressure from Hirschmann.¹⁹⁴ Steinhardt's and Hirschmann's efforts permitted 14,164 Jews to pass through Turkey on the way to Palestine in 1944.

The WRB utilized most of the rescue/relief options available to it in Hungary. It was discovered that 12,000 Hungarian Jews a day, out of a population of 750,000, were being deported to Auschwitz in April 1944, where no deportation had occurred until the March 19, 1944 Nazi occupation of Hungary.¹⁹⁵ In May, *The New York Times* printed reports of the deportations and the extermination of Hungarian Jews.¹⁹⁶ The WRB confirmed these reports and began a program of psychological intimidation. Warnings about retributive bombing if the deportations were not stopped were sent. The rail lines, the concentration camps and Budapest itself were never bombed. The Allied governments claimed that such

action would hinder the war effort. In actuality though, Allied planes were bombing German industries near the concentration camps and flew near or directly over the rail lines that led to the camps.

Messages appealing to the Hungarian humanitarian conscience were transmitted. A condemnation of Nazi atrocities and a promise of punishment for participants was pronounced by Roosevelt. Pope Pius XII and King Gustav V of Sweden urged the Hungarian government to end the deportations. The ICRC, after much hesitation, released a report on Auschwitz to Regent Admiral Horthy, the ruler of Hungary.¹⁹⁷ On July 6, Horthy canceled the deportations, thus proving the effectiveness of the WRB's psychological pressure.¹⁹⁸ However, in the short time from April to July, 437,000 Hungarian Jews had been deported and gassed in Auschwitz.¹⁹⁹

On October 15, Horthy was replaced by Ferenc Szalasi, the head of the Arrow Cross, Hungary's fascist party, because Horthy had tried to sign an armistice with the Allies.²⁰⁰ Before Horthy was overthrown several other proposals were made for the rescue of Hungarian Jews. Horthy offered to let certain Jews with visas to other countries free. The U.S. basically agreed to the plan, but the British were opposed to it on the grounds that they could not handle increased immigration to Palestine, and alternative resettlement plans and transportation were a problem. By the time a decision was made to find havens for Hungarian Jews, the Nazis had sealed Hungary's borders. The only result of Horthy's offer was a widening of the gap between U.S. and British rescue policy.²⁰¹

Another proposal that widened this gap was the "trucks for blood" proposal. This proposal was carried by Joel Brand, a leader of the Jewish rescue committee in Hungary, to the Allies. In April, Brand conferred with Adolph Eichmann, the Nazi deportations expert. Eichmann proposed that Brand secure 10,000 trucks for the Nazi war effort in the East, and in return Eichmann would release 1 million

Jews.²⁰² Eichmann also wanted 200 tons of tea, 2 million cakes of soap, 200 tons of cocoa, 800 tons of coffee and some foreign currency.²⁰³ He promised that once an agreement was reached, he would release 100,000 Jews and destroy Auschwitz as a sign of good faith.²⁰⁴ Then the trucks would have to be delivered, 1,000 trucks for every 100,000 Jews.²⁰⁵ Brand was very optimistic when he left Hungary to deliver his plan to the Jewish Agency in Turkey. However, this optimism was soon crushed. The Allies were suspicious of the plan from the start and were afraid that it was meant to split up the alliance between the U.S., Great Britain and the U.S.S.R.²⁰⁶ Brand tried to make his way to Jerusalem to present his plan to Jewish officials there, among them Moshe Shertok of the Jewish Agency, but was arrested by the British in Aleppo, Syria on June 7, 1944 and taken to Cairo, where he was interrogated by the British and the Americans. Hirschmann was also given the opportunity to talk with Brand.²⁰⁷ The U.S. was interested in continuing the negotiations with Eichmann so as to delay the deportation of more Hungarian Jews, but the British opposed this idea because they were afraid that the Allies would not be able to handle 1 million Jewish refugees. When the Soviet Union heard about the Eichmann proposal, it immediately and angrily forbade negotiations. The British agreed.²⁰⁸

The U.S. continued negotiations against its allies' wishes through Dr. Rudolph Katzner. Katzner was able to divert the deportations or have the deportations end at labor camps instead of extermination camps.²⁰⁹ In the ensuing months, the WRB tried to maintain negotiations on the Eichmann proposal and directed Saly Mayer, the JDC representative in Switzerland, to continue negotiations, but only as a representative of the Jewish people and Jewish organizations and not as a WRB or U.S. representative. Mayer's negotiations resulted in the release of 1,368 Jews from concentration and labor camps and food relief through the ICRC by the end of 1944, when

the talks were called off.²¹⁰ By this time, the Allies were defeating German forces on all fronts and victory seemed imminent.

During the interim between the time the deportations were stopped and Horthy's ousting, the WRB and neutral governments moved to protect all the remaining Jews, who were mostly in Budapest. The ICRC brought in relief supplies.²¹¹ The neutral states and the Vatican supplied Jews with Palestine certificates, baptismal certificates, protective documents and visas.²¹² Safe houses were also established throughout Budapest, mostly through the efforts of Raoul Wallenberg, the Swedish attache to the Budapest legation and a WRB representative. He had Sweden and other neutral countries purchase buildings so they could be placed under extraterritorial jurisdiction and thus prevent the deportation of Jews from what was considered sovereign Swedish or any other neutral country's territory.²¹³

Once Szalasi became head of the Hungarian government in October 1944, violence and terror against Jews resumed, as did the deportations. 10,000 Budapest Jews were murdered and 40,000 were deported, on foot, to Austria to be used as a labor force.²¹⁴ Fifteen to twenty percent died along the way.²¹⁵ On November 21, Szalasi decided he could no longer sanction the deportations and stopped them.²¹⁶ While the deportations were occurring, Wallenberg confronted the Arrow Cross and the Nazis several times in order to rescue Jews. When the deportations ended and the Russians captured Budapest in February 1945, approximately 120,000 Jews remained.²¹⁷

Other accomplishments of the WRB included getting the U.S. and Britain to issue additional war crimes warnings that specifically referred to Jews;²¹⁸ the issuance of a warning by General Dwight D. Eisenhower to the Germans not to "molest, harm or persecute" internees "no matter what their religion or nationality may be" as they retreated from the Eastern front;²¹⁹ contributing to the activation of the War Crimes Commission in De-

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ember 1944 and January 1945 so that these warnings would be believable;²²⁰ and the establishment of free-ports and havens in Italy, Morocco, Algeria and Fort Ontario in Oswego, New York.²²¹ The free-ports/havens program was small and somewhat restrictive and did not solely aid Jews, yet it did save several thousand Jews.

The WRB also confronted the State Department about its restrictive visa policy. Pehle asked that nonquota preference be given to relatives of citizens and aliens already residing in the U.S. Private rescue organizations supplied lists of people who would qualify for rescue. Another request was that the anti-infiltration policy dictated by the U.S. to Latin America be relaxed. It was, but this resulted in a resurgence of corruption in visa sales, the fear of economic competition from refugees and a fear of spies. Lastly, Pehle urged that all visas issued up until July 1940 and not claimed should be revalidated. He urged the neutral countries to do the same. While this was probably an important step, it was also likely to fail because many of the people who had possessed those visas had been murdered by the Nazis.²²²

The WRB also pressed the State Department on the food relief issue. As mentioned earlier, the Allies shipped food to Greece to stave off the famine there in 1942, employing up to 14 ships by 1944 and providing over \$40 million for the operation through Lend-Lease.²²³ Nothing on this scale was done for the Jews, not even for the Jews in concentration camps and ghettos. In late 1942, the State Department, after months of delays, allowed Jewish organizations to provide \$12,000 in food parcels per month to Jews at specific addresses in Europe. If no one was at these addresses, which was most likely because of the deportations, the food packages went undistributed.²²⁴ The State Department was afraid that the Germans would use the food packages themselves and neglect the needs of their prisoners. Before the creation of the WRB, most proposals for food relief for the Jews were turned

down by the Allies. The WRB convinced the State Department to ease the restrictions on food shipments in 1944.²²⁵ In August, approval was given for the shipment of 300,000 food parcels to Europe. Roosevelt contributed \$1,068,750 to the effort.²²⁶ The project did not come to fruition until December and by then many of the rail lines that would have been used to transport the packages had been destroyed. Other relief efforts of the WRB, especially those through the ICRC, were more successful.

The WRB, because of its late implementation and continued worldwide resistance to rescue, was unable to accomplish much. Some of its programs such as the war crimes warnings, the establishment of havens, the prolonged negotiations with the Nazis and its Hungarian program were moderately successful and a good first step to a more comprehensive rescue effort that never materialized. One reason why the WRB role was so limited was that the war itself was winding down in 1944 and early 1945 and the danger that many of the Jews and other refugees had been in had passed. The WRB, the ICRC and the ICR began looking to the future. They concentrated more and more on relief efforts and less and less on rescue efforts because rescue was no longer a priority. Another problem the WRB faced was the limited cooperation of the Departments of State and War. The State Department still contained many mid-level officials who were opposed to rescue and obstructed rescue operations whenever possible as in the food relief program, the delay in issuing war crime declarations, and the attempt to deny funding for the War Crimes Commission. The War Department was skeptical about a military role in rescue and therefore did little to aid it. The Treasury, on the other hand, gave its full support to the WRB and provided most of its staff. However, the general opinion of prorescue activists and organizations was that the WRB was "too little, too late."²²⁷

Most of the authors who wrote on the subject of the Holocaust, especially the United States' response to it in terms of immigration and rescue policy, criticize all of the United States' efforts as being "too little, too late."²²⁸ The United States was presented with many opportunities to save Jews, yet it did not. As explained earlier, much of this was due to the overt anti-Semitism that swept the world from the 1920s until the mid-1940s. In the United States, Jews, though a small minority of the American population, were a large and noticeable presence in the government and in the economy of the United States. This seeming domination of America by the Jews fueled resentment and nativist sentiment in the United States. This led to an increase in anti-Semitic acts and discrimination, in addition to the devaluation of Jews. Fortunately, this devaluation was not taken to the same extremes as the Nazi's devaluation of the Jews. Anti-Semitism and the devaluation of Jews permitted Americans and the United States government to restrict immigration and rescue when the facts about the Holocaust became known.

One can indict any number of people and organizations for the inaction that occurred during the Holocaust. President Roosevelt, the State Department, Congress, the British, nativist organizations and even Jewish organizations can all be blamed for the failure to rescue the Jews from Nazi persecution. Roosevelt never took strong action to help the Jews unless he was pressured by members of his cabinet or other governments. Roosevelt knew that he did not have to ingratiate himself to the Jews because he already had their support. For this reason, he never acted expressly on behalf of Jews. It was British pressure, the Treasury's push for the WRB, and ultimately the WRB itself that got Roosevelt to act on behalf of Jewish refugees. Roosevelt did initiate some plans, such as the Evian Conference, but then neglected them to the point of failure. Some of this is understandable when one considers that he was trying to restart the American economy, and when war came, win it. However, he

could have taken more action such as changing immigration policy or frequent pronouncements about the massacre of the Jews to show that he was outraged by Hitler's crimes. He never did. Wyman states that "in the end, the era's most prominent symbol of humanitarianism turned away from one of history's most compelling moral challenges."²²⁹

The question of morality never entered into the State Department's policy decisions. From 1938-1943, the State Department was solely concerned with restricting immigration and rescue and even after this power was taken away, it still obstructed immigration and rescue efforts. It has been documented that its restrictive policies only allowed 21,000 refugees to enter the United States between Pearl Harbor and the end of the war.²³⁰ The German quota alone was 26,000 refugees per year. And, by the end of the war, some 6 million Jews had been murdered by Hitler. It seems almost absurd that the State Department had this much control over policy and never considered the results of its actions. It could have permitted the salvation of many more Jews than it did, yet the same anti-Semitism that pervaded America was also a part of the State Department. Long and his fellow mid-level officers worked to restrict immigration from the European states where Jews were being persecuted the most. They had access to information about the atrocities as early as 1939, yet did not take this into consideration, and even tried to censor information about it. The Treasury's investigation into State Department policy revealed all of this and caused a reassessment of policy and the creation of the WRB. The WRB was able to save thousands of Jews. But, one must wonder, what would have happened if Long had remained in his post, policy decisions continued as they had and the WRB had never been created?

Most probably, even more Jews would have been killed and all efforts to save them would have been obstructed. Congress, the British, and Jewish organizations could have forced the issue, but probably would not have

accomplished much. Congress itself restricted immigration and also was unable to reach a consensus about the Rescue Resolution. Roosevelt's Executive Order 9417 preempted a vote on the Rescue Resolution that probably would have resulted in a weak resolution and ineffective action. The British would not have taken action because, like U.S. officials, they were concerned about winning the war. British officials, mainly in the BFO, obstructed rescue efforts more than the Americans, even though the British were under more pressure from their people to act on behalf of refugees.

Lastly, the actions of the Jewish community must be discussed. Jewish organizations produced many strong actions, such as the Madison Square Garden rallies, that should have encouraged rescue operations, yet these actions were soon forgotten by the majority of Americans. The Jewish community was unable to sustain its publicity efforts about the Holocaust. Americans were not interested in hearing about the atrocities. This was due to the State Department's discouragement of the dissemination of information about the Holocaust; the few stories printed by metropolitan newspapers about the massacres; and Americans' inability to accept more tales of atrocities similar to those the British propaganda experts had told them during World War I. Another problem that Jews in America

faced was that they were not united. The JEC and the Emergency Committee never held joint programs and often tried to derail each other's rescue and publicity plans. Jews were also divided along religious and Zionist lines and this prevented cooperation among many Jewish organizations.

A final evaluation of the U.S. response to the Holocaust shows a disturbing lack of morals and responsibility for others on the part of the United States. The U.S. was unable to accept the fact that it needed to act on behalf of the Jews. U.S. policy was trapped by the Nazi definition of Jews, that "they were not human, and ... therefore they could be killed or sold - in other words, they could be treated as nonhuman elements, as animals or goods."²³¹ This devaluation of Jews by the Nazis and the U.S. allowed policymakers to justify the inaction that they took on behalf of the Jews. In the end, this devaluation led to the deaths of some 6 million Jews, many of whom could have been saved if more policymakers had thought about the results of their actions. Perhaps policymakers have learned from this mistake and have made America once again into a land where the "... tired, ... poor, ... huddled masses yearning to breathe free..."²³² can feel welcome. However, recent immigration and rescue policies regarding today's refugees show that the lesson has not been and still needs to be learned.

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Britain In The Cold War: The Depolarizationist Perspective

Anne Goodenough

COLD WAR HISTORIOGRAPHY HAS EVOLVED through several clearly identifiable stages. Until recently, studies focused on superpower policy and motivations. The 'traditionalist' school, prevalent in the 1940s and 50s depicted an aggressive, expansionist Russia as the prime cause of the Cold War. The United States' containment policy regarding the Soviet Union and subsequent policy actions were seen as principled, provoked reactions to Soviet expansionism and global disregard for democratic principles. The Truman Doctrine was believed to be the exclusive turning point in American policy; all actions prior to that point were considered in the context of specific situations and not as a part of a cohesive policy. In the 1960s this view came under fire with the rise of the 'revisionists.' This group argued that, though the Soviet Union certainly engaged in provocative diplomacy, the Cold War was motivated by the U.S. government's thirst for markets and raw materials, and confronted the Soviet Union's legitimate security interests with cynical capitalist aggression. The 'post-revisionist' synthesis emerged in the 1970's primarily under the tutelage of John Lewis Gaddis and presented a picture of the

early Cold War drawing on the positions of both of the earlier schools. While denying the belligerence of the traditionalists and the pro-Soviet apologies of the revisionists, the post-revisionists place more of the responsibility for the Cold War on the Soviets but acknowledge that Stalin's motivations were more complex than traditionalists have allowed. Additionally, this school places an emphasis on the impact of U.S. foreign economic policy and domestic opinion in addition to recognizing the tremendous role that can be played by misperception and misinterpretation in any international situation.¹

British post-war archives were opened for the first time in 1978, inspiring Cameron Watt, in an open letter in *The Political Quarterly*, to call on historians to use the newly available materials not to perpetuate the U.S. traditionalist-revisionist debate, which he claimed was not historiographical but judgmental. Rather historians should structure their research to "understand and elucidate the origins, causes, and course of what we have come to think of as the Cold War."² Since that letter, there has been a flood of new studies of the Cold War constituting the beginning of a new chapter of Cold War historiography that has been aptly termed 'depolarizationism.'³

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Depolarizationism, as the name suggests, is an approach giving new value to the contributions and influences of states other than the superpowers in the origins of the Cold War. First among these states is, of course, Great Britain. The literature in this area varies greatly in approaches and methods. This paper will examine a selection of these studies in the context of an issues-oriented discussion of the Cold War: the Polish crisis, Churchill's Iron Curtain speech, the Iranian Crisis, the Greek crisis, and the subsequent declaration of the Truman Doctrine.

In each of these situations and events Britain played a pivotal role, urging U.S. militancy against the Soviets and advocating close Anglo-American cooperation.

Background

In order to better understand the origins of the Cold War, one should begin with a discussion of Great Power relations during the Second World War, the relations out of which the Cold War grew. The Big Three alliance of the United States, Great Britain and the Soviet Union was largely one of convenience. The three had common needs and goals in the war which outweighed their mutual suspicions and differing world views. Their successful cooperation to end the war led many, including Roosevelt to hope that the tripartite alliance would continue and would serve as the foundation for post war peace.

The United States saw itself as the arbiter of world peace as it emerged from the war in the unusual position of being militarily and economically stronger than before the war. To ensure a lasting peace the United States pursued a policy of enhancing its military might, supporting cooperative international organizations such as the U.N. and especially encouraging free multilateral world trade.⁴ The United States saw the Soviet Union as the only real threat to U.S. security with its radically different economic policies and political ideology. However, despite this recognition, the

U.S. pursued a conciliatory policy toward the Soviets until the perceived failure of the Yalta agreements as the United States understood them began to provoke a more confrontational policy.

Soviet intentions are more difficult to gauge, but an understanding of how they were perceived is vital to the origins of the Cold War. Gormly describes Soviet foreign policy as having two main objectives. Firstly, the Soviets wished to enhance their national security. This was to be achieved by the creation of friendly nations along its borders, economic recovery and continued cooperation among the Great Powers. The Soviets' desire for influence in Eastern Europe was evidenced by Soviet military plans; Soviet forces were instructed to overrun Eastern Europe rather than massing to attack the Germans in one spot. To ensure the creation of friendly neighbors the Soviets pressured governments to include Communist representation in government and to maintain an attitude of friendly and loyal cooperation, while not specifically requiring that Communists lead those governments. Eastern Europe provided the Soviets with defense in depth capabilities and a means to economic recovery. Secondly, the Soviets wished to be recognized as a major power. This meant not only sharing in the spoils of war but having their requirements met and desires listened to.⁵

Britain, during the war, was one of the world's Great Powers. This may seem to state the obvious, but traditional approaches to the Cold War seem to forget that Britain was a major player at that time, though its position has diminished since. Within the Big Three alliance Britain had closer relations with both of her allies than either had with the other.⁶ This placed Britain in a central role within the alliance, especially in the early years of the war as it worked to promote allied harmony. However, Churchill's profound anti-Bolshevik feeling and his desire for a wide reaching Anglo-American special relationship caused a realignment of the British position beginning

in 1943.⁷ Roosevelt's post war planning rested on the assumption that the Big Three would continue in their cooperative dominance and under the auspices of the infant United Nations would work to preserve world peace. However, by the closing years of the war it became clear that Britain could no longer continue in this role and would quite possibly fall to the status of second rate power or worse. Despite its declining power Britain maintained definite foreign policy goals which it saw as essential to the establishment of lasting European and global security. Britain wished to continue in its global role, with its traditional spheres of influence in the Northern Tier, the Mideast and the Pacific, along with other areas around the world. These goals often brought Britain into direct conflict with the Soviet Union. Britain also viewed the Soviets' co-option of the Eastern European states as a direct threat to its security. In view of Britain's diminishing strength, many in its government felt that it would be imperative to bring the United States into a firm commitment to protect western Europe from the perceived Soviet menace. To this end British officials pursued an active, and often behind the scenes, program of diplomacy. Depolarizationist historians of the Cold War argue that the gradual change that occurred in American policy from 1945 to 1947, when the Truman Doctrine was first articulated, was brought about in large part by British pressure.

By 1945, the cold war was underway. But this, the first cold war, existed not between the United States and the Soviet Union but between the Soviet Union and Great Britain, in which the United States played a minor role. The importance of this cold war is often ignored and is called by terms such as 'conflict' or 'tension.' Harbutt states:

[Traditional approaches, which couch this confrontation in less polarized terms] do not convey, indeed they obscure, the vital historical connection between this preexisting Anglo-Russian confrontation—with its familiar 'Cold War' characteristics of acute political

tension not amounting to actual war, vast geopolitical theaters of contention, opposing systems of allies and clients, intense ideological and propaganda pressure from the Soviet Union, all without the notable loss of daily contact or diplomatic representation between the two powers concerned—and the 'real' United States-Soviet Cold War, which, through processes we must now try to disentangle, grew out of it.⁸

Soviet political activity in this period was clearly oriented against Britain as its major political adversary. The Soviets, as mentioned above, in their quest for friendly border states was brought into direct conflict with Britain in northern Iran, Turkey, and Eastern Europe. This was coupled with an active propaganda campaign through the French and British socialists against Atlee's Labour government. Britain seems the obvious adversary to the U.S.S.R. at this time. The Soviets felt themselves the odd man out in the tripartite alliance, aware of the political, economic and cultural traits that made the U.S. and Britain so similar. To prevent the formation of a firm Anglo-American bloc they attempted to divide the two by discrediting Britain. The Soviets felt able to pursue this policy because trends in U.S. postwar planning indicated that there was to be no permanent security commitment to Europe. U.S. historical tradition supported this and outward policy coincided, with commitments only to economic recovery and plans for immediate demobilization. Also, while Britain's depleted military capacity did not cause the Soviets much fear, their diplomatic strength and historical successes in arranging coalitions to balance Continental powers posed a potentially lethal threat to Soviet status in Europe and made Britain a worthy target.⁹

Cracks began to appear in the cement of the close Anglo-American relationship in 1944 when post war planning actively began. The dynamics of the relations within the Grand Alliance seemed to indicate that the Soviet Union and Britain would be in opposite camps in the post-war world. The United States saw its role in this sort of situation as a mediator

between the two powers in their disputes over Europe and the Mideast. It was from this assumption that the U.S. approached the Big Three conferences of 1943-45. Churchill was alarmed by this distancing and pushed actively for more coordination between the two countries' Soviet policies. Churchill's agitation provoked Britain's most potent enemy in America: public opinion.

The American people's long standing distaste for British colonialism was the chief obstacle to the acceptance of closer Anglo-American relations. The American public also resented what it perceived as having to 'pull British chestnuts out of the fire' and 'picking up the tab' for British policy again as it had in WWI and in the European theater in WWII. This coupled with traditional American isolationism made public support for joint Anglo-American actions almost nonexistent.¹⁰

Almost all historians of the period acknowledge the role played by Churchill in the first tendencies of U.S. policy to confrontation with the Soviet Union. Churchill and Roosevelt enjoyed a close relationship and were in constant contact throughout the war. By 1944 Churchill was advocating to the President the necessity of a joint Anglo-American stance against the Soviets in their correspondence. Roosevelt resisted this pressure, believing that the Soviets would best be handled with accommodation. As Soviet expansion continued in Eastern Europe the President's attitude began to change. Yet he opted to continue his independent mediating policy at Yalta where one of the immediate issues was Soviet policy in occupied Europe. Only after the failure of the Yalta agreements did the American president come to agree openly, though not as adamantly, with his British counterpart.

The Polish Crisis

The political events which precipitated this change surrounded the situation in Poland. The Soviets occupied all Polish territory even before the defeat of Germany. Churchill, host

to the Polish government in exile in London, had been greatly dismayed by the Soviets' assertion that the Communist Poles—the Lublin Government—were the legitimate ruling body in liberated Poland. Churchill found himself increasingly impotent to assert British objectives without American support and was forced to settle at Yalta for the elimination of the London Poles from any sort of effective governmental role in Poland. While many saw Yalta at the time as the symbol of American-Soviet rapprochement, in which Roosevelt gained important concessions from Stalin on Poland, the U.N., and liberated Europe, only to have their hopes dashed by subsequent Soviet actions.¹¹ Harbutt gives a very different and intriguing picture of the conference. Rather than seeing a misguided and failing Roosevelt succumbing to Soviet pressure, Harbutt sees the president cannily setting the Soviets up for a very big fall. He argues that Roosevelt, had come to see Churchill's point of view and wanted to confront Stalin on the Poland issue, but felt constrained by public opinion at home. By conceding the issue on the condition of 'free elections' to be held as proposed by the Soviets, while also achieving the signing of the Declaration on Liberated Europe which promised the liberated countries democratic governments and free elections, Roosevelt covered up the failure of western diplomacy and publicly bound Stalin to support ideas Americans held dear. As Harbutt puts it, "Roosevelt thus resolved his dilemma by flattering the American people rather than Stalin" by creating a moral standard by which "future Soviet behavior would be monitored and judged by an expectant, moralistic American and perhaps world opinion."¹² By giving ground on the immediate issue, Poland, Roosevelt hoped to catch Stalin later as Soviet actions progressed. The Declaration created a vision of Yalta that raised high hopes in America that the Soviets were not willing to live up to, and indeed, had not agreed to. They saw the Declaration as a document subject to revision and finalization. Stalin was unwilling to quibble

over definitions of 'free' and 'democratic' at the conference in view of the tremendous diplomatic victory he had achieved there regarding Poland. Stalin saw himself as the victor at the conference in winning tacit Anglo-American agreement on Soviet dominance in Poland, while Roosevelt portrayed himself as the victor by conveying to the American people a Yalta which promised peace and demobilization: a return to normalcy. Only a few days later the hopeful illusion of Yalta was dashed by the delivery of a note by the Soviets to the Romanian government demanding its replacement by a 'democratic front'. This aggressive, unilateral action jangled with the spirit of Yalta as Roosevelt had portrayed it, and his supporters were angry and confused. Churchill, recognizing this anger, confronted Roosevelt on the issue demanding joint Anglo-American action.¹³ Roosevelt remained more conciliatory, his health now failing, though he did consent to send coordinated notes to Stalin in April regarding the situation in Poland.¹⁴

The Iranian Crisis and the "Sinews of Peace"

The next major confrontation occurred between Britain and the U.S.S.R. over Iran. The two countries shared interests in Iran; by imperial agreements Russia enjoyed a sphere of influence in the north and the British in the south. In 1942 a tripartite treaty among Britain, Iran, and the Soviets stipulated the withdrawal of occupying forces from Iran within six months of the cessation of hostilities. This treaty was backed by the 1943 Declaration Regarding Iran which was signed by the United States and guaranteed Iran's independence after the war. Britain and the Soviets began their respective pullouts on schedule, but the Soviet troops halted after evacuating Teheran. They held northern territories including oil fields in Baku, claiming the danger of Iranian sabotage of those fields as reason for remaining. The first meeting of the U.N. Security Council was scheduled for January of 1946, and Byrnes was worried that the Iranians would bring the

issue before the Council. If this were to occur, the United States would have no choice but to support the Iranians against the Soviets because it was a party to the above mentioned Declaration. At this time the U.S. was pursuing a decidedly accommodationist policy regarding the Soviets, and Byrnes reiterated this in a private conversation with Stalin at the Moscow conference in which he stated the United States' unwillingness to confront them in the Security Council, but that if no change occurred in Soviet policy before then, the U.S. would be forced to take such a course. None of the Big Three wanted the matter brought before the infant Council, fearing that the open dissension it would cause so early on in the life of the Council would undermine the future success of the U.N. Byrnes related these fears to the Iranian government, but Iran was adamant on the issue and brought a complaint against the Soviet Union. The Soviets responded with a complaint against the British in Greece and the Ukraine filed a complaint also against Britain in Indonesia. The dispute over Iran was sidetracked temporarily into bilateral negotiations, of which the Security Council was to be kept closely informed. The situation was stalemated at this stage when Churchill made his historic speech.

Churchill's speech, which he titled "The Sinews of Peace" was delivered in Fulton, Missouri at Westminster College. The speech made the phrase "the Iron Curtain" a part of the Cold War vocabulary. The speech, lent even more weight by the presence of Truman beside Churchill on the platform, was a call to arms to the English-speaking peoples of the world. It had essentially two objectives: to frighten the Americans with a vision of a militaristic totalitarian Bear ready to overrun their backyards and to threaten the Soviets with the spectre of isolation in a hostile world. After quipping that the name Westminster was somehow familiar, Churchill extolled the virtues of those two nations, and their commitment to democracy in the face of a sinister threat from the Soviet Union. The Soviets, he stressed, respected

nothing but military strength and unless faced with sufficient strength would continue to expand their frontiers until they threatened even the cottage homes of Britain and America. He then proceeded to give a political framework—close Anglo-American ties—within which this threat could be contained and the military means to enforce that containment.¹⁵

This politically charged speech had immediate effects on the status of Great Power relations. The American public, after an initial outcry, greeted it warmly for the most part, though it showed serious reservations about the closeness of the relationship Churchill envisioned.¹⁶ This positive reaction, albeit delayed, gave the Truman administration the go-ahead to pursue a confrontational policy against the Soviets it had come to believe necessary.

