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# THE DEMOCRACY PROGRAM

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27 July 1983

William E. Brock III  
*Chairman*

The President  
The White House  
Washington, D.C.

Charles T. Manatt  
Frank J. Fahrenkopf, Jr.  
*Co-Chairmen*

Dear Mr. President:

Anthony Lake  
Ben Wattenberg  
*Vice-Chairmen*

In the spring of 1982, I wrote to you as Chairman of the bipartisan American Political Foundation, joined by the Chairmen of the Democratic and Republican National Committees. We proposed a research study to determine how the United States, through private sector initiatives, could help strengthen democratic values and institutions in other countries. That study has been completed, and its recommendations have been forwarded to Congress. We know of your keen and continued interest in our work, which represents the cooperative effort of the two major political parties, labor, business, and other American institutions.

Richard V. Allen  
Christopher J. Dodd  
Dante B. Fascell  
Peter G. Kelly  
Lane Kirkland  
Thomas Reed  
Michael Samuels  
George E. Agree\*  
*Executive Board*

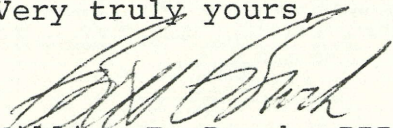
Sarah Weddington\*  
Edward Weidenfeld\*  
*Co-Counsel*

It is with special pleasure, therefore, that I present you with a copy of our basic report on behalf of the Executive Board of The Democracy Program. This report, "The Commitment to Democracy: A Bipartisan Approach," recommends creation of a private non-profit corporation, The National Endowment for Democracy, to assist our friends abroad in making democracy work. The Endowment's authorizing legislation has passed the House and comes up for Senate action in the very near future. We hope, with Senate approval and a successful resolution of House and Senate bills in conference, that the Endowment can begin its work sometime this fall.

Allen Weinstein\*  
*Program Director*  
(\*ex officio)

Both the leaders of The Democracy Program and a bipartisan group of congressional leaders look forward to discussing our proposals with you today at the White House. For now, we wish simply to thank you for your strong support of these efforts.

Very truly yours,

  
William E. Brock, III

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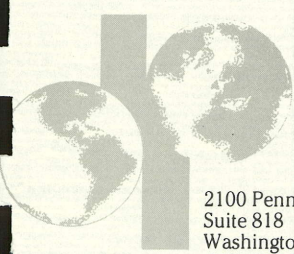
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## THE COMMITMENT TO DEMOCRACY: A BIPARTISAN APPROACH



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THE COMMITMENT TO DEMOCRACY: A BIPARTISAN APPROACH

EXECUTIVE BOARD

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The Honorable Charles T. Manatt, (Co-Chairman); Chairman, Democratic National Committee.

The Honorable Frank J. Fahrenkopf, Jr., (Co-Chairman); Chairman of the Republican National Committee.

Professor Anthony Lake, (Vice-Chairman); Professor, Amherst College; former Director of Policy Planning, State Department.

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The Honorable Richard V. Allen, Consultant; former National Security Advisor to President Reagan.

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Congressman Dante B. Fascell, Democrat-Florida.

The Honorable Peter G. Kelly, Chairman, Democratic Party National Finance Council.

The Honorable Lane Kirkland, President, AFL-CIO.

Mr. Thomas Reed, Assistant to the President; staff member, National Security Council.

Ambassador Michael Samuels, International Vice-President, United States Chamber of Commerce.

The Honorable Sarah Weddington, Esq. (Co-Counsel, The Democracy Program); former Assistant to President Jimmy Carter.

Mr. Edward Weidenfeld, Esq. (Co-Counsel, The Democracy Program); former counsel to the 1980 Reagan-Bush Campaign.

Mr. George Agree, President, American Political Foundation.

Professor Allen Weinstein, (Program Director, The Democracy Program); University Professor, Georgetown University, and Executive Editor, The Washington Quarterly.

"As I would not be a slave, so I would not be a master. This expresses my idea of democracy. Whatever differs from this, to the extent of the difference, is no democracy."

---Abraham Lincoln (1858)

"Out of the silence of oppressed peoples, out of the despair of those who have lost freedom, there comes to us an expression of longing. Repeated again and again, in many tongues, from many directions, it is the plea of men, women, and children for the freedom that Thomas Jefferson proclaimed as an inalienable right."

---Harry S. Truman (1947)

"Whenever we find free peoples having difficulty in the maintenance of free institutions, we do not necessarily react in the same way each time, but we propose to react."

---Arthur Vandenberg (1947)

"The chairmen and other leaders of the national Republican and Democratic party organizations are initiating a study with the bipartisan American Political Foundation to determine how the United States can best contribute---as a nation---to the global campaign for democracy now gathering force. They will have the cooperation of congressional leaders of both parties along with representatives of business, labor, and other major institutions in our society.

I look forward to receiving their recommendations and to working with these institutions and the Congress in the common task of strengthening democracy throughout the world. It is time that we committed ourselves as a nation---in both the public and private sectors---to assisting democratic development."

---Ronald W. Reagan (1982)

"I understand that you are beginning the bipartisan study announced by President Reagan in London which would determine the feasibility of developing democratic forces overseas. This is certainly an idea whose time has come. I wish you luck in this effort and will do my best to cooperate in any way possible."

---Thomas P. O'Neill (1982)

## PREFACE

Throughout our national experience, Americans have rarely asked whether they should assist democracies elsewhere in the world, only how such support could be provided most effectively. Since the earliest years of European settlement, this country has been a refuge for democratic exiles from the world's many tyrannies, often the only available one. From the early years of the American nation to its recent decades of global involvement, the United States has honored a commitment to supporting the democratic ideal and those who uphold it, first in Europe, and more recently, throughout the world.

Although Americans may differ in their exact definitions of democratic rights and in the particulars of our vision of a democratic society, such differences remain minor compared to the shared values which unite us with those in other countries who hold the dream of a world of free societies. Often the simplest understandings of this dream remain the most appropriate, as in Abraham Lincoln's observation: "As I would not be a slave, so I would not be a master. This expresses my idea of democracy. Whatever differs from this, to the extent of the difference, is no democracy."

Some Americans have argued that the United States should abandon all efforts, whether governmental or private sector, and no matter how sensible, to foster and support democratic institution-building abroad. In this view, as expressed in

the recent Linowitz-Galo Plaza report, "democracy is not an export commodity; it must be nurtured and developed within each nation." We subscribe to that sentiment but not to its corollary: that existing democratic nations cannot "contribute much in a very direct way to building democratic political institutions in other countries."

History since World War II belies that pessimistic presumption. Both Japan and the Federal Republic of Germany emerged as strong democracies after their respective periods of occupation allowed the nurturing of democratic values and structures. Such countries as India and Nigeria, among other Third World powers, have proved themselves viable democracies through adapting to national practices institutions which began in their colonial periods. Closer to home, would the democratic renaissance in Spain and Portugal during the past decades have been so effective without timely assistance from friends in other European countries, both at the governmental and non-governmental levels? Similarly in Greece, the transition from military dictatorship to democracy was expedited because of pressures not only from other Western European states but, also, from such inter-governmental bodies as NATO and the Council of Europe. Nor have the actions of Latin American democracies such as Costa Rica, Venezuela, and Colombia been without consequence in accelerating the process of "re-democratization" elsewhere in the hemisphere.

At the non-governmental level, both in this country and in Europe, private sector groups have often played a decisive

role in assisting -- in consultation and partnership with democratic organizations in the Third World -- the laborious process of encouraging the institutional development vital to the emergence of pluralist cultures: political parties, labor unions, agrarian cooperatives, business enterprises, and other types of associations. The four publicly funded foundations in the Federal Republic of Germany, for example, each allied to a major political party, today sponsor such efforts in over five dozen countries. The work undertaken by the Konrad Adenauer (CDU), Friedrich Ebert (SPD), Friedrich Naumann (FDU), and Hanns Seidel (CSU) foundations has been so effective that the idea of party foundations has spread to countries as diverse as Spain (which recently created its own political foundations after witnessing the helpful role played by the German foundations in sustaining Spanish democracy), Portugal, Venezuela, and the United States.

Not that Americans lack native models for such democratic institution-building and political exchange programs abroad. For several decades, the AFL-CIO has been running regional institutes in Latin America, Africa, and Asia, often working under difficult local circumstances in non-democratic societies to support democratic trade unions and train their organizers. Since World War II the American labor movement has also been active in efforts to support democratic workers' movements first in Western Europe -- when threatened by Communist disruptions in the bleak aftermath of the War -- and most recently in Eastern Europe with its assistance to Poland's Solidarity movement.



Although neither American business (which has had various international programs) nor the two major political parties have played an institutional role comparable to labor's in such democratic assistance programs, all can claim at least some precedent.

Far more active have been private foundations, private voluntary organizations, (for example, the League of Women Voters' Overseas Education Fund), churches, universities, and -- indirectly -- the highly successful government-sponsored exchange programs including the Fulbright-Hays fellowships, Humphrey fellowships, and USIA's International Visitors Program.

From Franklin Roosevelt to Ronald Reagan, every American president has been personally committed, though in varying degrees of direct involvement, to the goals of democratic institution-building abroad. From the 1940s to the present, Congress under both Republican and Democratic leadership, has supported and helped to shape the national consensus in favor of such initiatives. "Whenever we find free peoples having difficulty in the maintenance of free institutions, we do not necessarily react in the same way each time, but we propose to react," as Senator Arthur Vandenberg, a prime architect of modern American bipartisanship stated, in 1947 during legislative debate over the Marshall Plan.

On those occasions when such national response has led to the successful launching of new programs -- from the earliest days of the Marshall Plan, "Point Four" economic assistance, and the Fulbright-Hays Act to the present -- several themes

have recurred. First, the proposed programs reflected concretely and practically the underlying national consensus on broad U.S. foreign policy goals. Second, the new programs did not threaten to undermine -- either by accident or design -- the funding and operations of other existing programs which Congress and the public supported and wished to see continued. Third, they enjoyed genuine and impeccable bipartisan support across a wide spectrum of American leadership and opinion. In our view, the programs recommended in this Interim Report meet all these criteria.

I. What Is "The Democracy Program"?: Background and Research Process

The public interest which has focused during the past few months on the Reagan Administration's 65 million dollar "Project Democracy" proposals led initially to confusion over the background and intentions of The Democracy Program. As public discussion increased, it became clear that the research study is a non-governmental and broad-gauged effort by the two major political parties, the labor movement, and business -- Democrats, Republicans, liberals, moderates, and conservatives -- to design new, private sector approaches that will foster and strengthen democratic values and institutions abroad.

Such private sector efforts in the past have been fitful, except for the AFL-CIO's institutes and a range of programs sponsored by leading foundations and private voluntary organizations. There has never been a comprehensive structure for a non-governmental effort through which the resources of America's pluralist constituencies -- the separate and autonomous programs of energetic institutions -- could be mobilized effectively. Those involved in The Democracy Program recognized from the start that to be effective, such a structure would need the involvement of both national political parties, organized labor, and the business community, among other institutions.

Nor was The Democracy Program first to recognize the problem or pioneer in creating solutions. During the 1950s, leaders of

the American labor movement such as George Meany and Walter Reuther, a few national political figures such as then-Democratic Chairman Paul Butler and Senator Hubert Humphrey, and various Eisenhower Administration officials all explored proposals for developing one or another mechanism to assist democratic institutional development abroad openly and through the private sector.

A decade later, during the months that followed the public revelation in 1967 of the CIA's covert funding of overseas activities by some American private voluntary organizations, the Johnson Administration concluded after careful study that the United States government should totally halt all secret financial subsidies to such non-governmental groups. At the same time, Johnson officials urged creation of a new, quasi-autonomous non-governmental organization ("quango") to provide public funds openly for the overseas activities of American private-sector groups engaged in worthwhile international programs. Congressman Dante Fascell led a number of his colleagues (among them Clement Zablocki, now House Foreign Affairs Committee Chairman) in anticipating the Johnson proposals by introducing in April 1967 a bill to create an "Institute of International Affairs."

