

*United States
Advisory Commission
on Public Diplomacy*

1991 REPORT

Public Diplomacy in the 1990s

public diplomacy complements and strengthens traditional diplomacy between governments. It communicates U.S. policies abroad and provides information about the United States that puts those policies in perspective. It builds lasting relationships and mutual understanding by enabling others to come to this country to observe the American democratic experience for themselves.

International broadcasting, overseas press and public affairs activities, and educational and cultural exchanges are essential parts of public diplomacy.

The United States Information Agency (USIA) has primary responsibility for a wide range of public diplomacy activities abroad, and for advising the government on the policy implications of foreign opinions and perceptions.

Because USIA's programs are not disseminated in the United States, public diplomacy is not well understood by the American people.

The United States engages in public diplomacy when:

- A USIA officer in Budapest arranges *seminars* with American experts, distributes *books* and *videotapes*, and coordinates long-term visits by *U.S. scholars*, all to help build democratic institutions and a free market economy;
- The *Voice of America* greatly increases broadcasting to the Middle East during the Persian Gulf crisis and creates a dial-in phone center that receives more than 77,000 calls from overseas for information;

- An American *Fulbright scholar* teaches American literature at the University of Hong Kong, while a Brazilian graduate student uses her Fulbright grant to study economics at the University of California;
- U.S. officials discuss trade issues with Korean and Japanese journalists on the *Worldnet* satellite television service;
- USIA's research analysts assess *opinion polls* conducted in the Soviet Union to help U.S. officials shape policies on political and social change in that country;
- Justices on Mozambique's Supreme Court come to the U.S. as *International Visitors*, to meet with legal professionals and observe the American judicial system;
- USIA in China draws a huge crowd of cultural figures to welcome *publication in Chinese* of a biography of Eugene O'Neill;
- Some 20,000 students attend *English classes*, use the *library*, and enjoy *exhibits* and *concerts* at the Binational Center in Bangkok;
- USIA in Sofia arranges for private U.S. donations that make possible the *first American university* in Bulgaria;
- *Academic counselors* consult with Pakistani students about scholarships and admissions policies to American colleges.

***Sharing national experiences,
communicating ideas, explaining
U.S. policies, and bringing people together
is what public diplomacy is all about.***

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A Message from the Chairman

Stunning changes have occurred in the world of public diplomacy since our last annual report.

The fall of the Berlin Wall symbolized the end of East-West confrontation in central Europe and the unification of Germany. Democratic ideals revolutionized Eastern Europe, and they are transforming countries in Asia, Africa, and the Western hemisphere. A deeply troubled Soviet Union grapples with the implications of glasnost and perestroika. Tragic events in Tiananmen Square damaged relations between the United States and China. And the Persian Gulf crisis was from the start a battle for international public opinion.

Reflecting on these epic events, we are led inevitably to rethink fundamental questions about the nation's public diplomacy.

What role did America's international broadcasts, educational exchanges, and overseas press and cultural programs play in bringing these changes about?

What should be our strategic vision for public diplomacy, and what is the mission of the United States Information Agency in this new world?

Does USIA need new programs and new priorities, and do we as a country give public diplomacy the support it deserves?

This report seeks to address these questions.

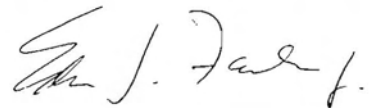
Each of my colleagues brings a different and important perspective to our examination of public diplomacy. Each has contributed a great deal to this report and to the work of the Commission.

We extend a special word of appreciation to former Commissioner Richard M. Scaife, who served from 1984 to 1990, and to former Commissioner Hershey Gold, who served from 1983 to 1991. We thank both for their distinguished service and their commitment to the mission of public diplomacy.

We also welcome our newest member, Lewis W. "Pete" Douglas of California. Commissioner Douglas brings a wealth of business and philanthropic experience in North and South America to the work of the Commission.

President Bush recently appointed Henry Catto to be the 12th Director of the U.S. Information Agency. He takes on his new responsibilities during a challenging period in the life of the Agency. We wish him well.

There is a compelling case for public diplomacy. It advances important American interests and ideals. It should be treated and funded accordingly.