The effects on the Soviet Union cannot be overstated. In this speech Stalin was faced with that which had frightened him most throughout the years of the Grand Alliance: clear evidence of an Anglo-American bloc oriented squarely against the Soviets, which indeed seemed already to be in place. The speech was a direct challenge to Stalin at his most vulnerable point. Harbutt argues that Stalin had been engaging in an opportunistic expansion in Europe and the Northern Tier; Britain, its staunchest adversary, did not have the strength to successfully oppose them and the United States had exhibited again and again its desire not to get involved in Anglo-Soviet arguments. By this explanation, Stalin's expansion was not a mechanistic manifestation of Soviet ideology, but merely a response to the absence of a credible opposition.¹⁷ Caught in this dilemma, he responded by conceding points in Denmark and Manchuria. However, he was unwilling to back down in the central theaters of either Iran or Bulgaria. Harbutt argues that this was the fatal flaw in his diplomacy; that he persisted even when it was clear that America was his most active and able adversary independently, jointly with the

British and in the Security Council. But this reaction was more than just stubbornness. Stalin was as much a student of Munich as any statesman of the period, and he believed that to give in on principle and interests he felt were essential would be little more than appeasement. Furthermore, if he had backed down he would have confirmed Churchill's thesis that the Soviets would respond only to threats, and he had successfully stood down the United States after Roosevelt's death and after Hiroshima by being firm.¹⁸

Churchill had been preparing the address for several months and had been in contact with members of Truman's administration throughout. Recognizing the valuable opportunity that had been given him, he made it clear to Truman that he would use the speech to forward the ideas he had held privately since 1943, noting that, "Under your [Truman's] auspices anything I say will command some attention and there is opportunity for doing some good to this bewildered, baffled, and breathless world."¹⁹ On February 10, 1946, Churchill discussed the speech with Truman in Washington. Truman gave Churchill his support when he outlined the main points of the speech: "Truman had licensed him to advocate publicly, in the legitimizing presidential presence, an intimate and exclusive world-girdling Anglo-American military combination whose purpose could only be containment, if not the eventual elimination, of Soviet power."²⁰ In the weeks following this meeting, the U.S. policy underwent a definite change which Harbutt traces to this meeting; Byrnes was the executor of most of these changes. On February 12, Byrnes cabled Moscow demanding explanations for Soviet behavior in Rumania, Bulgaria, Austria, and Albania. On February 15, a second note was delivered regarding Bulgaria. On the 17th Byrnes travelled to Florida for consultations with Churchill, and on the 22nd a fundamental change was made in the American position on Iran. Byrnes cabled Qavam, head of the Iranian government that the U.S. would welcome

an Iranian or third party motion to bring the matter before the Security Council once more and emphasized that any agreements made would be in full compliance with the Charter of the United Nations. On the 25th Byrnes made plans to return the body of the Turkish ambassador in a memorial convoy to Istanbul led by the USS Missouri, the Navy's most powerful warship. At the Overseas Press Club in New York on February 28th Byrnes delivered what was in effect a prior endorsement of Fulton in an address calling for the commitment of U.S. military forces to defend the democratic principles embodied in the Charter. Byrnes also hinted in this talk at the embryonic Anglo-American relationship that would ensure that the U.S. would never have to stand alone in its mission. On March 2nd Molotov was the recipient of an American note accusing the Soviets of arresting Hungary's economic recovery with overburdening reparations demands.²¹ And finally, on the day of the address, Byrnes cabled the Kremlin calling for the immediate withdrawal of Soviet troops from Iran.²² This sudden barrage of diplomacy directed against the Soviets, Harbutt convincingly argues, was directly linked to plans for Churchill's March 5th address, in view of the close consultations that were held in the preceding weeks and the overwhelming support given Churchill by members of the Administration.²³ Harbutt also notes more passively confrontational actions that were taken in these weeks, specifically the February 21 offer of a \$1 billion credit to the Soviets with obviously unacceptable conditions and the appointment of Bernard Baruch as the U.S. delegate to the U.N. Atomic Energy Commission, a choice which many believed was made deliberately to undermine the international control of atomic energy.²⁴

Three weeks after Churchill's speech the Anglo-Soviet confrontation in Iran exploded into a crisis with worldwide implications. The Soviet reaction to Churchill's call to arms was immediate. Evidence of threatening Soviet troop movements in northern Iran prompted a

show of Anglo-American unity with an exchange of messages and a request that Iran bring the matter before the Council once more. The Soviets, wary of further confrontation in the Council, especially against a coordinated Anglo-American bloc, showed some softening and offered concessions to Iran short of a full withdrawal. When the Soviet assertion that a nonexistent agreement made with Iran was called as a bluff, Gromyko walked out of the Council discussions. After this alarming development the crisis was diffused as the Soviets scrambled to reach an agreement with the Iranians before the next meeting. In the agreement that was reached the Soviets were to withdraw their forces entirely and maintained only minimal oil concessions. The Soviets returned to the Council with this peace offering thereby restoring the integrity of the organization: it had weathered its first major crisis. More importantly for the British, the United States had finally taken a solid stand against the Soviets by all indications would lend aid to them as they had pressed for so long. In Britain, Churchill and Bevin and other like-minded people, were vindicated. Bevin, who had staunchly faced Soviet charges in the Security Council on his own, knowing that Britain could not continue to defend itself without support from America, was returned to a position of strength in Europe and the Mideast.²⁵

The Greek Crisis and the Truman Doctrine

Soon after the resolution of the Iranian crisis the Greek situation came to a head. Greece has occupied the central point of most discussions of the Cold War as it was in the context of the Greek civil war that the U.S. drew the line against Soviet expansionism in Truman's declaration of the doctrine named for him of March 1947.

Britain was heavily involved in Greece since the German evacuation in 1944. Over the next several years they had worked to establish an independent, pro-British and especially

non-communist government there. Hampered by constant left wing resistance led by the communist EAM and its military wing ELAS, the British were only briefly to achieve stability there. Elections in 1946 brought a Populist-royalist government to power and the monarchy was returned by a plebiscite later that year. This prompted a renewal of the civil war, and the realization by the British that the necessary level of continued involvement in Greece would be impossible for economically struggling Britain to carry out. The Treasury, Dalton in particular, insisted that all aid to Greece be terminated by March 31, 1947. As Dalton notes in his memoirs: "my little push for a small economy in Whitehall had released world forces far more powerful than I ever guessed."²⁶

The British notified the Truman administration of this decision on February 21, and indicated that if a Communist coup there were to be forestalled, the U.S. would have to take on the responsibility. The Administration was taken very much by surprise by this; not so much that the British desired aid in the crisis but the short notice given and the fact that Britain was to cut off all aid.²⁷ The timing of this notice so shortly before aid was to be withdrawn entirely, has sparked controversy over British intentions in the matter. Traditional arguments claim that the withdrawal of aid was decided upon because of the dire economic situation Britain found itself in the winter of '45-'46. That winter was unusually severe prompting worries of a fuel crisis and the American and Canadian loans were being depleted much more rapidly than anticipated. British war time assistance to Greece had totalled almost £200 millions and was estimated to reach £70 millions in 1947. It was clear to many in the government that this could not be maintained; the Greek commitments were among those programs which would have to be cut.²⁸

Others have argued, however, that British officials timed the cutoff of funds to force the United States to make a commitment to European security. Lord Inverchapel, Britain's

ambassador to the U.S., cabled home on March 13 that "There is no need for His Majesty's Government to regret that circumstances constrained them to give the United States such short notice of their inability to continue aid to Greece. Our action has provided an element of urgency which has done much to galvanize public opinion."²⁹ Attlee in interviews in 1959 supported this idea: "We were holding the line in far too many places and the Americans in far too few ... [by giving] notice at the right moment ... we made the Americans face up to the facts in the eastern Mediterranean. As a result we got the Truman Doctrine, a big step."³⁰ Francis Williams, press secretary at Downing Street and biographer of Ernest Bevin states clearly that Bevin timed the delivery of the note of February 21 to force the Americans into a major shift in policy.³¹ However, Williams has no documentary evidence to support this assertion, which seems to be based on personal recollections.

Frazier argues that there is not enough evidence to prove either position unequivocally correct, though the newly opened records do clarify the process which led up to the note. He argues firstly, that there is little indication that the economic situation at that time had caused such distress that Britain felt forced to withdraw. Rather, economic problems were seen in the long term. The only decision made in February was on how much aid was to be withdrawn; the decision to withdraw was made earlier. In late 1946 and early 1947 there were extensive discussions throughout British government to discuss what policy on Greece should be. Bevin firmly believed that aid to Greece should continue because of that country's geopolitical significance; Dalton firmly believed that aid should stop. Frazier argues that it is in the terms of this organizational conflict that the decision to send the telegram was made. Of Williams' assertion, Frazier says that there is no documentary evidence to support it and indeed, records seem to indicate that Bevin was aware that resolution of the conflict would require ever increasing amounts

of money and that the United States should be asked to help, but no mention is made of engineering U.S. aid in such a way. The decision made in February was to cut off all aid rather than put pressure on America to take up the slack, by making continuing support conditional on U.S. participation. The Foreign Office realized that withdrawal from Greece would come sooner or later; when the civil war flared again, it made sooner the preferable option.³² This is not to say, necessarily, that Britain was forced to dump the Greek situation on the collective laps of the Truman administration, but that economic problems created a reprioritization in Whitehall in which Greece ended up at the bottom of the list.³³ Boyle also emphasizes the organizational aspects of the decision, which he attributes to a combination of political and economic factors of which the Foreign Office emphasized the former and the Treasury the latter.³⁴

Ryan outlines thoroughly the British campaign to involve the United States in Greece, beginning in 1943. His research raises questions as to the integrity of the direct cause-effect link made by many historians between the British note of February 21 and the declaration of the Truman Doctrine a month later. Pressure was exerted first on the Roosevelt and then the Truman administrations within a strategy of gradualism. This campaign had a degree of success as the U.S. contributed economic aid and eventually participated in a joint Anglo-American economic mission in the country. Ryan's research shows that the U.S. had plans to increase levels of aid to the Greek government even before the notes of February 21 were delivered. Indeed, on the morning of that day, Undersecretary of State Dean Acheson had signed a significant memorandum to the Secretary advocating a direct loan to the Greeks along with military aid. It is impossible to surmise whether or not such a resolution would have been adopted by Congress, but the British notes later in the day galvanized Congressional leaders and public opinion, allowing Truman's request for funds

and other aid to pass readily unhindered.³⁵

Anderson argues as well that the assertion that Bevin's diplomatic timing caused the Truman Doctrine should be regarded with some skepticism: "The idea that Bevin calculated the right idea at the right time is convenient—especially considering America's response—but has not yet been substantiated by a single document."³⁶ At the same time he argues that the Truman administration would not have taken such decisive action without some sort of push, especially considering the budget-slashing mood on Capitol Hill.

Assertions of Bevin's canny planning in this matter are finally and effectively disputed in Alan Bullock's exhaustive biography of Bevin as Foreign Secretary. He states that Bevin regarded sending the note "with considerable misgiving, partly because it meant admitting publicly Britain's inability to go on playing an equal role with the Americans, but, even more perhaps, because he was unsure how the Americans would take it."³⁷ Here, obviously, there is no indication of any grand design in Bevin's actions.

Nonetheless, it is clear that, without the final push of the British notes, American policy would have taken considerably longer to develop in the way it did. By this reasoning, Britain did cause the Truman Doctrine, but not by any devious plan with that specific goal in mind, but rather by its actions regarding economic and organizational factors.

Conclusions

Above, several depolarizationist arguments are outlined regarding the situations and events that led up to the formulation of the U.S.-U.S.S.R. Cold War that has characterized our world for the last forty years.³⁸ The importance of depolarizationism is that it adds a new, European dimension to study of the Cold War. It combines three important factors in explaining the Cold War: American public opinion, British anti-Soviet pressure, and the actions of the Soviet Union to develop new ideas about how the Cold War developed. British diplomacy,

as early as 1943, brought a constant and increasingly strong pressure to bear on American policymakers, encouraging joint Anglo-American policy to counter the growing Soviet threat. First Roosevelt and then Truman were won over to the British point of view, while they continued to resist, for the most part, the degree of closeness Churchill in particular advocated. However, American public opinion, a determining factor in American politics, was not willing to go along with this. Only with the continuing expansion of the Soviet Union and concurrent public projection of British views, most notably through Churchill's Iron Curtain speech, were the American people convinced of their new role, enabling American policy to come out emphatically against the Soviets in 1946.

Britain continued to pave the way for shifting the burden of its own cold war with the Soviets to the U.S. as it championed Iran's cause in the United Nations and increased its support to the anti-communist forces around the world until 1947. Throughout 1946 the British had encouraged U.S. involvement in the Greek civil war, and when Dalton forcibly brought to an end all British aid in the matter, the U.S., after its initial shock, stepped into Britain's shoes with only minimal hesitation.

At the crux of the depolarizationist debate is the question of how much influence Britain actually had on American policy in the period. According to Ryan, it was not as great as it could have been. He argues that British policy especially under Churchill's coalition government was geared to developing a much closer relationship—a true Anglo-America—than actually developed. Evidence of this can be found in an extreme example in the Fulton address when Churchill suggests joint citizenship as a development of the future Anglo-American relations.

Other authors, such as Harbutt and Anderson argue that Britain certainly played a definite

role in the shaping of American policy. Harbutt gives emphasis to the role played by Churchill as wartime leader and as member of the opposition. According to Boyle the Cold War was not launched in Washington but neither was it a plan hatched in London which the Americans were enticed into making their own. Rather, a confrontational policy had been in the works in Washington for some time and with much hesitation, while the British worked as barristers to persuade the Americans of the value of their position. Anderson argues that British policy worked perhaps too well, as America took the torch and quickly left its British forerunners behind, leading its own specifically American crusade against the Communists.

Of course, it would be oversimplifying matters to assert that any one event or personality caused as mammoth a realignment of international politics as the Cold War. It cannot be denied, however, that Britain paved the way for the new American militancy of 1946-47 by providing articulation and focus for confrontation with the Soviets. But at the same time, one must recognize that at no point did Britain intend to become a junior partner in this campaign. British officials imagined themselves continuing as joint and equal partners of the U.S. Clearly, this aspect of their policy failed. But the value of the depolarizationist arguments that have been discussed above is their recognition that the European dimension of the Cold War did exist and is important to historical study.³⁹ Zeeman emphasizes that the uncertainties and ambiguities surrounding British foreign policy in the period reinforce the necessity of further development of depolarizationist literature.⁴⁰ Its importance lies not in an attempt to place responsibility for the Cold War, but in the widening of the historical picture they encourage. They add one more facet to an overall understanding of a very emotionally charged time in history.

Endnotes

1. Reynolds, David, "The Origins of the Cold War: The European Dimension, 1944-1951," *Historical Journal*. (1985) pp. 497-8.
2. Watt, Donald Cameron, "Rethinking the Cold War: A Letter to a British Historian," *The Political Quarterly*. (1978) p. 446.
3. Zeeman, Bert, "Britain and the Cold War: An Alternative Approach— The Treaty of Dunkirk Example," *European History Quarterly*. (1986) p. 346.
4. This military might was intended for use within the U.S.'s own hemisphere. Influence in other parts of the world was to be achieved through active economic aid. Richard A. Best, *Cooperation with Like-Minded Peoples: British Influences on American Security Policy* (New York: Greenwood Press, 1986) p. 54.
5. Gormly, James L., *The Collapse of the Grand Alliance 1945-1948*, (Baton Rouge: University of Louisiana Press, 1987) pp. 26-31.
6. Harbutt, Fraser J., *The Iron Curtain: Churchill, America, and the Cold War*, (New York: Oxford University Press, 1986) p. 4.
7. Churchill is quoted as saying on the way to the Tcheran conference, "Germany is finished, though it may take some time to clean up the mess. The real problem now is Russia. I can't get the Americans to see it." In R. Ovendale, "Britain, the U.S.A., and the European Cold War, 1945-1948," *History* (1982) p. 217.
8. Harbutt, p. 118.
9. *Ibid.*, p. 119.
10. Ryan, Henry Butterfield, *The Vision of Anglo-America: the U.S.-U.K. Alliance and the Emerging Cold War 1943-1946* (Cambridge: Cambridge University Press, 1987) p. 21-23.
11. Anderson, Terry H., *The United States, Great Britain, and the Cold War 1944-1947* (Columbia: University of Missouri Press, 1981) p. 30-31; Gormly, p. 40.
12. Harbutt, pp. 87-88.
13. See Churchill's 910 in Warren F. Kimball, *Churchill and Roosevelt: the Complete Correspondence*, Vol. 3 (Princeton: Princeton University Press, 1984) pp. 564-566. Roosevelt's 718 in reply can be found on pp. 568-569.
14. The convergence of the two leaders' attitudes is apparent in cables exchanged from March 29 to April 1 in preparation for the parallel messages sent to Stalin on April 1. See specifically Roosevelt's 729, 730, and 732; Churchill's 928, 929, and 930. Kimball, p. 593-602.
15. Harbutt gives an in depth discussion of the speech on p. 185-197.
16. Anderson, p. 114-117.
17. Harbutt, p. 211.
18. *Ibid.*, p. 213-215.
19. As quoted in Anderson, p. 111.
20. Harbutt, p. 162.
21. For a discussion of Byme's diplomatic activities in February, see Harbutt p. 166-176.
22. Anderson, pp. 119-120.
23. Harbutt, p. 165.
24. *Ibid.*, pp. 176-179.
25. Bullock, Alan, *Ernest Bevin: Foreign Secretary, 1945-1960* (New York: WW Norton, 1983) p. 239.
26. Dalton, Hugh, *High Tide and After: Memoirs, 1945-1960* (London: Frederick Muller Limited, 1962) p. 209.
27. Frazier, Robert, "Did Britain Start the Cold War? Bevin and the Truman Doctrine," *Historical Journal* (1984) p. 724.
28. Boyle, Peter G., "The British Foreign Office and American Foreign Policy, 1047-1948," *Journal of American Studies* (1982) p. 374.
29. As quoted in Boyle, p. 374.
30. As quoted in Anderson, p. 171.
31. Williams, Francis, *Ernest Bevin: Portrait of a Great Englishman* (London: Hutchinson, 1952) p. 263.
32. Frazier, p. 727.
33. Anderson, p. 175.
34. Boyle, p. 376.
35. Ryan, p. 168-169.
36. Anderson, p. 173.
37. Bullock, p. 369.
38. The term depolarizationist is use loosely to mean those looking beyond the exclusivity of the bipolar superpower relationship for insight into Cold War origins.
39. Reynolds, p. 515.
40. Zecman, p. 362.

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The Status Quo In The West Bank And The Gaza Strip: The Implications For Israel

Scott Kauffman

The (peace) movement urged concessions on a country that had had to face five wars in one generation, wars imposed on the state (according to the official version and popular belief) in its fight for survival. "Peace" was indeed something to be hoped for, even aimed at, in some unforeseeable future; in the meantime, the territories were something tangible, with their abundance of historical associations, security advantages and economic benefits.¹

PRIOR TO 1967, THE STATE OF ISRAEL WAS IN AN extremely precarious position; it was surrounded by hostile neighbors, and had nothing to offer to those neighbors in return for peace. Moreover, it was highly unlikely that the Arab countries would have been willing to negotiate a settlement acceptable to the Israeli government. But the Six Day War created a new situation in the Arab-Israeli conflict, for it put Israel, for the first time, in a bargaining position vis-à-vis its Arab neighbors. Israel could now return the territories that it had gained in the 1967 War in exchange for peace.² Most Israelis have always believed that their government has consistently done everything possible to achieve peace with their Arab

neighbors, but Israel has not, in fact, followed a course consistent with this view, and has instead decided to maintain the status quo: a precarious state of no peace-no war in the Middle East.³ Why is it that Israel, given the means and the opportunity to achieve a lasting peace, has not done so? There are a myriad of reasons that can explain why Israel has indeed maintained the status quo in regards to the territories: political, demographic, economic, and military, to name a few of the most important ones. This paper will explore some of these reasons, in all of their complexity, so as to gain a better understanding of Israeli intransigence in regards to the territories, and will also make suggestions that will, perhaps, deal with some of the obstacles that keep Israel from embarking on a course that would lead to peace in the Middle East.

The administered territories have been a bone of contention in Israeli politics almost since the time that Israel first acquired them. Following the Six Day War, the issue of the territories sparked a general interest and began a great debate within the political parties themselves. The territories came to hold a central position in the party platforms and to be a major topic of discussions in the party institutions.⁴ From 1967 to 1973, Israeli foreign

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policy, under the direction of a Labor coalition, focused on retaining control of the territories until such a time when the Arab countries would be ready to negotiate and, hopefully, to accept Israel's conditions for peace. However, a small but not negligible section of the Israeli public did not view the administered territories as a bargaining chip to be exchanged with the Arab countries in return for peace, but rather as "...the fulfillment of a long-cherished, dormant hope—the dream of Greater Israel."⁵ It is this fundamental difference in perception that lies at the heart of Israel's internal political conflict over the territories, and threatens to tear Israel apart from within. There are a variety of ideological reasons for this "pro-territories" stance, but three basic reasons can be sighted: religious, historical, and national.⁶

For people who believe in Greater Israel for religious reasons, Israel's conquest of the territories was a sign of God's will. To them, it is forbidden for the Jews to give up even one inch of the Holy Land, since God had given it exclusively to His "chosen people." A more-flexible version of this argument is based on historical bonds rather than on divine commandments. The "historical" argument is presented by those people who are deeply moved by the ancient bonds of the Jewish people to the Land of Israel. These feelings manifest themselves in things like enthusiasm for archaeology that reveals such historical ties, and in the increased importance of sites like the Wailing Wall and the Tombs of the Patriarchs. The feelings that motivate the proponents of this argument can best be summed up in a phrase that was coined by Moshe Dayan: [Israel] is "the cradle of our people." A third group of people support the idea of Greater Israel for national reasons. These nationalistic forces see the territories of Greater Israel as providing the one path to effective nation building. This group sees the future existence of Israel as dependent upon immigration and settlement, and the territories will ensure that Israel has enough room for the integration of large scale Jewish immigration.

These "pro-territories" forces reject the international principle that was laid down in the preamble to U.N. Resolution 242 as to "the inadmissibility of the acquisition of territory by war."

The territorial gains of the Six Day War...were thus perceived as non-negotiable, irreplaceable assets not to be bargained over, providing both the necessary and the sufficient condition for the survival of the state and the preservation of its sovereignty.⁷

The actions of the "pro-territories" groups were done with two goals in mind. The first was to fix the idea of Greater Israel into the mind of the Israeli Public, or, in other words, to spread it among the largest possible groups and social sectors, to keep it constantly on the public agenda, and to translate that into political influence in order to implement strategies that were in accordance with its principles. The second goal was to prevent withdrawal from the territories at all costs.⁸ These policies were highly successful, and led to expanded political influence through such groups as the NRP, Likud, Greater Land of Israel Party, and Gush Emunim. But they also led to some very serious inter- as well as intra-party fighting. Israeli politics were then, and are still today, becoming increasingly factionalized. As an example of how the "territories for peace" issue affects Israeli politics, and vice versa, one may look at the government of Yitzhak Rabin, which came to power in 1973, and was the last Labor government to be in power without the support of Likud. It was a broad coalition, and Rabin was committed to the idea of a "territorial compromise," and was prepared to consider a territorial concession on the West Bank in return for peace with Jordan. But the views within the Labor coalition ran the gamut, with ardent hawks favoring annexation side by side with doves who wanted to see all of the territories returned. The government became embroiled in a desperate struggle and trapped in one of the fiercest rivalries that ever developed, reducing the

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government to a state of paralysis. The Labor Alignment was willing to make territorial concessions, yet promoted settlements that helped stabilize Israeli rule in the territories; it was prepared to give up areas not vital to security, but ended up creating *faits accomplis* that made it difficult to give the territories up and reduced the prospect of a final withdrawal. "It took refuge in a deliberately vague policy that left the future of the territories clouded in uncertainty and perpetuated the status quo." The diversity of the Labor party, which had been its strength under Ben Gurion, ended up tearing it apart with no strong national leader to impose a barrier to dissent.⁹ The question of the territories is still disrupting Israeli politics today. When the American Secretary of State, James Baker, recently asked Prime Minister Yitzak Shamir to enter into peace talks that would include Palestinians, a crisis was initiated in the Israeli government. If Shamir accepted the offer, right wing Likud members threatened to leave the coalition, and if he declined the offer, then his main rival, Shimon Peres, likewise threatened to leave the coalition and bring down the government. Shamir, in a no win situation, declined the offer, and Peres was able to muster enough support in the Knesset to win a vote of "no confidence" and bring down the Likud government. These examples demonstrate the harsh polarization which has taken place in Israeli politics as well as in Israeli society, and in turn help to explain the political motivation behind the reluctance of those in power to initiate a course of action that would lead to peace. Since some territorial concessions would have to be made in return for peace, and the Israeli public is still largely undecided on the issue of territorial concessions, political leaders simply do not want to approach the issue. So long as Israel does not go to the peace table, it will not have to commit to anything and, thus, will not alienate any part of the body politic.

But there is another issue, one that stems from politics, that is an even greater obstacle to peace than political factionalism, and that

threatens the very existence of the state, notably the issue of settlements in the administered territories. Prior to 1977, the Labor government promoted settlements, albeit hesitantly, in the territories for security reasons, and to carry out the "prime imperative" of Zionism: the settlement of the land. After Likud came to power, however, there was a drastic change in the motivation for Jewish settlement in the territories; the roots of this change were to be found in the belief that the future borders of Israel would be determined by the settlement map.

The Greater Israel idea had been at the core of the values of the Likud from its inception. The territorial dreams were part of Revisionist ideology and programs, and when the territories were taken in 1967 a seemingly heaven-sent opportunity offered to fulfill the dream and establish Greater Israel in one version of its historical frontiers.¹⁰

To the Labor party, the territories had been a means to security, they were a negotiable asset, but to Likud, the retention of the territories was and still is a prime objective. Where Labor had tried to prevent illegal settlement of the territories by such groups as Gush Emunim, Likud fully endorsed those settlements. Militant new settlers doubled the Israeli population in the territories in the first two years after Likud came to power, and in the years from 1975 to 1985, the number of settlers in the West Bank went from 2,851 to 52,000.¹¹ Some of these settlers claim to be the heirs to the pioneering tradition of Zionism, and even though they are a small minority of zealots, they have in the past had strong support among the Israeli population. The aim of these ideologically motivated settlers is to create a strong constituency of Israelis who can be relied on to fight any plan that would involve territorial compromise, in order to protect their newly acquired homes in the territories.¹² The policies of the Likud government in dealing with the acquisition of land in the West Bank have been devised to surmount administrative, legal,

and political obstacles that stand in the way of expansion in the territories. The Likud government has spent massive amounts of money on housing, road, and facility construction in the territories, and is clearly trying to "create such an elaborate network of vested interests and established facts that no future Israeli government will be able to relinquish operational sovereignty over the area."¹³ The ultra-nationalist camp is striving for a situation of de-facto annexation that would make territorial compromise impossible and, consequently, put a peace settlement forever out of reach. To the Israelis, giving up a settlement has always been a last resort, "something to be prevented at almost any cost because of the symbolic value of redemption attached to it."¹⁴ The real threat to the state would come if the government did decide to give up the territories in return for peace. The militant settlers have been steadily accumulating independent economic and organizational strength, and no attempt has been made to curb this accumulation. This is dangerous, because these zealots have openly challenged the authority of the government and have frequently threatened unilateral action. Geula Cohen is a member of the Knesset and a radical Revisionist, who founded an ultra-nationalist political party, and strongly supports the militant settlers of the territories. According to her, "The Jews did not come back to Israel to make peace or even to be safe, but to build a nation on the lands given to us by the Bible."¹⁵ When, by the terms of the Camp David Accords, it was time for the settlers of the Sinai village of Neot Sinai to evacuate, she joined the settlers in standing against the evacuation. The settlers encircled the property with barbed wire, and then armed themselves with pipes, stones, torches, gasoline, and even with some guns. They then announced that whoever tried to evict them would have to "risk the consequences." When an army unit approached the barbed wire, the settlers attacked and injured seven soldiers. This precipitated a crisis within the government, and Prime Minister Begin

eventually was forced to pay a large sum of money in order to get the settlers to leave. According to Cohen, the settlers are generally passive, but "...in Judea and Samaria and the Golan Heights, they will not stick to passive resistance. I am sure—I am afraid—they will use guns... the line between passive resistance and armed violence is very thin."¹⁶ Thus, in a worst case scenario, there is a very real possibility of civil war. Any Israeli government that would seek peace with the Arab nations, would have a very severe crisis on its hands at home. Under such circumstances, "peace" could very well lead to the dissolution of the state.