Unfortunately, concern over the problem of past covert funding overrode sufficient interest in constructive future solutions beyond terminating all CIA involvement. A moment of potentially historic significance in America's relationship to the world was sidetracked for more than a decade as legislative and public attention turned to more divisive issues such as U.S. involvement in the Vietnamese War and the Watergate crisis.

Events and institutions in Europe triggered new interest in the possibility of a non-governmental "democracy quango" during the late 1970s (to borrow The New York Times' apposite phrase). At one level, Americans became committed to participating in the process of monitoring the Helsinki Accords, especially the human rights ("Basket Three") provisions as these affected Soviet bloc behavior. This concern led not only to the creation of the bipartisan "Helsinki Commission" but also to sponsorship by Congressmen Fascell and Donald Fraser in 1978 of a bill to establish an "Institute on Human Rights and Freedoms," (among other bills introduced on similar themes).. The House International Relations Committee reported the measure only to have it fail in the full House.

Independently, during this same period a number of American political leaders -- among them the Republican National Committee Chairman William E. Brock III and the Democratic National Finance Council Chairman Charles T. Manatt -- had become intrigued by the activities of the German "stiftungen" -- the political foundations (Adenauer, Ebert, Naumann, and Seidel) which now collectively receive over \$150,000,000 annually from the Bundestag. "Impetus for the [Democracy Program] inquiry," Brock wrote last year in The Christian Science Monitor, "came from the pioneering example of the West German political party foundations," and despite "other organizations engaged in cultural and social development work overseas. . .only its party-related foundations have the motivation and expertise to help critically important institution-building in the political arena that other foundations shy away from."

Similarly, the American labor movement was taking stock of the effects of U.S. withdrawal from the International Labor Organization (ILO) in 1977. AFL-CIO leaders renewed their long-standing interest in the possibility of expanding the Federation's international work. They explored the possibility of a legislatively-created labor foundation that could disburse public funds to its existing institutes and other organizations doing labor-supported international work.

The channels for informal non-governmental exchange on international issues between Democratic and Republican politicians had themselves become unclogged significantly in 1979 when George Agree organized the American Political Foundation (APF) with Bill Brock as Chairman and Chuck Manatt as Vice-Chairman. The Foundation undertook a number of bipartisan political exchanges which brought American delegations into association with their political counterparts in Europe and elsewhere, thereby continuing a process of vital "consciousness-raising" begun earlier by the American Council of Young Political Leaders.

A number of separate strands of interest in the democratic development process converged in the 1981-82 period to produce a critical mass of public attention. Ambassador Brock, now U.S. Trade Representative, and Ambassador Michael Samuels, International Vice President of the U.S. Chamber of Commerce, sponsored a series of bipartisan meetings to stir interest in the idea of a research study centered on a "democracy quango" and related party foundations. (Samuels also published in the Summer, 1981 Washington Quarterly a widely-circulated article on "Promoting Democracy," co-authored with Professor William

A. Douglas, whose 1972 book, Developing Democracy, remains the sourcebook for all students of the subject.) At about this time, the AFL-CIO's new president, Lane Kirkland and other trade union leaders continued to discuss the labor foundation idea.

After a series of discussions on the matter in the spring of 1982, and with the encouragement also of interested parties in Congress, at the State Department and elsewhere in the foreign policy community, Brock as APF Chairman and the two political party Chairmen -- Manatt for the Democrats and Richard Richards for the Republicans -- wrote President Reagan a joint letter on the eve of his forthcoming speech on democracy to the British Parliament. They proposed a study to determine "what ways and means should be recommended to help the growth of democracy?" (APPENDIX A) The letter referred specifically to the German party foundations' "open and effective programs to support democratic political forces throughout the world," and suggested that the study -- which would be conducted under the auspices of the American Political Foundation -- "take up such questions as whether programs should be bipartisan, what, if any, should be the connection with the government, how to handle the tension between maintaining friendly relations with current governments while sowing the seeds of democratic successors, how to encourage domestic pluralistic forces in totalitarian countries, and what levels of resources are required."

President Reagan devoted several paragraphs to the research study in his June 1982 address to the British Parliament. His

comments attracted largely favorable reactions. Such reservations as emerged in the media centered upon three issues: concern lest the programs proposed be other than long-range and bipartisan in scope; anxiety that the Administration would attempt to exploit the research study for immediate "propaganda" purposes in its broader public diplomacy initiatives; and opposition to a dominant political tilt in defining the context and recipients of democratic political assistance. The subsequent conduct and recommendations of the research study should put these fears to rest.

During the summer and fall of 1982, the chairmen -- Brock for the APF, Manatt for the DNC, and Richards for the RNC -- devoted considerable time and energy to arranging the delicate balance of political and institutional interests within the structure of the research study, working in close consultation with the bipartisan leadership of Congress and the leaders of the AFL-CIO and the U.S. Chamber of Commerce. In the late fall, the Democracy Program study was officially launched with the announcement of its bipartisan Executive Board and Program Director. (APPENDIX B) Within weeks, a staff and initial consultants had been selected, broadly representative of the areas of scholarly expertise and political balance required by the study, including assistant directors for Democratic Party, Republican Party, Labor, and Business Programs. The accompanying brief description of key staff and consultants -- which does not include the informal consultants who have been participating in the research effort -- indicates the depth and range of expertise brought to the research. (APPENDIX C)



Since its inception, the program's staff and Board members have met with a wide range of Americans and foreign leaders interested in contributing ideas to the research. Especially heartening has been the degree to which a full spectrum of leaders in Western Europe and the Third World have sought out our representatives to express suggestions and support. Last January, the Program Director led a bipartisan staff delegation to the Federal Republic of Germany for a week of consultations with the leadership of the four political foundations and with key officials in the government and Bundestag especially involved in overseeing the work of the "stiftungen." We found widespread enthusiasm for an expanded American program of democratic political exchange and partnership based private sector development programs.

Last month, the Executive Board sent the Program Director to the Council of Europe's "Colloquy on Democracy" (at the Council's invitation). Here again, participants from the twenty-one delegations present seemed universally pleased with the existence and directions of the study. Furthermore, the Council of Europe has invited a bipartisan delegation from Congress and the two party chairmen to attend its October 4-6 Parliamentary Assembly on Democracy in Strasbourg, at which a "world quorum" of democracies will be present.

Among those who have also received briefings on The Democracy Program -- at their request -- have been interested political, parliamentary, governmental, academic, labor, and business leaders from more than five dozen countries in Western Europe, Latin

America, Africa, and Asia. In addition, the staff has reviewed a mass of research material in available documentary, published, and privately-held material, a process which continues in preparation for the more extensive final report.

The Executive Board intends to make public its final report and accompanying appendices next month, after review and approval by an Advisory Panel, the Board itself, and the Executive Board of the American Political Foundation.

This preliminary document has been issued primarily to introduce the major recommendations of The Democracy Program for long-range legislative and private sector initiatives. The drafters believe that these proposals require urgent attention from Congress, the Administration, the political parties, labor, business, and other American institutions which should play an appropriate role in fostering democratic development abroad.

## II. The Democracy Program's Initial Recommendations: A Summary

1. Congress should establish at the earliest possible opportunity a National Endowment for Democracy as a private, non-profit corporation. The Endowment, though not an agency of the United States government, would receive annual funding from the government beginning in fiscal year 1984 and be subject to the appropriate oversight procedures of Congress.

The Endowment's charter, which would be included in its authorizing legislation, will designate the fifteen founding incorporators.

The Endowment's stated purposes would be the following:

- (a) to encourage free and democratic institutions throughout the world through private sector initiatives;
- (b) to facilitate the process of exchanges involving especially both major American political parties, labor, business, and other private sector groups with democratic groups abroad;
- (c) to promote non-governmental American participation -- especially through the two major political parties, labor, business, and other private sector groups -- in democratic training programs and democratic institution-building abroad;
- (d) to strengthen democratic electoral processes abroad through timely measures in collaboration with indigenous democratic forces;
- (e) to support the participation of America's major political parties, labor, business, and other private sector groups

in fostering cooperation with those abroad dedicated to the cultural values, institutions, and organizations of democratic pluralism;

(f) to encourage the establishment and growth of such aforementioned democratic development in a manner consistent both with the broad concerns of national interest and with the specific requirements of democratic groups in other sovereign countries which will be aided by Endowment-funded programs.

The National Endowment for Democracy, once in operation, will disburse funds to instrumentalities created by the two major American political parties, American labor, American business, and other private sector grantees, all of which will conduct international programs related to the Endowment's stated purposes. All funds appropriated and disbursed by the Endowment will be exempted, so far as Congress deems legislatively advisable and possible, from present restrictions, (e.g., those that now exist in the charters of government agencies such as State, USIA, or AID), which would impair the ability of the Endowment or of the political foundations, labor Institute, and business Center herein described, (see Recommendations 2, 3, & 4), to implement the objectives of their charters and of the Endowment's charter.

2. Each of the two major political parties should immediately create foundations\* related in legal and philosophical association to their respective parties. The two political foundations will receive equal amounts of funding. The National Endowment for

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\* In establishing these two instrumentalities, the political parties may consider using the alternative designation "institute," depending upon a joint review by their respective legal counsel. Therefore, wherever the word "foundation" occurs in the following pages in relation to the political parties, the word "institute" may also be presumed.

Democracy will disburse the stipulated funds to each party foundation immediately upon receipt of those funds, unless the Board of the Endowment shall conclude by a two-thirds majority of all its members that the use of such funds for a specific program would (a) violate the charter of the party foundation in question, or (b) violate the charter of the Endowment. Should this occur, the Endowment will disburse the undisputed balance of funds immediately and consult immediately with the Board of the political foundation in question to resolve the matter. Should the political foundation request, instead, that the disputed portion of funds be disbursed to it for use in another (undisputed) program, the Endowment will comply immediately. The two political foundations might include in their overall annual program design such bipartisan international programs which both political foundations consider appropriate and which meet their stated purposes and those of the National Endowment for Democracy.

3. The AFL-CIO should immediately prepare its existing Free Trade Union Institute for the purpose of conducting programs appropriate to its charter and to the stated purposes of the National Endowment for Democracy. The Free Trade Union Institute would receive funds in a procedural manner identical to the disbursement of funds to the two political foundations: the National Endowment for Democracy would disburse its stipulated funds to the Institute immediately upon receipt of those funds. Should the Board of the Endowment conclude by a two-thirds

majority vote of all its members that the use of such funds for a specific program would (a) violate the charter of the Free Trade Union Institute, or (b) violate the charter of the Endowment, the Endowment would disburse the undisputed balance of funds immediately and consult immediately with the Board of the Institute to resolve the matter. Should the Institute request, instead, that the disputed portion of funds be disbursed to it for use in another (undisputed) program, the Endowment will comply immediately.

4. There should be immediately created a Center for International Private Enterprise for the purpose of conducting programs appropriate to its charter and to the stated purposes of the National Endowment for Democracy. The Center, to be created initially within the National Chamber Foundation, would include within its supervisory body leaders of representative business organizations committed to the purposes of the Center and of the National Endowment for Democracy. The Center for International Private Enterprise would receive funds, either directly or through the National Chamber Foundation, in a procedural manner identical to the disbursement of funds to the two political foundations and the Free Trade Union Institute: the National Endowment for Democracy would disburse its stipulated funds to the Institute immediately upon receipt of those funds. Should the Board of the Endowment conclude by a two-thirds majority vote of all its members that the use of such funds for a specific program would (a) violate the charter of the Center for International Private Enterprise, or (b) violate the charter of the Endowment, the Endowment would

disburse the undisputed balance of funds immediately and consult immediately with the Board of the Center to resolve the matter. Should the Center request, instead, that the disputed funds be disbursed to it for use in another (undisputed) program, the Endowment will comply immediately.

5. In addition to the disbursements which will be made annually under procedures previously described beginning in fiscal year 1984 to the political foundations of the two major American political parties, the Free Trade Union Institute, and the Center for International Private Enterprise, the National Endowment for Democracy will make grants, upon approval and two-thirds vote of its Board, to such other private sector organizations which may apply for funds to conduct programs which meet the Endowment's stated purposes.