Edwin J. Feulner, Jr.
Chairman

May, 1991

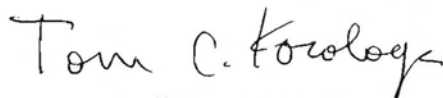
**TO THE CONGRESS AND
TO THE PRESIDENT OF THE
UNITED STATES**

In accordance with the requirements of Public Law 101-246, the United States Advisory Commission on Public Diplomacy submits herewith a report on the U.S. Information Agency and the public diplomacy activities of the United States Government.

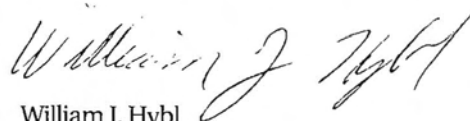
Respectfully submitted,



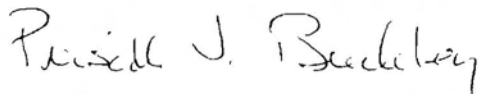
Edwin J. Feulner, Jr., Chairman
President
The Heritage Foundation
Virginia (R)



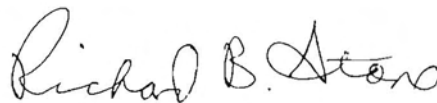
Tom C. Korologos, Vice Chairman
President
Timmons and Company, Inc.
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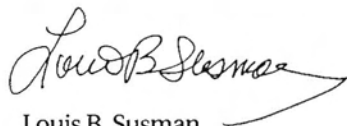
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Vice Chairman
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Louis B. Susman
Managing Director
Salomon Brothers Inc.
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The Commission



**EDWIN J. FEULNER, JR.
OF VIRGINIA,
CHAIRMAN**

Dr. Feulner is President of the Heritage Foundation, a Washington based, tax-exempt public policy research institution. He is also Chairman of the Institute for European Defense and Strategic Studies in London and serves on the boards of numerous other public policy groups. Dr. Feulner has been Chairman of the Advisory Commission since 1982.



**TOM C. KOROLOGOS
OF VIRGINIA,
VICE CHAIRMAN**

Mr. Korologos is President of Timmons and Company, Inc., a Washington D.C. consulting firm representing corporate and association clients in the area of government relations. He is also Chairman of the Board of Trustees of the American College of Greece.



**PRISCILLA L. BUCKLEY
OF CONNECTICUT**

Ms. Buckley is Senior Editor and a member of the Board of Directors of *National Review*. She has served as Managing Editor and in-house reporter of the magazine since 1959. Previously, she was a correspondent for UPI in Paris.



**LOUIS B. SUSMAN
OF ILLINOIS**

Mr. Susman is Managing Director of Salomon Brothers Inc., and is head of Salomon Brothers Corporate Finance and Investment Banking office in Chicago, responsible for the Midwest. He was a Director of the Center of National Policy in Washington, D.C. and is a member of numerous corporate and philanthropic boards.



**WILLIAM J. HYBL
OF COLORADO**

Mr. Hybl is Chairman and Chief Executive Officer of El Pomar Foundation, Colorado Springs. The Foundation supports activities in education, health care, environmental affairs, human services, and the arts. He is also Vice Chairman of the Board of Directors of the Broadmoor Hotel in Colorado Springs.



**RICHARD B. STONE
OF WASHINGTON, D.C.**

Mr. Stone is Vice Chairman of the Board of Directors of the Capital Bank NA of Washington and Capital Bank of California. He was United States Senator from Florida, 1975-80, and was a Presidential Special Envoy for Central American Affairs and Ambassador-at-Large.