But there is another aspect to the settlement question. Settlements are an important part of the strategy that the Israeli government is using to combat one of the major problems implicit in the continued presence of Israel in the territories: the demographic "time bomb." In recent years, there has been an increase in the growth rate of the Arab population of the administered territories, and this growth seems to stem from several demographic trends. The first is variations in the migratory balance, which has, until recently, been negative. In other words, the number of people emigrating from the territories has, until now, been large enough to offset the natural increase in the population. But due to such things as the reduced demand for workers in the Gulf States and other Arab countries, and perhaps also due to the rising feeling of nationalism among Palestinians, fewer and fewer Arabs are leaving the territories. There has also been a steadily growing natural increase in the Arab population of the territories. For the Palestinians, increased access to health services and improved housing and environmental conditions have led to a decrease in the infant mortality rate, and an increase in the average life expectancy for the territories. It is also important to note that the age structure of the territories is very young, with 46% of West Bankers and 48% of Gazans being under the age of 14, as of 1986. The size of the population of reproduc-

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tive age (15-44) has also increased in recent years, largely due to the high fertility rates of the past and the decrease in emigration. Increasingly large parental generations are being produced, which indicates that "natality in the territories can be expected to remain high in the coming decades, even if fertility begins to decrease appreciably." From 1977 to 1984, the number of pre-school aged children (0-4 years) rose 9% in the West Bank, and 17% in Gaza, while the number of children aged five to nine years increased by 20-40% during the same period. Moreover, the number of people in their prime (20-34 years) increased by almost 50% in the West Bank and by 35% in Gaza.¹⁷ Essentially, these figures demonstrate that annexation of the territories by Israel would threaten the Jewish majority. Israel's Central Bureau of Statistics estimates that by the year 2000, the Jewish population will equal 5,180,000 people, while the Moslem population will be 884,800, and other religious groups will equal approximately 229,900.¹⁸ But, even if a very moderate growth rate is assumed for the territories, the combined Arab population of the West Bank and Gaza is predicted to be 1,986,000. These demographic trends indicate a steady growth in the Arab population in Israel and the administered territories. When these population figures are taken into account, one can expect the Jewish majority status to continue to erode over the next decades. In the younger age groups, those up to the age of fifteen, which are used to forecast the overall demographic situation a generation ahead, Jews now constitute 53% of the total population of this age living in the region as a whole, while Arabs constitute 47%, 31% of whom live in the administered territories.¹⁹ The strategy of the Israeli government in dealing with this situation has been to "requisition," "close," or "expropriate" a large percentage of the West Bank's land area, in order to make that land available for Jewish settlers, who are encouraged to move there by cheap land prices and government subsidies.²⁰ The territories are being kept in a state of limbo, where they

are not annexed to Israel, and the Palestinians who live there are denied the rights they would receive as Israeli citizens. In the meantime, the Israeli government is doing everything in its power to promote settlements in the territories, in an attempt to have the Jewish population counter-balance the Arab population and create a situation of de-facto annexation.

Demography is a powerful disincentive to formal absorption of the West Bank and Gaza. Such a measure would confront Israel with a cruel dilemma: to exclude the Palestinian population from the political system, thus undermining Israeli democracy, or to incorporate it, thereby diminishing the Jewish character of the state.²¹

The Israeli response has been to perpetuate the status quo, that uncertain state of no peace—no war that enables them to keep the territories in this state of limbo. The Israelis are simply stalling for time; they need time to tip the demographic scales in their favor, and by stalling, they hope to avoid this "cruel dilemma" altogether.

The linking of the territories to Israel has been a two-fold process; the first part being the encouragement of permanent settlements, and the second part being the incorporation of the resources of the territories into the Israeli economy. This policy of economic integration has been extremely effective and has benefited Israel tremendously, particularly since the West Bank and Gaza have become important markets for Israeli goods.²² This, in turn, makes Israel even more reluctant to give up the territories. Israeli manufactured goods are given massive protection, estimated at 60% of the value of the products on the international market. Moreover, due to the lack of quality control laws in the West Bank, the area has become a dumping ground for low quality products forbidden for sale in Israel. Meanwhile, products from the West Bank are given no protection in Israel, and thus have almost no chance of competing with Israeli industry.

Economic policies of preventing any competition with Israeli economic enterprises, lack of industrial infrastructure, minimal regional development, absence of support systems and credit facilities, aimed at discouraging the growth of a viable Palestinian economic sector, remained under the national unity coalition government ... despite public statements on a "new economic climate" in the West Bank.²³

The occupation is not even a fiscal burden, since it, in fact, pays for itself. It is estimated that West Bank and Gaza residents have paid in excess of \$700 million in "occupation taxes," or two and one-half times the total Israeli capital formation, in the entire occupation period.²⁴ In addition, the Arab residents of the West Bank and Gaza are an important source of cheap labor to Israel. The labor force from the territories makes up more than 8% of the total Israeli work force. From 1970 to 1979, the average daily wage of Israeli workers was about 17.1 Israeli shequels, while the average daily wage of Arab workers from the territories was about 6.3 Israeli shequels. These workers also tend to be employed in menial jobs that most Israelis will not do, so this makes their input extremely important to the Israeli economy. After Israel acquired the territories, the Palestinians took on one-third of Israel's jobs in construction, a substantial proportion in industry and farming, and a majority in the menial work of municipal sanitation, hospital and hotel service, gardening, and dishwashing. Thus, the Israeli occupation has been economically beneficial, providing a protected market for Israeli goods and a pool of cheap labor. These benefits are of such importance to the Israeli economy, that they introduce an element of dependence and strengthen the inclination to hold on to the territories because of their economic advantages.²⁵

Another incentive to retain the territories is the fact that about one-fourth of Israel's yearly water supply originates from beyond the Green Line. The Israeli water authority has been working to integrate the West Bank water

system into the Israeli network, and claims that Israel must maintain control over the West Bank water supply at any cost. Otherwise, it is argued, the entire Israeli system, which is already overpumping water, will collapse.²⁶

Perhaps the most important factor involved in Israel's retention of the territories is that the West Bank and Gaza give Israel some very significant military advantages. Conversely, if the territories were to come under the control of unfriendly forces, then those forces would present a very significant threat to Israel's security. The mountainous features of the West Bank's geography make that territory "a formidable defensive asset in Israeli hands, and a critical threat in the hands of hostile forces."

Given the physical characteristics of the West Bank, cession of that territory would complicate by several orders of magnitude the task of defending Israel's vital core area—the narrow coastal plane between Rehovot and Haifa, in which over sixty percent of its population and eighty percent of its industry are concentrated.²⁷

If Israel were to give this territory up, then population centers, industrial centers, emergency stores, command/control centers, and transportation and communication systems would all be within the artillery range of the West Bank's forward locations. The Jordan River is a much shorter and more easily defensible frontier than the 1949 armistice line. During the winter, there are a very limited number of points at which heavy armor can be brought across without bridging equipment, and these points can be kept under permanent observation. And even if Arab forces were to succeed in crossing the Jordan River, they would still have to deploy into the open valley floor, where Israeli forces, enjoying the advantages of prepared fields of fire from topographically superior positions, could engage them. If the invading force wished to advance further, it would have to climb a very steep slope on a small number of axes, since the terrain on the eastern slopes of the Samarian

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hills make off-road movement very difficult for mechanized forces. Thus, any assault by Arab ground forces would involve terribly high casualties before they would even be able to reach the mountain ridge and pose a direct threat to Israel itself. Moreover, the physical obstacles that would confront any invading force would provide Israel with the time and space to mobilize an effective counterforce. In addition, Israeli control over the West Bank ensures Israel's ability to maintain "airborne and ground-based observation and electronic information gathering facilities and surface-to-air missiles," all within fifty kilometers of the Green Line and on highly favorable terrain," thus enhancing its early warning and anti-aircraft capabilities."²⁸

Israeli control of the West Bank is also a vital asset in dealing with terrorism. The maintenance of a comprehensive security apparatus, including electronic barriers, intelligence, police, courts, and prisons, facilitates the ability of Israel to stop sabotage operations by such means as breaking up networks and intercepting the flow of sabotage materials into the area.²⁹

The Gaza strip is a less vital geo-military asset than the West Bank, since it has no natural fortifications and provides "no real topographic advantage to either defender or attacker." However, an IDF presence there makes it almost impossible for any potential invading force to launch an offensive along the coast road, which has historically been the main axis of advance into Palestine for invaders from the south.

Taken together, these advantages constitute a formidable defensive asset of which Israel would be deprived if it withdrew from the West Bank, even if the area remained completely demilitarized. Without a significant Israeli presence in the West Bank, its counter-terror capabilities would be seriously impaired, and its response to an Arab military initiative, even if the start line were still the Jordan River, would be slower, logistically and operationally more demanding, and much more costly.³⁰

Thus, many Israelis see the advantages of the Six Day War cease-fire boundaries as outweighing any advantages of possible agreement with the Arabs.

It is true that all of these arguments for the maintenance of the status quo are valid to one degree or another, but one must recognize that *the status quo is incompatible with peace*. Moreover, it is entirely unrealistic for the Israelis to believe that the continuation of the territorial status quo means the continuation of the strategic status quo. As the surprising political events of the past year in Eastern Europe show, it is unlikely that the balance of regional and international forces will remain constant. Since the 1973 Yom Kippur War, the major Arab states have begun a major and unprecedented arms buildup. These states, which include Syria, Iraq, Jordan, Kuwait, Libya, Saudi Arabia, and Egypt, have received more than \$140 billion in military goods and services. In addition to the substantial increase in the size of the arsenals of the Arab states, there has been a striking improvement in the quality and the sophistication of armaments available to them. "The Arab states have moved to increase the size and sophistication of their arsenals primarily in order to regain superiority over Israel following the setbacks they suffered during the fighting in October 1973." The Arab armies facing Israel now possess much of the same fighter aircraft that is used by NATO and East Bloc air forces, including the ECF-15, F-16, Tornado, and Su-24 aircraft. By the mid-1980's, for example, Syria had become the largest Third World purchaser of arms from the Soviet Union, and had obtained advanced patrol boats, helicopters, missiles, submarines and tanks, as well as thousands of military advisers. In addition to the conventional military buildup, there is a growing danger posed to Israel by chemical weapons and ballistic missiles.³¹ The series of SCUD attacks against Israel in the recent Persian Gulf conflict clearly serve as evidence of this.

While the Arab states were building up

their arsenals during the 1980's, Israel was experiencing economic difficulties which led to an acute crisis in its defense structure. Increasing debt and runaway inflation required sharp cutbacks in defense outlays, which had a profound effect of the IDF. By 1984, defense spending had to be cut by 20% and the defense establishment was forced to decide on priorities. Many active combat units were disbanded, reduced, or converted to reserve forces, thousands of active duty military personnel were released, an entire armored division was dissolved, training time was reduced, and research and development expenditures were curtailed, forcing the Israeli defense industries to reduce their staff and plant facilities. On top of that, Israel's plans for submarine production have been shelved, and 15% of Israel's combat air force have been effectively grounded.

The quantity and sophistication of weaponry which Israel may have to face one day has grown in the years between the October War and the present ... this has worsened Israel's ability to defend itself.³²

This is not to say that Israel is being seriously threatened at the moment. For now, inter-Arab rivalries deter unified action against Israel. The obstacles in the path of effective Arab military coordination are enormous, but Israel's retention of the territories serves as a constant reminder of the unresolved Palestinian question and an impetus for the Arab states to overcome the obstacles to military coordination.

As a factor in the Middle Eastern state system, [the occupation] is a symbol of Israel's superior military status, and is perceived by some Arab states as tangible evidence of their suspicion that Israel, whatever its conscious intentions, is an inherently expansionist entity, hence, a direct danger to them. The consequence of such regional dynamics, historically, has been an almost reflexive attempt to restore balance through combination.³³

An Arab ad hoc joint planning and operations staff, convened for a limited period of time,

could be enough to launch a coordinated attack and place intolerable strains on Israel, which, because of its resource limitations, will find it increasingly more difficult to cope with such a possibility.³⁴

In addition, there is a distinct possibility of a renewal of the conflict along Israel's western front, for as long as there is no progress towards a solution of the Palestinian problem, the peace between Israel and Egypt must remain "fragile and tenuous." The Camp David Accords isolated Egypt from the rest of the Arab world. This isolation has continued, even though Sadat had promised to the Egyptians that his initiative would set in motion a process that would lead to peace between all of the other Arab nations and Israel. This situation is tolerable only if it is temporary, since Egypt is unlikely to accept isolation and the loss of its role as the natural leader of the Arab world on a permanent basis. So far, Mubarek has been able to maintain the Camp David Accords while, at the same time, moving Egypt back into a position of leadership in the Middle East. But the continued occupation provides his opponents with an important weapon in their domestic struggle, as the conviction within the Egyptian elite that Egypt is paying "an inordinate price for Israel's Palestinian policy" is growing.

Thus, retention of the West Bank and Gaza constitutes a fundamental political-strategic risk for Israel because it encourages the expansion or consolidation of an Arab war coalition, undermines the strategic benefits of the peace with Egypt, and perpetuates or exacerbates the burden of coping with these security threats.³⁵

There are still further reasons for Israel to accept peace. Israel's policies in the territories have led to an intensification of Palestinian national identity and of hostility between the Palestinians and Israel. A clear example of this heightened Palestinian nationalism is the Intifadah. In addition, the domination of a large area inhabited by a hostile population has

branded Israel with the stigma of imperialism.³⁶ Israel's inclinations to claim the administered territories have aroused virtually unanimous opposition from the international community and have increasingly led to international isolation. The most notable exception is the United States, which has been reluctant to endorse Arab claims because of domestic political reasons, namely the powerful pro-Israel lobby. But even American views towards the retention of the Territories diverge sharply from those of Israel, and as time goes on the American position on the territorial issue seems to be becoming less sympathetic to Israeli claims.³⁷

In addition, a significant number of Israelis seem to be experiencing moral doubts about "the fundamental direction of Israel's present course and the kind of society it implies." As Israel continues to thwart the Palestinian desire for national self-expression, many Israelis are being beset by doubts about whether "what is necessary as a temporary security measure is also justifiable as a long term political relationship."³⁸

Israeli efforts to perpetuate the status quo therefore not only risk growing international isolation, with consequent damage to Israel's self-confidence and moral unity; they also increase the danger that American— even American Jewish— responsiveness to Israel's military and economic needs will become contingent on Israeli acquiescence in an externally devised settlement, possibly less satisfactory than one that Israel might secure through its own efforts.³⁹

Added to all of this, there is the demographic issue discussed earlier. One statistic that was quoted predicts that the Arabs will, in one generation, constitute 47% of Israel's population, with 31% of those Arabs living in the territories. The logical thing to do then, would be to let those territories go, solving the population dilemma altogether.

Selim Hindi is a Palestinian who was born in Acre in 1933 and expelled in 1948, and has a high level position with a European airline in Beirut. When he was asked what images he

had of Palestine, he responded with the following:

Acre's city walls, the sandy beach - the most beautiful in the world to my eyes. We lived in a modest house of three rooms plus a kitchen and a bathroom. We didn't even have electricity, and the water had to be drawn from a well. And yet this house for me is worth all the palaces of the world.⁴⁰

It is time for those people who are waiting for the Palestinians to give up their struggle and return to "normalcy" to realize that, like the Jews who longed for Israel for almost two-thousand years, the Palestinians will not forget their homeland. Jordan's King Hussein has decided to disengage from the territories, and the PLO has signaled its willingness to engage Israel in peace talks.⁴¹ While the retention of the West Bank and Gaza Strip has important military and economic advantages, it also has some very serious costs— diplomatic, demographic, and moral— and could destroy the peace with Egypt and intensify the conflict with the rest of the Arab world. The retention of the territories is illegal and ineffective. The time for Israel to initiate the peace process is now.

Both the Palestinians and the Israelis feel convinced that the ultimate aim of the other party is to destroy them, and, in fact, each group sees its destruction as inherent in the other's ideology. For the Palestinians, Zionism is equated with expansionism and Israel is seen as attempting to eliminate any Palestinian community that it sees as keeping it from achieving its goals. To the Israelis, on the other hand, the liberation of Palestine by the PLO means the destruction of Israel.⁴² If it is true that it is impossible for these two nationalities to exist within the same state without one national identity being subjugated to the other, then the solution is self-evident: the Israelis and the Palestinians should each have their own state. The Israeli state should be the state of Israel with its pre-1967 borders, with some minor modifications, and the

Palestinian state should be established in the West Bank and Gaza Strip. A militarily regulated Palestinian state would present far less of a risk to Israel than a Jordanian-Palestinian federation, which the Palestinians, who outnumber the Jordanians two to one, would ultimately dominate.

...creation of an independent state on the West Bank and Gaza is not only the fairest way of resolving the Palestinian problem but holds out the best prospect of neutralizing the Palestinians as a threat to Israel. For the first time, it would give Palestinians something worth preserving, some stake in Middle Eastern stability, something to be careful about. A Palestinian state would be squeezed between a suspicious Jordan to the east and a suspicious Israel to the west. Its geography would be reason for it not to provoke either neighbor by a cavalier attitude to terrorism.⁴³

If Israel did decide that it wanted to initiate the peace process, then it would first have to agree to direct negotiations with the one organization that is recognized as the sole, legitimate, representative of the Palestinian people by the Arab world, most of the non-Arab world, and the overwhelming majority of Palestinians themselves: the PLO. It is the PLO that is likely to form the backbone of the new Palestinian state, and it is the PLO that has the power to remove the long standing grievances of the Palestinians from the Middle East conflict. No agreement could possibly be ratified without the endorsement of the PLO.

Next, the primary Israeli requirement of a political settlement would be an absolute and total Palestinian commitment to full peace, "including normal diplomatic, cultural, and economic relations, and an unequivocal renunciation of all claims on Israel beyond those satisfied in the peace treaty itself."⁴⁴ This renunciation would also have to apply to property and repatriation claims, and Israel would in return have to give the new Palestinian state title to any remaining Israeli infrastructure in the West Bank and Gaza. An arrangement could also be made to guarantee Israel access

to water sources that would be within the borders of the Palestinian state.

But what of Israel's economic dependence on the territories? Israeli economic dependence is measured by the share of the GNP of the territories in Israeli resources and the proportion of workers in the Israeli labor market. Therefore, based on the gross resources figures, the theory of Israeli economic dependence on the territories is grossly overstated, and no great economic loss would be experienced if they were given up.⁴⁵ Moreover, the Palestinian economy is completely dependent upon the Israeli economy, and is even more vulnerable to inflation than the Israeli economy, since it lacks the system for automatic compensation that is in place in Israel.⁴⁶ In addition, based on the balance of trade between Israel and the territories, and the role of Israel in supplying resources to the territories, "it is doubtful whether the territories could make a complete break with Israel without being seriously affected economically."⁴⁷ Therefore, it seems likely that the Palestinian workers who are currently employed in Israel would wish to continue to work there, at least for the immediate future.

A political settlement would also have to address Israel's legitimate national security concerns. This would probably mean that a Palestinian state would have to cede some territory along the Jordan Valley rift and the Judean Desert to Israel, in accordance with the Allon Plan. There are fears that a Palestinian state would just serve as a base for attacks against Israel; but if one examines the facts it is easy to see that the balance of power between Israel and any Palestinian state would be "crushingly in favor of" the former. Israel's geo-strategic advantages will only add to its power. For instance, the Gaza Strip and the West Bank are separated from one another by a section of Israeli territory that is twenty to thirty-five miles wide, and are almost completely surrounded by Israel, with Jerusalem dominating the main road linking Nablus to the north and Hebron to the south. And, "if Tel

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Aviv is 15 miles from the West Bank, then the West Bank is the same distance to Tel Aviv." Neither the West Bank nor the Gaza Strip have any impenetrable vegetation or inaccessible terrain. Israeli forces could get to the West Bank within six hours by foot, and one hour by vehicle. The Gaza Strip is reachable by foot within an hour, and by vehicle within minutes. Neither area has any warning time against aircraft. Moreover, the Gaza Strip has no direct link to the outside world and is available to be monitored by the Israeli Navy.⁴⁸

While a Palestinian "state bristling with the most sophisticated lethal weapons systems is unrealistic," a completely demilitarized state is impractical.

A demilitarized state would be self-defeating. Without national armed forces the political leadership of the state would become the laughing stock of the Arab world. Their eunuch-like image would be enhanced by the formidable Israeli arsenal next door. So would their own sense of insecurity.⁴⁹

Armed forces are an attribute of any sovereign nation and an internal security need. A Palestinian state would need armed forces to curb adventurism across the border into Israel, and to stand in the way of armed excursions by Israeli groups of "would-be settlers." It would be possible, however, to set limitations on force levels, weapons and deployment, and the size of the Palestinian army.

A Palestinian state may improve the conventional military capabilities of the Palestinian forces, but it is doubtful that there would be willingness on the part of Palestinians to pursue a "strategy of stages" given the vulnerability of their base of operations. There is of course a chance that a Palestinian state could expand through acts of aggression, but given the balance of forces that would exist between Israel and any Palestinian state in the West Bank and Gaza, it would be far more likely to be diminished or eliminated altogether as a result of armed conflict. The leaders of the state would probably not wish to jeopardize

what they had gained by irresponsible military action.⁵⁰

...any PLO leadership would take the helm in a Palestinian state with few illusions about the efficacy of revolutionary armed struggle in any direct confrontation with Israel. They would be acutely aware of its costs. They would have little incentive on national or corporate grounds to incur it.⁵¹

In addition, the Arab states which would have the greatest influence on a Palestinian state—Jordan, Egypt, and for financial reasons, Saudi Arabia—are those states that would have the most to lose from regional conflict and Palestinian inspired instability, and would, therefore, act as a restraining force on that state.⁵² Israel's other Arab neighbors should be fully involved in any settlement anyway, since participatory ratification would lead to a normalization of relations between Israel and the Arab states.⁵³

It is also important to realize that a Palestinian state that initiated a violent conflict with Israel would alienate itself from the international community, and be placed under the same sort of world pressure that Israel is currently experiencing. International sympathy for a Palestinian cause would be diminished once the cause had been transformed "from the struggle of a homeless people for self-determination into an expansionist, irredentist crusade."⁵⁴

It would be extremely important for the Israelis to show military restraint. In particular, they should recognize that terror does not constitute a strategic threat to Israel's national security, and they should discontinue their policy of sending the IDF across the border for "retaliatory strikes." In the words of Walid Khalidi: "the real security question is...For how long would the Israeli brigadier generals be able to keep their hands off such a delectable [prize]."⁵⁵

What of the domestic political difficulties Israel would experience as a result of a peace agreement? The Israeli public is uncertain and

hesitant for the most part, and this is reflected in the Israeli government, which has received no clear mandate from public opinion. But just as public opinion shapes government action, so does government action shape public opinion. In order to meet the domestic challenges that would result from initiating peace, Israel would need a strong, decisive, national leader, a leader who could give the government some direction, so that the government, in turn, could guide Israel through firm and confident leadership. The problem of the militant settlers is a difficult, but not unmanageable one. The settlements are totally dependent upon public financial support. If the generous funding that the settlements are currently receiving from the government were to be withheld, then the whole structure would collapse.⁵⁶ The settlers who were in the territories because of the economic incentives would leave, and this strong national leader could then force the small group of remaining zealots into submission.

The status of Jerusalem would be a very thorny issue, since both states would claim Jerusalem as their capital. The Israelis would never accept a settlement that gave East Jerusalem to the Palestinian state, since they vowed that Jerusalem would never be divided again. Nor would they be likely to sanction a plan that permitted the seats of both governments to be established in Jerusalem, or one that called for the internationalization of Jerusalem. But it is important to keep in mind that Arabs and Jews perceive Jerusalem in two very different ways. For both peoples, it is a religious shrine - both feel the same way about the Dome of the Rock and the Western Wall. Jerusalem was under Muslim control for over a thousand years, and for most of that time it was a semi-deserted, provincial backwater— it was never a great Arab capital like Damascus or Baghdad. But Jerusalem has been the object of Jewish longing and Jewish national aspirations for two thousand years— and, for Jews, it has always been their historic political capital.⁵⁷ While it is impossible to measure depth of feeling and

attachment, I would suggest that, emotionally, Jerusalem is central to the Jewish faith and to the Israeli national psyche, and is also a strategic bulwark on top of the central mountain ridge. It should, therefore, remain under Israeli control, and have its status as Israel's capital legitimized. People of all religious affiliations would, of course, have free and secure access to any part of the city. Residents of Jerusalem would be able to choose either Israeli or Palestinian citizenship and participate simultaneously in the national politics of their state and the municipal government of the city, which would be made up of both Israelis and Palestinians. As an example of how it could work, there could be neighborhood councils that would be responsible for the specific cultural and identity "sensitivities" of their neighborhood— public education, language, etc. The neighborhood councils would choose a municipal council, and there would be an Israeli mayor and a Palestinian deputy mayor, or vice versa. The municipal government would be in control of the holy places, and would be responsible for the less culture specific services, like transportation, firefighting, police force, water, and sewage.⁵⁸ This is obviously a very general plan, and the details would have to be worked out, but as long as the plan had provisions to safeguard the essential objectives of both the Palestinians and the Israelis in Jerusalem, then there should be no reason why it would not be a success.

It is indeed true that Israel has some very legitimate concerns: political concerns, economic concerns, and of course, security concerns. But the Israelis must not confuse intransigence with intelligence, and self-preservation with self-righteousness. The arguments for peace clearly outweigh those against it. The existence of Israel can best be assured by making peace, not running away from it in an attempt to stall for time. When the Israelis gained possession of the territories in 1967, they were set on a course that would ultimately present them with a rare opportunity: the

opportunity to, at the same time, achieve a lasting peace in the Middle East, and to fulfill the desires of both the Jewish and the Palestinian peoples for a national homeland.

The pursuit of a settlement with the PLO leading to an independent Palestinian state, with appropriate risk minimization provisions, would best promote Israel's fundamental strategic objectives of neutralizing the Palestine issue as a factor in Israeli-Arab relations and reducing the overall Arab threat

to Israeli security, while preserving the Jewish, democratic character of Israeli society.⁵⁹

The Israelis are at a vital moment in their history; they must decide on the very nature of their society, and that decision will directly affect the future existence of the state of Israel, and maybe even of the Jewish people. The idea of a settlement with Israel is no longer a taboo in the Arab world; the time is ripe for peace. Israel must seize this opportunity before it is too late.

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The Political Economy Of The CFA Franc Zone:

Advantages, Disadvantages, Dependency, And Regional Integration

Charles Kraft

THIRTEEN FORMER FRENCH COLONIES IN WEST and central Africa are members of the C.F.A. (CFA) Franc Zone. Their currencies have been pegged to the French Franc since 1948 at a rate of 1FF = 50 CFA Francs. The CFA Franc Zone is an interesting international regime because, in the West, it has traditionally been associated with stability and prosperity in Africa. According to *The Banker*, "members of the French currency area in West and Central Africa benefit from their association with France ... which has inculcated into their ex-colonial territories, an interesting system of good order and monetary discipline."¹ Yet it has also been the target of sharp criticism from dependency theorists like Kwame Nkrumah. "Like the old, artificial political boundaries which are a relic of the colonial period, the various monetary zones help to emphasize differences, when the independent African States should all be working for unified economic development. They perpetuate links with former colonial powers and strengthen the forces of neo-colonialism."² In the last five years the Franc Zone countries have fallen into a period of economic crises and internal demands

for political liberalization. Since the Franco-African summit in June, the zone has drawn criticism from all quarters.

This paper will analyze the CFA Franc Zone from an Afro-Centric perspective. The analysis will focus on the characteristics of the Franc Zone as a whole. The paper will be divided into three principle sections. The first section will describe the rules and the history of the CFA Franc regime.

In the next section, the body of the analysis, the economic and political advantages and disadvantages, to the African CFA countries, of membership to the CFA Zone will be presented. In this section attention will be given to the concept of dependency as applied to the CFA Zone and to the Zone's role as a central pillar of France's paternalistic policy toward Francophone Africa. Membership in the Franc Zone has, historically, assisted member countries in terms of a few economic indicators, but it has imposed constraints on these countries' sovereignty and independence in order to support French interests. In the long term, the regime has limited and distorted self-reliant African economic progress and wider regional integration. Emphasis will be placed on the Franc Zone's desultory impact on the Economic Organization of West African States

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(ECOWACS). In the final section the current economic and political situation in CFA countries will be analyzed, regarding the Zone as a whole. The current calls for change in the CFA Zone stem from two problems: the relatively simple matter of the CFA Franc's overvaluation and the more complicated difficulties stemming from the dependency inherent in the entire system. A model for transforming the CFA regime into a wider regional system will be proposed and the likely course of actual modification will be touched upon.

The CFA Franc Zone Regime

It is important to realize from the outset that the Francophone states that were created around 1960 are all small and were initially economically unviable, with each containing less than 12 million people. The CFA Franc area is divided into two zones in West and Central Africa. The Western Zone, called the West African Monetary Union (WAMU), or Union Monétaire de l'Afrique de l'Ouest (UMOA), includes Benin, the Ivory Coast, Niger, Senegal, Burkina Faso, Togo and Mali. This zone is administered by the Central Bank of Western African States (Banque Centrale des Etats de l'Afrique de l'Ouest, BCEAO).³ The Central Zone, the Customs and Economic Union of Central Africa (UDEAC), consists of Cameroon, Central African Republic, Congo, Gabon, Equatorial Guinea, and Chad. It is administered by the Bank of Central African States (Banque des Etats de l'Afrique Centrale, BEAC).⁴ The CFA Franc Zone is a monetary union among France, the UMOA, and the UDEAC. There is nearly complete capital mobility within the Zone, so funds can flow across borders among African members and between Africa and France almost without restriction.⁵

The two central banks, the BCEAO and the BEAC, perform all the duties typically ascribed to central banks including regulating the financial services sectors, serving as a bank for commercial banks, managing

members' foreign currency holdings, and influencing monetary policy. The banks do this within the limits codified in the various treaties among the members and France.

The UMOA's CFA Franc stands for "Communauté Financière Africaine" and the UDEAC's CFA Franc stands for "Coopération Financière en Afrique Centrale," but both CFA Francs are pegged to the French Franc at a nominal exchange rate (NER) of 1 FF = 50 FCFA.⁶ This is perhaps the key element in the whole system. CFA Francs from either one of the two zones can be exchanged at any bank free of charge for CFA Francs from the other zone. In popular usage the whole Franc zone is often incorrectly referred to as the "French Community"⁷ or "Communauté Française Africaine,"⁸ harkening back to colonial times.