6. To achieve the Endowment's stated purposes and those of its grantees, the fifteen founding incorporators will serve as its initial Board of Directors to assure the broad bipartisan support and national consensus required to maintain the integrity of all its stipulated functions. Moreover, no programs will be funded that fall outside the Endowment's mandate or violate its stated purposes. In addition, in order to insure the long-range continuity and effectiveness of Endowment operations and those of its institutional grantees, Congress should authorize a multi-year congressional budgetary authorization and two-year advance appropriation cycle. The political foundations, labor Institute, business Center, and other grantees

of the Endowment normally will administer, coordinate, and supervise their own programs within the guidelines provided by the Endowment's charter and bylaws and under the general oversight of the Board of the Endowment. The independent nature of the Endowment will insure that the programs it funds promote the long-term, bipartisan national interests of the United States rather than short-term partisan ends. All Endowment programs will be conducted openly by their private sector sponsors.

7. Neither the National Endowment for Democracy nor any of the private sector instrumentalities previously described, finally, should be funded by reducing commitments, government funding, or legislative obligations to existing international organizations or programs. Specifically, support for valued educational and cultural exchange programs such as the Fulbright-Hays, Humphrey, International Visitor, and private sector international exchanges should be maintained at congressionally-designated levels, since the National Endowment for Democracy complements these efforts and is not a substitute for them. Similarly, those aspects of the Administration's "Project Democracy" initiative which, in the opinion of Congress, meet the criteria laid down in the National Endowment for Democracy's statement of purpose deserve support.

In summation, the recommendations previously offered, which will be discussed further in Part III, represent essential components in a long-range, bipartisan program to assist the



development of democratic values and institutions throughout the world. With the National Endowment for Democracy, the two political foundations, the labor Institute, and the business Center, the United States will demonstrate once again its capacity to design institutions capable of encouraging democratic development within a pluralistic framework.

Initial response to these proposals has been sympathetic and encouraging. Those members of Congress and their staff aides who, anticipating this Interim Report, requested briefings, have urged that Congress move quickly on these recommendations. The Reagan Administration, moreover, although recognizing the non-governmental and independent auspices and character of the proposals, has assured the Board, (most recently in a March 14, 1983 letter from National Security Advisor William P. Clark), "on behalf of the President. . .that a proposal to create a bipartisan 'National Endowment for Democracy' meets with his strong and constant support" and that the Administration is prepared "at the earliest convenience to work out details for the practical implementation of our support to this activity in the FY 1983 and FY 1984 budgets." (APPENDIX D)

Early response from public and press has been similarly favorable. Representative of these commentaries was a February 17, 1983 New York Times editorial endorsing what the paper prefers to call a "Quango for Democracy." In its editorial, entitled "Let's Define the Quango," the Times urged creation of non-governmental "public-private foundations" along the lines described in our recommendations but with the following

stipulations: (1) the new entity should be "wholly divorced" from Administration programs (including the present or any future Administration); (2) it should be "clearly distinguishable from the CIA fronts that used to do this kind of work" covertly; (3) it "should have nothing to do with propaganda for near-term American policies," again presumably meaning those of any particular Administration. The National Endowment for Democracy -- and the special instrumentalities of the two political parties, labor and business -- which we recommend meet all these criteria. (APPENDIX E) In a January 18, 1983 editorial, the Chicago Sun-Times endorsed the "democracy quango" idea, stating simply: "These activities would be overt, rather than covert, so we see little danger of repeating the CIA's mistakes in Chile and Vietnam. There's no reason why Americans shouldn't assist the organizers of political parties or labor unions in foreign lands."

We have taken as our model an approach endorsed by virtually everyone with whom we have discussed our ideas, including these editorial writers, namely that for Americans, as the Times puts it, a proper "alternative in the modern world is a public foundation, managed by public figures who stand at different points of the American democratic spectrum." Having 'defined the quango,' we believe that it now becomes the obligation of Congress, the Administration, and interested Americans from all points of the "democratic spectrum" to help bring its component elements into existence at the earliest moment.

### III. Assisting Democracy: The American Record

#### A. Past Initiatives

No brief report can describe the full range of American initiatives since the Second World War, whether governmental or private sector, designed to assist democratic development abroad. (Those who wish a more comprehensive analysis of these efforts might begin with William A. Douglas' Developing Democracy (Washington, D.C.: Heldref Publications, 1972); and with the essay "Promoting Democracy," by Michael Samuels and William Douglas, The Washington Quarterly, Summer 1981).

These earlier and existing efforts derive at bottom from a fundamental perspective within the American credo: that democratic principles have universal applicability, whatever violations of democratic rights may occur in practice. The underlying rationale can be seen in Winston Churchill's oft-quoted aphorism, whether one believes democracy the best form of government or merely the worst except for all others. A commitment to aid democratic groups throughout the world on principle, in short, is a fixed element of American values for idealistic reasons as well as for a range of distinct practical purposes. Four such purposes have strongly influenced American efforts to strengthen democracy abroad since the Second World War.

The ideological one previously mentioned remains central. Americans have believed throughout their history that democracy's

basic principles enjoy universal applicability. Efforts to help democratic forces in other countries began at the time of our own Revolution and constitute a history which it would require a separate volume to detail.

A second purpose has been economic. Over the years, Americans involved with economic aid programs have watched years of slow progress and patient economic advance destroyed in a matter of days by political turmoil in developing countries. The conclusion is evident: democratic political support projects should, in many instances, reinforce ongoing programs of economic assistance. This idea helped produce the Title IX additions to the Foreign Assistance Act, which gave a new "political focus" to ongoing development programs. A number of private sector university and research center studies also focused on the political dimension of this economic objective.

National security concerns, a third purpose, have bred their own series of political development efforts aimed at strengthening democracy abroad in order to compete with America's adversaries, especially Soviet-operated or inspired programs. Bipartisan American support for the Christian Democratic and Social Democratic reformers in Latin America, for example, has been based on a realization that if such parties lead genuine movements for social change, anti-democratic communist and other revolutionary groups cannot seize the leadership and banner of reform.

Most Americans assume also, and correctly, that an increase in the number of democratic nations makes the world a safer place. Democratic nations tend to be more peaceful, less

bellicose and inherently less expansionist than dictatorships whose claim to legitimacy is based not on the consent of the governed but on force alone. This essential belief has inspired the aptly-named Peace Corps, the Fulbright-Hays and other exchange programs, and such private sector pluralist efforts as those conducted by Rotary Clubs, cooperatives, free trade unions, and youth organizations such as the Boy Scouts, the YMCA, the YWCA, and 4-H clubs.

It is difficult to avoid the conclusion that all four of these purposes -- as well as others -- are served simultaneously by strengthening democracy abroad. In the United States today, labor, business, Democrats, Republicans, liberals and conservatives alike favor new approaches to aiding the development of democratic values and institutions around the world.

Despite continued support for these four objectives, however, America's private sector efforts have been characterized by a surprising lack of direct political activity. This pattern can be observed within each major category of American programs which have sought -- whether directly or indirectly -- to strengthen democratic forces abroad.

The Political Parties. Though parties are by definition the most overtly political part of a democratic pluralist system, American political parties have been relatively inactive internationally. Neither of the two major political parties has exhibited anything beyond sporadic involvement with democratic political forces and structures in other countries.

Until quite recently, neither party ever engaged in regular exchange or contact with their established democratic counterparts in the industrialized democracies. Only the two successor groups to the tiny and divided American Socialist Party have displayed something resembling regular international association or affiliation.

This situation only changed in 1979 with the creation of the American Political Foundation. Guided by a Board of Directors composed of leaders from both major political parties, the APF has engaged in an extensive effort aimed at increased exchange and communication between the Democratic and Republican parties and their counterparts abroad, reinforcing the work already being done very effectively by the American Council of Young Political Leaders.

The Interest Group Sector. Americans have been much more involved in working with foreign interest groups which play a pivotal role in both the development and successful maintenance of democratic pluralistic systems. Historically, however, such programs have been directed at efforts to improve the internal operation of such interest groups and not at efforts to make a particular interest group a more effective player in the political system. The past programs of U.S. labor, business, and other sectors are illustrative of such efforts.

U.S. Trade Union Programs. In the 1960s the AFL-CIO created three regional institutes which aid democratic labor in Latin America, Africa, and Asia under the aegis of the U.S. foreign aid program. Despite being largely federally-funded, these labor institutes are accurately perceived by foreign trade unionists

as being firmly under the control and direction of the AFL-CIO.

The institutes concentrate on two basic program categories:

- (1) Labor Education, which centers around labor's economic roles and responsibilities within society; and
- (2) Social Projects, which centers around labor's efforts to help workers address their major social problems.

Despite the high priority given by the AFL-CIO to domestic political action in the United States, the overseas labor institutes have been far less active -- in part because of government funding restrictions -- in aiding unions abroad to develop a similar political roles. Only since 1979 have the institutes -- primarily in the Latin American region -- begun to incorporate political education and political theory in their on-site education programs.

Business Programs. The American business community has provided assistance to Chambers of Commerce and other business associations abroad but at very modest levels and for limited ends. Most efforts have centered around the development of sounder internal practices and programs, less on the role of business in a democratic pluralistic society. The U.S. Chamber of Commerce has engaged in a number of business exchange programs with foreign business leaders, conducts training courses for similar purposes, and helps sponsor bilateral councils in thirteen countries. The councils are composed of businessmen working in these nations and their host-country counterparts.

## Summary

Although it is wrong to suggest that this country's democratic institutions have been completely unaware of their responsibilities to promote democratic development, there has been a decidedly apolitical character to most of their efforts abroad to date. The main focus of both governmental and non-governmental efforts in the post-war period has been technical -- addressed to the socio-economic processes and consequences of development -- with little or no attention to the political corollaries of development. Yet if a single lesson can be drawn from the continuing political instability experienced by much of the developing world, it is that strengthening democratic political development is integral to the processes of nurturing national identity, economic growth, and social transformation. This insight underscores the urgency of The Democracy Program's recommendations.



B. New Initiatives: A Bipartisan Consensus

B/1. The National Endowment for Democracy

The coordinating institution whose creation we recommend, the National Endowment for Democracy, would serve a variety of functions needed in order to guarantee the continued integrity of the entire series of private sector initiatives. Above all, the Endowment would serve as the "umbrella" organization through which four new or newly-renovated instrumentalities (the party foundations, labor Institute, and business Center) would receive their funding and within which each of the four could evolve autonomously but in a cooperative and at times collaborative manner. In the most fundamental sense, therefore, given the special concerns of programs undertaken individually by its four major grantees and by other groups receiving support, the Endowment would serve to strengthen both nationally and internationally -- on behalf of all Americans -- the broader effort to promote democratic values and institutions throughout the world.

The Endowment's existence and operations would demonstrate, both for Americans and for friends in other countries who might work in consultation and partnership with Endowment-related programs, that this new initiative would remain as open, acceptable, and attuned to local sensitivities as the collective wisdom of the Endowment and its various components could guarantee. "If aid came from a foundation with genuine autonomy,

supervised by a board of respected American and foreign figures," The New York Times editorialized shortly after the President's London speech, "it could be as uncontroversial as that already provided by private foundations. (APPENDIX F) Change "foundation" to "Endowment", provide for an American board but one which would work in "cooperation with foreign figures" on jointly agreed upon programs, and the description matches the proposal before us.

The management of the National Endowment for Democracy in this plan should be vested in its fifteen "incorporators" as its initial Board of Directors, with representatives of the two major political parties, labor, business, and other concerned institutions among the incorporators, guaranteeing its bipartisan integrity.

The Board would perform general oversight functions related to all Endowment activities in order to insure that its broad values and legislative purposes were being honored. At the same time, all operations and programs funded by the Endowment would be subject to normal congressional oversight through the relevant House and Senate subcommittees and through whatever additional procedures Congress might require.