Executive Summary

FINDINGS

- International broadcasting, educational exchanges, and U.S. embassy public affairs activities are core components of a global public diplomacy mission that remains essential to U.S. interests abroad.
- The Commission commends President Bush, the United States Information Agency, and the Inter-agency Working Group for their effective use of public diplomacy in the Persian Gulf crisis.
- The Commission finds a historic pattern of insufficient commitment to public diplomacy at the highest levels of the Executive Branch. Attention to public diplomacy has been episodic, crisis-related, and tied largely to communication of high profile policies. Persian Gulf public diplomacy was an exception.
- The United States underinvests in international information and educational exchange programs. A six-year decline in USIA's budget, in real terms, has weakened basic programs and limited the Agency's ability to pursue unprecedented opportunities.
- Budget earmarks and insufficient long-term planning have adversely affected the quality of USIA's program and resource management, causing disproportionate cuts in valuable "unprotected" programs.
- The United States has a fundamental stake in the democratic revolutions taking place worldwide. Ideas and values are as important to their success as economic assistance.
- Public diplomacy has a crucial role in accelerating political and economic reforms by communicating democratic ideas and information about market economies.
- Public diplomacy is necessary in "information rich" societies, where the sources and purposes of information are not always clear and the sheer quantity of news can distort and confuse.
- USIA's opinion and media studies in Eastern Europe and the Soviet Union are unique, and provide remarkable insights into the changing shape of the Communist world. The Commission regrets cuts in funds for worldwide public opinion research.
- A global U.S. Government radio and television broadcasting capability will remain a necessary instrument of American foreign policy.
- VOA faces declining shortwave listenership and stiff competition from domestic media in Eastern Europe and other parts of the world. Diversified signal delivery systems, including programs transmitted by satellite to foreign stations, have helped offset this decline and multiply VOA's audience.
- Direct shortwave and medium wave broadcasting will be needed for some time to come in the Soviet Union, China, Africa, and the Middle East.
- Budget reductions and the cost of programs required for competitive broadcasting in open media environments make it impossible to keep 44 high-quality VOA language services on the air. Continuous evaluation of language priorities is needed.
- USIA's satellite system and network of dish antennas at 216 locations worldwide is a significant but still underutilized communications achievement.
- The Commission finds that TV Marti at present is not cost-effective when compared with other public diplomacy programs of proven value.
- USIA's partnership with private sector organizations to carry out international educational, cultural, and professional exchanges has produced fruitful results in public diplomacy. Few experiences have more profound impact than personal encounters between Americans and the people of other countries.
- U.S. interests are best served by keeping America's international broadcasting, public affairs, and educational exchange programs within the United States Information Agency.

RECOMMENDATIONS

- The President, the Secretary of State, and the National Security Advisor should make clear that public diplomacy is a strategic component of United States foreign policy and ensure it is treated and funded accordingly.
- The United States must invest, at a minimum, an additional \$50 to \$100 million annually in public diplomacy operations.
- A Presidential directive is needed reaffirming that the Director of USIA serves as statutory advisor to the President and the National Security Council on public diplomacy and foreign public opinion.
- The National Security Council should establish a permanent public diplomacy coordinating mechanism and assign a senior officer with full-time public diplomacy responsibilities.
- Major policy decisions should take into account USIA's assessments of foreign public opinion. The Department of State should assign a senior public diplomacy advisor to the Deputy Secretary, and designate a Deputy Assistant Secretary for public diplomacy in the regional and functional bureaus.
- USIA should implement a long-term plan to guide operations for the next three to five years. The Agency should institutionalize a strategic planning process grounded in continuing examination of goals and priorities, and capable of responding quickly to changing circumstances.

PUBLIC DIPLOMACY DOES
NOT NEED A NEW MISSION
OR A MAJOR
REORGANIZATION. IT
DOES NEED ADDITIONAL
RESOURCES, STRATEGIC
PLANNING, INTER-AGENCY
COORDINATION,
CONTINUOUS
ASSESSMENT OF
PRIORITIES,
CONSOLIDATION OF SOME
ASSETS, AND SUSTAINED
COMMITMENT BY
AMERICA'S LEADERS.

- USIA, the Agency for International Development, and the National Endowment for Democracy should delineate democracy-building responsibilities in inter-agency Memoranda of Understanding. U.S. democracy-building programs require enhanced coordination, identification of what each agency does best, and additional resources concentrated in agencies with experience and extensive in-country contacts.
- USIA should move quickly to expand program operations in the Soviet republics. Planning should be based on program objectives and priorities, and assessment of the appropriate mix of informational and educational exchange programs.
- The impact of "real-time" communication and round-the-clock news coverage requires USIA to rethink some of its field operations.
- International broadcasting should continue to support foreign policy goals and remain an integral part of the public diplomacy mission of the United States.
- To promote efficiency and avoid redundancy, U.S. radio and television broadcasting capabilities should be consolidated. Plans should be made to phase out some Radio Free Europe language services consistent with the achievement of their goals.
- The Fulbright scholarship program remains the flagship of American educational exchanges and deserves generous funding. The program requires more support from those "feeder services" — student advising, English language training, embassy staff assistance — that have been adversely affected by budget cuts.
- USIA should address the strategic importance of libraries and cultural centers, identify their primary audiences, and define the Agency's future commitment to them.