As is typical of all central banks, the institutions of the CFA Zone are very secretive. "It is not easy to obtain the details of the workings of the CFA system."⁹ However, much more has been published about the UMOA than the UDEAC. When specific information is not available about the UDEAC's structure or financial mechanisms, it is reasonable to generalize about the Franc Zone as a whole from information about the UMOA. The two are structurally almost identical.

Each zone also contains an attempt to form a customs union with a common external tariff structure and no internal tariffs. Neither customs union has succeeded completely in building a common tariff structure or eliminating internal tariffs. All of the members of the UDEAC are in the corresponding customs union because the customs union is part of the treaty establishing the UDEAC. In the UMOA zone the customs union is not part of the treaty establishing the UMOA. The Communauté Economique de l'Afrique de l'Ouest (CEAO) is the UMOA's corresponding customs union. The CEAO's formation "certainly was precipitated by politically motivated maneuvers, partly French inspired."¹⁰ The French wanted the CEAO to play counterpart to the BEAC's internal customs union and buttress the Western

Franc Zone. The last feature of the Zone is that all of the members are part of the Lomé Convention of February 1975, which is an agreement between European Community members and a group of former colonies. The Convention provides for relatively freer access to the EC market for all Lomé countries, a poorly endowed commodity price stabilization fund, financial aid, and technical assistance. The agreement has been modified on a few occasions, but its general thrust remains the same.¹¹

The History of the Regime

In order to fully understand how the CFA Franc Zone works today it is necessary to trace its evolution. The two CFA Zones are based roughly on the old French colonial administrative federations in Africa, French West Africa and French Equatorial Africa. Francophone Africa's currency has been pegged to the French Franc since before World War One. Originally the CFA Franc was equal to one French Franc. The parity changed several times, but, by 1948 the CFA Franc was at its present nominal value of .02 French Francs.

When Francophone Africa achieved independence in 1960, after Sekou-Touré provoked Charles de Gaulle to offer African colonies independence, most of the former French territories joined the CFA Franc Zone. In 1960, Guinea, which under Touré had broken with France, established its own currency. In 1962 Mali also established its own central bank and currency but kept its currency pegged at one to one parity with the CFA Franc. In 1967 Mali devalued its currency, re-pegging it at a value of 1 Malian Franc = .50 CFA Francs.¹²

On May 12, 1962, the UMOA was formed when Dahomey, the Ivory Coast, Mauritania, the Niger, Senegal, and Upper Volta decided to pool their foreign exchange reserves in an "operations account" with the French Treasury. They shared a common currency, which kept the name "CFA Franc".¹³ Through the

operations account the French offered an unlimited guarantee to "ensure the free convertibility into French francs of the francs of the CFA."¹⁴ In other words, if the UMOA had a balance of payments deficit and ran out of foreign exchange reserves, the French would give the UMOA an overdraft on the operations account based on rules codified in the treaty. Small overdrafts were charged an interest rate of only one percent, which increased incrementally, as the deficit grew, up to the normal discount rate charged by the French central bank. When the operations account is in surplus the UMOA received interest on the surplus at the current discount rate being offered by the Bank of France. The UMOA countries were required to keep all their foreign exchange reserves in French Francs at the French Treasury. All transactions involving member states' foreign reserves, including trade with non-member countries, are taken through the operations account at the Paris foreign exchange market.

The BCEAO was located in Paris but it maintained agencies in each of the member countries. The Bank maintained separate accounts for the assets and liabilities of agencies in each member country. Thus, though the BCEAO had in principle one operations account with the French Treasury, in practice it maintained individual operations account for each member country.¹⁵ The total change in UMOA reserves held in the operations account is equal to the sum of individual country members' balance of payments deficits or surpluses.

At the apex of institutional hierarchy of the Bank was the Council of Ministers, including ministers from the governments of each member country. The Council determined the objectives and policies of the zone as a whole. A Central Board of Directors appointed the Directeur Général (President). The Board was entrusted with the overall management of the BCEAO. The Board consisted of two representatives of each member countries with France's representation equaling one third of

the total number of representatives, seven. Decisions of the Board were adopted by a simple majority vote, except for major changes when a two thirds majority was required. The President managed the day to day operations of the Bank.

The detailed credit and monetary decisions, such as credit ceiling for banks and individual enterprises, though taken by the Board of Directors, were implemented for each member country individually by a five member National Monetary Committee. The Committee was appointed by the respective national governments and included the two representatives to the national Board of Directors and three other members. Under the Committees are the national agencies and a national director.¹⁶ The French retained a strong position by being able to officially veto any change of parity. Thus, the parity of the CFA Franc against the French Franc "...shall not be modified except by agreements by the Member States of the Monetary Union and the French Republic."¹⁷

The BEAC, founded in 1963, was structurally similar to the BCEAO except the French had half the seats on the board. Similar rules were required for decision-making. The customs union (UDEAC) was included as part of the Central Zone's treaties.¹⁸

The structure of statutes that comprised the UMOA shed light on the regime. A treaty among the west African countries established the West African Monetary Union. French support of the UMOA was secured in two ways: The "Agreement on Co-operation between the French Republic and the Member Republics of the West African Monetary Union, of 12th May, 1962 and 21st February, 1963," and the "Convention concerning an operation Account maintained between the French Republic and the Central Bank of West African States." The Co-operation treaty was a series of bilateral agreements between France and the respective African countries. It states that "Any signatory [State] may denounce the agreement."¹⁹ An individual African country

can unilaterally decide to pull out the union. In 1972 Mauritania, one of the original members, decided to withdraw from UMOA and create its own currency, which it has intermittently pegged to the CFA.

France was also guaranteed the ability to repudiate the agreement. This meant that, at any time, the French could refuse to extend overdraft money to the UMOA by canceling the operations account, refusing to support the convertability of the CFA Franc. This French ability to cripple the CFA regime is a potentially powerful political lever.

The Current Regime

By the early 1970's the political and economic realities of the Franc Zone had changed substantially from the initial post-colonial phase. Although France was still the single biggest trade partner and supplier of aid, it has seen its monolithic economic domination of the region dispersed to a significant extent. Also, by the mid seventies commercial banks were increasing the credit supply by borrowing from abroad through a loophole, against the desires of the BCEAO. This led to increasing inflation and put pressure on the regime for technical changes in the financial arrangements.²⁰ Calls for change from UMOA States and the fact that the BCEAO had developed significant institutional stability convinced the French to allow some "Africanization" of the BCEAO's structures. New treaties were agreed upon on 14 November 1973 and came into force in October 1974, but they retained the same basic financial mechanisms and general characteristics as the previous treaties. Except as specified below, the new treaties were the same as the old treaties.

The official objectives of the BCEAO were expanded from only maintaining the bank's liquidity to keeping the price level stable, achieving balance of payments equilibrium and assisting regional integration and development.²¹ France's representation on the Board of Directors was reduced to two

members, the same as any other country. To give even more weight to African components of the Zone, the supreme authority of the UMOA was vested in the Conference of the Heads of State. The African heads of state could now, at least, in theory, legally decide, independently of France, to devalue the CFA Franc vis-à-vis the French Franc.²² In practice, this was not really an option without French consent because France could repudiate its responsibility to ensure the CFA Franc's convertability, which would destroy the value of the currency. In reality any decision to devalue the CFA Franc would require a consensus between UMOA and France.

Another change in the treaty was a decentralization of powers to provide more authority to the renamed National Credit Committees. (NCC) The allocation of the total amount of credit available to a country between government and private borrowers is now controlled by the NCC.²³

France continues to stand ready to support the full convertability of the CFA Franc into French Francs. "But there is a subtle difference between France's old and new responsibilities: under the old system, France guaranteed convertability; now it merely agrees to support WAMU to maintain that convertability."²⁴ With the new treaty, France gave up some control of the BCEAO but also shrugged off some of its responsibility for the CFA Franc.

The BCEAO was moved from Paris, France to Dakar, Senegal, symbolically shifting the focus of UMOA from France to Africa.²⁵ There were also changes in the reserve requirements of the BCEAO. The member countries were encouraged to subscribe to the IMF, and their position with the IMF and World Bank would be managed through the BCEAO. Member countries were also allowed to keep 35 percent of their foreign exchange holdings, excluding their subscriptions to the IMF, in currencies other than the French Franc outside of France. However, they were still required to hold all of their remaining 65

percent of their reserves in French Francs in the operations account at the French Treasury.²⁶

In 1981 Mali applied to be readmitted as a full member of UMOA, hoping to return to using the CFA Franc. Mali's reentry was delayed until a border dispute with Burkina Faso was settled, and to give UMOA time to come up with a plan to absorb Mali's chronic balance of payments deficit into the system.²⁷ Mali finally rejoined UMOA in October 1983.²⁸ Gambia and Equatorial Guinea, both non-Francophone countries, also applied for membership in the Franc Zone, with Equatorial Guinea being accepted for membership in 1985.²⁹ Mauritania rejoined the CEAO in 1981 but not the UMOA, and along with Madagascar and Zaire, is considering applying for full membership in UMOA.³⁰

The UDEAC had a treaty revision similar to the UMOA's in 1974. The BEAC is now located in Yaoundé, Cameroon. The number of representatives to the BEAC's Board of Directors is based on the size of the individual countries' economies. France has three members on the Board and most other countries have two members each. In other respects the UDEAC and BEAC are similar to UMOA and BCEAO.³¹ The only other major difference between the two zones after the treaties were revised, was the creation, within the UMOA, of the Banque Ouest-Africaine de Développement (BOAD) in 1973. The BOAD was established to promote economic development in the poorer members of the UMOA like Benin, Burkina Faso, the Niger and Togo. The UDEAC lacks a similar institution.³²

If the Franc Zone countries' nominal exchange rate (NER) of 50 CFA Francs to 1 French Franc is to avoid becoming overvalued in the long run, the level of inflation in the Zone must be limited to the level of inflation in France. Otherwise the exchange rate of the Zone vis-à-vis France will be unintentionally appreciated to an unsatiable level. To keep inflation down, the CFA Franc Zone made the rules regarding the creation of credit more strict in the new treaty. "Credit is controlled by

the central banks through the application of various ceilings: a limit for each government (20 percent of its revenues for the previous fiscal year); a limit for each bank, covering short-term, seasonal and medium-term rediscount facilities; a limit for any institution, corporation, firm or individual borrowing more than a modest threshold (CFA Franc 500,000).³³ In general, as soon as reserves fall below strict minimum levels, interest rates are increased and loans curtailed.³³ These limits, which are broadly written into the treaties and statutes which create the Franc Zone, have generally kept the Zone's rate of inflation well below the norm for developing countries. This part of the system worked fairly well until the mid-eighties, when the Zone's rate of inflation outdistanced France's inflation enough to cause the CFA Franc to become overvalued. This is one cause of the crisis occurring today in the Zone which will be discussed later in the paper.

Explaining the complex set of arrangements and institutions that comprise the CFA regime is difficult. The preceding attempt to explain the system is necessary for the construction of the arguments in the following sections.

Advantages and Disadvantages of Membership in the CFA Franc Zone

Advantages of the Franc Zone

Countries in the Franc Zone have performed very well in terms of real GDP growth compared to other African countries up until 1986. According to the Overseas Development Institute, "Statistical studies which allow for differences in the external environment and commodity export composition have generally concluded that up to 1986 there has been a significant difference in economic performance attributable to the conduct of economic policy, of which the franc zone monetary and exchange rate arrangements are assumed to be a major positive component." A real GDP index based on the studies described above,

with 1974 as the base year equal to 100 for both the Franc Zone and other sub-Saharan countries, shows the Franc Zone's superior performance. By 1986 the Franc Zone's GDP index had grown to 180, but the sub-Saharan average index had only grown to 135.³⁴ Also, the bilateral aid and investment, primarily from France, (explained below) has encouraged growth in the Franc Zone.

Compared to inflation in the rest of Africa, inflation has remained under the control in the CFA Franc Zone. Between 1986 and 1988 inflation was actually negative, at minus one percent per annum, while in other countries in sub-Saharan Africa the rate was an average of thirty-one percent per annum.³⁵ Of course inflation has been much higher in absolute terms in the Zone during other periods, but it still has been relatively low. In an econometric analysis, Connolly shows that between 1973-1981 countries in the Franc Zone experienced, on average, lower rates of inflation and lower variability of inflation than non-CFA countries.³⁶ Much of this price stability can be attributed to the relatively strict credit control rules mentioned earlier and to the fact that the CFA Franc has not been devalued. Having a fixed pegged exchange rate versus the Franc has provided a monetary anchor, helping the CFA Franc to retain its value as long as the French Franc retains its value.

If the CFA Franc was devalued it would make imports more expensive in CFA Francs, feeding inflation by pushing up the price of imported production inputs and ultimately raising the cost of living.³⁷ The lack of devaluation and the low magnitude and low variability inflation probably contributed to political stability.

Perhaps the ultimate test of a currency's stability and usefulness as a medium of exchange is how readily it is demanded and used by the general population for every day transactions, as the medium of exchange, and what the perception is of its value. On this count the CFA Franc has scored exceedingly well. It is certainly the currency of choice among members

of the Franc Zone. In fact, the CFA Franc is a prized and respected currency in Africa. An indicator of this respect is that the CFA Franc is a desirable target for international forgers. "Organized crime syndicates suspected to be operating from Europe and such centers as Hong Kong seem to have found the newly introduced 10,000 CFA denomination notes easy to forge...the problem has become very critical to Interpol." In one case, over 120m forged CFA Francs were found in a hotel room.³⁸ In another instance the Gambian Chief Inspector of Police, Abdoulie Jofa, attempted to keep 50,286,000 CFA Francs for his personal use after he confiscated an even larger sum from a robber.³⁹ Thieves and forgers are attracted by the CFA Franc's status as a hard, convertible currency. Testament to the value of the CFA Franc also exists in Nigeria where "wealthy Africans, students, business people and Lebanese traders with overseas accounts are all involved in exporting the CFA Franc. Nigerian traders hustling for hard currency snap up CFA banknotes at border crossings swarming with Franc Zone nationals buying cheap Nigerian plastics, clothes and petrol."⁴⁰

The fact that France agrees to provide an overdraft of French Francs, to support the CFA Franc if the operations account runs out of exchange reserves, allows CFA countries to keep lower levels of reserves than would be possible otherwise. For example, the Ivory Coast was able to run a current account deficit of over one billion dollars between 1980-1983 with less than twenty million dollars in reserves. Without the pooled reserves and the French overdraft, the Ivory Coast could only cover import costs for a few days.⁴¹ This gives CFA countries more policy freedom regarding imports without having to keep a large stock of currency reserves necessary with a fixed exchange rate.

The CFA Franc regime imposes collective discipline on its members. As explained earlier all the CFA countries, in each zone, pool their foreign exchange reserves in the operations account with the French Treasury,

but each individual country's balance is calculated and reported. The West and Central Zone's totals are also calculated and reported. This leads, in theory, to a situation where, if one member country or entire Zone continually runs a balance of payments deficit and draws down reserves in the operations account, other members will pressure the deficit country to correct its deficit. The common credit rules also apply pressure on the deficit country to coordinate its fiscal policy. "In the case of the UMOA, the principal formal means of fiscal coordination is the statutory limit on credit accorded to member governments by the [BCEAO]."⁴² In practice these requirements for government borrowing can be circumvented in the short term by external borrowing, but in the long term deficit spending by the government is limited.

Thus the two Franc Zones exhibit a relatively large amount of economic integration with a common currency, a customs union, and some fiscal coordination. In fact, they may be the most economically integrated bloc of countries in Africa. Several benefits flow from this. The common currency and customs union reduce the transaction costs of exchanging money, and diminish the uncertainty of flexible exchange rates, thus encouraging trade among the CFA countries and between the African members and France. Trade among CFA countries is higher than trade among other customs unions in Africa which lack a shared currency.⁴³ Industries in the zone are able to take advantage of a larger internal market. Overall this can lead to economies of scale, decreasing costs per unit as production expands with specialization, and a more dynamic and competitive economic environment with a higher potential growth. Having a common currency allows different states to develop a sense of common interests by sharing shocks arising from social disturbances or economic fluctuations. Mundel explains that without a common currency "social or political disturbances in one [state] can lead to pressure on the [state's] reserves, speculation

against the currency and hence to devaluation or controls. If, however, that country is joined to others in a monetary union, the discipline of the fixed exchange system is enforced; money contraction and tight money automatically follow. The costs of the disturbances are immediately recognized, and that operates as a check against them. Monetary integration therefore leads to greater political stability."⁴⁴ This form of risk sharing is especially valuable to developing countries.

Another benefit of the Franc Zone is the "greater range of goods available for sale in the CFA countries...due to the fact that traders, whether local or international, prefer to hold their reserves in convertible currency."⁴⁵ For this reason and because travelling is made easier with a convertible currency, the African elite prefers the convertability of the CFA Franc.

The last major advantage of the CFA Franc Zone is that it encourages French investment and aid in Franc Zone countries. Through the 1980's, French official development assistance has been about .5 percent of the French GDP. About thirty percent of this aid has been in the form of loans; sub-Saharan Africa receives approximately sixty percent of total French aid.⁴⁶ According to *Barclays Review*, the general lack of foreign exchange controls within African CFA countries and between African countries and France have played a major role in "attracting foreign companies and banks in an attempt to develop an indigenous manufacturing base and especially in the more recent exploitation of hydrocarbon resources in Cameroon, Congo, Gabon, and the Ivory Coast."⁴⁷ Currently, France has investments in the Franc Zone valued at 12 billion dollars. Last year President Mitterand canceled more than four billion dollars worth of debt owed by Francophone Africa to France.⁴⁸

In recent years, French aid and below market rate loans have amounted to a French subsidy of CFA countries' overall balance of payments deficit on the operations account. The overall deficit on the operations account

has increased from \$15m at the end of 1986 to \$928m at the end of 1988 and deteriorated further in 1989-90.⁴⁹ Currently both Zones are in deficit. Economic analyst Paul Fabra said [in total] France handed out up to FF 20 billion (\$3.5 billion) to support the CFA in 1988. The 1989 figure is expected to be much higher. Other French analysts said an average of \$1 billion a year would be a fair estimate since 1986.⁵⁰

The benefits of membership in the Franc Zone are mostly economic but some would argue the monetary stability encourages political stability. Non-CFA states do not benefit from the Zone.

Disadvantages of the CFA Zone

Upon closer inspection, many of the advantages described are of dubious merit or are more limited than they appear to be. Two types of disadvantages caused by the Franc Zone will be analyzed here. The first category of disadvantages involves technical flows in the regime which could be corrected relatively easily. The second category of disadvantages to be discussed involves the dependency inducing nature of the system; the corollary of this dependency on France is a slowing of progress toward regional integration and inter-African interdependence. This analysis will borrow several tenants of dependency notably the flow of resources from the periphery to the metropolis, the dominance of foreign capital, the division of labor, assigning developing countries the production of low, value-added products like raw materials, and more overt forms of dependency like military intervention to prop up friendly governments. This analysis shows that CFA countries are asymmetrically reliant on and vulnerable to the French. The explanation forsakes the class analysis which is typical of most dependency theories.

There are a few technical disadvantages of the CFA Franc regime. If a group of countries wishes to enjoy the benefits of having the same

currency and thus the same set of nominal exchange rates (NER), they must have strictly coordinated monetary policy to ensure that the same level of inflation prevails throughout the whole group. Real exchange rates (RER), which are an important influence on balance of payments, are equal to NERs corrected for inflation. The entire CFA Franc Zone has an NER equal to 50 F CFA = 1 FF, but real exchange rates have diverged primarily because of a divergence in monetary policy and thus in inflation. The decentralizing reforms of the decision-making structure in the early seventies, which delegated a large amount of power to national credit committees, allowed the various countries in the Zone to experience significantly different levels of inflation. For example, Cameroon and the Ivory Coast's RERs are almost twice Burkina Faso's. The larger economies in the Franc Zone such as the Ivory Coast and Cameroon which dominate the process of credit distribution have the most inflationary monetary policies and therefore the most over-valued exchange rates. Smaller and poorer Sahel economies have less influence in regional central banks, a more restrictive monetary policy and lower inflation rates. On the operations account, the four Sahel economies had accumulated surpluses of US\$ 500m at the end of 1988, which partly financed the deficit of US\$ 1500m for the Ivory Coast, Senegal and Cameroon.

The Overseas Development Institute points out that these differences "highlight the weakness of a single nominal fixed exchange rate: if the mechanics of the Franc zone cannot ensure reasonably tight domestic macro-economic policies and at least approximate uniformity across member countries, then the arguments for a single fixed rate will fall away."⁵¹ With closer coordination of policies, at least all the members would be over- or under-valued by the same amount.

There is also considerable discussion about whether the current arrangements of the Franc Zone are the optimal regime for promoting domestic monetary stability and external balance

of payments. In an empirical, econometric analysis of the UMOA's exchange rates, Nascimento argues that the CFA Franc should be pegged to the nominal effective exchange rate (NEER), which would still serve as a monetary anchor and would also more effectively promote trade. The NEER is a trade weighted index of currencies. The more trade between the CFA Zone and a currency, the more weight the currency would have to the index.⁵² Immediately after decolonization, over eighty percent of the CFA Zone countries' trade was with France and the French Franc served as an accurate proxy for the Zone's NEER. But since the Zone's trade has diversified away from France, the French Franc is no longer an accurate proxy for the CFA's NEER. In 1975 the French had a 43 percent share of imports and a 32 percent share of exports. By 1982 the respective numbers were 35 and 21 percent and the diversification continues.⁵³

Some question pegging the CFA Zone's NER to any specific quantity. By pegging the NER, members are retaining all their economic targets like GDP growth, unemployment, inflation, and balance of payments, but are giving up devaluation, an important economic instrument. Devaluation could serve to offset monetary disturbances occurring outside the CFA Zone.⁵⁴

The fundamental disadvantage of the Franc Zone is that the whole orientation of the CFA regime leads to dependency on France. The CFA countries give up some of their sovereignty and independence. As Kwame Nkrumah put it: "[P]olitical independence will be meaningless unless we use it so as to obtain economic and financial self government and independence. In order to obtain this it is of absolute and paramount importance that a central bank should be set up by the government."⁵⁵ As pointed out in a previous section, by guaranteeing the NER of the CFA Franc, France can exert a tremendous amount of political influence over the CFA countries. If the French opinion on monetary policy, as expressed by the French representatives on the

Board of Directors of the BEAC or BCEAO, is disregarded, the French could threaten to withdraw their promise to support the CFA Franc, and in the short term, wreak financial chaos on CFA states. This potential threat hangs over and influences every decision reached by the supranational central banks.

The CFA Franc's international value is entirely dependent on cooperation with the French because the CFA Franc is not recognized or traded internationally.⁵⁶ Ultimately, as Guy Martin put it "the CFA Franc appears to be a mere appendage to the French Franc, with no real autonomy of its own."⁵⁷

Because the CFA Franc is pegged to the French Franc, "its value is determined by factors beyond its control—chiefly the state of the French economy, a relationship that impinges upon the very sensitive issue of political and economic sovereignty."⁵⁸ Thus, when the French Franc depreciates or appreciates against other currencies like the dollar or the yen, or when the French Franc is devalued or revalued vis-à-vis other European currencies in the European Monetary System, the CFA Franc is dragged along with the French Franc despite the consequences for the CFA Zone's economies. In this way excessive French inflation can lead to the devaluation of the CFA Franc against other currencies which can cause inflation in the CFA Zone. According to the treaties between France and the CFA members, France is supposed to "consult" African CFA states before a devaluation of the French Franc. However, according to *West Africa*, "there is evidence to suggest that...the French have considered monetary policies without adequately consulting the Franc Zone members."⁵⁹ *The Barclays Review* agrees that "the CFA countries are not in a position to influence a decision to devalue the French Franc, despite provision for prior consultation."⁶⁰

The unequal, dependent nature of the relationship between the CFA countries and France comes into sharp focus when the unwritten French ability to influence or even quash

decisions of the CFA central banks is compared with the impudent lack of statutory consultation with CFA countries by the French concerning the devaluation of the French Franc. Any attempt at a major unilateral decision by African CFA countries would result in French withdrawal from the CFA Zone. But unilateral decisions by the French only result in protest within the African press.

When the CFA Franc is devalued along with the French Franc, the cost of imports from outside the CFA Zone rises, real wages within the Zone fall, inflation accelerates, and the amount of external debt of CFA countries denominated in dollars rises. The ten percent devaluation of the French Franc with the European Monetary System, in June 1982, caused particularly sharp criticism from African CFA members. In the Ivory Coast, for example, the devaluation increased external debt by \$600m.⁶¹

More recently, the French Franc has appreciated, which has caused a separate set of problems for CFA countries. The CFA Franc has become overvalued; this compounded the balance of payment problems of CFA countries. Imports became cheaper, which lowered demand for goods produced in the home market. Also, illegal import, smuggling from Nigeria and Ghana, has increased. "Purchasing smuggled imports in CFA Francs has direct recessionary effect by reducing demand for home goods. As a respected critic commented recently 'the Franc Zone...has become a tool for an urban elite to promote and profit from cheap imports.'"⁶²

Since 1988, the French have resisted ever increasing calls to devalue the CFA Franc vis-à-vis the French Franc, even though this is the logical way to correct the overvaluation of the CFA Franc that developed in the late eighties.⁶³ The effects of this overvaluation will be more fully analyzed later in the paper. The important point now involves the reasons behind the French refusal to allow the CFA Franc to be devalued. One important reason is that "French companies in Africa with debts in

French Francs and earnings in CFA Francs, are dead set against any adjustment."⁶⁴ Subsequently the international value of a currency, its NER, is a very sensitive and important issue which can have profound influences on the local economies. By pegging to the French Franc, the CFA countries lose a great deal of sovereignty. Devaluation and revaluation each have advantages and disadvantages in given situations, and independent nations of interdependent regional groups of nations should be able to make exchange rate decisions without prejudice to outside interests like those of French subsidiaries in Africa. Dependency on France makes this impossible.

The French refusal to devalue the CFA Franc also highlights another key aspect of the CFA Zone's dependency on France. Membership in the Zone shelters members from wider dependency on the international financial system. Franc Zone countries' membership in institutions like the IMF and the World Bank is coordinated through the auspices of the two regional central banks. The World Bank normally insists that overvalued currencies be devalued as part of its structural adjustment policies. But publicly the World Bank has supported maintaining the parity of the CFA Franc despite acknowledgement of the overvaluation.⁶⁵ IMF Managing Director Michel Camdessus, speaking in Abidjan, ruled out a devaluation of the CFA Franc, bowing to French policy, exclaiming "the problem of the Franc's parity does not arise."⁶⁶

As mentioned earlier, the Franc Zone countries also have a large share of their balance of payments deficits financed by France. France contributes more than twice as much as the IMF towards this end. This means Franc Zone countries have to rely less on the IMF and World Bank for loans. This relative independence on the wider world financial system focuses CFA countries' dependence on France. A wider dependence might, at least, lead to less frequent and less intense deflection of CFA interests towards benefiting outside interests such as the French subsidiaries.

Another disadvantage of the system that induces dependency on France is the "virtual lack of control by the national authorities over the mobility of capital, profits, and remittances not only within Francophone countries but between these countries and France."⁶⁷ Legal restrictions on the flow of capital within the Franc Zone are limited and they can usually be easily avoided in practice. Anybody who can physically carry CFA Francs across the border in the Franc Zone can legally convert them into French Francs at the fixed exchange rate. "There is therefore no control over the repatriation of capital abroad and this is a basic impediment to any accumulation of capital domestically." This has enhanced the position of foreign capital in the banking system and has naturally left an open path for French capital into the country. "Given the structure of foreign capital present in all the industrial sectors of Francophone Africa the free transfer has encouraged the investment by multinationals, based in France, through local subsidiaries and this has again stimulated the outflow of capital. In addition countries like Senegal and the Ivory Coast have a pretty high proportion of foreign technical assistants. They, too, are free to export their salaries back to France."⁶⁸ Thus there is a drain from the periphery to center, not only from the Ivory Coast to France for example, but also from Burkina Faso to the Ivory Coast.⁶⁹ This dominance of French capital causes dependency on France while disrupting local capital accumulation. In the Ivory Coast the French own two thirds of all businesses. This is most obvious in the banking sector where in Francophone Africa, four French banks have dominated the scene for several decades.⁷⁰

Africa is the only region France trades with where France has consistently maintained a trade surplus. The Franc zone countries are collectively dependent on "a narrow range of raw material exports" such as cocoa, petroleum, cotton, uranium, phosphate, and coffee of which the French purchase about thirty- five percent.⁷¹ This foreign trade is still

largely functioning according to the colonial pattern which restricted African territories to supplying raw materials and agricultural products while the European metropolises exported industrial products to Africa. Martin explains that "according to a recent study, 65.2 percent of France's imports from Africa in 1983 were made up of energy and fuel products, and 13.6 percent of agricultural and food products. During that same year, about fifty percent of France's exports to Africa were constituted by manufactured products."⁷²

The trading patterns also reinforce CFA dependence on French manufacturing and on French firms for transportation and marketing. Most trade and marketing activities in former French colonies are monopolized by the old colonial trading companies like La Compagnie Française de l'Afrique Occidentale, and French companies still control the majority of activities associated with shipping goods to and from the CFA Zone.⁷³ This gives French imports an informal advantage over their competitors and helps the French maintain their market share in the Franc Zone.