The Endowment would serve as the coordinating mechanism annually for budget proposals from and funding disbursement to the two political foundations, the labor Institute, and the business Center according to procedures previously described.

At the same time, the Endowment would also approve other grants to private sector groups whose proposals fell within the purposes stated in its charter. In addition, the Endowment would serve as a visible symbol of the entire private sector democratic support effort. Inevitably, it would attract inquiries and proposals from foreign groups which might be either more reluctant to contact a specific instrumentality identified with one segment of American society or, conversely, might not be able to identify the specific group most prepared to render needed support. Under these circumstances, Endowment Board members and staff could assure that the inquiry was re-directed to its most likely American recipient groups.

The National Endowment for Democracy would serve, also, as a logical forum for continuous contact among major leaders of the American private sector both in reviewing opportunities for democratic assistance as well as monitoring danger signals deserving special attention. Tasks that one instrumentality might be interested in undertaking, if aware of the problem, could be brought to its attention by the Endowment. Similarly, the Endowment could serve also as a helpful intermediary between its grantees and other American private sector groups -- for example, foundations, private voluntary organizations, universities, and research centers -- already engaged in programs related to the grantee's special areas of interest.

Within the political climate which characterizes a number of Third World countries poised delicately between democratic

evolution and dictatorial regression, the existence of a National Endowment for Democracy -- openly receiving and dispensing public funds to its grantees -- might be perceived as a more recognizable, and hence more acceptable, source of funding than, for example, a political foundation functioning as a State Department, USIA, or AID, grantee.

Questions of perception aside, such direct government grantees would probably be precluded by State, USIA, or AID enabling legislation from engaging in many of the political exchange, training, and democratic institution-building programs called for by the charter of the National Endowment for Democracy, if only through legislative exemption obtained in the process of chartering the Endowment.

The Endowment could also play an innovative role in designing programs which fall beyond the normal operations and institutional perspectives of its individual grantees. This role as the connective tissue between the different components in the new private-sector initiative can be exercised without interference with the autonomous management of programs by the political foundations, labor, business, or other grantees. Several of the bipartisan programs previously recommended in the Reagan Administration's "Project Democracy" initiative, for example, could be administered and overseen by each instrumentality while still being coordinated through the Endowment.

Nor need the Endowment depend for such creative proposals

that cross institutional boundaries upon those already on the drawing boards. The Democracy Program's "task force" on Democratic Electoral Processes has recommended, among other ideas, that the Endowment work collaboratively with the two political foundations -- and possibly with other grantees -- in designing a unique "clearing house" and research operation to gather and distribute data on electoral systems, constitution-making, and democratic political technology to groups engaged in political exchange programs.

Such suggestions and many others will find a measure of fulfillment if the Endowment becomes a reality. Those trying to assist the growth of democratic ideas and institutions will not lack for meaningful work in the near future, when only a minority of the world's societies fulfill even the minimal prerequisites described in Raymond Gastil's recent summation of the democratic condition:

1. Freedom by adult suffrage and non-governmental political organization and expression to exercise political judgment and control concerning the governance of the society.
2. The recognition that within their societies individuals and minorities have unalienable rights, although their definition will vary with time and place.
3. Free information media constantly scrutinizing the domestic and foreign policy of their governments.
4. Security of life under a just and equitable rule of law enforced by agencies responsible to and controlled by legitimate authority answerable to the majority.

To the extent that states exhibit these features, then they are democracies; to the extent that these features are absent they are undemocratic.

The National Endowment for Democracy, once created along with the other private sector instrumentalities recommended in this report, can have an immediate and hopeful impact upon the state of democratic liberties in a world still crowded with tyrannies.

B/2. The Democratic and Republican Political Foundations

The political foundations ("stiftungen") allied to the four major parties in the Federal Republic of Germany, impressive models, began their international operations early in the 1960s after having spent the previous decade concerned primarily with democratic political education within the Federal Republic itself. Since they have expanded throughout the world, the German foundations have acquired a largely-deserved reputation for effectiveness in reinforcing democratic processes in dozens of Third World countries while, at the same time, collectively advancing the interests of both democratic pluralism and German national policies. One essential ingredient in the German "stiftungen's" success story has been their ability -- through ideological affinity -- to work in partnership with affiliated parties or other kindred organizations in a host country.

Other countries, including the United States, have paid the German foundations the compliment of imitation, actual or proposed. The stiftung model has recently become contagious, with democracies as divergent as Spain, Portugal, and Venezuela already adopting it or on the road to adoption, modified to

accommodate specific national circumstances and global interests. In the American model, such modification will be considerable, since the ideologically-based German parties differ from the major parties in the United States in a number of fundamental ways. Nevertheless, the presumption underlying all such political foundations in democratic societies is that organized political parties in most democracies provide a pivotal mechanism for institutionalizing the paramount freedoms of expression and choice, however defined. Nowhere does this institutional cement provided by the political parties function more impressively than in the United States, despite the periodic reports of their decline and demise, reports that normally precede renewed periods of partisan energy.

The development of party-to-party relationships across national borders has served to assist and sustain many democracies in recent decades. The more established democratic parties in transnational groupings such as the Christian Democratic, Liberal, and Socialist Internationals often provide timely and otherwise-unavailable support for their more embattled colleagues elsewhere. Into this world of international democratic party organizations, "stiftungen," and individual parties supporting democratic initiatives now step the two major American parties. How will they fare?

The arguments generally raised concerning the uniquely 'pragmatic'---i.e., non-European---character of American political

parties, although legitimate to a degree, have served often as a rationale for justifying their inactivity or timorousness. The Republican and Democratic parties may not have exact doctrinal equivalents elsewhere in the world, but a number of parties abroad share a common commitment to democratic development with their American colleagues. Thus the U.S. political parties should regularize their participation (even if only as observers in some cases) in the process of worldwide democratic political dialogue, sometimes on a bipartisan basis.

Nor should the special circumstances of American political life pose any logical or persuasive problem for American parties in fostering and supporting democratic institution-building through association with reasonably-kindred democratic parties or other organizations abroad. At a time when the political parties constitute a primary training ground for future leaders of American government, a coherent and sustained program of international political exchange and development assistance activities should help produce better-informed and more capable party leadership within the United States. At the same time, such a program should increase immeasurably the influence abroad of private sector ideas, institutions, and leadership. This proposal for creating two political foundations under the National Endowment for Democracy umbrella, therefore, rejects the question-- "Why have a Democratic and a Republican foundation?"--in favor of another query: "Why were they not created long ago, considering their utility in our own political system?"



The political foundations would have two parallel sets of central objectives and programs:

- (1) Political exchange, designed to promote the party's interests abroad through regular and direct contact with kindred parties and other groupings both in the industrialized democracies and throughout the Third World; and
- (2) Political Development, designed to promote, within the broad context of each party's respective philosophical outlook, the growth and development of democratic practices and institutions in the Third World.

The two objectives are clearly and closely inter-related. There may be instances in which political development programs could be undertaken with kindred parties and groups, and there will be situations in which the distinction between "political exchange" and "political development" overlap. In considering a structure for the two party foundations and their agenda, those members of the Board most closely connected with the two parties believe that separating the two objectives serves a useful organizational purpose.

In pursuing these objectives, the political foundations can make an important contribution both to furthering American national interests generally and to the process of fostering democracy abroad in particular. The foundations will provide an ongoing, regular, and visible American political presence at major international meetings. If nothing else---and there will be a

good deal else---this assures the training of a cadre of younger American political leaders in both parties who will have greater awareness of foreign policy questions and their implications for domestic leadership. Thus the foundations will serve inevitably as a vehicle for the continued education of each party's experts in foreign affairs.

By increasing direct party-to-party relations where feasible, the foundations also assist in developing a more solid underpinning for bilateral and multi-lateral government-to-government relations. Expanding the American political presence in the world affords increased opportunities for the direct and exemplary expression of American leadership.

Considering the dilemmas of a complex "start-up" process for both political foundations, in their early stages political exchange programs will outnumber political development assistance projects, though this may not long be the case. In the beginning, there will undoubtedly be a quantum expansion of programs increasing party participation in international meetings, sponsorship of conferences, training programs using new techniques of political analysis and technology with which Third World leaders may be unfamiliar, and an expanded political visitors' program directly under each foundation's auspices. It seems likely, also, that the foundations will institutionalize their network of associations internationally through the creation of small regional offices comparable to those established in numerous countries by the German "stiftungen." The benefits to a country globally of such activities has been demonstrated beyond question by the German example.

Before too long after coming into existence, however, when the organizations are well in place, both party foundations undoubtedly will seek an expanded role through development assistance programs with kindred parties or other associations abroad. Such involvement is long overdue and has been welcomed uniformly by leaders of the German foundations and by most other democratic figures from European and Third World countries who have commented on the research study.

It cannot be stressed sufficiently, however, that the programs and objectives developed by the political foundations in this country--as in the German model--should be stable and sustained, involving close and continuous attention to the expressed needs of countries, regions, and interested democratic groups. Programs should reflect thoughtful and extensive consultations in the host countries. Careful planning and review, including discussions with American and other foreign democratic interests already working in an area--both governmental and private sector--are essential to any successful program involving the new American party foundations. (Most democratically-developing countries seek outside projects and associations that treat with utmost seriousness their special historical and cultural background, especially when designing new development assistance programs.) Those from abroad who have commented on this research, however, seem persuaded that programs devised with such considerations in mind

stand a good chance of being welcomed in a host country. Specifically, our foreign friends appear to view positively the entrance of American party foundations into this international field, not only because of the direct support for democracy but also because their presence will provide new channels of communication with the United States and, therefore, additional flexibility in their societies' range of dealings with Americans.

The initial political development programs undertaken by the foundations, for those reasons, should focus on activities which provide a visible and genuine consultative role for host-country associates from the outset, so that the delicate process of political partnership and assistance can proceed with a minimum of unnecessary controversy or intrusiveness. The foundations, in their opening phase of creating new international relationships through political exchange programs, can lay the groundwork for later development assistance while establishing their presence and credibility in a manner suitably restrained and appropriate to the requirements of their local partners.

In addition to these development and exchange functions, the political foundations may wish to consider research programs on the technical and philosophical dimensions of democratic development and into other global issues relevant to their operations abroad.

It seems both self-evident and sensible, in all these tasks, for the parties to adopt a modest, measured, and bipartisan process

of entry into the political development field, an approach which virtually all of our foreign discussants commended highly. At the level of political exchange, however, the recommendation heard most frequently involved a major expansion of direct contacts with representatives of each American political party.

Nor, in the end, should a useful bipartisan component to the separate activities of the two foundations inhibit the steady, careful development of development assistance programs tailored to their own individual constituencies and interests. The range of possible projects to be undertaken in consultation with thoughtfully-selected partners such as political parties, private sector organizations or, in some instances, governments, remains extensive. In the early phase of their existence, the political foundations' development assistance activities would be limited primarily by the availability of funding, the appropriateness of kindred partners, and the adequacy of foundation resources.

B/3. The Free Trade Union Institute

The American labor movement holds as a first principle that without the right to freedom of association, and with it the power to influence governments and employers, free trade unions cannot exist. Denial of the right to organize becomes, therefore, a serious barrier to the creation of democracy. American labor values these rights and relationships both for itself and for workers around the world.

A defense of these ideas and relationships has been part of its history since the 1880s and has expanded dramatically with the creation of the AFL-sponsored Free Trade Union Committee in 1944 and its successors, the American Institute for Free Labor Development (AIFLD) in 1962; the African American Labor Center (AALC) in 1964; the Asian-American Free Labor Institute (AAFLI) in 1968; and, most recently, the Free Trade Union Institute (FTUI) in 1978. All of these contemporary organizations are tied closely to mainstream American labor because they are run by boards of directors composed of AFL-CIO vice presidents and other leading labor officials. In addition to these institutes, the AFL-CIO works closely with a number of independent private organizations involved in exchanges of American and foreign free labor leaders and in the education of both groups on international questions.