The Role of the Commission

*t*he U.S. Advisory Commission on Public Diplomacy, now in its 43rd year, was created by Congress to provide broad, bipartisan oversight of the international broadcasting, public affairs, and educational exchange activities of the United States.

The Commission is required by law to assess and make recommendations on the policies and programs of the United States Information Agency. Through reports to the Congress, the President, the Secretary of State, the Director of USIA, and the public at home and abroad, the Commission seeks to improve public diplomacy programs and develop understanding and support for them.

The Commission's seven members are appointed by the President with the advice and consent of the Senate. All are private citizens who volunteer their services in the conviction that public diplomacy is indispensable to the national interest.

Throughout its history, some 65 Americans from both political parties have served on the Commission. Selected from backgrounds in journalism, education, law, business, labor, the arts, public relations, and other professions, Commission members have sought to provide responsible oversight and develop confidence in the value of public diplomacy.

STATUTORY AUTHORITY

*t*wo predecessor advisory commissions were established to represent the public interest by the United States Information and Educational Exchange Act of 1948. They were merged and given additional responsibilities in 1977.

In subsequent legislation, the Commission became known as the United States Advisory Commission on Public Diplomacy.

In 1990, Congress consolidated the Commission's statutory authority, and reaffirmed its bipartisan character and the fixed terms of its members (P.L. 101-246). For more than four decades the Commission's effectiveness as a Presidential advisory body has depended on its independence, continuity, genuine bipartisanship, and broad professional composition. The Commission deeply appreciates the efforts of those members in the House and Senate who were instrumental in bringing about this renewed expression of Congressional intent.

COMMISSION ACTIVITIES

*t*he Commission meets monthly with USIA's Director and senior Agency officials. It consults regularly with members of Congress and their staffs, senior foreign affairs officials in the Executive Branch, and public diplomacy's partners in the private sector. The Commission testifies before USIA's Congressional oversight committees, holds occasional public hearings, and publishes annual and special reports.

Commission visits to U.S. missions abroad, many of which are financed privately, provide an indispensable firsthand look at how public diplomacy is carried out in the field. Through meetings with U.S. Ambassadors, USIA's American and foreign national staffs, and host country opinion leaders, the Commission derives useful comparative insights and informed understanding of USIA's overseas programs.

The Commission's role is advisory only. It is not an investigative body, nor is it directly involved in managing USIA's programs or directing its internal affairs.

Recent Commission activities include:

- A special report on *United States Public Diplomacy in China*, December, 1989.
- A public hearing on opportunities in Eastern Europe with senior officials from the Department of State, the Department of Defense, the U.S. Information Agency, the National Endowment for Democracy, and the private sector, January, 1990.
- A special report on *Public Diplomacy in a New Europe*, May, 1990.
- Testimony before the House Subcommittee on International Operations in oversight hearings on "International Exchange Programs in the 1990s and Their Role in Public Diplomacy," August, 1990.
- Testimony before the House Subcommittee on International Operations on USIA's authorization request for FY 1992, March, 1991.

USIA's professionals at home and abroad have assisted the Commission greatly in carrying out its responsibilities. Their views and the information they provide contributed immeasurably to the findings in this report. Public diplomacy depends on the efforts of hundreds of men and women who serve their country, often under conditions of great hardship and personal risk. They are performing vital and difficult work, and we hold them in high esteem.

The findings and recommendations in this report are offered in the hope that Congress and those charged with the conduct of public diplomacy will benefit from them. As private citizens, we believe oversight and evaluation can contribute to sound public diplomacy, and to better understanding by the American people of its necessity and importance.