French aid also contributes to dependence on France. Much of the actual functioning of the CFA countries' bureaucracies and infrastructure is dependent on technical assistance from French nationals or expatriates. A majority of international phone calls, even among CFA states, still have to be routed through Paris. An estimated 15,000 French government technocrats currently hold official positions within Franc Zone countries and often their salaries are considered aid.⁷⁴ Overall, roughly 50,000 French citizens reside in the Ivory Coast and 20,000 in Senegal with smaller but significant numbers in other CFA countries. Many of them hold key positions in business and industry.⁷⁵ This expatriate influence contributes enormously to dependence on France.

Also, French "aid" is a very general term and the figures mentioned in the previous section, like the .5 percent of GNP, include tied grants which must be used to buy French

goods, subsidies to French subsidiaries based in Africa, and even the salaries of French soldiers stationed in Africa.⁷⁶ Much of this aid causes dependency.

It is also important to determine the CFA Zone's position within the general context of French policy towards Africa. As seen above, the CFA Franc Zone and the economic policies like trade, investment and aid that go along with it, comprise the central strands of a web of dependency which still binds former colonies to France, albeit rather more loosely now than in the early post colonial phase. Other strands of this web include the French military presence in Africa and the language of power in CFA Africa, French. However, without the CFA Franc many of these other features of the system would be undermined because the French would be reluctant to commit such a large degree of resources to Africa without the corresponding degree of influence that the CFA regime ensures.

Overall this system has certain neo-colonial features. The concept of neo-colonialism refers to "the policies followed by the ex-colonial powers in their relations with the former colonies that achieved independent statehood. By such policies, the ex-colonial powers try to maintain, perpetuate and re-establish an amount of control over their former colonies, generally by tying economic and political strings. Thus, the new states enjoy formal political sovereignty, but with a considerable degree of economic dependence on the former metropolitan power."⁷⁷

French policy towards Africa is based on Charles de Gaulle's belief that French influence in Africa boosts France's world prestige. A French journalist, André Chambraud, "put his finger on what many French citizens believe still inspires policy toward Africa noting that 'the glorious big sister constantly wants to use Africa to show the world that it is still a first-rung power.'"⁷⁸ Africa provides a sphere of influence, in which France is largely unchallenged by the superpowers. The possession of this explosive sphere gives a right of

entry into the club of world powers. As one former French Foreign Minister put it, "Africa is the only continent where France has the capacity to make a difference...the only one where she can still change the course of history with 500 men."⁷⁹ In fact, due to the common linguistic bonds, the informal political connections, the large number of state visits and the fact that some African leaders like Houphouët Boigny of the Ivory Coast actually served in the French Parliament and had strong ties to Charles de Gaulle, an almost family-like atmosphere developed within the French speaking community.⁸⁰

Despite the election of a succession of presidents, who retain African policy as their special personal prerogative, including the Socialist Mitterrand, the Gaullist vision remains intact. "President François Mitterrand has so far shown no interest in a public review of policies first established by de Gaulle three decades ago and followed by all French governments since then."⁸¹ Despite the fact that Africa has become less profitable for French business and more costly to the French treasury, due to the large deficits on the CFA Operations Account, this is perhaps not as significant for Franco-African relations as might appear at first sight. As *African Confidential* puts it, "the French zone of influence in Africa...has always been primarily a political rather than an economic construct. It exists to reflect and sustain France's prestige in the world, and commercial activity only helps to make it viable."⁸²

France also garners a great deal of diplomatic support from Francophone countries. "Moderate" CFA member countries like the Ivory Coast and Senegal, which retain some of the strongest links with France, have "refrained from taking an openly anti-French stance on controversial issues such as French nuclear testing in the Sahara, massacres of Algerian freedom fighters and the sale of arms to South Africa."⁸³ Also, CFA countries have given France a remarkable degree of support in international forums like the UN.

The only main strand of this web of influence which needs to be sketched out a bit more is the French military policy in Africa which serves to protect French interests ties to the Franc Zone and gives overt manifestation to African states' dependency on France. France currently retains seventeen bilateral security pacts with former colonies. Approximately 6800 French troops are currently stationed in Africa, mainly in Djibouti, Senegal and the Central African Republic with smaller contingents in Cameroon, Gabon and the Ivory Coast. France has 47,000 man rapid deployment force stationed in France ready for a call to intervene in Africa. France also trains and sells arms to significant parts of Francophone armies.⁸⁴

The defense accords have given legitimacy to French interventions in the domestic affairs of African states. Recently in Gabon, after the murder of an opposition politician, riots spread across the country and President Bongo called for military help from France. France sent reinforcements, insisting that the forces were only sent to protect French citizens and oil fields, but there was an additional effect. *The New York Times* writes, "Local Gabonese took note of the bigger French military presence. The Riots soon dissipated..."⁸⁵ "Most Gabonese perceived the new troops as fresh defenders of a bad government."⁸⁶ This is the most recent example of the pattern of French intervention in Africa, defending pro-French regimes or the status quo, and insuring French allies of timely support if their regime is threatened. The French have helped prop up corrupt one-party regimes in the CFA Zone especially. The French intervene to protect French interests in the region and also to express French resolve for supporting the value of the CFA Franc. In some cases of French military intervention, such as in Chad and the Central African Republic, the French went beyond just maintaining stability and actually helped displace the Libyans and overthrow the Bokassa regime.

The whole structure of this "French African Community" from the monetary arrangements

of the Franc Zone to the military defense pacts is codified in a series of bilateral treaties between individual states and France. This emphasizes these states' dependence on France and de-emphasizes multilateral regional cooperation.

Thus the corollary to this dependence on France is a lack of progress toward self-sufficient economic integration and the deleterious effect of the Franc Zone on the economies of non-CFA states. The lack of progress in the Economic Community of West African States (ECOWAS) which was formed in 1975 is the prime case in point. The CEAO, founded in 1974, the customs union component of the Western Franc Zone, is seen as an organization designed to buttress French influence. "In fact, the formation of the French-orchestrated CEAO in 1974 can largely be seen as a tactical move by France to preempt the formation of a regional body that had the potential of weakening its influence in West Africa."⁸⁷ The CEAO includes the members of UMOA and Mauritania, except Benin. All the members of the CEAO are members of ECOWAS but, importantly, Nigeria, the regional superpower, and other countries like Ghana, Gambia, Cape Verde, Guinea, Liberia and Sierra Leone are members of ECOWAS but not the CEAO.

Trade within the CEAO has grown faster than trade within ECOWAS as a whole. "The CEAO states, like those of the UDEAC, are harnessed to the French system to a degree that makes them collectively dependent on France."⁸⁸ In the CEAO the value of trade grew from CFA 4,000m in 1976 to CFA 29,000m in 1982 while intra-ECOWAS trade has practically stagnated.⁸⁹ The CEAO also has been more successful in bringing down tariff barriers than ECOWAS.

The success of the CEAO is seen as an impediment to wider and more self-reliant regional integration, represented by ECOWAS. The potential common market represented by ECOWAS is much larger than the CEAO's potential common market, so ECOWAS could take better advantage of the economies of

scale, gains from trade, and dynamic growth available in a large market. Also, Nigeria's relatively large industrial base could serve as an intra-ECOWAS replacement for some imported French goods.

Unlike the CFA Franc Zone, ECOWAS is an attempt at regional integration conceived of by Africans to achieve wider regional cooperation and unity outside the context of former colonial connections. It is important to note, however, that France and the Franc Zone are not the only significant impediments to ECOWAS; internal problems and mistrust have also impeded ECOWAS' momentum.

There are several specific areas of possible conflict between the CEAO and ECOWAS beyond the general feeling that the CFA countries of the CEAO form a unified enclave within ECOWAS, which could undermine the unity and momentum of ECOWAS as a whole. The two treaties calculate the member countries' contributions and compensations using different formulas. Under the completed trade liberalization envisioned by the CEAO there would be more limitations on trade than would exist under the completed ECOWAS proposals. Technically the CEAO, which seeks to continue preferential trade agreements among Francophone countries, is illegal under ECOWAS, which calls for most favored nation status among all ECOWAS members.⁹⁰ The close economic relationship between France and the CFA countries, including the French domination of import and export, transportation and marketing, ensures that French companies have an advantage over their competitors in those countries. "This has made it difficult for ECOWAS both to adopt a common policy toward multinational enterprises — such as an ECOWAS investment policy — and to implement the 'rules of origin' provision that would discriminate against goods produced by companies which do not have majority ownership citizens of ECOWAS. ECOWAS' rules of origin provision underscores the desire not only to accelerate industrialization of the region, but also to lessen

dependency.”⁹¹ The rules of origin could help to promote import substitution.

Ultimately, the CFA Franc itself presents one of the biggest obstacles to increased economic cooperation within ECOWAS. “The existence of this exclusive currency zone is an impediment to the attempt by ECOWAS countries to create a single monetary union and to harmonize their economic policies. Given that the CFA Franc is one of the most stable currencies in Africa, it is not realistic to expect the Francophone countries to forgo the economic benefits they enjoy by virtue of their membership in the Franc Zone, unless ECOWAS can provide a more attractive monetary agreement.”⁹²

For the non-CFA countries, being surrounded by Franc Zone members has harmful consequences. Nigeria, although the most powerful ECOWAS state, finds its manufacturers’ prices undercut in potential neighboring export markets because of the parallel black markets where Naira are exchanged at lower, unofficial rates vis-à-vis the CFA Franc. “For example, a Nigerian assembly plant which could export a car to Benin at N 6,000 (about 3m CFA at the official rate) might find the same car for sale in Cotonou at 1.5m or 2m CFA due to the fact that the same model has already been smuggled (for CFA) over the border at a vastly discounted Naira rate.”⁹³ Ghana, with an even smaller domestic market than Nigeria, is seriously affected as well. Ghanaian raw materials such as cocoa or coffee, as well as manufactured goods, are drained out of the country at parallel market exchange rates. Francophone countries have, in the past, generally benefitted from this smuggling. It has long been known that a significant part of Togo and Benin’s imports of wine, spirits, cigarettes, and embroidery ultimately end up being smuggled into Nigeria for more Nigerian currency than the official exchange rate. Niger has made no secret of the fact that its economy depends heavily on underground imports from Nigeria.⁹⁴ More recently this smuggling has grown to such

large proportions that it has hindered CFA countries, not the least by the tremendous drain in liquidity caused by the smuggling of CFA Francs out of the CFA Zone. By some estimates much of the inter-UMOA trade is actually trade in goods originally smuggled in from Nigeria or Ghana. In the UDEAC, partly because there is no industrial power to provide cheap smuggled goods to trade, inter-UDEAC trade has declined over the last few years.⁹⁵

While CFA countries may be better off in the short term, if they remain members of the Franc Zone, their long term potential for breaking out of old colonial patterns and for wider regional integration is sabotaged. In the long term the political and economic disadvantages and constraints of dependency outweigh the substantial economic advantages and the current CFA regime. Unfortunately politicians and decision-makers are notorious for basing their decisions on short term considerations. Recently economic crises have put tremendous strains on the CFA system. The next section will analyze the current crises and try to construct a broad plan for transforming the CFA Franc into a tool for encouraging self reliance instead of dependency.

Conclusion: The Current Crisis and Option for the Future

The CFA Franc Zone is in the midst of a serious crisis both economically and politically. The Franc Zone’s comparatively good record of economic growth has faltered in the late eighties with average real growth since 1986 stagnating overall. Three major factors contributed to this poor growth performance. The price of raw material commodities, upon which the CFA export earnings are highly dependent, fell in dollar terms, while at the same time the French Franc and CFA Franc appreciated against the dollar. This was a double blow to the Franc Zone countries, which lost income and purchasing power due to the falling dollar price. At the same time the CFA Franc became overvalued because it

appreciated vis-à-vis the dollar, undermining the CFA's export's competitiveness. The Franc Zone countries are also burdened with debt payments. Eight of the thirteen countries are in substantial arrears. Economic mismanagement, especially in the banking sector, caused by unsound, politically influenced loans is doing long-term damage to financial confidence in the Zone.⁹⁶ These bad loans, combined with the circulation of over thirty percent of the CFA Franc notes outside of CFA countries, is causing a liquidity crisis in the CFA banks. Some big French banks like BNP have threatened to sell off their stakes in Francophone Africa in an effort to coerce governments into cleaning up the banking mess.⁹⁷

As explained earlier, the CFA Franc is overvalued due to inflation in the Zone and the French Franc's appreciation. This has been one of the prime causes of the CFA's balance of payments deficit. Also, manufacturers in the CFA Zone have been "crippled" by low cost imports from places like Nigeria and Ghana, which have introduced floating exchange rates and depreciated their currencies vastly. The real effective exchange rates in Cameroon and the Ivory Coast are currently more than double those in Nigeria.⁹⁸ In the Ivory Coast several textile companies and the last remaining shoe manufacturers have shut down due to a lack of competitiveness against Nigerian industries.⁹⁹ Evidence of this overvaluation can be seen in a comparison of prices in terms of dollars between Ghana and the Ivory Coast. In Ghana, one month's wages are thirty dollars and a nice hotel room in the capital costs thirty-five dollars, while in the Ivory Coast the respective prices are one-hundred dollars each.

Because of this widespread perception of the CFA Franc being overvalued, many investors are using the fixed exchange rate to pull their equity out of the Zone before the current fixed exchange is devalued. Thus the perception if crisis causes speculation against the currency which adds fuel to the crisis fire. A final complication, as previously explained, is

that the CFA is overvalued between fifty to forty percent; so a single devaluation would not bring the CFA Franc to its equilibrium parity in every CFA country.¹⁰⁰

To cope with these economic problems, a majority of the CFA members are currently undergoing one form of structural adjustment policy or another under the IMF. One of the primary goals is to cut real wages in order to reduce price levels and the real exchange rate, and regain competitiveness.

Despite heavy French aid and subsidies which have traditionally sheltered CFA countries from the influences of the IMF, the crisis has become so serious that these austerity measures, like wage and spending cuts and freezes, lay-offs and rationing, have caused political problems. These problems have been exacerbated as the winds of pluralism and multi-party elections that swept through Eastern Europe now blow through the Franc Zone. In the Ivory Coast, Houphouët-Boigny allowed a multi-party election this November after strikes by the police and a mutiny by young army conscripts in May. After 18 years of Marxist rule, Benin's President has promised to allow rival parties to form. Even in Gabon, President Bongo has promised multi-party elections.¹⁰¹ Of course some of these changes are probably hallow promises and many CFA leaders could hold bogus elections. "The rulers of Ivory Coast, Cameroun, Senegal, Benin, Congo all face riotous discontent. Each hangs on to absolute power because his rivals think, rightly or wrongly, the force d'intervention [by the French] would prevent his overthrow."¹⁰² This perception has been firmly planted by the eighteen military interventions by the French in former African colonies since 1960.¹⁰³

Recently France, attempting to swim with the democratic tide, has adopted a new approach dubbed "Paristroika" toward these countries. However, the underlying intention of the policy remains the same. "The idea is to usher in multi-party politics and inspire cleaner governments without provoking revolution."¹⁰⁴

The Political Economy Of The CFA Franc Zone

In his opening address at the Franco-African summit in La Baule on 20 June, President Mitterrand explained, "France will link its entire aid contribution effort to efforts made to move in the direction of greater freedom."¹⁰⁵ In the same speech Mitterrand rejected a devaluation of the CFA Franc. Devaluation has also been categorically rejected as an option by both African regional central bank governors. Senegal's Minister of Finance conveyed the unanimous official African line when he exclaimed, "In the West African Zone we don't even think the word devaluation should be pronounced."¹⁰⁶ The emerging French strategy "is to keep intact the traditional framework of Franco-African relations (in which the CFA Franc is the crucial mechanism) while putting pressure on heads of state ... to usher in multi-party politics."¹⁰⁷

The French are suddenly encouraging the one-party states they propped up for so many years to go multi-party, not out of basic concern for democracy, but to save the Franc Zone and other French interests from being consumed by potential revolution. France is opportunistically using the "winds of democracy" argument to perpetuate the CFA Zone's dependence on France and maintain the illusion of still being a great power. As in the past, the French will continue to use their influence in Africa to serve their own interests first, and any beneficial results of French policy, more than the minimum necessary to placate African dissent, will most likely be incidental.

The mushrooming cost to the French of supporting the convertibility of the CFA Franc in the face of enormous CFA balance of payments deficit is causing a growing number of French citizens to question French policy.¹⁰⁸ Some change is obviously necessary both from the French point of view to correct the immediate crisis and from the African point of view to alter the dependency inducing nature of the system. To correct the immediate crisis the CFA Franc needs to be devalued, the same amount across the board, to avoid further Balkanization of African currencies. Because

some countries, like the poorer Sahel states, have experienced less inflation, their exchange rates are not as overvalued as the Ivory Coast and Senegal's. After the uniform devaluation the Overseas Development Institute recommends that, "it should be possible to eliminate the more serious levels of undervaluation by [temporarily] loosening fiscal and monetary policy" in these countries.¹⁰⁹ The experience of neighbors like Ghana and Nigeria show that a devaluation could help to reduce real wages, making exports more competitive while avoiding some of the bitter strikes and riots that usually accompany nominal wage cuts. However, devaluation is a card that tends to work only if it is played infrequently, as the population will get wise to repeated devaluations and policy makers would do well to remember this.

In the future it is necessary to ensure that over the long run the CFA countries experience the same level of inflation so their currencies will have the same real exchange rates. This will require the delegation of authority to the National Monetary Committees in the 1973 reform to be reversed. The conduct of monetary policy needs to be strictly centralized. To facilitate this the BCEAO and the BEAC should be merged into a single, powerful sub-Saharan central bank. This is a prerequisite for the CFA countries to retain the same currency and avoid different nominal devaluations of the exchange rate. Strict rules prohibiting the financing of government deficits by printing money or borrowing from abroad, need to be implemented and the new central bank should be given effective independence from national governments, along the lines of the Bundesbank in Germany.

After these issues are settled, the CFA Zone needs to turn to broader issues of escaping dependency through self-sponsored regional integration. Hayek once suggested that all legal tender laws in Africa should be abolished so that people could sort out their preference for which currency they chose to use; black market rates would become official and a

preferred currency would emerge.¹¹⁰ Of course nothing so drastic could actually be politically feasible, but it is not even necessary. The people have already chosen the CFA Franc as the dominant medium of exchange in sub-Saharan Africa. As previously noted, thirty percent of all CFA notes circulate outside the Franc Zone in black markets. Ghanaians and Nigerians are desperate for CFA Francs.

The governments of ECOWAS need to adopt the CFA Franc, which their populations have already chosen, and the UDEAC countries should join ECOWAS. This would remove the distortion the CFA Franc currently causes by promoting smuggling. It would also build momentum for regional integration and coordination. The states of Western and Central Africa could form a large market which could take fuller advantage of the potential gains from trade, and the economies of scale, rather than smaller, divisive regional groupings like the CEAO. This larger common market could eventually help Central and West Africa reverse its current marginalization in the world economy.

The CFA Franc should be unpegged from the French Franc. This would undermine much of the economic dependency on France. Of course, CFA states would still be dependent on France and the world system for many things, like capital machinery, for some years to come. The CFA Franc should be allowed to float on the exchange market with some capital controls to prevent extreme capital flight. With a single currency in ECOWAS, unpegged from the French Franc, it would be easier to implement place of origin rules which have previously been backed by French influence. If the strict conditions for the operation of the CFA central bank, as outlined above, were followed, the CFA Franc could be a relatively stable currency, retaining its international value. With economic dependency reduced, other forms of dependency would dissipate. As French economic interests subside so the rationale for military intervention would end.

This may seem like an improbable scenario. Years of evolution are contained in single sentences. Difficulties would arise from French opposition and African bickering. Economic constraints like the massive indebtedness of the African countries would also present obstacles to this plan's implementation. However, the above proposal is in much the same vein as a current proposal by Egbosa Osagie, a Nigerian scholar, and Abbas Bundu, the ECOWAS Executive Secretary, which called for the adoption of the CFA Franc as the common ECOWAS currency, the severing of the "informal and institutional link with the French monetary system," and the incorporation of all members of ECOWAS into the decision making body of the BCEAO. Bundu explains that, "The BCEAO would thus be converted into a dynamic nucleus around which would eventually flourish an autonomous west African monetary system committed to rapid expansion of intra-ECOWAS trade."¹¹¹ As the current African leaders like Houphouët-Boigny eventually move on, with them will go many of the sentimental ties to the former French metropolis; and as the French look ever more increasingly to the EC, they may be willing to cut away some of the neo-colonial web that they constructed. Crisis is the well-spring of change. Let the current crisis spark the beginning of an evolution toward regional independence.

In reality several intermediate steps would be necessary during the course of the previously described evolution. One real possibility is that, as European Monetary Integration draws the Franc closer to the other currencies in Europe, the CFA Franc would be formally or informally pegged to the European Monetary System's basket currency, the ECU, with the EC providing the CFA Franc's guarantee. This would occur after the uniform devaluation of the CFA Franc. It would be an improvement in two ways. The ECU is a better proxy for the CFA Franc's optimal peg than the French Franc because the majority of current CFA trade is with Europe with only a

plurality still being with France. Thus the ECU closely resembles the CFA Franc's effective exchange rate. Also, this would spread the CFA Zone's dependence across a wider array of countries which collectively, in the form of EC institutions, lack the monolithic political and historical ties to influence the CFA states to the same degree as the French. As a temporary step toward fuller independence, this would reduce the total dependency through diffusion. This is also the option considered most likely for the near future.¹¹²

The CFA Franc Zone is an interesting case study, highlighting issues facing Africa today. It has strong elements of neo-colonialism and

dependency and shows the divisive influence of colonial boundaries. Economic mismanagement and corruption are found in the CFA Zone as well. The current crisis is reflective of the economic problems facing the whole continent, and the one-party state debate is still being conducted in much of Africa. Current French policy toward the Franc Zone also raises questions about the motivation behind the wider movement to link aid to democratization. Ultimately the Franc Zone is the key to Africa's ability to face the economic future in a world where economic blocks like the EC and a possible North America Free Trade Area may turn increasingly inward.

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The Political Economy Of The One-Party State In Zimbabwe:

Zanu (PF), Elite Interests, Articulate Opposition, And The Land Question 1979-1990

Michael Rogal

Thirty years on, the wind of change is returning to Africa, this time bringing shivers not to white oligarchs but to black ones. After a false start, democracy is trying again.¹

-*The Economist*, November 1990

When you hear us talk about a one-party state...we are thinking purely that our family must be one....We want an environment where people can concentrate on development....The West can't really teach us democracy. They have no lessons to teach us. They were our colonizers. They never taught us democracy.²

-President R.G. Mugabe, May 1990

Introduction

DEMOCRATIZATION AND THE DISMANTLING OF the one-party state are perhaps two of the most important policy trends in African political economy today. In Zimbabwe, President Mugabe's oft stated goal of a *de jure* one-party state directs our attention, however, to a rather different angle on this debate. The traditional western linkage of democracy and multi-party politics is deceptively evident, but must, like most overly simplistic models, be subjected to closer scrutiny. After a year of so many changes

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in Eastern Europe and the Soviet Union, in addition to their residual effects on other African states, the answer to the question why Mugabe is moving against the 'wind of change' is by no means clear. The Zimbabwean paradigm, by virtue of its very uniqueness, is crucial not only to our proper understanding of the national debate in that country, but also to our having a credible perspective on what has emerged as a truly global issue.

One preliminary observation on the one-party state debate with respect to Zimbabwe is that "Rhodesia always had a *de facto* one-party system....after examining the country's history, it becomes clear that it is the present period of multi-party competition that is the aberration rather than the new government's desire for a one-party state."³ Of course, any further conclusions regarding this historical continuity must be cognizant of the momentous change to majority rule in 1980, when white settler Rhodesia became present day Zimbabwe. In its still young ten year history, Zimbabwe under Mugabe has recorded some remarkable achievements with respect to racial reconciliation, economic, and social development. Although Mugabe's rationale for moving Zimbabwe towards a one-party state after the expiration of the Lancaster House

Constitution may be in part due to ideology, a closer examination of this issue reveals that other factors may be more influential. The dynamic political competition between on the one hand, an increasingly more articulate and progressive, or at least opportunistic, extra (and intra) ZANU (PF) opposition, and on the other hand various elite interests centered on the land question captures the more fundamental reasons why Mugabe desires a *de jure* one-party state, and also why this goal will probably not be achieved.

This paper will proceed by first examining the one-party state debate in terms of its academic intellectual evolution from the era of African independence in the 1960s to the present day. Next, a periodization in the post-independence era of the evolution of the ruling party ZANU (PF) will be furthered in order to provide a background to the next section of analytical discussion. This section shall stress the vital importance of the land question with respect to the drive towards the one-party state and attempt to track the changing relationships between the important political components of this issue. Final assessments concerning the outcomes of this paradigm of competing forces with respect to the land question will then lead us to the concluding section of the paper.

The debate over the one-party state in Zimbabwe is so current, and ever-changing, that any present analysis is certain to be clouded by lack of a more reflective, and perhaps, more rational perspective. Furthermore, a prevalent problem exists in the lack of available quantitative data, insofar as such information is useful to help bolster qualitative findings. For "it is not possible to count or measure what has not first been recognized. The concept must come before the measurement. Qualitative questions of pattern recognition...must precede all others, at least to some extent."⁴ Hence this study may be more helpful towards directing future research, with more recent, and possibly more comprehensive, quantitative data.

The One-Party State Debate: From the Age of Independence to the Present

In order to place the present debate in Africa over the one-party state in context, we must first explore the intellectual dialectic which began as the African nations achieved their independence in the 1960s. One of the most articulate advocates of the one-party state in its African context was Tom J. Mboya. The first element of his position was the separability of democracy from the party system. Hence "the party system is not necessarily part of democracy."⁵ The proclivity of African states to move towards a one-party system is attributed to three factors by Mboya: (1) a united opposition to foreign colonial rule (2) an opposition galvanized under the leadership of independence movements and (3) the fact that this pre-independence solidarity continued after independence.⁶ Opposition parties within this framework are characterized as small, factional, and weak, only "existing because the law allows them to, and because alien sympathizers give them limelight, encouragement and sometimes money."⁷ Furthermore, organized dissent may "irritate the government which is engaged in the work of nation-building."⁸ Mboya states clearly that any such transformation to the one-party state (or possible return to the *status quo ante*) must be voluntary. In response to his Western critics Mboya points out rightly that the responsibility for the emergence of one-party states must necessarily be "laid at the door of imperialist nations which created the conditions militating against the establishment of democracy based on two or more parties."⁹

Thus Mboya explains the emergence of the one-party system not only in terms of history, but also in terms of future development needs. Other writers, though likely to concede some of Mboya's points, nevertheless take issue with the then emerging one-party system in Africa. Gwendolen Carter affirmed that "the stabilizing and, commonly centralizing role of the dominant party within

a new state seems indisputable...."¹⁰ Yet this 'stability' "is associated not only with dictatorial but also quasi- or wholly totalitarian rule."¹¹ Samuel Huntington noted that "the decay of narrow-based nationalist regimes after independence" was often a consequence of "the many competing demands on organizational resources."¹² Mboya's almost organic conception of the development of a one-party state as a result of a unity of nationalist forces is severely undermined by the realities of the varied demands of the polity.

Aristide Zolberg expressed an even more skeptical criticism of the one-party state and its relation to national unity. "Increasingly,....the existence of a single-party has become an *expression* of unity. Thus unity becomes objectified, tangible. From having been a means, the political monopoly becomes a self-justifying goal."¹³ Given the impediments to economic progress, the creation of the one-party state, along with its ideological baggage, whether couched in nationalist or socialist terms, becomes more important to African elites for "it is the one thing that African leaders can construct without external help."¹⁴

Symbolic unity within the single-party system is at best a dubious unity. Mergers of dominant parties with smaller groups of opposition only serve to shift such dissent "from outside the ruling organization to inside."¹⁵ While Mboya believes that such a shift would "put an end to opposition for its own sake - completely and permanently,"¹⁶ Zolberg suggests that ultimately "an ever increasing display of authority is necessary to obtain minimal reassurance that things will not fall apart."¹⁷

The present debate over the one-party state in Africa is marked with a certain continuity of the competing rationales from the debate of the 1960s. Proponents of the one-party system still appeal to its stabilizing and unifying effect, thus affording economic development. This is particularly important in that "opposition groups have not always displayed the adequate maturity necessary for engendering democracy,"¹⁸ by failing to offer

alternative platforms, or act as constructive pressure groups.

Paulin Hountondji's reflective critique of Nkrumah's *conciencism* is perhaps a useful reference point to begin a discussion of where the advocates of multi-party democracy stand today. More specifically Hountondji asserts that pre-colonial African cultures were plural, in that they "had a plurality of competing ideologies, like any other society in the world."¹⁹ Yet, the plural structure of African society "does not preclude commitment to the same political ideal. [Nkrumah's illusion] ... rests on the misconception that every political ideal depends on a metaphysical system. It was this illusion that led Nkrumah to attempt...to reduce the plurality of ... choices within African society."²⁰

Reduction of choice is only part of the possible negative consequences of the one-party state. "The intrinsic danger with a one-party system appears to be that once a party is voted into power and its exclusive existence becomes protected by law,"²¹ its accountability to the people and ability to act as a mechanism for the expression of legitimate dissent is diminished. The one-party state thus exists for the "political convenience of only the few."²² That such alienation did undo the one-party regimes in Eastern Europe in 1989 has played a prominent role in the present debate. Hence the current pan-African democratization movement has centered on popular participation²³ as a principal means of addressing the pitfalls of the single-party state after three decades of unimpressive records.