Of all these organizations, the Free Trade Union Institute alone is unrestricted both regionally and in the scope of its activities. Because government funds for labor work have been prescribed by region, and because of the recent unavailability

of private funding, the Free Trade Union Institute has been overshadowed by the work of the three regional labor institutes. Still, it remains the most logical coordinating and administrative entity to receive new and supplementary government funds for trade union work, whether those funds will ultimately go to one of the other institutes, to the AFL-CIO itself, or to private groups supporting free labor efforts.

Any new effort to promote free unions, and therefore, to promote democracy, must build on existing institutional arrangements and past work. In addition to the development efforts of its three regional institutes, the American labor movement maintains affiliation with the International Confederation of Free Trade Unions (ICFTU), an international body set up in 1949 to counter the efforts of the communist-dominated World Federation of Trade Unions (WFTU). The AFL-CIO also belongs to the Trade Union Advisory Committee (TUAC) of the Organization for Economic Cooperation and Development and the Interamerican Regional Organization of Workers (ORIT). AFL-CIO affiliates are members of the numerous international trade secretariats (food, metal, teaching, transport, etc.) within which they conduct development and other projects. Through all of these organizations, the AFL-CIO and its allies have engaged in efforts to assist free and democratic unions through education programs, trade union leader exchanges, and infrastructure building.

In developing these ties and undertaking this work, American labor has opposed suppression of democratic trade unions wherever

that has occurred. In opposing all dictatorships and totalitarian societies, the American labor movement has made its case against apartheid in South Africa, dictatorship in Chile, martial law in Poland, slave labor practices in the Soviet Union, and the anti-democratic campaigns of the WFTU because of the negative effects of all of these on freedom and democracy for workers.

With new funds the American labor movement could go beyond the development work for which it has received helpful support from the Agency for International Development. New, more flexible support would significantly broaden American labor's scope of activities. Its new efforts might include the following:

Expanded exchanges. Such exchanges are needed for trade union training and for political education. The size and scope of the Soviet bloc operation in this field should offer a clear incentive.

Increased assistance to International Trade Secretariats through their American affiliates. Since, as some Europeans have widely recognized, the ITS are the international bodies that are closest to members and are therefore in the best position to educate them, more concentrated attention must be devoted to how to help these organizations.

Aid to trade union centers for infrastructure development. Funds should be made available for basic union-building. This is particularly true in the case of unions facing either suppression from dictatorial regimes or anti-democratic subversion.

Assistance to trade union exiles and their families. Exile groups need help, not only for personal reasons but often because they hold out some hope of playing a future role in countries where political stringencies against unions may loosen, or where governments may change.

Political training. Many trade union leaders are looking for a more exacting education on how to combat anti-democratic forces within their organizations. They need training on parliamentary procedure, factional organization, or how to organize demonstrations. Many would also like to learn how American trade unionists influence the outcome of public elections.



Support for trade union publications and information on special issues. Particularly in the Third World, democratic trade unionists often lack the skills and the funds to put out effective publications and to have them distributed widely. Both training and publication subsidies are needed here.

Support for the work of International Labor Organizations. The American reentry into the ICFTU makes new assistance to ICFTU work advisable. The ICFTU already gets government funds through the trade union movements of many European countries. In addition to its central organization, the ICFTU also hosts a number of regional organizations, including the African Regional Organization (AFRO), the Asian Regional Organization (ARO), and the Inter-American Regional Organization of Workers (ORIT) -- all of which need support.

Research and information. Much could be done to publicize the positions of the American trade union movement on a number of issues in more extensive ways than are now possible. Funds could also be used to publish training materials in a number of languages. Extensive information campaigns could be waged against the suppression of free trade unions.

Efforts to counter the WFTU. Projects within this category could range from the subsidization of strategy meetings to prepare for ILO conferences, to the sponsorship of community development projects in rural Asia and other areas.

Aid to efforts to organize independent unions in communist countries. The shape and size of such efforts are totally dependent on the initiative and requirements of those making the requests for help.

Funds for emergencies. No existing source of public funds is flexible enough to meet unforeseen circumstances.

The history of American labor's international role has followed a continuum since World War II. The problems are remarkably similar, though the union struggle has spread to most of the world. Soviet imperialism and its agent in the labor field, the WFTU, have found new areas to probe and new tactics of operation. In the post-war period, chaos came to their aid. Now their helpmates are dictatorial and unstable regimes of the right. But, the political atmosphere has changed considerably.

In the late 1940s, the Marshall Plan met with overwhelming support throughout Western Europe. American institutions were regarded, correctly, as the bulwark of freedom in the West. Although today, the challenges to free labor elsewhere in the world are at least equal to that earlier time, public opinion on such issues -- even in free societies -- remains divided and perceptions of the threat often clouded.

In addition, there exists the unprecedented challenge to the imagination of free trade unionists of Solidarity's attempt to organize an independent union in a communist country. Although this effort met with violent repression, the Solidarity experience may foreshadow possible future events elsewhere in the communist world of deep interest and concern to democratic trade unionists.

The American labor movement and the groups with which it works are prepared for a major expansion of their international activities. The Federation has many reasons for increasing its activities at this time, including its reaffiliation with the ICFTU, the reentry of the United States into the International Labor Organization, the continuing anti-labor practices of many dictatorial governments, and the expanding influence of communist efforts in the international labor arena.

#### B/4. The Center for International Private Enterprise

The Center for International Private Enterprise would encourage the growth and organization of the private enterprise system of voluntary business associations abroad as a necessary element of democratic pluralism. In most functioning democracies, a private market system provides the economic growth and the individual opportunity needed for democratic stability.

Further, a strong network of voluntary business associations is undeniably one of several key institutions supporting the values of democratic pluralism. Therefore, it is essential to develop a perspective of political-economic development which recognizes the place of the business association, alongside other private sector groups, in building support for democratic values among the business community and other publics.

To accomplish these goals, the Center for International Private Enterprise would work to accomplish the following specific purposes:

- (a) Provide assistance to business communities abroad in strengthening their organizational capabilities;
- (b) Create exchanges among business leaders throughout the world in the context of business associations to foster the growth of democratic institutions and values and to strengthen the international mechanisms of the private enterprise system;
- (c) Encourage the development of business leaders in democratic political processes and the exposure of political leaders to private enterprise economics to ensure political pluralism;
- (d) Provide leadership development and training for association executives and their voluntary leadership throughout the world to strengthen the voluntary business associations as supporters of democratic pluralism;
- (e) Develop communications programs and materials for youth, employees, women's groups, academics, political leaders, and other audiences to encourage entrepreneurship

and support for private enterprise systems;

(f) Establish an international research and demonstration effort to provide a central point of information on the efforts of business organizations;

(g) Provide support for an effective international coordinating mechanism for business and encourage an active role for such a mechanism in international fora; and

(h) Encourage local chambers of commerce in the United States to develop international exchange programs at the local level.

The Center for International Private Enterprise would be composed of five program areas designed to accomplish the above. These five areas are as follows:

Business Exchange Programs -- to arrange conferences, seminars, community partnerships, and bilateral visits.

Leadership Development Programs -- to offer training and education for leaders and staffs of voluntary business associations in Third World countries.

Political Development Programs -- to sponsor seminars and conferences to train political leaders in private enterprise economics and business leaders in democratic political techniques.

Communications -- to develop materials and media for ongoing exchanges of views between American business leaders and selected audiences in other nations.

Clearinghouse -- to establish an ongoing program of international research to equip business groups to conduct

programs (how-to manuals, directories, surveys, etc.).

In the start-up period the following types of programs would be conducted to establish the Center's credibility and compile the information necessary for future efforts:

Business Exchanges. Conferences of business leaders drawn from selected nations would be conducted to create new relationships and devise programs for the Center's ongoing work. Some of these new program approaches may involve bilateral or multilateral undertakings, e.g., U.S. and Japan, U.S. and Singapore, and U.S. and European nations.

Leadership Development. A special course at the U.S. Chamber's Institute for Organization Management would be created for staff of selected associations and chambers worldwide. Scholarships would be offered. Additionally, groundwork would be laid for assisting business associations in other nations to develop their own training programs.

Political Development. In order to accumulate the information and experience necessary for ongoing programs and establish mutual respect and confidence, an introductory meeting would be held with selected business and political leaders to explore the concept of private enterprise development stated in terms of development of political-economic systems.

Communications. Existing materials on business and democratic systems would be marketed to key institutions in the Third World through gift subscriptions, samples, and information packages. Plans would be developed for native language publications. Youth programs would be planned for entrepreneurial and economic education in the context of broad civic education programs.

Clearinghouse. A major survey would be conducted of business associations abroad to determine their needs and their contributions to political-economic development. Existing international business associations and bodies would be contacted to determine how they can be assisted and what role they can play in multilateral programs.

The Center for International Private Enterprise would initially be operated in the context of the National Chamber Foundation and would be open to collaboration with a broad range of business groups representative of the American business community. In this manner, the long term goals of democratic development could be achieved through continuity of experience and involvement.

#### IV. Why Now?: Toward a New Bipartisanship

Why should the United States embark upon a major set of democratic private sector initiatives as ambitious as those previously described at a time of overriding budgetary constraints domestically and deep uncertainty in the traditional realms of American global concern? The answer -- briefly -- is as close at hand as George Orwell's symbolic "1984" terminus: no theme requires more sustained attention in our time than the necessity for strengthening the future chances of democratic societies in a world that remains predominantly unfree or partially fettered by repressive governments.

One cynic, upon hearing of these proposals, described them as four decades late. The comment betrayed a shallow understanding of the degree to which American democracy functions in a constant state of renewal and revitalization. The basic doctrines of democracy need no restatement here, though it may be well to recall -- when confronted with the allegation that we seek to impose alien norms upon cultures historically unsuited for democratic processes -- that (in the words of a delegate to last month's Council of Europe "Colloquy on Democracy") "for the 'democratic revolutionaries' of the 18th century, democratic values were universal and not a 'luxury' going hand in hand with certain ethnic or economic considerations." Thus we witness today the continuing drama of so-called "non-white, non-developed" democracies struggling with varying degrees of

anguish and gusto to survive: India, Nigeria, Sri Lanka, and many others.

Nor can we afford to forget that, historically, the democratic value system which reflects today the aspirations of countless millions in every tyranny on the globe is possibly the proudest heritage and most stable "export industry" of the industrialized democracies. In Teilhard de Chardin's words:

That which had long been known elsewhere only took on its definitive human value in becoming incorporated in the system of European ideas and activities extended more recently to the New World....The proof of this lies in the fact that from one end of the earth to the other, all the peoples, to remain free or to become more so, are inexorably led to formulate the hopes and problems of the modern earth in the very same terms in which the West has formulated them.

The recent rediscovery in the United States lately of this Western heritage in modern dress can be traced directly -- as we have shown -- to a number of European-generated activities ranging from the work of the Council of Europe to that of the CSCE Helsinki Review meetings (to which our own Helsinki Commission has provided ongoing and effective American support), to Germany's extraordinary foundations and many other humanitarian initiatives undertaken in recent years by the governments and transnational institutions of a post-imperial democratic Western Europe.

Under the last two presidents, the United States has resumed, both at the governmental and non-governmental levels, the tasks neglected for more than a decade of assisting democratic institutions throughout the world. Only in the past

several years has post-Vietnam America, deeply self-absorbed and uncertain about its international purposes, begun to regain a sober sense of mission about its responsibilities to struggling democracies elsewhere.

Although much work remains to be completed before The Democracy Program's final report is submitted later this spring, the recommendations contained in this interim document revive the tradition of bipartisanship and invest it with new meaning. As former Dutch Foreign Minister Max Van der Stoel put it recently, "there is a bond between almost all the parties in a democratic state: the common will to maintain and to strengthen the democratic process." Precisely because that "common will" among American political and other private sector leaders in the Program's bipartisan research group remains fiercely alive today, whatever differences exist on specific policy questions, the moment at hand reminds one of an earlier creative bipartisan "moment" in post-World War II American history. That moment generated, before it passed, the Marshall Plan, Point Four, NATO, and the foundations of U.S. commitment to the Atlantic and Pacific alliances. This moment may produce legislative enactment and introduction into international affairs of an integrated series of private sector democracy initiatives: the National Endowment for Democracy, the political party foundations, the Free Trade Union Institute, the Center for International Private Enterprise, and other institutional programs which may emerge in the future from the impetus given to this entire



process by support for the above institutions.