Next we turn to an examination of Zimbabwe since independence specifically concentrating on the political evolution of the ruling Zimbabwe African National Union (Patriotic Front) (ZANU (PF)).

Periodization of the Political Evolution of ZANU (PF)

Reconciliation: From Rhodesia to Zimbabwe 1979-1982

The modern Zimbabwean liberation struggle,

or second *chimurenga*²⁴, was exceptionally violent, and yet the initial years of that country's transition to majority rule were characterized by remarkable racial reconciliation. The 1979 Lancaster House Constitution, by virtue of its very acceptance, must be seen as part of the spirit of reconciliation. That agreement most significantly conceded guaranteed white seats in Parliament for at least seven years, and a "willing seller - willing buyer" land purchase policy (in foreign currency) by the government until 1990. Given its constraints, much of the credit for this policy of reconciliation must be given to the leader of the ZANU (PF) party and Zimbabwe's first Prime Minister, Cde. Robert Gabriel Mugabe. He appealed to all members of Zimbabwean society, in "the spirit of reconciliation, to accept each other, whether in the past we had been allies or had stood as enemies or opponents to each other. Reconciliation is an indispensable modality for achieving peace."²⁵ Surely the lessons of the chaotic post-revolutionary colonial flight from Mozambique left an impression on Mugabe, but pragmatism aside, the policy of reconciliation was nothing short of a remarkable coup of foresight. Though his ZANU (PF) party won a considerable majority in the 1980 elections (Table 1), under the spirit of reconciliation he added both ZAPU (PF) and whites to his cabinet.

To the remaining one-third of the white

settler population, numbering about 100,000,²⁶ Lancaster House represented a racial bargain with the black African majority, in perhaps a "reconciliation of interests but not of attitudes."²⁷ Though support for the former Rhodesian Front (RF) under Ian Smith now reformed as the Conservative Alliance of Zimbabwe (CAZ) has fallen since 1980, the party nevertheless captured fifteen of the twenty reserved (and now defunct) white seats in Parliament in the 1985 elections.²⁸

Mugabe's policy of reconciliation in combination with the essentially conservative terms of Lancaster House, has indelibly stamped ZANU's transition period as "reformist rather than revolutionary."²⁹ Though Mugabe's party has taken on socialist rhetoric, pragmatism has ruled in practice. Ibbo Mandaza, a Zimbabwean marxist critic of Lancaster House, viewed reconciliation as "a substantial setback for the Patriotic Front" and a mechanism for future "neo-colonialism."³⁰ Others have agreed: "... 'reconciliation' has also been taken to mean adherence to the multi-party model of democracy, so that parliamentary procedures remain static reflections of the British system of political reconciliation—with any proposed move away from this being interpreted as undemocratic."³¹ But Western confidence was in the main upheld, "permitting spectacular economic growth during the first two years of independence."³² Mugabe himself, though said to be given to radical tendencies,³³ has "had to tread

Table 1: Election Results, 1980

Party	# of seats	% of vote
Common Roll:		
ZANU (PF)	57	63
ZAPU (PF)	20	24
ZANU (Sithole)	—	2
UANC	3	11
White Roll:		
CAZ	20	—

SOURCE: The Economist Intelligence Unit, *Zimbabwe Country Profile 1990-1991*.

a tightrope between the technocratic and populist elements,"³⁴ of ZANU (PF). His delegatory and collegial style, in combination with his policy of reconciliation, described as "a workable practical ideology for Zimbabwe,"³⁵ have thus established ZANU's ruling tone. The complexity of the transition, as well as the severity of the suffering incurred during the armed struggle, presented great challenges to Mugabe's quite moderate path. In some respects then, the rest of this periodization of the ZANU's history can be described in one way or another as an attempt to recapture the spirit of reconciliation. Those efforts have increasingly been directed away from racial reconciliation as CAZ has been marginalized, and more importantly focussed on rifts within African Zimbabwean society itself on ethnic, political, and class levels.

The ZANU (PF) - ZAPU (PF) Antagonism 1981-1987

The time parameters set above are somewhat misleading to the extent that the divisions between the two main wings of the liberation struggle well predated Zimbabwean independence. Although not originally ethnically oriented, ZANU became the organizational expression of the majority Shona population, while ZAPU was the same for the minority Ndebele. Though appearing to be united under the "patriotic front" banner which still remains appended to each group's acronym, Mugabe's ZANU (PF) and Joshua Nkomo's ZAPU (PF) were largely separated by operating in Mozambique and Zambia respectively, and were

politically divided in a number of different ways.³⁶ The pivotal aspect of this divide manifested itself in post-independence violence between the two liberation armies, ZANLA and ZIPRA, grappling towards integration into a new Zimbabwean National Army (ZNA).³⁷ Residual armed elements of Ndebele resistance formed in response to perceived Shona favoritism.

This "dissent" movement, as the Government termed the resistance centered in the province of Matabeleland, presented the greatest challenge to Mugabe's reconciliation policies. As such, this structural constraint provided Mugabe's initial impetus to call for the creation of the one-party state. For all intensive purposes a situation approaching civil war existing throughout Matabeleland. ZANU (PF) used The Emergency Powers (Maintenance of Law and Order) Regulations left-over from Rhodesia to suppress and crush the opposition with the North Korean trained "Fifth Brigade" and Central Intelligence Organization (CIO).³⁸ ZANU characterized ZAPU, their partners in the liberation struggle as "South African-trained malcontents...killers, rapists, bandits, and saboteurs who masquerade as liberators...."³⁹ The repressive measures employed by the government subdued much of the initial optimism for a newly harmonic Zimbabwe. Indeed, the government's reaction to the "Matabeleland problem" corresponded with a more general degradation of political rights and civil liberties according to some studies.⁴⁰

Table 2 represents a crude, but useful comparative scaling of political and civil rights

Table 2: Political Rights and Civil Liberties in Zimbabwe 1979-1986

	79	80	81	82	83	84	85	86
PR:	5	4	3	3	4	4	4	4
CL:	5	5	4	5	5	5	5	6

Source: Gastil, *Freedom in the World—Political Rights and Civil Liberties 1986-1987*

where a rating of "(1) is the freest and (7) the least free."⁴¹ We are interested in the relative and apparent decline after 1982 in which according to Gastil, ratings of (4), (5), and (6) indicate varying degrees of the breakdown in the implementation of democratic processes, including faulty electoral mechanisms and repressive security practices such as holding political prisoners.⁴² A 1986 report employed blunt rhetoric when it characterized ZANU's tactics in suppressing Matabeleland dissent as "all but indistinguishable from those used by former Prime Minister Ian Smith, including methods of torture."⁴³ Hence, under the scrutiny of a international comparative analysis, as well as other accounts, ZANU policy towards ZAPU dissent was a serious stumbling block towards political progress, as well as economic development. As economic growth slowed (around 4 percent) and external debt service mounted (30 percent in 1983),⁴⁴ the ZANU - ZAPU antagonism was becoming more and more politically unacceptable. Born out of this growing quagmire was ZANU's move towards the 1987 Unity accord.

The Unity Accord and Constitutional Changes 1987-1990

Mugabe himself viewed the December 1987 Unity Accord between ZANU (PF) and ZAPU (PF) as "a second phase in the development of our policy of national reconciliation begun in 1980."⁴⁵ Nkomo, the leader of ZAPU (PF) who was forced to flee to Britain in 1983, returned to become an integral part of the agreement, which in 1990 made him a second Vice-President. In some immediate respects the Unity Accord was necessitated more by the electoral violence in 1985, than by any need for political teamwork. So while "there was very little competition between candidates in the 1980 and 1985 elections,"⁴⁶ the agreement at least symbolically made strides towards reducing the Ndebele charges of clientelism⁴⁷ practiced by the majority Shona. Second in command to Nkomo during the liberation

struggle and jailed for four years, Dumiso Dabengwa ironically supports the Accord. "There is no way there could be stability except by coming together. There was no way that ZAPU could ever be trusted by a ZANU government,"⁴⁸ said Dabengwa. Hence security concerns may be first postulated as the thrust behind Unity. Insofar as the containment of violence in Matabeleland is concerned, ZANU's amnesty policy as part of the Accord has seemed to accomplish those ends.⁴⁹

The ZANU - ZAPU intransigence addressed by the 1987 Unity Accord has more importantly brought Zimbabwe closer to a one-party state. In order to consolidate ZANU's authority in moving towards such a system, several important constitutional changes within this period have been of particular note. Amendment No.6 "removed racial representation" while Amendment No.7 created "an executive presidency."⁵⁰ The Zimbabwean Parliament was later made unicameral by abolishing the Senate, though a smaller oversight committee remains. These changes may in one sense be viewed a part of Zimbabwe's inevitable process of distancing itself from Lancaster House and its colonial past. Inasmuch as nationalism provided the means towards effecting such changes, the dynamic nature of the political environment after 1987 meant that ZANU was compelled to consolidate its position in such a manner. Whether or not the Unity Accord was truly "an unambiguous rejection of the level of immaturity,"⁵¹ in Zimbabwean politics is as yet unclear.

The Unity Accord and constitutional changes which consolidated ZANU's power base have also been concordant with new challenges to their leadership, and renewed opposition to the drive towards a one-party state. Before attempting to give structure to the political dynamic arising out of this engaging concordance, we must first outline more recent challenges to ZANU governance. These are primarily internal scandals, and the upstart Zimbabwe Unity Movement (ZUM) headed by former ZANU member Edgar Tekere.

ZANU (PF) Corruption: The Politics of Willowgate and Beyond, 1988-1990

The charges of corruption and scandal in the post-Unity Accord era were typified in the "Willowgate" affair of 1988. Revealed by the *Bulawayo Chronicle*, Willowgate involved government officials purchasing cars and then illegally reselling them to friends. The scandal has claimed six senior ministers in Mugabe's cabinet, "including one who has apparently committed suicide."⁵² In the context of student discontent which has turned violent in clashes with police breaking up rallies for ZUM,⁵³ Willowgate has presented both challenges and opportunities for ZANU and Mugabe. Though the revelations of official corruption inevitably hurt the credibility of ZANU's socialist policies in much the same way that affected the ruling parties in Eastern Europe, Mugabe has seemed able to distance himself from its immediate negative effects. Moreover, since Unity much of Mugabe's significant opposition has been transferred within the ZANU structure. Thus "one view of Mugabe's actions [appointing an independent investigatory commission headed by respected Judge Sandura] holds that he used Willowgate to consolidate his power and rid ZANU (PF) of opponents."⁵⁴ Mugabe's 'purge' of sorts⁵⁵ was also the only way he could salvage plans to move towards the one-party state.

Besides the macro "high politics" effects of Willowgate, "the scandal hit home with average Zimbabweans...[and] Mugabe's government's perceived drift away from the strong socialist ideals espoused at independence in 1980."⁵⁶ Though now a more difficult goal to achieve, the one-party state became the all-purpose panacea for each ideological camp of ZANU. For the leftists, the one-party state represented an opportunity to return to the promises of the liberation struggle, most importantly in terms of land redistribution and cooperative social programs. For the more reactionary ZANU elements, the one-party

state was becoming necessary in order to contain the criticism of their increasing involvement in industry and land ownership. The intra-ZANU ideological contradictions were increasingly being seized upon by critics of the one-party state: "there must be unity of purpose, not unity of opposites."⁵⁷ Marxist analysts have de-emphasized the ethnic divisions within the unified ZANU (PF) and given expression to the new forms of intra-party contradictions:

Where a nationalist struggle does not bring a radical pro-working-class element into the ranks of the leadership and state power so as to establish fully a national democratic revolution, the intra-petty-bourgeois contradiction and competition for accumulation under the unchanged conditions of domination by foreign and local capital alliance, will be intense. Under such conditions, national unity is a most difficult task to achieve.⁵⁸

Willowgate deprived Mugabe of many allies who might have been more conducive to the one-party state even in light of the repression exercised in Matabeleland. Zimbabwe's Roman Catholic Bishops in late 1989 said that such a state would "violate the people's right to give leaders 'the power of government.'"⁵⁹ They continued to say that "politicians and civil servants 'must avoid the danger of becoming a merely self-serving class.'"⁶⁰ The internal divisions within ZANU may have reached crisis proportions if ZUM had not become a fresh target to rally the party banner around, like ZAPU had been several years earlier. Whether this rally has in fact moved Zimbabwe closer towards a one-party state, or has congealed new inter-party strife shall be examined later in this paper.

The ZUM Challenge: 1989-1990

ZANU (PF), in pursuing its integrationist policies since Unity in 1987, has also unwittingly opened a Pandora's box of discord. The brief "Harare Spring,"⁶¹ involving MPs, university students and urban intellectuals might

have been contained if it were not for their party expression in the form of ZUM. Led by ex-ZANU minister Edgar Tekere, ZUM was formed after he was "ousted from the government for corruption and bad management."⁶² Yet these are the very same counter-charges that have enervated Tekere's political mobilization, which includes former RF stalwarts now in CAZ, supported by South Africa, and other elites who are disappointed in Zimbabwe's economic and social progress. For ZANU in the post Unity period, ZUM represented the greatest electoral threat thus far, with Tekere probably the only serious contender to oppose Mugabe for the presidency.

Table 3 shows that while ZANU (PF) achieved a substantial victory over ZUM,⁶³ the numbers do not tell the untold story of the repression and "dirty tricks"⁶⁴ campaign waged against Tekere's upstart movement. These included, according to Tekere, "abundant malpractices and ballot rigging."⁶⁵ In addition to preventing many ZUM election rallies, ZANU has departed from its reconciliatory policy somewhat by directly challenging ZUM. ZANU (PF) has adopted a harsher tone, describing ZUM as "a corpse in a complete state of decay after aligning itself with former rebel leader Ian Smith."⁶⁶ While the results shown in **Table 3** reveal inconclusive percentages of support for ZUM, the new party was far from "zoomed to their doom."⁶⁷ In a comparatively apathetic election, in which "only 54 percent of the country's official figure of 4.8 million

registered voters cast their ballots,"⁶⁸ Tekere's claims can be taken more seriously. Significantly, Tekere has claimed a mass support upwards of one million,⁶⁹ in addition to the backing of ZNA commanders stationed in Mozambique.⁷⁰

Thus, the ZUM challenge is very real. Tekere, a self-proclaimed "political loudmouth,"⁷¹ has taken on a whole host of Zimbabwe's most contentious issues including foreign investment and land redistribution.⁷² Mugabe stepped up the security issue by accusing Tekere of plotting a coup before the election.⁷³ Tekere's rhetoric surely might make Mugabe nervous, at the very least. He stated in reference to the one-party state that "my party will do all it can to make sure democracy in this country is not taken further into the intensive care unit by the establishment of a one-party dictatorship."⁷⁴ The ZUM challenge outside of ZANU (PF) politics inevitably has colored intra-ZANU (PF) relations, especially between the main wing of ZANU and former elements of ZAPU. The most glaring example of this two-pronged pressure upon ZANU has manifested itself in the unambiguous rejection of Mugabe's moves to formalize the one-party state in both a politburo meeting in August 1990, and in the larger Central Committee gathering this September. "Out of the 26-member Politburo, only five supported the one-party state proposal,"⁷⁵ while the "decisive setback came at a special 22 September meeting of the 160-member Central Committee."⁷⁶ That

Table 3: Election Results, 1990.

Party	# of seats	% of vote
ZANU (PF)	116	77
ZANU (Sithole)	1	...
UANC	—	...
ZUM	2	...*
Vacant	1	—

* Estimates range from 15 to 20 percent.

Source: The Economist Intelligence Unit, *Zimbabwe Country Profile 1990-1991*

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meeting failed to produce an affirmative vote for the plan, to which "Mugabe explained that the party had decided to maintain a *de facto* one-party system."⁷⁷

This author views with much skepticism that Mugabe and his ZANU (PF) supporters would accept defeat on the one-party state issue without more of a struggle. As such, Mugabe has launched a new campaign criticizing whom he has termed "political cowards"⁷⁸ for opposing the move to a one-party state. Similarly, ZUM and others allied in their opposition to the creation of the one-party state will not likely be content with the threat of Mugabe's goal hanging over them, chilling their conduct. At least in the immediate future, the key issue in Zimbabwe's political economy that contextualizes the balance of forces in the one-party state debate is above all the land question. Probably the most important issue in Zimbabwean politics since the second *chimurenga*, an analysis of this political dynamic shall now be attempted.

Analysis: The Political Economy of the One-Party State in Zimbabwe

We don't have enough land. We are now splitting it up between our children and we have less and less. The root of all our problems is land⁷⁹

-Elias Mutyambizi and five Shona farmers in Zimbabwe

The question of land equity (or more accurately, lack thereof) has had a prominent place in Zimbabwe's history. In essence, "from 1890, when colonization began, the Zimbabwean people were systematically stripped of their best land and forced to live on reserves."⁸⁰ Rhodesian 'laws' such as the Land Apportionment Act (1930) and the Natives Urban Areas Accommodation and Registration Act (1946) served to deliberately bifurcate the land into "Native" (later Tribal Trust) and "European" tracts⁸¹. The marginalization of the Africans from their native lands was part of a larger colonial strategy to "'induce' enough wage labour for the mines and the European farms."⁸² The growing land alienation⁸³ among the displaced Africans broadened the base of the nationalist movement of the 1950s, and indeed "during the war itself peasant aspirations were focussed upon recovery of the land lost to the whites...."⁸⁴

The land question may be disaggregated topically as well as spatially.⁸⁵ Topical concerns include environmental and ecological aspects, such as tenure and grazing schemes, and population issues.⁸⁶ The colonial legacy produced overpopulation on the communal areas of the Tribal Trust Lands (TTL). Exacerbating their already marginal arability, the colonial legacy has seriously threatened their future agricultural utility.⁸⁷ Historically, land tenure in Zimbabwe has been divided in terms

Table 4: Land Areas in Zimbabwe by Natural Region

Natural Region	Suitability of Land-Use	Land Area (000s ha)	% Total
I	Special/Diversified Crops	705	1.8
II	Intensive	5857	15.0
III	Semi-Intensive	7290	18.7
IV	Semi-Extensive	14770	37.8
V	Extensive	10450	26.7
Total		39072	100.0

Source: Moyo, "The Land Question" in Mandaza, Ed., *Zimbabwe—The Political Economy of Transition 1980-1986*

of general farming land for the white settlers, mostly Large Scale Commercial Farms (LSCF) and African land, organized in terms of Communal Land in Tribal Trust Lands (TTL) for the peasants, and Small Scale Commercial Farms (SSCF) for an emerging yeoman class.⁸⁸

Spatially, the geography of land in Zimbabwe has been indexed by reference to five 'natural regions' "which represent land use potential derived from average rainfall quantities and its variability...[in addition to] recommended cropping and livestock production patterns."⁸⁹ (See **Table 4** and **Map 1**) Equally as important is mention of the land's access to agricultural inputs, and proximity (or lack thereof) to support services.⁹⁰

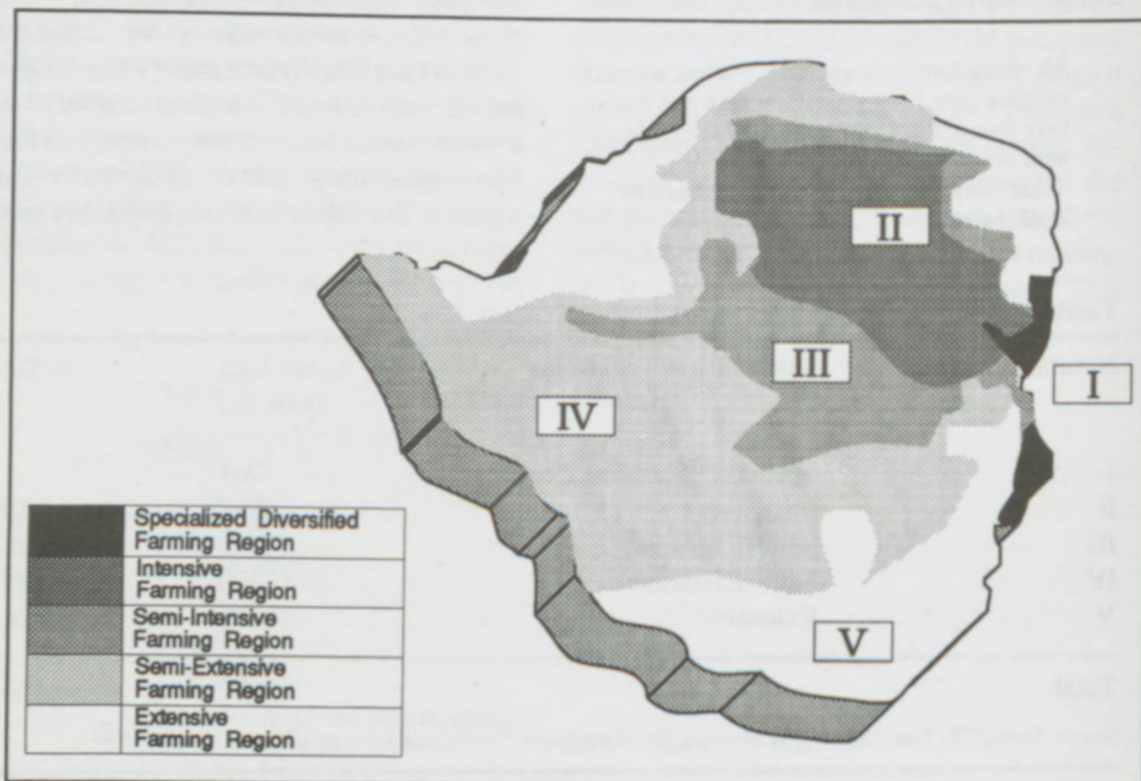
Natural regions I and II, are "the best in terms of agro-potential, where the majority of the high value crops are grown."⁹¹ Those regions, corresponding to the political and administrative areas of eastern Zimbabwe and the Midlands, Mashonaland, and Manicaland, are traditionally the Shona areas. Conversely,

natural regions IV and V "have the most unreliable rainfall and are best suited to extensive ranching."⁹² These regions match the western and southern parts of Zimbabwe, or Matabeleland, where most Ndebele live. This background to the spacial dichotomy of land in Zimbabwe is vital to an informed judgement of the political economy outcomes of such a geographic land distribution, and will be referred to later in this section.

The Land Question Today: Lancaster House and Beyond

The 1979 Lancaster House Constitution provided guarantees of property rights for ten years in which "land could change hands only on a 'willing seller, willing buyer' basis," and, in exchange, "the British would underwrite half the costs of a resettlement programme."⁹³ Only 'under-utilized' land could be expropriated by the government, but at the full market price and in foreign currency.⁹⁴ The constraints

Map 1: Natural Regions in Zimbabwe



contained in Lancaster House, which expired in April 1990, have proved substantial in light of the slow pace of land resettlement (See **Table 5**). Table 5 in fact indicates that the percentages of national (forest, park, etc.) and communal lands have actually risen since independence while the commercial farms have only been reduced moderately to accommodate a 4.5% land redistribution to the resettlement areas.

Moreover, other factors besides constitutional impediments have mitigated against a rapid resettlement program. First, calculations over food production have affected the pace of redistribution. In the wake of the post-liberation struggle, these concerns were genuine. This factor has considerably much less credence when we consider "Zimbabwe's star agricultural performance...able to export grains and meat (besides the traditional cash crops of tobacco, cotton, tea, etc.) during normal years, and was able to maintain a measure of food self-sufficiency, on the aggregate,⁹⁵ during the three years of drought."⁹⁶ Part of this 'success' story was Zimbabwe's ability to maintain the confidence of its mostly white settler commercial farming sector, thereby sustaining output. More likely, Mugabe pragmatically realized he needed their production of mostly export crops in order to receive "foreign exchange to meet other development requirements."⁹⁷ Moreover, "too rapid land reform would undermine white confidence, in both the agricultural and business community, threaten vital

export earnings of strategic crops and result in significant job losses."⁹⁸

Notwithstanding the need to appease the Western donor community by not directly challenging the white settler commercial sector, the productivity issue is also consequential. The know-how and experience that must be acquired in order to transform small-scale peasant farmers into larger producers is one aspect of the problem, but in many ways it is a smoke-screen for the actual discrepancy: namely that much of the former 'under-utilized' settler land does not have the infrastructure to support agriculture. The government was simply not able to provide the necessary "major financing to cover inputs: extension workers, fertilizer, machinery, and the development of essential rural services."⁹⁹ Yet while the slow pace of land reform may be in the more positive name of resettlement "in a planned, purposeful way,...there have certainly been some disastrous mistakes."¹⁰⁰

Those mistakes primarily include the government underestimating the hunger for land on the part of the peasants, and secondly their indifference towards socialist cooperative schemes. "Many peasants expected ZANU (PF)'s election to be followed by an immediate throwing down of the fences and did not wish to wait for a formal government programme before moving themselves or at least their cattle onto the 'lost lands.'"¹⁰¹ Although land redistribution was highly prominent in the ZANU/ZAPU pre-independence rhetoric,

Table 5: Land Distribution By Subsectors, According to Their Agro-Ecology in 1969 and Percentage Land Redistribution By 1984

Class	1969 (%)	1984 (%)
National/Unreserved	14.4	17.2
Communal Lands (CLs)	41.5	42.7
Small Scale Commercial (SSCF)	3.8	3.5
Large Scale Commercial (LSCF)	40.0	32.1
Resettlement Areas	0.0	4.5

Source: Moyo, "The Land Question" in Mandaza, Ed., *Zimbabwe: The Political Economy of Transition 1980-1986*.

it was soon apparent that "many people in government became less certain of the moral right of the squatter movement."¹⁰² Whereas that view may have been reinforced by reports of "squatter kings"¹⁰³ who have taken advantage of Zimbabwe's land status rather than out of genuine need, "certain tensions grew up between peasants and government agencies."¹⁰⁴

Undoubtedly these tensions have arisen out of "the Zimbabwean Government's ideological preference for Model B...[while] the majority of would-be settlers much preferred Model A."¹⁰⁵ The Model A resettlement scheme, under which "80 per cent of those resettled during the 1980s,"¹⁰⁶ provides "5 hectares of land for each family and ½ hectare for erecting a homestead."¹⁰⁷ Model B "is run along co-operative lines with families using land and resources collectively,"¹⁰⁸ while Model C is a hybrid of A and B, and the final scheme Model D is designed for rotational grazing, mostly in Matabeleland. That "only Model A has been successful [while] the others have registered more failure than success,"¹⁰⁹ is in some respects to greatly understate the implications of such a record. To wit, the post-independence land reform efforts have, if anything, effected a conservative revolution¹¹⁰ insofar as the success of the Model A scheme may indicate. In a general context some have observed "whatever power the peasants gain, it will tend with time to exert a conservative influence."¹¹¹ If "the mobilization of the rural majority into politics through the party system has a highly...conservatizing effect on politics,"¹¹² what remains to be seen is what this tendency in practice will mean for the conflict between ZANU and ZUM or other opposition parties. It is thus on this surprising end result that we shall now turn to an analysis of this land question dynamic and Mugabe's present maneuvers towards the one-party state.

Towards a Praxis Between the Land Question and the One-Party State: The Land Question in the Political Firestorm

At first glance, these events [protest against the one-party state] may not appear to be related to the land issue, yet in a very real sense they are inseparable from it.¹¹³

— Guy Arnold, *Africa Report*, 1990

Ideology has certainly played a prominent role in the drive towards the one-party state in Zimbabwe. The praxis, or unity of theory and action, between the position of ideology and the land question is clearly observable in Mugabe's speeches since independence. In 1981 he stated:

We believe that the ideological path for the desired social transformation must be socialism. Our first priority...[is] the resettlement program.¹¹⁴

In late 1987 this theme has continued, though with some important differences:

We were cognisant that political power once acquired would become an instrument for restoring our lost property rights through people-oriented socio-economic policies based on socialism...[but] political power without economic means is hollow and deceptive.¹¹⁵

We have already seen what place ideology has had in the structuring of land reform programs. The revolutionary goals of land redistribution during the liberation struggle may even be viewed as part of the ideological accoutrements of ZANU (PF).

Despite the fact that "the new regime has self-consciously portrayed itself as a Marxist state...it has often adopted economic policies which are far from radical."¹¹⁶ The conspicuous presence of ideological rhetoric in the sphere of Zimbabwe's foreign affairs while simultaneously maintaining a more cautious approach in the domestic realm may lead one to false conclusions. Mugabe has quite clearly rejected the Leninist notion of a vanguard party because such a party is inherently exclusive.¹¹⁷ Instead, "noting the party's preference for a mass political party," Mugabe has recently stated that any "application of

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Marxist-Leninist principles in Zimbabwe would take cognisance of the country's own history, cultural background and social experience."¹¹⁸ In the final analysis, this has meant that "the reason that ideology plays such an important role in Zimbabwe's foreign policy is precisely because the country is so constrained in other areas: an ideological foreign policy is the easiest way of maintaining the image of the radical state...."¹¹⁹

Though one might also assert that Zimbabwe is equally as constrained in its international relations,¹²⁰ Mugabe has developed his country's voice in the area by taking leadership of the Non-Aligned movement as well as confronting the United States during a notable suspension of aid from 1986 to 1988. The point is that ideology, or at least any socialist ideology within a ZANU (PF) context, has not proved to be the decisive factor in explaining the policy outcomes concerning the land question or the one-party state. In the case of ZANU (PF), a more credible explanation of the role of ideology within that party can be characterized by the nationalist/reconciliation precepts which have been so featured earlier in this discussion.