One byproduct of their enactment into law and practice may well be the restoration of bipartisanship to its central place in the American foreign policy-making process, or at least a profoundly important step in that direction. Not since the post-World War II consensus broke down during the debates over American involvement in Vietnam has this missing ingredient -- bipartisanship -- been present in the full measure which guarantees the intelligent and sustained conduct of a coherent set of foreign policies.

The tradition of bipartisanship envisions sober consensus among political leaders from both parties -- whether liberals or conservatives -- along with other private sector leaders on the basic outlines of America's relationship to the world. After this consensus eroded badly during the agonizing years of national division over Vietnam, the United States managed only fitfully to muster that measure of mutual trust and forbearance across partisan and doctrinal lines on the great international questions of the day. No more important task exists for national leadership, whether Republican or Democratic, than cauterizing and healing the broken bonds of bipartisan commitment.

The essential notion which led to this study -- that the political parties and other private sector American institutions should assist actively their democratic compatriots elsewhere

in the world, actual or aspiring -- is an idea which has never entirely left the political agenda. Perhaps for that reason, it has proved possible in a relatively brief period of time for a Board drawn from a full range of points on the "democratic spectrum" in the United States to reach agreement on new mechanisms to fulfill U.S. responsibilities abroad in the sustained tasks of democratic assistance. In doing so, we prefer to believe that we are also strengthening in this country the ideas of continuity, consensus, and bipartisan cooperation that remain the lifeblood of American democracy.

APPENDICES

- Appendix A: American Political Foundation Letter to President Reagan; June 4, 1982
- Appendix B: Democracy Program Announcement; Press Release; November 19, 1982
- Appendix C: Democracy Program Staff and Consultants
- Appendix D: William P. Clark Letter; March 14, 1983
- Appendix E: "Let's Define the Quango", New York Times editorial; February 17, 1983
- Appendix F: "A Quango for Democracy?", New York Times editorial; June 6, 1982
- Appendix G: President Reagan's Speech before the British Parliament; June 8, 1982



# American Political Foundation

P.O. Box 37034, Washington, D.C. 20013

William E. Brock III  
Chairman

Charles T. Manatt  
Vice Chairman

Cecil M. Cheves  
Treasurer

Ben Cotten  
Secretary

George E. Agree  
President

June 4, 1982

President Ronald Reagan  
The White House  
Washington, DC

Dear Mr. President:

We have been giving serious consideration during the past two years to an issue which we know is of great concern to you -- how the United States can help build democratic values and institutions in other nations.

The United States is involved in many areas of international assistance but has a very meager capability when it comes to support for democratic forces in other countries.

As you know, this is neither a new idea nor one which has not been tested. West Germany -- through four federally funded, party-affiliated political institutes -- conducts open and effective programs to support democratic political forces throughout the world. The Germans do not consider these programs to be interference. A recent New York Times editorial came out in support of overt United States assistance to democratic forces ("preferably through foundations, openly funded by Congress"). A reluctance to provide such assistance because it would seem like intervention would imply, as this editorial quoted John Stuart Mill, "that the wrong side may help the wrong but the right must not help the right."

Some of the effects of this effort may be a greater respect for individual liberties, justice and peace, as well as an enhancement of international economic development.

We are, therefore, proposing to sponsor a study that would answer these broad questions:

First, what are the problems and risks associated with such an undertaking and what limitations do they place on how much the United States can do in this area?

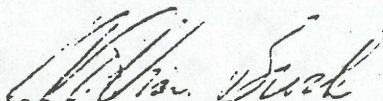
Second, what ways and means should be recommended to help the growth of democracy?

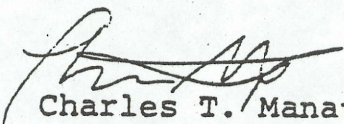
The study will take up such questions as whether programs should be bipartisan, what, if any, should be the connection with the government, how to handle the tension between maintaining friendly relations with current governments while sowing the seeds of democratic successors, how to encourage domestic pluralistic forces in totalitarian countries, and what levels of resources are required. The study will be conducted with the bipartisan American Political Foundation and we plan to include on its oversight panel representatives from major sectors of American democracy -- the Congress, parties, labor, business, judiciary, media, education and others.

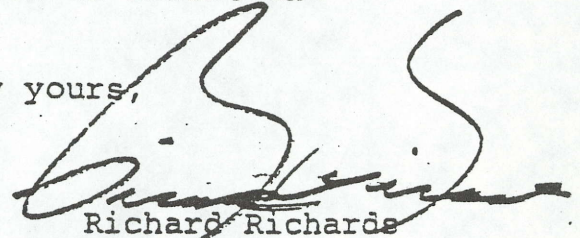
We hope that the study will be completed in December so the administration and Congress can consider the results beginning in January.

We appreciate your receptivity to such an effort and appreciate your support.

Respectfully yours,

  
William Brock, III  
Chairman

  
Charles T. Manatt  
Vice Chairman

  
Richard Richards  
Director



# American Political Foundation

2100 Pennsylvania Avenue, N.W.  
Suite 716  
Washington, D.C. 20037  
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George E. Agree  
President

William E. Brock III  
Chairman

Charles T. Manatt  
Vice Chairman

Cecil M. Cheves  
Treasurer

Ben Cotten  
Secretary

## NEW BIPARTISAN DEMOCRACY PROGRAM LAUNCHED

For Immediate Release  
November 19, 1982

For further information  
call Project Director,  
Prof. Allen Weinstein:  
202/775-3252 or 775-3253

A major non-governmental effort seeking methods to assist democratic forces abroad began its work only days after the midterm election under the auspices of both national political parties and the bipartisan American Political Foundation. Ambassador William E. Brock, Chairman of the foundation, will chair "The Democracy Program" of the APF, whose co-chairmen are Charles T. Manatt, Chairman of the Democratic National Committee, and Richard Richards, Chairman of the Republican National Committee.

The three chairmen announced jointly the appointment of an Executive Board to supervise the six-month study project, which was first proposed in a letter they sent to President Reagan last spring on the eve of Reagan's European trip. At that time, the three urged that a thorough bipartisan study be undertaken to determine "how the United States can help build democratic values and institutions in other nations," a proposal mentioned by the President in his speech to Parliament.



New Democracy Program, continued

Other members of "The Democracy Program's"

Executive Board include Vice Chairmen Anthony Lake, former State Department Director of Policy Planning and currently a Five-College Professor at Amherst College, and Ben Wattenberg, Senior Fellow of the American Enterprise Institute and Board Vice Chairman of Radio Free Europe/Radio Liberty; former Reagan National Security Advisor Richard V. Allen; Senator Christopher J. Dodd (D. - Conn.); Congressman Dante B. Fascell (D. - Fla.); Peter G. Kelly, Democratic Party National Finance Chairman; President Lane Kirkland of the American Federation of Labor - Congress of Industrial Organizations; Thomas Reed of the National Security Council; Michael Samuels, International Vice President of the U.S. Chamber of Commerce; (ex-officio) George Agree, President of the American Political Foundation, and Project Director, Professor Allen Weinstein. The Executive Board announced after its first meeting on November 4 that Weinstein, an historian who is University Professor at Georgetown University and Executive Editor of The Washington Quarterly at CSIS, will direct the research project.

An advisory panel to the project representing "major sectors of American democracy--the Congress, parties, labor, business, judiciary, media, education, and others" will be appointed in the next few weeks. Ambassador Brock expressed the hope that the Executive Board would present preliminary findings in late January and a final report early next spring.

APPENDIX C

THE DEMOCRACY PROGRAM

Staff and Consultants  
(as of 15 April 1983)

Professor Allen Weinstein (Program Director), University Professor at Georgetown University, Executive Editor of The Washington Quarterly, Center for Strategic and International Studies, (CSIS).

Eugenia Kemble (Assistant Director, Labor Affairs), also of the American Federation of Teachers, and AFL-CIO representative to the Program.

Dr. John P. Loiello (Assistant Director, Democratic Party Affairs), formerly Special Assistant to the Chairman, National Endowment for the Humanities, and Democratic National Committee representative to the Program.

Keith E. Schuette (Assistant Director, Republican Party Affairs), formerly Special Assistant to the Secretary of State, and Republican National Committee representative to the Program.

Dr. John D. Sullivan (Assistant Director, Business Affairs), formerly with the United States Chamber of Commerce.

Dr. William A. Douglas (Senior Consultant), Adjunct Professor at Georgetown University, author of Developing Democracy.

Anne E. Sullivan (Senior Consultant, Legislative Research), formerly of the Democratic National Committee staff.

Alexandra Glowacki (Administrative Coordinator), CSIS, formerly Program Officer, Edward R. Murrow Center of Public Diplomacy, Voices of Freedom Conference, Talloires, France.

Dr. Robert E. Hunter (Senior Consultant), Director of European Studies, CSIS, and formerly of the National Security Council staff.

Dr. Raymond D. Gastil (Senior Consultant), Director, Comparative Survey of Freedom, Freedom House.

Dr. Howard Penniman (Senior Consultant), Resident Scholar, American Enterprise Institute.

Dr. Ralph Goldman (Senior Consultant), Department of Political Science, San Francisco State University.

Dr. Robert Goldwin (Senior Consultant), Director of Constitutional Studies, American Enterprise Institute.

Ambassador David Newsom (Senior Consultant), Director, Institute for the Study of Diplomacy, Georgetown University.

The Democracy Program  
Staff and Consultants, Cont.

Joseph Godson (Senior Consultant), Overseas Representative,  
CSIS, and European Consultant, Board for International  
Broadcasting.

George Weigel (Senior Consultant), Project Director, The  
American Initiatives Project, World Without War Council.

Jonathan Davidson (Consultant), Executive Director, International  
Studies Association.

Thomas Paine (Consultant), Department of Government, Hillsdale  
College.

Dr. Steven Blank (Consultant), Multinational Strategies, Inc.,  
formerly with The Conference Board.

Dr. Caroline Beeson (Consultant), Specialist in Asian Studies.

APPENDIX D

THE WHITE HOUSE

WASHINGTON

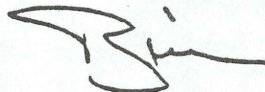
March 14, 1983

Dear Bill:

I have been informed that the Executive Board of the Democracy Program has been meeting to conclude agreement on proposals to submit to Congress that derive from the research mentioned by the President in his June speech to Parliament. We understand that these proposals will involve, in a serious way, the American political parties, labor, business and other private sector groups in assisting democratic institution building throughout the world.

On behalf of the President, I want to assure you and your colleagues that a proposal to create a bipartisan "National Endowment for Democracy" meets with his strong and constant support. Although the details of any funding proposal related to the "National Endowment for Democracy" remain to be worked out once your executive board has reached agreement, I am prepared to meet with you at your earliest convenience to work out details for the practical implementation of our support to this activity in the FY 1983 and FY 1984 budgets. The President has asked me personally to extend best wishes to you and your board for the success of this historic enterprise. I await word from you on scheduling a meeting to discuss the implementation of our support.

Sincerely,



William P. Clark

cc: ✓ The Honorable Charles T. Manatt, Co-Chairman  
The Honorable Frank J. Fahrenkopf, Jr., Co-Chairman  
Dr. Alan Weinstein, Program Director

The Honorable William E. Brock, III  
Chairman, Executive Board  
The Democracy Program  
2100 Pennsylvania Avenue, N.W., Suite 818  
Washington, D. C.

APPENDIX E

# The New York Times

Founded in 1851

ADOLPH S. OCHS, *Publisher 1896-1935*  
 ARTHUR HAYS SULZBERGER, *Publisher 1935-1961*  
 ORVILLE DRYFOOS, *Publisher 1961-1963*

ARTHUR OCHS SULZBERGER, *Publisher*  
 A. M. ROSENTHAL, *Executive Editor*  
 SEYMOUR TOPPING, *Managing Editor*  
 ARTHUR GELB, *Deputy Managing Editor*  
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 HOWARD BISHOP, *V.P., Employee Relations*  
 RUSSELL T. LEWIS, *V.P., Circulation*  
 JOHN M. O'BRIEN, *V.P., Controller*  
 ELISE J. ROSS, *V.P., Systems*

## Let's Define the Quango

One of the Reagan Administration's better ideas was to enlarge subsidies to foreign democrats and to take the operation out of the secret cupboard. It has already taken steps in that direction. But the project needs a less pedestrian name than Democracy Program and a clearer charter of purpose.

For a name, we still prefer Quango for Democracy, borrowing the British term for Quasi-Autonomous Non-Governmental Organ. And it ought to be:

Wholly divorced from the Administration's "public diplomacy" campaign against the peace movement (of mostly democrats) in Europe.

Entirely separated from the \$65 million fund to be spent by Government agencies to arrange visits and training for leaders from (mostly less than democratic) third-world countries.

Clearly distinguishable from the C.I.A. fronts that used to do this kind of work, often well. The alternative in the modern world is a public foundation, managed by public figures who stand at different points of the American democratic spectrum.

A year ago the Administration seemed eager for just such a foundation and asked Allen Weinstein, a Georgetown University historian, to design it. Offi-

cialists like Bill Brock, the President's trade representative, were to lead its board, sitting beside the likes of Lane Kirkland of the A.F.L.-C.I.O., Senator Dodd, Richard Allen and the two major party chairmen. Mr. Weinstein is ready to seek a Congressional charter and funding, preferably on three-year cycles to insulate the foundation from political pressure. It is hoped that private gifts will exceed the public support.

Such public-private foundations have flourished in West Germany. Because their programs are well advertised, democrats in other countries can take their money without hidden conditions or embarrassment.

Democrats in many places contend with left-wing or right-wing authoritarians who are well supplied by foreign patrons. As President Reagan said in London a year ago, the democracies should not hesitate to support their friends, provided they do so openly and without ulterior purpose.

America's Quango for Democracy should have nothing to do with propaganda for near-term American policies. When Mr. Reagan finally makes that distinction clear, it can proceed.



APPENDIX F

# The New York Times

Sunday, June 6, 1982

## A Quango for Democracy?

The British have minted a word — quango — which America could now put to good use. Quango stands for quasi-autonomous nongovernmental organ, an example being the British Council. Funded by the Government but directed by private citizens, the Council does what bureaucrats are poorly situated to do: decide how much money to give to which groups for overseas cultural tours and talks. It has literally given Shakespeare the great Globe as a stage.

The idea now percolating in Washington is to create a quango to promote democratic values in developing countries and, where possible, in Communist countries. President Reagan is expected to give the idea his formal blessing in a speech this week in London. It is an appealing idea, but before leaping forward, there needs to be some careful looking.

In normal circumstances, it is neither right nor wise to get openly involved in another country's domestic politics. How would Americans feel if Saudi Arabia — or Israel — tried to advance their policies in this country by making campaign contributions to American politicians? But such aid might be right and wise where other outsiders are assisting extremists of the left or right. In those circumstances, strict nonintervention would amount to abandoning our ideological allies.

For precisely that reason, the United States has

given surreptitious aid to a variety of democratic parties and publications. But because the aid was covert, its amount has been grossly exaggerated by those determined, for example, to blame American subversion in Chile for the fall of an elected left-wing regime. If exposed, covert aid can leave a legacy of ill will and paranoia far outweighing any imaginable benefits.

Would not overt assistance also be politically fatal? Often, yes, but in the right circumstances, a quango could make open funding acceptable. If aid came from a foundation with genuine autonomy, supervised by a board of respected American and foreign figures, it could be as uncontroversial as that already provided by private foundations. European Socialists and Christian Democrats have, without scandal, given generous help to political allies in the third world.

There's a valuable principle here that needs clear definition. The United States ought to have better methods, say, for countering Cuban and Soviet intervention in Nicaragua. The danger is that some of Mr. Reagan's ideological troops may try to turn the principle into self-defeating chauvinism.

The promise of a well-designed quango is that it would advertise the very values of openness and pluralism that Americans want to promote. The prior task, however, is a careful and public study to insure that it is well designed.

APPENDIX G

President Reagan

# Promoting Democracy and Peace

June 8, 1982



United States Department of State  
Bureau of Public Affairs  
Washington, D.C.

*Following is an address by President Reagan before the British Parliament, London, June 8, 1982, during his trip to France, the Vatican, Italy, the United Kingdom, and the Federal Republic of Germany, June 2-11, 1982.*

The journey of which this visit forms a part is a long one. Already it has taken me to two great cities of the West—Rome and Paris—and to the economic summit at Versailles. There, once again, our sister democracies have proved that, even in a time of severe economic strain, free peoples can work together freely and voluntarily to address problems as serious as inflation, unemployment, trade, and economic development in a spirit of cooperation and solidarity. Other milestones lie ahead. Later this week in Germany, we and our NATO allies will discuss measures for our joint defense and America's latest initiatives for a more peaceful, secure world through arms reductions.

Each stop of this trip is important, but, among them all, this moment occupies a special place in my heart and the hearts of my countrymen—a moment of kinship and homecoming in these hallowed halls. Speaking for all Americans, I want to say how very much at home we feel in your house. Every American would, because this is—as we have been so eloquently told—one of democracy's shrines. Here the rights of free people and the processes of representation have been debated and refined.

It has been said that an institution is the lengthening shadow of a man. This institution is the lengthening shadow of all the men and women who have sat here and all those who have voted to send representatives here.

This is my second visit to Great Britain as President of the United States. My first opportunity to stand on British soil occurred almost a year and a half ago when your Prime Minister graciously hosted a diplomatic dinner at the British Embassy in Washington. Mrs. Thatcher said then that she hoped that I was not distressed to find staring down at me from the grand staircase a portrait of His Royal Majesty King George III. She suggested it was best to let bygones be bygones and—in view of our two countries' remarkable friendship in succeeding years—she added that most Englishmen today would agree with Thomas Jefferson that “a little rebellion now and then is a very good thing.”

From here I will go on to Bonn and then Berlin, where there stands a grim symbol of power untamed. The Berlin Wall, that dreadful gray gash across the city, is in its third decade. It is the fitting signature of the regime that built it. And a few hundred kilometers behind the Berlin Wall there is another symbol. In the center of Warsaw there is a sign that notes the distances to two capitals. In one direction it points toward Moscow. In the other it points toward Brussels, headquarters of Western Europe's tangible unity. The marker says that the distances from Warsaw to Moscow and Warsaw to Brussels are

equal. The sign makes this point: Poland is not East or West. Poland is at the center of European civilization. It has contributed mightily to that civilization. It is doing so today by being magnificently unreconciled to oppression.

Poland's struggle to be Poland, and to secure the basic rights we often take for granted, demonstrates why we dare not take those rights for granted. Gladstone, defending the Reform Bill of 1866, declared: "You cannot fight against the future. Time is on our side." It was easier to believe in the march of democracy in Gladstone's day, in that high noon of Victorian optimism.

We are approaching the end of a bloody century plagued by a terrible political invention—totalitarianism. Optimism comes less easily today, not because democracy is less vigorous but because democracy's enemies have refined their instruments of repression. Yet optimism is in order because, day by day, democracy is proving itself to be a not-at-all fragile flower.

From Stettin on the Baltic to Varna on the Black Sea, the regimes planted by totalitarianism have had more than 30 years to establish their legitimacy. But none—not one regime—has yet been able to risk free elections. Regimes planted by bayonets do not take root.

The strength of the Solidarity movement in Poland demonstrates the truth told in an underground joke in the Soviet Union. It is that the Soviet Union would remain a one-party nation even if an opposition party were permitted, because everyone would join the opposition party.

America's time as a player on the stage of world history has been brief. I think understanding this fact has always made you patient with your younger cousins. Well, not always patient—I do recall that on one occasion Sir Winston Churchill said in exasperation about one of our most distinguished diplomats: "He is the only case I know of a bull who carries his china shop with him."

#### Threats to Freedom

Witty as Sir Winston was, he also had that special attribute of great statesmen—the gift of vision, the willingness to see the future based on the experience of the past. It is this sense of history, this understanding of the past, that I want to talk with you about today, for it is in remembering what we share of the past that our two nations can make common cause for the future.

We have not inherited an easy world. If developments like the industrial revolution, which began here in England, and the gifts of science and technology have made life much easier for us, they have also made it more dangerous. There are threats now to our freedom, indeed, to our very existence, that other generations could never even have imagined.

There is, first, the threat of global war. No president, no congress, no prime minister, no parliament can spend a day entirely free of this threat. And I don't have to tell you that in today's world, the existence of nuclear weapons could mean, if not the extinction of mankind, then surely the end of civilization as we know it.

That is why negotiations on intermediate-range nuclear forces now underway in Europe and the START talks—Strategic Arms Reduction Talks—which will begin later this month, are not just critical to American or Western policy; they are critical to mankind. Our commitment to early success in these negotiations is firm and unshakable and our purpose is clear: reducing the risk of war by reducing the means of waging war on both sides.

At the same time, there is a threat posed to human freedom by the enormous power of the modern state. History teaches the dangers of government that overreaches: political control taking precedence over free economic growth, secret police, mindless bureaucracy—all combining to stifle individual excellence and personal freedom.

Now I am aware that among us here and throughout Europe, there is legitimate disagreement over the extent to which the public sector should play a role in a nation's economy and life. But on one point all of us are united: our abhorrence of dictatorship in all its forms, but most particularly totalitarianism and the terrible inhumanities it has caused in our time: the great purge, Auschwitz and Dachau, the Gulag and Cambodia.

Historians looking back at our time will note the consistent restraint and peaceful intentions of the West. They will note that it was the democracies who refused to use the threat of their nuclear monopoly in the 1940s and early 1950s for territorial or imperial gain. Had that nuclear monopoly been in the hands of the Communist world, the map of Europe—indeed, the world—would look very different today. And certainly they will note it was not the democracies that invaded Afghanistan or suppressed Polish solidarity or used chemical and toxin warfare in Afghanistan and South-east Asia.

If history teaches anything, it teaches that self-delusion in the face of unpleasant facts is folly. We see around us today the marks of our terrible dilemma—predictions of doomsday, anti-nuclear demonstrations, an arms race which the West must for its own protection be an unwilling participant. At the same time, we see totalitarian forces—the world who seek subversion and conflict around the globe to further their barbarous assault on the human spirit.

What, then, is our course? Must civilization perish in a hail of fiery atoms? Must freedom wither in a quaking deadening accommodation with totalitarian evil? Sir Winston Churchill refused to accept the inevitability of war or even that it was imminent. He said:

I do not believe that Soviet Russia desires war. What they desire is the fruit of war and the indefinite expansion of their power and doctrines. But what we have to consider here today, while time remains, is the permanent prevention of war and the establishment of conditions of freedom and democracy as rapidly as possible in all countries.

#### The Crisis of Totalitarianism

This is precisely our mission today: to preserve freedom as well as peace. It may not be easy to see, but I believe we live now at a turning point. In an ironic sense, Karl Marx was right. We are witnessing today a great revolutionary crisis—a crisis where the demands of economic order are conflicting directly with those of the political order. But the crisis is happening not in the free, non-Marxist West but in the home of Marxism-Leninism, the Soviet Union. It is the Soviet Union that runs against the tide of history by denying human freedom and human dignity to its citizenry. The Soviet Union is also in deep economic difficulty. The rate of growth in the national product has been steadily declining since the 1950s and is less than half of what it was then. The dimensions of this failure are astounding; a country which employs one-fifth of its population in agriculture is unable to feed its own people. We are not for the tiny private sector tolerated in Soviet agriculture, the country might be on the brink of famine. These private plots occupy a bare 3% of the arable land but account for nearly one-quarter of Soviet farm output and nearly one-third of meat products and vegetables.