In terms of the opposition, ZUM and leader Tekere have advocated a more mixed portfolio of a nationalist populism (and anti-corruption) in combination with western liberal-capitalism (with an emphasis on foreign investment). Whether this ideology may be found any more (or less) relevant in terms of our discussion of the political dynamic linking the land question with the government's drive for a one-party state remains to be explored. The next section will attempt to portray other factors as more relevant, namely various progressive and reactionary elite interests as well as extra-ZANU (PF) opposition.

Elite Interests, Land Reform, and the One-Party State

Some Zimbabwean elite interests have proved reactionary in the effort to effect radical land

reform. First, and perhaps most astounding, are those within the ZANU (PF) party, particularly high level ministers who are large land-owners and new members of the Commercial Farmers Union (CFU). Though exact statistics are presumably not available, it is estimated that "at least ten government ministers were known to be members of the CFU."¹²¹ Even worse, that "some are rumoured to be in debt to the CFU."¹²² This has prompted one observer, Tagwireyi, to comment in late 1989 that the emerging ZANU (PF) party bourgeois are nothing but "avaricious politicians, keen to acquire land as a symbol for wealth and status."¹²³ The 1984 ZANU (PF) party Congress drew up a "leadership code"¹²⁴ which attempted to address these concerns. The modern ZANU (PF) party, according to Stoneman, can number among its members "white capitalist farmers, industrialists, and MPs...along with many black, coloured and Asian business people."¹²⁵ These "bandwagoners," may have realized that the best way to "highjack the revolution"¹²⁶ is to join the party.

Mugabe's strategy has thus arrived at one of the paradoxes of the one-party state. His policy of reconciliation, as well as his drive for the single-party state and especially the 1987 Unity Accord has resulted in what Carter observed almost thirty years ago, that "the result of mergers...has been to develop political parties which are themselves composed of the kind of diverse groups that might be expected in a Western country to form two, or even a series of, political parties."¹²⁷

Yet, the reactionary elements run deeper than assorted ZANU (PF) ministers. "The predominance of the bureaucracy in allocation decisions...[including] the case study of...land,"¹²⁸ allows us to see that they play a considerable role in this immensely political issue, which according to some international observers "has now been effectively depoliticized."¹²⁹ The successful transformation of the land issue into a "technical question to be settled by professional experts and overseen by civil servants...not to be debated by the

general public,"¹³⁰ is surely self-serving for other reactionary elite interests. These include primarily the large landholders of the CFU, whether white settler, any of the emerging African bourgeoisie's "500 black members of the CFU."¹³¹ Indeed, the continued influence of the CFU has largely mitigated against the loss of settler representation in Parliament. The CFU is "Zimbabwe's most dynamic and successful trade union," who "assiduously courts the government...[and] has ensured that its voice is listened to attentively, most notably in the Ministry of Lands and Agriculture."¹³² Ironically, the CFU may not object to the creation of the one-party state insofar as it has effectively made key government ministers and bureaucratic departments its clients on land reform measures (or lack thereof). Of course its members probably would prefer Zimbabwe to remain a multiparty state just to leave their options open, but the CFU has shown itself remarkably resilient towards the change to majority rule in 1980—a one-party state in the 1990s would likely not present any further obstacles, and even might help consolidate its position.

External Elite Interests and Land Reform

International actors have affected the politics of land reform and the drive towards the one-party state in Zimbabwe. While Zimbabwe's economic relations of necessity with South Africa, and its military involvement in Mozambique have conceivably exerted an external influence on the macroeconomic decisions of the government, such calculations are necessarily beyond the scope of this discussion. Instead, the influence of the Western donor community, and especially the bilateral relations between Zimbabwe and the United Kingdom, and the United States, have both proved more central to our argument here. These external forces can be regarded as both reactionary and progressive with respect to land resettlement. Under the terms of the Lancaster House Constitution discussed earlier, the UK has played a major, though certainly not over-generous role, in helping to finance the resettlement program. After an initial push aided by abandoned post-war lands, resettlement purchases have significantly decreased, in part due to price and supply

Table 6: Land Purchased for Resettlement in Zimbabwe, 1980-1988

Year	Land Hectares	Gross Purchase Price (Z\$)	Average Price (Z\$ per ha)
80/81	223,196	3,517,198	15.76
81/82	900,196	18,803,158	20.88
82/83	939,925	22,009,187	23.42
83/84	159,866	4,536,168	28.37
84/85	75,058	2,966,849	39.53
85/86	86,187	4,444,610	51.57
86/87	133,515	3,898,335	29.20
87/88	20,319	1,874,200	92.24
Total	2,538,262	62,049,705	24.45

Source: Palmer, "Land Reform in Zimbabwe, 1980-1990" *African Affairs*, April 1990, p. 170.

factors (see Table 6).

The pivotal point occurred in 1983, when "urged to tighten its budget deficit by the World Bank and by the British and other Western governments...[Zimbabwe found] it was more politic to cut back on a resettlement program which was still largely on the books,"¹³³ rather than starve other social and infrastructure programs already in progress. Nevertheless, and in spite of the fact that Britain has supplied funds to help land reform, the overall influence of the Western donor community has been to slow the pace of resettlement, holding its carrots of development aid and foreign investment hostage if any radical resettlement measures are attempted. For the growing wage labor sector in urban Zimbabwe, the need to appease the Western donor community has undoubtedly translated as just another political counterweight to peasant demands for land reform. Mugabe must also pay an ideological price for the assistance of the West. That is, unlike certain domestic actors such as the CFU, the drive to the one-party state, especially couched in socialist jargon, is completely unacceptable. The reasons for this are multivariate, but are rooted in strategic concerns over protecting western fixed capital investments.¹³⁴

Progressive Forces in Zimbabwean Land Reform

Although the previous part of this paper set out to describe the more reactionary elements which mitigate against effectual land reform, there can be little doubt that significant progressive forces, in contrast, provide the opposite. Firstly, within the ruling party ZANU (PF) there is a substantial radical wing which has exerted influence over policy decisions. Yet, as stated before, the socialist elements have had to constrain their influence to non-distributional politics, mostly foreign affairs, while leaving other less committed socialists to the "technocratic" ministries,¹³⁵ which have responsibility for economic affairs. Closely

allied with the leftist components of ZANU (PF) are the urban intellectuals, the Catholic church, and university students. They have been another voice of protest against the continued status of land inequity.¹³⁶ In the process of attempting to exercise that voice, however, they have been continually harassed by the government. In the end, "these incidents may solidify opinion to the extent that Mugabe's party will not be able to impose a one-party state..."¹³⁷ Also, discontent over the land question and the growing repressiveness of Mugabe's regime has come from the influential Zimbabwe Congress of Trade Unions (ZCTU) representing progressive union forces. In essentially nationalistic terms the ZCTU has "called for the seizure from foreign control... 'our land and its resources on behalf of all Zimbabweans.'" ¹³⁸

Moreover, many in the international and Zimbabwean media have acted as, albeit in a more reflective manner, partisans for land reform. Even the mostly conservative *Financial Gazette* (Harare) has stated that the large landowners (both settler and emerging African) could only help their case by being a "willing seller" of their 'under-utilized' lands:

It would be unwise for the commercial farmers not to respond to the call for more land for the *povo* [people]. It would not be sensible to wait for the legislation to be passed before adopting...attitudes that face up to the realities of a situation of major political and social change.¹³⁹

Prudent advice, though it remains to be seen whether it will be heeded. The main Zimbabwean newspaper, the daily *Herald*, has portrayed the land question fairly, though the cloud of governmental indirect coercion must be taken into account.¹⁴⁰ A small-scale survey below (see Table 7) attempts to characterize *Herald* and *Sunday Mail* coverage of the one-party state and the land question. As table 7 indicates, while the papers have been overwhelmingly supportive of the government on the one-party state issue, it has been less

enthusiastic in their coverage of the land question, perhaps the real issue behind the one-party state debate.

Lastly, and perhaps most logically, is the impact of the landless/communal area peasants themselves in terms of the land question and the one-party state. The peasant support for the liberation struggle has been described as crucial to the success of the Liberation struggle, but since that time the exact nature of their political clout is unclear. According to some, the "peasantry...has if anything been more marginalized in post-independence developments."¹⁴¹

Nonetheless, Mugabe is well cognizant of the fact that he has been elected three consecutive times largely because of his substantial "rural constituency."¹⁴² Any continued failure to put into practice the bold resettlement schemes that Mugabe proposes will inevitably lead to the critical loss of support for ZANU (PF) generally, and quite possibly Mugabe in particular, assuming of course that elections are 'free and fair.' The apathetic 54 per cent voter showing can only be interpreted as a sign of an increasing protest/dissent vote by the rural peasants.¹⁴³ This trend becomes potentially more explosive when we consider the impact of maturing extra-ZANU (PF) opposition.

Extra-ZANU (PF) Opposition: The Challenge

ZUM never fully addressed the land question, either. This would have been very interesting given the fact that it formed an alliance with CAZ, which stands for landed interests and white privilege. CAZ has, since independence, retained the residual elements of hard-core racists and, to an extent the alliance between it and ZUM is fraught with interesting contradictions.¹⁴⁴

— Andries Matenda Rukobo, Director of the Zimbabwe Institute of Development Studies, 1990

Certainly the "unholy alliance,"¹⁴⁵ between CAZ and ZUM places our examination of their motives concerning land reform, as Rukobo notes above, into a very interesting context. Nonetheless, it is important to note that extra-ZANU (PF) opposition, while primarily focussed on Tekere and ZUM, also encompasses the wide range of more radical elements discussed earlier.¹⁴⁶ In this light, we may see that though the united efforts of these disparate political groups may seem "contradictory," they are in fact cooperating politically out of perceived necessity. This necessity is the fear of the one-party state. Mugabe, on the other hand, under a whole host of internal and external constraints towards effecting land redistribution explored above, feels compelled to establish the one-party state to accomplish the consolidation of his political position in power and disarm Tekere and other opposition.

Table 7: Survey of Herald/Sunday Mail Articles January-October 1990

	One-Party State Articles	Land Question Articles
1. Pro-Gov	15	2
2. Crit-Gov	2	1
3. Neutral	1	3
Total	18	6

Source: Informal survey by author, December 1990.

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Rukobo is slightly vague when he states that "ZUM has not fully addressed the land question." Rukobo probably means that they have not formulated a credible alternative to ZANU's policy of land resettlement, which is probably true, but nevertheless ignores the fact that they have made strides to use the issue for their political gain. Although "CAZ-ZUM...hopes a commission of inquiry made up of the competing parties will produce a policy,"¹⁴⁷ they probably envision another Lancaster House.¹⁴⁸ The very fact that only ten years after independence, a coalition containing former RF elements could be attempting, and if the 1990 election results are any indication (See Table 3) of succeeding in capturing the crucial rural electoral support, Mugabe has cause to take notice indeed.

Any analysis overemphasizing the involvement of CAZ in the CAZ-ZUM alliance is perhaps misleading. The political clout of the white settler population is now concentrated in the CFU, not Parliament.¹⁴⁹ Mugabe and ZANU (PF) are most consciously using the CAZ element to delegitimize the alliance by employing nationalistic and racial rhetoric. The real danger to ZANU (PF) is Tekere, who has been able to successfully thus far seize the initiative on the land question as the expiration Lancaster House adds political pressure. Curiously in some respects, Tekere has gone on the offensive against former ZAPU leader Nkomo who has been given the brief of land reform by Mugabe. Tekere stated in Parliament:

Too many farms are already owned by too few chiefs (top government officials). He (Dr. Nkomo) should start in the Cabinet, at party leadership meetings, to begin with reversing the trend that was sent in motion in 1980, before he goes to the commercial farmers....Comrade Nkomo has not seemed to lay his remarks at the appropriate target. Probably that is why he has been a little lonely in talking about land hunger among our people and in equal land distribution.¹⁵⁰

ZUM, in many ways, was given political life from the Willowgate scandal. Tekere, as shown

in the above quote, is similarly trying to build a populist appeal on a anti-corruption platform, but this time with the much more important electoral issue of land reform. Though the formal establishment of the one-party state is becoming more unlikely, Mugabe may not wait to see if ZUM could win in the next election based on this issue.

Conclusion

Thus, the race is on. Whether in the next election ZUM can capitalize on voter disaffection, not of Mugabe personally, but of the perceived corruption and ineffectualness of ZANU (PF) to gain influence or whether Mugabe will establish a one-party state to foreclose that possibility can not at this time be determined. But if the one-party state is established, hence closing the potential for legal transfers of power, the hot-headed Tekere and his allies may be forced to resort to extra-legal means of political expression. That, unfortunately, could mean further violence in Zimbabwe. In some ways that is the most damning aspect of a one-party state. Significant political opposition can not be voiced in an intra-party environment. With the exception of newly established states, it is also doubtful that meaningful economic development goals can be achieved in an artificially repressive, and politically underdeveloped climate.

Though Tekere's emerging opposition has not "avoided the populist trap,"¹⁵¹ this author feels that Mugabe is only playing into ZUM's hands by moving to suppress this and other dissent. And yet Mugabe is also playing the populist game. By appealing to concepts of unity and reconciliation, Mugabe has skirted the substantive reasons for his rationale in moving to the one-party state. The former ZAPU elements, as well as many other political groupings oppose him in this effort. Mugabe will succeed in his goal only if the elite intra-ZANU (PF) and CFU clients deem that a single-party state would be, on balance, beneficial to their aims of land acquisition at the

expense of meaningful resettlement. Conversely, they may also abandon Mugabe and ZANU (PF) if the popular tide seems to be in ZUM's favor. For all his rhetoric about land reform and political corruption Tekere would surely welcome this elite's support. They are the dominant players in this political competition over the land question, and hence some observers conclude that "therefore, elimination of party competition will not affect the distribution of political goods...."¹⁵² This view fails to take into account, however, the importance of emerging articulate opposition. For the rank and file in ZANU (PF), outside the special interest clique described above, this is of great relevance. Palmer notes perceptively:

It will be interesting to see whether any of them [ZANU (PF) candidates] feel able to give voice to popular pressures for land reform, or whether they too will acquiesce in the veil of secrecy and silence. This may well depend on how much opposition they face in

their constituencies. But if Zimbabwe does move in the direction of the one-party state, as Mugabe wants, despite much opposition to this within the country - not to mention the lessons being drawn from Eastern Europe elsewhere in Africa - one may reasonably predict that silence will become the order of the day.¹⁵³

Of course, neither Tekere the "political loud-mouth," nor the other disparate voices of dissent that he increasingly represents, is likely to be so effortlessly silenced. In the short term, as Palmer implies, ZANU (PF) may be insulated from having to confront the land question, as well as be protected politically, by establishing the *de jure* one-party state. In the longer term, however, to expect the same would not only be unreasonable, but hopelessly incognizant of the very real, and increasingly more articulate, united, and organized voices of dissent that will not simply acquiesce to ZANU (PF).

Endnotes

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Costa Rica:

Exploring The Paradox Of A Demilitarized And Stable Central American State

Jeff Golden

Introduction

COSTA RICA HAS ACQUIRED AN INTERNATIONAL reputation as a harbor of peace and democracy amidst the maelstrom of violence and injustice that is modern day Central America, and deservedly so. It was over a hundred years ago as of November 7, 1989, that Costa Rica held its first truly contested democratic election and ushered in an era of governmental stability notably lacking in Central America and in the third world in general. There have been only two real exceptions to this stability: a bloodless coup in 1917 and a brief, though not so bloodless civil war in 1948.

Perhaps more astonishing even than Costa Rica's relatively tranquil history is the fact that following the civil war of 1948 the regular army was constitutionally abolished. Situated just South of Nicaragua and North of Panama, Costa Rica has since then maintained nothing more than a civil and a rural guard, which are used primarily for policing actions.

While the lack of a military would perhaps seem to be a disadvantage for Costa Rica given its location, it has actually been very beneficial. Indeed, it will be one of the purposes of this essay to assert that the key role in Costa

Rica's democratic stability has been this lack of a standing army.

The second purpose will be to delve beneath Costa Rica's peaceful reputation and take a look at several unfortunate developments that have taken place within this assumed paradise. Specifically, it will be to inquire into those forces that have been, and are today threatening to "Central Americanize" Costa Rica, that is to turn Costa Rica from its unique historical path and draw it into the maelstrom.

Christopher Columbus "discovered" Costa Rica in 1502 and is responsible for having named it, or more accurately, for having misnamed it. Upon his arrival he was greeted by natives lavishly adorned with gold and was informed that there was plenty more throughout the area.¹ However, in what probably amounted to a difference of opinion over what just "plenty more" means, Columbus was greatly misled.

Ironically, common historiography has it that the roots of Costa Rica's democratic stability throughout the twentieth century can be found in the distinct colonial experience Costa Rica had as a direct result of its great lack of mineral wealth, as well as its lack of a significant

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indigenous population. Whereas in El Salvador and Guatemala, and to a lesser extent in Honduras and Nicaragua, settlers engaged in commerce or held large tracts of land sufficiently profitable to warrant the use of slave labor, in Costa Rica most families lived in isolation from one another and earned a sparse living through their own work on their own land. Furthermore, while the number of indigenous people was approximately 80,000 at the time the Spaniards arrived in 1563, they were decimated by war and disease thereafter, and by 1645 the population had fallen to 3,200, thus precluding an indigenous slave population.²

That such factors would largely prevent the subjugation of a portion of the population to another at the time is simple enough to understand. They physically prevented the establishment of large landed estates and various other aristocratic institutions. However, what is not quite so self-evident is that their influence extended beyond the colonial era. The advent of large scale coffee production between 1830 and 1890 finally allowed for the emergence of a true upper class, and cast much of the population into poverty. Land values soared and many small farmers were forced to sell out, while others abandoned their farms, attracted by the higher wages offered on the coffee estates. By 1883, landless laborers constituted 71% of the rural population.³ One hundred years later that percentage was still accurate: as of 1980 roughly 75% of all rural workers were landless peasants.⁴

Yet the commonly accepted historiography asserts that the national psyche was shaped along an egalitarian line by the colonial experience, and that it plays the key role in understanding the unique status of modern-day Costa Rica. John Patrick Bell argues that "in such a society the Costa Rican developed a sense of individualism and equality that is still the characteristic in the twentieth century, despite the appearance of a well-defined and recognized elite."⁵ Charles D. Ameringer contends that, "even granting that land distribution is a serious problem in contemporary Costa Rica,

it is a fact that the expansion of the coffee *fincas* (estates) began only a decade or so before the mid-nineteenth century, whereas the system of small family farms had by then existed for three centuries."⁶

However, while this simplistic view is widely accepted, and cannot be fully discounted, it should be noted that despite the three hundred years which the small-family-farm system had to work its influence on the Costa Rican peoples, within a mere fifty years after the expansion of the coffee *fincas*, seven of the twenty-five governments had come to power through violence.⁷ Furthermore, recent historical analysis has actually challenged the premises of the traditional historiography. Samuel Stone and Lowell Gudmundson have indicated that social class differences were greater than previously thought. It seems that land-holding patterns were more complex and less egalitarian than the picture previous historians have painted and would suggest. Gudmundson asserts that "the pre-capitalist elite had presided over a social system based on both significant division of labor and marked inequality."⁸

These considerations strain the credibility that the "yeoman farmer" colonial experience of Costa Rica has played a serious role in supporting the stability of Costa Rica's democracy throughout the twentieth century. Indeed, the greatest factor in this stability has almost certainly been its lack of, in the words of Noam Chomsky, a "standing army to occupy the country in the interests of the generals, the oligarchs and their foreign overseer [the U.S.]..."⁹

That this is so can be most graphically seen by simply taking a before and after look at Costa Rica relative to the elimination of its standing army in 1948. In the nineteenth century, riding atop the increasing power and wealth of the coffee elites, the military came to play a central role in the politics of Costa Rica and as a consequence, to repeat, within a mere fifty year period seven of the twenty-five governments came to power directly through

violence. As the military grew in importance it grew in size as well, expanding to nearly 20,000 in the 1870s.¹⁰ Then there were two incidents cited earlier as exceptions to Costa Rica's tranquility in the twentieth century: the 1917 coup and the 1948 civil war. However, since the abolition of the army in 1948, Costa Rica has enjoyed peaceful transitions of government every four years without exception.

While there isn't a necessary correlation between these peaceful transitions and the lack of a military, there is something *prima facie* appealing about the theory, and to move beyond this superficial appeal isn't very difficult. The lack of a standing army can be understood as having been such a significant factor for two reasons. The first of these is that the resources which would otherwise have been tied up in the military have instead been channeled into supporting strong welfare and education systems. The welfare system, which was established at the same time the army was abolished, has provided for the lower class, as well as broadened the middle class by providing a large number of bureaucratic jobs. This is true to such a degree that 20% of the total workforce is employed by the public sector (absorbing 28% of the national income),¹¹ and "public-sector employment included 74% of all professionals and over 82% of all technicians."¹²

The strong educational system, beyond keeping the avenues for social advancement open to those of the lower class, has served to promote tolerance, to give citizens a broader perspective on life, and to increase their capacity to make smart electoral decisions. "A symbol of its significance was [the Costa Rican President's] decision to convert the building housing the Ministry of Defense into the Ministry of Education [after abolishing the military]."¹³

The second reason that the lack of a military has been such a key factor in Costa Rica's tranquil history is that it has allowed the country's democracy to run as it should. Speaking generally, if those in power have the option of resorting to the military rather than the

people for support, their sensitivity to the desires of the people only naturally wanes. They are able to resort to repression to stifle the people's dissent and pursue whatever path leads to their own greatest benefit. This process in turn exacerbates existing social problems and often fosters new ones, thus promoting violence, instability, and further illegitimate rule through force (El Salvador is a prime example of this government insensitivity in action today).

Such a scenario sounds very remote from the image that most people have of Costa Rica, and the possibility would apparently be precluded in the Costa Rica presented by general historiography as being populated by a people "characterized by individualism and equality." But the truth is that it was a very realistic possibility for the country before the army was abolished in 1948. That this was so can best be explained by taking a look at the events behind the 1917 coup and the 1948 civil war. They convey quite clearly the vested interest the coffee elites had in preventing a progressive government from coming to power, as one did in 1948, and the lengths to which the elites would have been willing to go in order to preserve their privileged status had the armed forces not been abolished.

Up until 1916, the coffee elites had managed to retain control of the government and prevent the enactment of any social reforms that would have threatened their interests. However, through an electoral quirk, a black horse candidate named Gonzales Flores became president in 1916. Responding to the economically dire straits in which the lower classes found themselves, particularly as a consequence of World War I, he attempted to institute numerous reforms, including a progressive income tax, which ran counter to the coffee interests. Not hesitating to turn to the military to protect their interests, the elites supported a coup by Colonel Federico Tinoco and his brother Joaquin in January, 1917. The Tinoco brothers subsequently subjected citizens to arbitrary arrest, censored the press,

increased the size of the military, and operated an extensive network of police spies. They tolerated little in the way of organized opposition, and at a mass demonstration in May of 1919, there was a major clash between the police and army on the one hand, and students and teachers on the other. The Tinocos only gave up power in 1919 in the face of repeated demonstrations, attacks by a group of armed emigrés based in Nicaragua, the threat of an invasion by Nicaragua itself, and the threat of U.S. intervention as an extension of President Woodrow Wilson's non-recognition policy. The assassination of Joaquin on August 11 hastened Federico's departure from the country on August 20. Democracy was restored, but with the coffee elites in power. These incidents don't very well fit the the common image of modern Costa Rica, and they cast even more doubt on the previously mentioned theory that Costa Ricans are by nature simply more pacific and more tolerant than their Central American neighbors as a result of their colonial experience.

The coffee elites retained power in the years following these events, resorting to fraud and violence as necessary, until in 1940 their party candidate Rafael Angel Calderon surprised them by initiating several social reforms. Aimed at securing social minimal rights for workers, these reforms didn't really challenge the status quo economic and class structure, but they were radical enough to alienate the coffee elites. The result was that the opposition which formed consisted of two very contradictory elements. The first represented the threatened coffee elites, while the second was a coalition of groups that desired more drastic social change.

This opposition coalesced too late to prevent the election of Calderon's hand picked successor, Teodoro Picado, in 1944, but they managed to put up a stiff resistance when Calderon himself ran for the presidency again in 1948. The campaign was a long and arduous one, marred throughout by campaign-related violence which was reported as early as March

of 1947 when a fistfight broke out at the entrance of the Legislative Assembly. A few weeks later the military headquarters were bombed, and in July the police fired on a crowd of moviegoers with machine guns, killing two and wounding several.¹⁴ Given the nature of the campaign, it ended appropriately enough: despite an apparent win by the opposition candidate Otilio Ulate, Calderon used his control of the Congress to nullify the elections on the grounds of opposition fraud—indeed, there is evidence to support Calderon's claim, although not conclusively.¹⁵ What Calderon apparently was not aware of when he took this action, was that certain members of the opposition had prepared for just such a possibility.

From 1942 to 1944, one of the key leaders of the opposition, José Figueres, had been exiled from Costa Rica for quite publicly criticizing the government. While in Mexico during those years, Figueres came in contact with the Caribbean Legion, a coalition of various exile groups dedicated to overthrowing the dictators of the Caribbean, in particular Rafael Trujillo of the Dominican Republic and Anastasio Somoza of Nicaragua. Prior to the election of 1948, Figueres travelled to Guatemala where he negotiated a pact, the Pact of the Caribbean, with the Legion, which stipulated that in return for Figueres' support of the Legion and of its goals, the Legion would train and equip a volunteer army to oppose Calderon.

Following Calderon's nullification of the 1948 election results, the opposition, including the coffee elites rallied behind Figueres who revolted with the Legion's aid. Six weeks and two thousand lives later, Figueres entered San José victorious, crushing the government forces. Again, one discovers a scenario in Costa Rica which does not sound all that different from ones that have been played out in other Central American countries; there existed a coffee elite which was very jealous of its privileges, and was willing to resort to military violence to protect them. What subse-

quently happened in Costa Rica, was quite different.

Figueres, who was representative of those members in the opposition desirous of a more democratic regime and more radical social change, had control of the dominant military power. The coffee elites, however, were obviously interested in getting their supporters back into power. The compromise which resulted allowed Figueres eighteen months during which to rule, after which Otilio Ulate would assume power. Ulate had been the opposition candidate and apparent winner in the 1948 election and was, more importantly, a supporter of the elite interests. To the horror of the elites, Figueres rapidly expanded Calderon's reforms to create the vestiges of a modern welfare state. Anticipating that the elites would try to reverse these reforms upon assuming control of the presidency, Figueres worked to establish an organized base of support for the reforms, and, more significantly, abolished the standing army, which he said the country needed "like a hole in the head."

The abolition was more than a simple anti-militaristic response to death and suffering of the civil war. It was a calculated move to eliminate the possibility that the coffee elites would be able to resort to the military for support in the event that they tried to roll back the social reforms that Figueres and Calderon had passed. In abolishing the military, Figueres was specifically anticipating the trouble that a military presence could bring to the country in light of the privileges the coffee elites were losing. "With this action, Costa Rica became the only country in Latin America to rid itself of an institution that has so often been anathema to democracy and a cause of rampant political instability in the Western hemisphere."¹⁶ President Oscar Arias recently praised Figueres as "the man with the vision to abolish my country's armed forces in 1948, and thus set our history on a new course."¹⁷

The events behind the 1917 coup and the 1948 civil war reveal just how threatening the military was to Costa Rican democracy in

1948. In so doing, they lend strong support to the contention that the lack of a military in Costa Rica since 1948 has been the key factor in Costa Rica's democratic stability.

Before moving on to consider a few alternative accounts of Costa Rica's unique history, we should take up again the commonly accepted theory regarding Costa Rica's colonial experience. The idea that the Costa Ricans are simply more pacific than their Central American neighbors as a result of this experience is strained even further in light of these events. Although most historians "have tried to explain the Costa Rican democratic system as an inalienable inheritance from the colonial period, they have suffered from a compulsion to 'democratize' the entire history of the country in order to continue rationalizing the democratic colonial legacy. In other words, they have ignored the study of authoritarian tendencies throughout the country's history."¹⁸ The events of 1917 and 1948 convey quite clearly the extent to which the Costa Rican elites were susceptible to the very same self-serving instincts as the elites of neighboring countries, as well as a similar willingness to resort to violent methods in order to preserve their status.

Given Costa Rica's reputation for peace and democracy, one might assume that Costa Rica's economic situation is equally well off and that this, being conducive to governmental stability, has therefore played a key role in Costa Rica's unique history. However, as has been noted with respect to the percentage of landless peasants in Costa Rica through the last century, there is nothing uniquely advantageous about the modern-day economy of Costa Rica. As of 1973, less than 1% of farm owners owned over 41% of the land, while 68% owned only 3.2%.¹⁹ Between 1970 and 1980, a mere 3.8% of Costa Rican land belonged to farms with less than ten hectares, compared to 27.1% in El Salvador, while 67.2% belonged to farms with more than 100 hectares, compared to 38.7% in El Salvador.²⁰ Costa Rica's external debt which lies between

4.5 and 6 billion dollars, is exceptional if only in its magnitude, being second in per capita only to that of Israel²¹—Costa Rica's population being 2.87 million.²² Servicing of this debt amounted to 51.6% of export earnings in 1983, twice the Central American average.²³ In more human terms, the state of the Costa Rican economy can be related by the approximately one-third of the population which presently lives at subsistence level or below.²⁴ Furthermore, 75% of these live in rural areas, two-thirds of whom are landless.²⁵ Such conditions would not seem to be uniquely conducive to a stable democracy.

An alternative factor often cited when trying to account for Costa Rica's stability is the extent to which the U.S. has involved itself in Costa Rican affairs, in terms of what the U.S. has and has not done there. Regarding what the U.S. has done, it is argued that Costa Rica owes much of its peace and stability to the publicly stated support given by both the U.S. and the Organization of American States. To the extent that Costa Rica's sovereignty has been threatened by external forces, this is true. However, there have been very few, if minor, threats. One such occasion followed immediately on the footsteps of the civil war, with Nicaragua playing the agitator. Anastasio Somoza García was well aware of Figueres' ties with the Caribbean legion and was consequently not very happy with Figueres' victory. He provided refuge to Rafael Ángel Calderón and Teodoro Picado (Calderón's hand-picked President of Costa Rica from 1944-48) following their defeat, and in December of 1948, he provided support for their armed invasion of Costa Rica. Charles D. Ameringer explains that, "with no army to defend Costa Rica, and with no wish to use the Caribbean legion and thereby provide Somoza with an excuse to enter the conflict, [Figueres] invoked the Inter-American Treaty of Reciprocal Assistance (the Rio Treaty) and called upon the Organization of American States (OAS) to end the conflict...The action of the OAS put an end to the invasion."²⁶ This was sufficient to halt

Somoza's support of the invasion, and effectively ending it.

The second occasion when Costa Rica has been seriously threatened by an external force came in 1955 when Somoza supported yet another invasion of Costa Rica by Calderón and Picado, and again an appeal to the OAS brought an end to hostilities on the front. However, Calderón and Picado had a small air force this time and continued to strafe several Costa Rican towns. With OAS approval, the U.S. sold Costa Rica four F-51 Mustang fighters at a dollar apiece, which brought the whole affair to an abrupt halt.²⁷

Relations with Nicaragua again soured in the late 1970s when the Sandinistas funneled arms and money through Costa Rica and used Costa Rican soil as a base for their attacks on the Nicaraguan government. On December 26, 1978, Nicaragua threatened to invade Costa Rica if it did not take more effective measures against the Sandinistas within Costa Rica. Costa Rica appealed to the OAS again for protection, but nothing ever came of the threat, so an OAS defense was never required. Tense relations continued between the two countries even after the Sandinistas came to power and the Contras in turn used northern Costa Rica for their attacks on the Sandinistas. This situation, however, never threatened the Costa Rican government, despite constant border disputes and several specific border violations.

In these few incidents, support by the OAS and the United States certainly played a role in deterring any possible outbreaks of violence. However, it should be noted that despite the significant interplay of external factors, the underlying cause of the chaos that engulfs other Central American States has been intrinsically tied to internal factors such as poverty and social injustice at the hands of the military, with incursions by external forces such as those we've just considered, playing very minor roles. Moreover, the strong support that Costa Rica receives from these two parties can largely be tied back into Costa

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Rica's being demilitarized. Standing defenseless before potential external aggressors has given Costa Rica a great international moral status, with the result being prestige and power beyond its size and population. Such considerations serve to once again underscore just how positive a role Costa Rica's demilitarization has historically played, and to cast into considerable doubt the significance of a similar positive role by the support of the U.S. and OAS.

The flip side of the argument regarding the extent of U.S. involvement in Costa Rican affairs focuses on the fact that Costa Rica has been spared the brunt of both direct and indirect United States aggression, and there seems to be a bit more to this side. After all, it is undeniable that on numerous occasions United States intervention in the domestic politics of Latin American countries served to undermine the long-term stability of their governments as well as to strengthen the hold of non-democratic regimes. Throughout the twentieth century it has been common U.S. policy to support regimes that were in turn supportive of U.S. economic or political interests over those regimes that could claim greater legitimacy. Usually this was done by strengthening a country's military and using it as a tool of U.S. policy, as in Bolivia in 1964 and Guatemala in 1954, but other times direct U.S. intervention was resorted to, as in the Dominican Republic in 1965. By propping up illegitimate governments and artificially prolonging their dominance, the United States increased their insensitivity to the needs of their citizens and only naturally created an atmosphere conducive to violence and further illegitimate rule through force. This can be seen quite clearly in the cases of America's support of the Somoza regime in Nicaragua and of the current military supported government of El Salvador.

However, the question then arises as to why it is exactly that the U.S. kept its hands off Costa Rica. The answer would be quite simple if it were the case that U.S. hegemony has not been threatened either politically or economi-

cally in Costa Rica. Politically, however, it most certainly has been.

The regime led by José Figueres which seized power from Calderon in 1948, did much to undermine the stability that the United States was seeking to preserve throughout Latin America. While Figueres was in exile in Mexico from 1942 to 1944, he came in contact with the various exile groups known as the Caribbean Legion and, as mentioned above, signed the Pact of the Caribbean with them.

True to his word, Figueres allowed Costa Rica to serve as the Legion's base, and when Figueres became constitutional president in 1953, "hundreds of exiles fleeing dictators sought refuge in Costa Rica."²⁸ Perhaps the most prominent among the exiles was Romulo Betancourt, the former president of Venezuela and the leader of the Accion Democratica Party (AD). The AD had come to power in 1945 on a reform program that threatened U.S. oil interests, and "in November 1948, a junta, with oil companies' support, overthrew the government..."²⁹ Figueres provided Betancourt with facilities for communicating with the AD underground inside Venezuela while at the same time Betancourt actively campaigned for a boycott by the Latin American countries of the Tenth Inter-American Conference, scheduled to meet in Caracas in early 1954. The United States Secretary of State John Foster Dulles was trying to rally inter-American opinion against the government of Jacobo Arbenz in Guatemala, and had placed great hopes on using the Conference as a primary tool in this endeavor. In the end, Figueres' Costa Rica was the sole country to carry through with the boycott. "The United States warned [Figueres] that he had to stop his conspiratorial activities. The U.S. Assistant Undersecretary of State for Inter-American Affairs, Henry F. Holland referred to Figueres as 'a troublemaker', and the Department of State virtually forced Betancourt to leave Costa Rica and relocate in Puerto Rico, where he could be watched more closely."³⁰ Figueres, however, continued to criticize the United

States' policy, arguing that by enforcing instability in the hemisphere as a means of combating Communism, it failed to confront the social and economic injustices that were at the root of the problem. Thus he continued his support for the Legion, particularly lending assistance to Nicaraguan exiles in their attempt to oust Somoza.³¹ This support flew directly in the face of U.S. objectives in Latin America, and represented an obvious challenge to U.S. hegemony. "Opting for acceptable and presumably stable regimes that knew how to eliminate dissent appeared more advantageous to [the Eisenhower administration] than tolerating many of the reform forces increasingly active in the relatively democratic nations... 'Dictators,' an NSC estimate observed in mid-1954, 'present themselves as guarantors of stability and order and of cooperation with the United States.'"³²

Recognizing the challenges to U.S. hegemony presented in Costa Rica, the other possible explanation as to why the U.S. kept its hands off Costa Rica is that Costa Rica simply lacked the instrument with which the U.S. could most readily exert influence over domestic politics (and perhaps more importantly, an instrument with which the U.S. could do so candidly). This of course it did in lacking a standing army, which in turn lends support to the contention that it is this lack of a standing army that has been the key factor in Costa Rica's stability as a democracy.

It is in light of the considerations made up to this point that several developments of the last decade have been so unnerving. Specifically, due to the conflict in Nicaragua between the Sandinistas and the Contras, the United States as well as a few internal groups have been pressuring Costa Rica to expand and modernize the civil and rural guards to the point where they would become a *de facto* modern standing army.

The Reagan administration repeatedly argued that without such an expansion, the wave of terrorism which struck Costa Rica in the early 1980s would simply expand, threat-

ening Costa Rica's stability. The rationale behind this argument is presented concisely in the Background Paper released by the U.S. Departments of State and Defense in July of 1984 entitled "Nicaragua's Military buildup and Support for Central American Subversion." It cites "sporadic terrorist acts including bombings, kidnapping, and other acts" in Costa Rica which it attributes to an "international subversive network that operates with Nicaragua as its nerve center... Along with Nicaragua, a key element of the network is Cuba and, behind it, the Soviet Union. The linkages extend to other to other communist governments of the Eastern Bloc, including Vietnam, to the radical regimes of Libya and Ethiopia, and to international groups such as the PLO, the Basque ETA, the Argentine Montoneros, the Uruguayan Tupamaros."³³

The paper provides three notable examples of terrorist actions by this network to demonstrate the supposed grave danger non-militarized Costa Rica faces. "In 1982, a group of Salvadoran guerillas and one Nicaraguan in San José attempted to kidnap expatriate Salvadoran businessman Roberto Palomo Salazar and Japanese corporate executive Tetsuji Kosuga, the San José representative of the Matsuhita Electric Corporation. Kosuga was mortally wounded in the attempt, and the Matsushita Corporation pulled all of its personnel out of Costa Rica. The two incidents caused sufficient concern to provoke uncertainty in the climate for private investment. "Then, in July of 1982, a bomb exploded at the Honduran airline's office in San José. "Costa Rica's investigation into the bombing implicated a Colombian M-19 member who had been recruited by Nicaraguan Embassy Officials in Costa Rica." Then, in the most notable example cited, "Costa Rican officials suspect that international terrorists were responsible for the May 30, 1984 assassination attempt on Eden Pastora near the Costa Rica/Nicaraguan border. In this action, four people — an American reporter, a Costa Rican TV cameraman, and two members of Pastora's rebel

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group — were killed, and 27 others, including Pastora, were wounded." This action received a good deal of press coverage as Pastora had been since 1979 the leader of the Democratic Revolutionary Alliance, the main anti-Sandinista group on the "Southern Front."

Considering just how tied Costa Rica's stability is to its lack of a standing army, it is debatable whether the expansion of the Civil and Rural Guards that the U.S. urged would have actually benefited Costa Rica, or, rather, would have risked drawing Costa Rica into the pattern of violence that has so plagued the other Central American states. That the latter of these possibilities is the far more likely of the two is underscored by the extreme methods the United States resorted to in its attempt to sway the Costa Rican government, despite the lack of the traditional American instrument of persuasion in such affairs, a local standing army.

Through the CIA, the United States perpetrated numerous incidents in Costa Rica in the guise of the sandinistas so that it could then point to them as evidence of the threat that Costa Rica faced. Just one example of this is the incident at the Penas Blancas border crossing on the Pan American highway in September 1983. On that day firing broke out between the Contras and Sandinistas shortly before dawn and continued sporadically until by night fall Sandinista troops were several hundred yards inside Costa Rica. Security Minister Angel Edmundo Solano recalled that it was "the closest Costa Rica had come to being at war."³⁴ "Two weeks before the Penas Blancas confrontation occurred, thousands of people, including some government leaders, had marched through San José reaffirming their country's traditional neutrality... There was talk of writing neutrality into the Constitution, which would have seriously crippled U.S. plans to mount attacks on southern Nicaragua from Costa Rican territory."³⁵ Then the Penas Blancas fighting took place, causing a strong backlash against the pro-neutrality forces. U.S. officials pointed to the Penas Blancas incident

as concrete evidence of the threat that the Sandinistas posed to their neighbors.

It has since come to light that the entire incident was sparked by CIA provocation. A few years later, Security Minister Solano claimed upon investigation it had been found that indeed the confrontation had been instigated by the CIA, using Eden Pastora's southern front guerillas, the Democratic Revolutionary Alliance, or ARDE. "A top aide to Pastora confirmed Solano's account of the Penas Blancas incident. He said ARDE troops had begun firing first and that the attack was organized by two CIA operatives.

One of the most serious border incidents since the Sandinistas came to power occurred at Las Crucitas on May 31, 1985. Two members of a Costa Rican Civil Guard patrol were killed, touching off anti-Sandinista demonstrations in the streets of San José. President Monge declared that Costa Rica's national honor and sovereignty had been violated, and in response he spoke of "seeking unspecified aid from unspecified countries."³⁶ Those who seriously investigated the Las Crucitas incident found numerous anomalies, however. For one thing, the Civil Guard patrol had gone to the border after receiving a report from the Contras that Sandinista troops were on Costa Rican territory. Three members of Parliament interviewed wounded members of the ill-fated patrol, who said that it was strange that, although they were going close to the border, they had been specifically ordered to abandon the Costa Rican flag and not to wear arm bands with the national colors. In plain uniform, they were difficult to distinguish from the Contras. Testimony and physical evidence indicated that the patrol had been trapped in a crossfire, with shots coming at them from both sides of the frontier.³⁷

Then in January 1985, a group of American mercenaries and a White House representative met in Miami to discuss plans to assassinate the U.S. Ambassador to Costa Rica, Lewis Tambs. At least two direct participants have claimed that they planned to bomb the

embassy and make it look like a Sandinista job.³⁸

A Costa Rican reporter interviewed a man who made a similar claim. Apparently part of a right wing mercenary group composed of anti-Castro Cubans, Nicaraguan contras, Costa Ricans and North Americans with ties to the CIA, he stated that the group had planned a "series of terrorist attacks that would be blamed on the Sandinistas. These included bombing the U.S. Embassy in Costa Rica and in Honduras, attacking the offices of Costa Rican President Luis Alberto Monge Alvarez, and assassinating the U.S. Ambassador to Costa Rica, Lewis Tambs, Miskito leader Brooklyn Rivera, and Urbine Lara, a well known Contra."³⁹

Two American mercenaries who went to Costa Rica in 1985 to work with the Contras, and who were arrested soon after for violating Costa Rican neutrality, said they were told that their chief mission was to "raise hell on the border." They said they discussed various plans with John Hull, a wealthy American rancher living in Costa Rica, who introduced himself as "your liaison with the CIA." One of them recalled Hull explaining, "we can give them a few excuses for American intervention." According to one of the proposed schemes, the mercenaries were to fire on Los Chiles, a town in northern Costa Rica, with a Soviet mortar captured from guerillas in El Salvador. "We were going to go over to Nicaragua, kill a few soldiers and bring the bodies back to scatter around near the mortar. The idea was to make it look like the Sandinistas did it."⁴⁰

Even the May 30, 1984 bombing at Eden Pastora's press conference, the most notable example cited in the Background Paper released by the Departments of State and Defense as an example of a terrorist action by the "international subversive network," has been linked to the CIA. The same man who was involved with the right wing mercenary group said that they were involved in the bombing, and according to one of the mercenaries in on the Miami meeting, they were responsible for the planning. An American mercenary, Joseph

Adams, corroborated the CIA connection.⁴¹ Then in January 1990 a preliminary report prepared by Costa Rica's judicial prosecutor determined that John Hull [the same John Hull mentioned by the two mercenaries as their liaison with the CIA] "should be charged with first degree murder in the 1984 bombing..." The Prosecutors report details "how the Medellin Cartel and [Manuel] Noriega became involved with Nicaraguan Contras in Costa Rica, Cuban exiles in Miami, the CIA and Hull, and how Pastora's refusal to join forces with drug traffickers, the Cubans, and the CIA backed Nicaraguan Democratic Force eventually led to the plot against his life."⁴² Hull jumped bail in Costa Rica on charges of neutrality violations and drug trafficking and fled to the U.S.⁴³ He is currently facing the possibility of extradition to Costa Rica.

These many incidents reveal a side to Costa Rica that is not well known or acknowledged. They convey a sense of the true fragility of Costa Rican stability and serve to underscore just how beneficial the lack of a standing army has been to Costa Rica's history. After all, if the desire of the U.S. to sway the Costa Rican government was so strong as these exploits indicate, it is safe to bet that the presence of a military, the traditional instrument of persuasion in such matters, would have further exacerbated Costa Rica's problems. They also reveal the irony of U.S. foreign policy in Costa Rica, in that the pressures which have been brought to bear on Costa Rica to militarize itself, which are motivated by a desire to strengthen Costa Rican and regional stability, have actually represented a very definite threat to that stability.

For the most part, these pressures have been resisted by Costa Ricans. 83% of the population is opposed to the creation of an army. In 1981, when Jeanne Kirkpatrick, U.S. Ambassador to the U.N., remarked that Costa Rica might need U.S. military aid, the Costa Rican president demanded two official letters of apology.⁴⁴ However, it should be noted that Costa Rica's Rural and National Guards have

over the years expanded to the size of 9,000 (including reserves), comparable to size of the militaries of other Central American countries about 20 years ago. Costa Rica's democracy and tranquility are not perfect, and care should be taken to avoid the very risky path of militarization.

Conclusion

In 1987 President Oscar Arias of Costa Rica received the Nobel Peace Prize for his efforts to bring peace to Central America. The day after the reception ceremony, he delivered a powerful and intelligent speech, a passage of which bears particular relevance to these issues:

In these years of bitterness in Central America, many people in my country are afraid that, driven by minds diseased and blinded by

fanaticism, the violence in the region may spread to Costa Rica. Some have given way to the fear that we would have to establish an army to keep violence away from our borders. What senseless weakness! Such ideas are worth less than the thirty pieces of silver handed to Judas. Costa Rica's fortress, the strength which makes it stronger than a thousand armies, is the power of liberty, of its principles, of the great ideals of our civilization. When one honestly lives up to one's ideals, when one is not afraid of liberty, one is invulnerable to totalitarian blows.⁴⁵

It is necessary that Costa Rica's lack of a standing army be recognized for the blessing that it is. It has been Costa Rica's privilege to walk a path apart from the chaos and violence of its Central American, and indeed Third World, neighbors. It would be a tragedy for Costa Rica to fall from this distinguished path to simply descend into the maelstrom.

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The Growth And Significance Of ASEAN Defense Spending

Wendy Weitz

WHEN THE ASSOCIATION OF SOUTHEAST ASIAN Nations (ASEAN) was formed in 1967, the stated primary purpose was to "...accelerate the economic growth, social progress, and cultural development in the region through joint endeavors in the spirit of equality and partnership in order to strengthen the foundation for a prosperous and peaceful community of South-East Asian nation..."¹ Declaring their organization a "zone of Peace, Freedom, and Neutrality, free from any form or manner of interference by outside powers,"² these non-Communist Southeast Asian nations (Indonesia, Malaysia, the Philippines, Singapore, and Thailand) set out to create a non-aligned zone absent of foreign intervention. However, an ever-changing global arena has led to changes in these priorities and the levels of ASEAN defense spending.

These rates of change can be seen as due to five main factors. First, ASEAN governments are responding to actual military threats. Second, the domestic political concerns of each country determine the level of forces needed. Third, the governments can calculate, through ratios of total available revenue, the level of resources the military will receive. Fourth, the military

industrial complexes within each country press for a given or enlarged share of government funds. Finally, arms races among ASEAN nations and between ASEAN and its relative neighbors raise the levels of spending.³

Military Threats

The ASEAN nations, occupying a strategic location in the midst of an arena of global rivalries, must devote funds to enhance their defensive systems in order that they be militarily prepared in the event of a real threat to their political independence and territorial integrity. Vietnam's occupation of Cambodia in 1978-79, posed the most immediate threat to ASEAN. At the time of the invasion, the ASEAN nations were militarily weak and unable to match the threat of Vietnam's battle-hardened forces. As Citenam attempted to achieve its goal to unite and rule Indochina, Thailand faced the most immediate threat as the 150,000 Vietnamese troops concentrated their military opposition against the Khmer resistance in the Thai-Cambodia border area.

The possibility of the People's Army of Vietnam (PAVN) attempting to subvert or threaten Thailand posed serious problems and encouraged divisions within ASEAN. During

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the repeated crises of 1979, differing perceptions existed among the ASEAN nations regarding Vietnam. For example, Indonesia, having historic ties with Vietnam, was more suspicious of China and its long-term influence. Thus, it was not entirely unhappy with the Indochina buffer. Malaysia's opinion rested somewhere between the extremes of Thailand and Indonesia.⁴

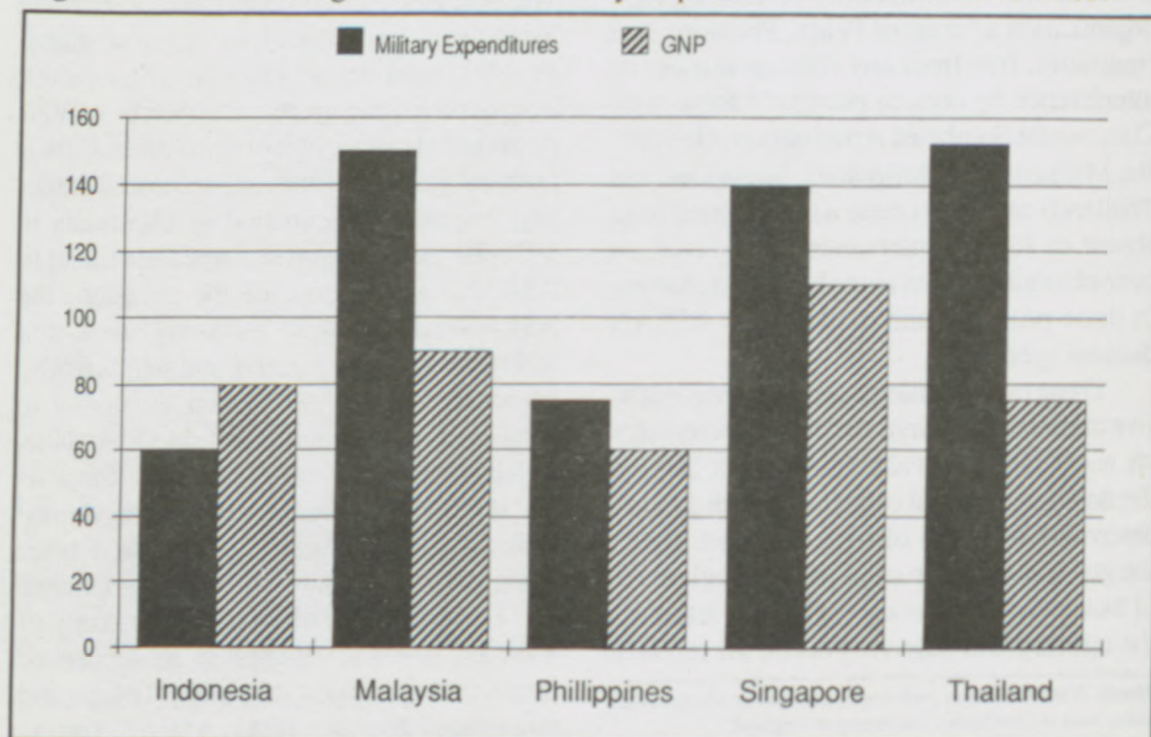
While ASEAN as an organization considers itself non-aligned and the security ties of its members with outside nations vary, all ASEAN nations have some connection with the U.S.-centered security structure. The U.S., as the world's foremost military power, remains essential to the stability of this region. Until 1975, ASEAN's relationship with the U.S. was a function of Cold War politics and the containment of communist ideologies. Security treaties with Thailand and the Philippines, along with the presence of U.S. bases there, led to an enhanced sense of security. However, the Nixon Doctrine, the U.S. defeat in Vietnam, Sino-American rapprochement and Soviet-

American détente ended this phase. The U.S. bases in Thailand were terminated and the vitality of U.S. treaties was eroded.⁵

When Vietnam invaded Cambodia, although the U.S. supported ASEAN's Cambodian policies, ASEAN could not rely entirely on the U.S. to provide for its defense in the face of potential threats. Thus, ASEAN increased its levels of defense spending. During the Reagan administration, the U.S. reaffirmed its commitment to the Pacific and security cooperation increased between ASEAN and the U.S. ASEAN still looks to the U.S. to maintain a favorable military balance in Southeast Asia, yet a more mature and mutually beneficial relationship exists between them.

Thus, as indicated in **Figure 1**, in response to changes in the strategic environment, Thailand, Malaysia, Singapore, and Indonesia increased defense spending markedly in the period between 1975 and 1982. The Philippines, on the other hand, decreased spending during this period. With respect to external threats, this may be due to two reasons. First,

Figure 1: Percentage Increase in Military Expenditures and GNP 1973-1983.



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the Philippines, located across the sea from the Cambodian conflict, may feel farther removed than the remaining nations. In addition, a strong U.S. security presence exists in the Philippines. Despite some Filipino complaints that the nation is too dependent on the U.S., its presence has served to deter external threats. If the U.S. were to leave its bases, the Philippine government might have to increase its military expenditures at the expense of other vital government programs.

Domestic Causes

Armed forces are necessary to meet internal threats against existing governments. When organized, the greatest internal threat is seen as communist subversion and insurgencies which can appeal to internal dissatisfactions and are supported by foreign forces. Vietnam's invasion of Cambodia and its possible effect of Communist and separatist insurgencies heightened this fear.

In addition, the delicate ethnic balance among the ASEAN nations increases the fear of domestic problems. Malaysia is distrustful of many of the members of its large Chinese population and its past relations with communist China. Singapore, with a majority Chinese population, possesses a security apparatus to deal with dissent. Indonesia is concerned with radical Islamic groups. The Philippines face a threat from the Muslim International Liberation Front (MNLF) in the south which wants a separate existence for Moslems there. In addition, the massive refugee inflow from Cambodia to Thailand, Malaysia, and Indonesia in 1979, increased racial tension. Thus, military expenditures increased from 1975 to 1982, in part, due to the domestic environment. However, the sophisticated weapons buildup that occurred was not needed merely to combat internal problems.

Percentage of Government Expenditures

Military expenditures can be viewed as functions

of GNP and total government expenditures. Since its formation, the total GNP of ASEAN has increased more rapidly than most other regions in the developing world.⁶ Thus, these nations had the newly-found potential to increase their military strength. For ASEAN as a whole, it is clear that military spending is highly and positively correlated with GNP growth. The two countries with the highest GNP growth, Singapore, and Malaysia, were the second and third highest in defense expenditure increases, as they possess resources the other nations lack. Indonesia and the Philippines, with the slowest GNP growth and the greatest economic difficulties, increased defense expenditure at slower levels.

However, despite military regimes in Thailand and Indonesia and a major war on Thailand's border, the ASEAN countries spend a smaller percentage of their GNP on the military than any other region in the world, except Latin America.

As Figure 4 indicates, as government revenues began to slow after 1980, due to the fall of oil prices and the global recession's effect on the demand for exports, military expenditure levels dropped. Thus, the slowdown in expenditure levels can be perceived as due to the allocation of limited resources which must also be devoted to the social and economic infrastructure of ASEAN.

Military Industrial Complexes

Following the Nixon Doctrine in 1969, and the British decision to withdraw its forces "East of the Suez" by 1971, ASEAN nations became involved in defense industrialization. The conflicts in Indochina acted as an impetus to this process. In order to attain self-sufficiency, to decrease dependency on foreign suppliers, and to avoid the political strings attached to arms imports, ASEAN began producing its own defensive weapons.

Advanced countries are willing to assist ASEAN in establishing defense industries. By exporting the necessary technology, major

powers are able to maintain political influence and expand their markets. The defense industries that have developed within ASEAN cannot compete with the U.S. and the U.S.S.R. Yet, by concentrating on high-demand, small-scale products, competition exists to sustain local defense industries. This is a possible cause of increasing amounts of money being devoted to defense, as individual industries push for a greater share of government funds to modernize their industries and maintain competition.⁷

Arms Races

In 1990, with Vietnam forces out of Cambodia and a breakdown of the Communist Party and its ideologies internationally, an arms race among ASEAN nations continues. As ASEAN members seek to extend their power, there is a demand for more expensive and modern arms. The border concerns that occupied strategic thinking since the formation of ASEAN have been transformed to broader territorial concerns and a push for greater naval and air power. For example, areas like the Spratly Islands are the subject of conflicting claims by China, Taiwan, Malaysia and the Philippines. Despite reductions in U.S. arms aid to Southeast Asia, Thailand's arms budget for 1990 will increase 16% from last year. Malaysia, whose military budget has grown fairly constantly with the economy, signed an agreement to purchase an additional \$1.6 billion of modern aircraft and naval arms from Britain. Singapore, although claiming to model itself after neutral Switzerland, possesses advanced weapons, including American F-16's, which provide a reach far beyond its borders. Tight

military budgets in Indonesia, due to internal economic problems, have slowed its planned modernization and purchase of naval patrol vessels and aircraft to defend some of the most extensive territorial waters in the world. Similarly, the Philippines' military, coping with an insurgency and internal divisions regarding President Aquino, cannot defend its waters without U.S. aid.⁸

It is likely that the diminished communist threat will lead the U.S. to phase itself out of the Philippines. In addition, the U.S. government cannot afford to maintain its high levels of military expenditure in Southeast Asia. If this occurs, the U.S.S.R., facing an economic collapse, might leave its bases in Vietnam. Although superpower rivalry in Southeast Asia will continue to substantially decrease, and Vietnam-ASEAN relations are improving, the threat of an expansionist Vietnam still exists. Vietnam may lose Soviet aid, yet its unfulfilled quest to unite and lead a federated Indochina could lead to future problems. Thus, ASEAN must become as self-reliant as possible in each nation's defense and security needs.

Since the 1976 Bali Summit, ASEAN members have made a start in standardizing weapons, equipment, and logistic procedures. Defense cooperation exists with bilateral military exercises, intelligence exchanges, and exchange visits of military students. An ASEAN military alliance could harden Southeast Asian divisions, yet it is likely that the member states will continue to industrialize their defense systems and increase cooperation further to become self-reliant and capable of deterring potential threats.⁹

Endnotes

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