Overcentralized, with little or no incentives, year after year the Soviet system pours its best resources into the making of instruments of destruction. The constant shrinkage of economic

growth combined with the growth of military production is putting a heavy strain on the Soviet people.

What we see here is a political structure that no longer corresponds to its economic base, a society where productive forces are hampered by political ones. The decay of the Soviet experiment should come as no surprise to us. Wherever the comparisons have been made between free and closed societies—West Germany and East Germany, Austria and Czechoslovakia, Malaysia and Vietnam—it is the democratic countries that are prosperous and responsive to the needs of their people. And one of the simple but overwhelming facts of our time is this: of all the millions of refugees we've seen in the modern world, their flight is always away from, not toward, the Communist world. Today on the NATO line, our military forces face East to prevent a possible invasion. On the other side of the line, the Soviet forces also face East—to prevent their people from leaving.

The hard evidence of totalitarian rule has caused in mankind an uprising of the intellect and will. Whether it is the growth of the new schools of economics in America or England or the appearance of the so-called "new philosophers" in France, there is one unifying thread running through the intellectual work of these groups: rejection of the arbitrary power of the state, the refusal to subordinate the rights of the individual to the superstate, the realization that collectivism stifles all the best human impulses.

### Struggle Against Oppression

Since the exodus from Egypt, historians have written of those who sacrificed and struggled for freedom: the stand at Thermopylae, the revolt of Spartacus, the storming of the Bastille, the Warsaw uprising in World War II. More recently we have seen evidence of this same human impulse in one of the developing nations in Central America. For months and months the world news media covered the fighting in El Salvador. Day after day we were treated to stories and film slanted toward the brave freedom fighters battling oppressive government forces in behalf of the silent, suffering people of that tortured country.

Then one day those silent, suffering people were offered a chance to vote, to choose the kind of government they wanted. Suddenly the freedom fighters in the hills were exposed for what they really are: Cuban-backed guerrillas who

want power for themselves and their backers, not democracy for the people. They threatened death to any who voted and destroyed hundreds of busses and trucks to keep people from getting to the polling places. But on election day the people of El Salvador, an unprecedented 1.4 million of them, braved ambush and gunfire and trudged miles to vote for freedom.

They stood for hours in the hot sun waiting for their turn to vote. Members of our Congress who went there as observers told me of a woman who was wounded by rifle fire who refused to leave the line to have her wound treated until after she had voted. A grandmother, who had been told by the guerrillas she would be killed when she returned from the polls, told the guerrillas: "You can kill me, kill my family, kill my neighbors, but you can't kill us all." The real freedom fighters of El Salvador turned out to be the people of that country—the young, the old, and the in-between. Strange, but in my own country there has been little if any news coverage of that war since the election.

But beyond the troublespots lies a deeper, more positive pattern. Around the world today the democratic revolution is gathering new strength. In India, a critical test has been passed with the peaceful change of governing political parties. In Africa, Nigeria is moving in remarkable and unmistakable ways to build and strengthen its democratic institutions. In the Caribbean and Central America, 16 of 24 countries have freely elected governments. And in the United Nations, 8 of the 10 developing nations which have joined the body in the past 5 years are democracies.

In the Communist world as well, man's instinctive desire for freedom and self-determination surfaces again and again. To be sure, there are grim reminders of how brutally the police state attempts to snuff out this quest for self-rule: 1953 in East Germany, 1956 in Hungary, 1968 in Czechoslovakia, 1981 in Poland. But the struggle continues in Poland, and we know that there are even those who strive and suffer for freedom within the confines of the Soviet Union itself. How we conduct

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Perhaps they'll say it's because there are newer struggles now—on distant islands in the South Atlantic young men are fighting for Britain. And, yes, voices have been raised protesting their sacrifices for lumps of rock and earth so far away. But those young men aren't fighting for mere real estate. They fight for a cause, for the belief that armed aggression must not be allowed to succeed and that people must participate in the decisions of government under the rule of law. If there had been firmer support for that principle some 45 years ago, perhaps our generation wouldn't have suffered the bloodletting of World War II.

In the Middle East the guns sound once more, this time in Lebanon, a country that for too long has had to endure the tragedy of civil war, terrorism, and foreign intervention and occupation. The fighting in Lebanon on the part of all parties must stop, and Israel should bring its forces home. But this is not enough. We must all work to stamp out the scourge of terrorism that in the Middle East makes war an ever-present threat.

ourselves here in the Western democracies will determine whether this trend continues.

### Fostering Democracy

No, democracy is not a fragile flower; still, it needs cultivating. If the rest of this century is to witness the gradual growth of freedom and democratic ideals, we must take actions to assist the campaign for democracy. Some argue that we should encourage democratic change in rightwing dictatorships but not in Communist regimes. To accept this preposterous notion—as some well-meaning people have—is to invite the argument that, once countries achieve a nuclear capability, they should be allowed an undisturbed reign of terror over their own citizens. We reject this course.

As for the Soviet view, President Brezhnev repeatedly has stressed that the competition of ideas and systems must continue and that this is entirely consistent with relaxation of tensions

and peace. We ask only that these systems begin by living up to their own constitutions, abiding by their own laws, and complying with the international obligations they have undertaken. We ask only for a process, a direction, a basic code of decency—not for an instant transformation.

We cannot ignore the fact that even without our encouragement, there have been and will continue to be repeated explosions against repression in dictatorships. The Soviet Union itself is not immune to this reality. Any system is inherently unstable that has no peaceful means to legitimize its leaders. In such cases, the very repressiveness of the state ultimately drives people to resist it—if necessary, by force.

While we must be cautious about forcing the pace of change, we must not hesitate to declare our ultimate objectives and to take concrete actions to move toward them. We must be staunch in our conviction that freedom is not the sole prerogative of a lucky few but the inalienable and universal right of all human beings. So states the U.N. Universal Declaration of Human Rights, which, among other things, guarantees free elections.

The objective I propose is quite simple to state: to foster the infrastructure of democracy—the system of a free press, unions, political parties, universities—which allows a people to choose their own way, to develop their own culture, to reconcile their own differences through peaceful means.

This is not cultural imperialism; it is providing the means for genuine self-determination and protection for diversity. Democracy already flourishes in countries with very different cultures and historical experiences. It would be cultural condescension, or worse, to say that any people prefer dictatorship to democracy. Who would voluntarily choose not to have the right to vote, decide to purchase government propaganda handouts instead of independent newspapers, prefer government to worker-controlled unions, opt for land to be owned by the state instead of those who till it, want government repression of religious liberty, a single political party instead of a free choice, a rigid cultural orthodoxy instead of democratic tolerance and diversity?

Since 1917 the Soviet Union has given covert political training and assistance to Marxist-Leninists in many countries. Of course, it also has promoted the use of violence and subversion by these same forces. Over the past several

decades, West European and other social democrats, christian democrats and liberals have offered open assistance to fraternal political and social institutions to bring about peaceful and democratic progress. Appropriately for a vigorous new democracy, the Federal Republic of Germany's political foundations have become a major force in this effort.

### U.S. Proposals

We in America now intend to take additional steps, as many of our allies have already done, toward realizing this same goal. The chairmen and other leaders of the national Republican and Democratic party organizations are initiating a study with the bipartisan American Political Foundation to determine how the United States can best contribute—as a nation—to the global campaign for democracy now gathering force. They will have the cooperation of congressional leaders of both parties along with representatives of business, labor, and other major institutions in our society.

I look forward to receiving their recommendations and to working with these institutions and the Congress in the common task of strengthening democracy throughout the world. It is time that we committed ourselves as a nation—in both the public and private sectors—to assisting democratic development.

We plan to consult with leaders of other nations as well. There is a proposal before the Council of Europe to invite parliamentarians from democratic countries to a meeting next year in Strasbourg. That prestigious gathering would consider ways to help democratic political movements.

This November in Washington there will take place an international meeting on free elections and next spring there will be a conference of world authorities on constitutionalism and self-government hosted by the Chief Justice of the United States. Authorities from a number of developing and developed countries—judges, philosophers, and politicians with practical experience—have agreed to explore how to turn principle into practice and further the rule of law.

At the same time, we invite the Soviet Union to consider with us how the competition of ideas and values—which it is committed to support—can be conducted on a peaceful and reciprocal basis. For example, I am prepared to offer President Brezhnev an opportunity to speak to the American people on our

television, if he will allow me the same opportunity with the Soviet people. We also suggest that panels of our newsmen periodically appear on each other's television to discuss major events.

I do not wish to sound overly optimistic, yet the Soviet Union is not immune from the reality of what is going on in the world. It has happened in the past: a small ruling elite either mistakenly attempts to ease domestic unrest through greater repression and foreign adventure or it chooses a wiser course—it begins to allow its people a voice in their own destiny.

Even if this latter process is not realized soon, I believe the renewed strength of the democratic movement, complemented by a global campaign for freedom, will strengthen the prospects for arms control and a world at peace.

I have discussed on other occasions, including my address on May 9th, the elements of Western policies toward the Soviet Union to safeguard our interests and protect the peace. What I am describing now is a plan and a hope for the long term—the march of freedom and democracy which will leave Marxism-Leninism on the ash heap of history as it has left other tyrannies which stifle the freedom and muzzle the self-expression of the people.

That is why we must continue our efforts to strengthen NATO even as we move forward with our zero option initiative in the negotiations on intermediate-range forces and our proposal for a one-third reduction in strategic ballistic missile warheads.

### Dedication to Western Ideals

Our military strength is a prerequisite to peace, but let it be clear we maintain this strength in the hope it will never be used. For the ultimate determinant in the struggle now going on for the world will not be bombs and rockets, but a test of wills and ideas, a trial of spiritual resolve: the values we hold, the beliefs we cherish, the ideals to which we are dedicated.

The British people know that, given strong leadership, time, and a little bit of hope, the forces of good ultimately rally and triumph over evil. Here among you is the cradle of self-government, the mother of parliaments. Here is the enduring greatness of the British contribution to mankind, the great civilized ideas: individual liberty, representative government, and the rule of law under God.

I have often wondered about the shyness of some of us in the West about standing for these ideals that have done so much to ease the plight of man and the hardships of our imperfect world. This reluctance to use those vast resources at our command reminds me of the elderly lady whose home was bombed in the blitz. As the rescuers moved about they found a bottle of brandy she'd stored behind the staircase, which was all that was left standing. Since she was barely conscious, one of the workers pulled the cork to give her a taste of it. She came around immediately and said: "Here now, put it back, that's for emergencies."

Well, the emergency is upon us. Let us be shy no longer—let us go to our strength. Let us offer hope. Let us tell the world that a new age is not only possible but probable.

During the dark days of the Second World War when this island was incandescent with courage, Winston Churchill exclaimed about Britain's adversaries: "What kind of a people do they think we

are?" Britain's adversaries found out what extraordinary people the British are. But all the democracies paid a terrible price for allowing the dictators to underestimate us. We dare not make that mistake again. So let us ask ourselves: What kind of people do we think we are? And let us answer: free people, worthy of freedom, and determined not only to remain so but to help others gain their freedom as well.

Sir Winston led his people to great victory in war and then lost an election just as the fruits of victory were about to be enjoyed. But he left office honorably—and, as it turned out, temporarily—knowing that the liberty of his people was more important than the fate of any single leader. History recalls his greatness in ways no dictator will ever know. And he left us a message of hope for the future, as timely now as when he first uttered it, as opposition leader in the Commons nearly 27 years ago. He said: "When we look back on all the perils through which we have passed

and at the mighty foes we have laid low and all the dark and deadly designs we have frustrated, why should we fear for our future? We have," he said, "come safely through the worst."

The task I have set forth will long outlive our own generation. But together, we, too, have come through the worst. Let us now begin a major effort to secure the best—a crusade for freedom that will engage the faith and fortitude of the next generation. For the sake of peace and justice, let us move toward a world in which all people are at last free to determine their own destiny. ■

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