During the period covered by this report, the Commission met with elected officials, senior officials at the U.S. Information Agency in Washington, and overseas with American Ambassadors and USIA Public Affairs Officers and their staffs.

The Commission met with Vice President Dan Quayle; Congressman Dante Fascell (D-FL); Senator Jesse Helms (R-NC); Senator Paul Simon (D-IL); Congresswoman Olympia Snowe (R-ME); Congressman Larry Smith (D-FL); Edward J. Derwinski, Secretary of Veterans Affairs; General Brent Scowcroft, Assistant to the President for National Security Affairs; Henry Catto, Director, U.S. Information Agency; Bruce S. Gelb, former Director, U.S. Information Agency; Robert Gates, Assistant to the President and Deputy for National Security Affairs; Robert Blackwill, Special Assistant to the President for European and Soviet Affairs; Carnes Lord, Assistant to the Vice President for National Security Affairs; David Miller, Special Assistant to the President for National Security Affairs; and Nancy Bearg Dyke, Director, International Programs & Public Diplomacy, National Security Council.

The Commission also met with Lawrence Eagleburger, Deputy Secretary of State; Raymond G.H. Seitz, Assistant Secretary of State for European Affairs; Richard Solomon, Assistant Secretary of State for East Asian and Pacific Affairs; Ivan Selin, Under Secretary of State for Management; Mark Edelman, Deputy Administrator, U.S. Agency for International Development; Dr. Charles Dunn, Chairman, J. William Fulbright Foreign Scholarship Board; Richard Deasy, Chairman, Liaison Group for International Educational Exchange; William Woessner, Chairman, International Exchange Association; Dr. Richard T. Arndt, President, Fulbright Alumni Association; Ambassador Robert Barry, Special Adviser for Eastern Europe and Assistant to the Deputy Secretary of State; Ambassador Max Kampelman; Jock Covey, Principal Deputy Assistant Secretary for Near Eastern and South Asian Affairs, Department of State; Paul Wolfowitz, Under Secretary of Defense for Policy; Ambassador Frank Shakespeare; E. Eugene Pell, President, RFE/RL; Senator William Brock, Chairman, National Endowment for Democracy; Carl Gershman, President, National Endowment for Democracy; and Stuart Loory, Vice President and Editor-in-Chief, CNN World Report.

Public Diplomacy in the 1990s

LESSONS FROM THE PERSIAN GULF CRISIS

- The Commission commends President Bush, the U.S. Information Agency, and the Inter-agency Working Group for their effective use of public diplomacy in the Persian Gulf crisis.
- The Gulf crisis demonstrated anew the need for vital and flexible worldwide public diplomacy capabilities.
- USIA's officers in Washington and the field acted with skill and dedication under extraordinary circumstances.
- Clear policy statements by the President and other U.S. officials at the highest levels had greater impact abroad than any other public diplomacy initiative. The Commission recommends that senior policymakers take more time for Worldnet dialogues, VOA interviews, and press briefings at USIA's foreign press centers.
- The impact of "real-time" communication and round-the-clock news coverage require USIA to rethink some of its field operations.

MISSION

- International broadcasting, educational exchanges, and U.S. embassy public affairs activities are core components of a global public diplomacy mission that remains essential to U.S. interests abroad.
- American interests are best served by keeping international broadcasting, public affairs, and educational exchange programs within the United States Information Agency.

RESOURCES

- The United States underinvests in international information and educational exchange programs. A six-year decline in USIA's budget, in real terms, has weakened basic programs and limited the Agency's ability to pursue unprecedented opportunities.
- The United States must invest, at a minimum, an additional \$50 to \$100 million annually in public diplomacy operations.
- Budget earmarks and insufficient long-term planning have adversely affected the quality of USIA's program and resource management, causing disproportionate cuts in valuable "unprotected" programs.
- Public diplomacy is necessary in "information rich" societies, where the sources and purposes of information are not always clear and the sheer quantity of news can distort and confuse.
- USIA should implement a long-term plan to guide operations for the next three to five years. The Agency should institutionalize a strategic planning process grounded in continuing examination of goals and priorities, and capable of responding quickly to changing circumstances.

STRATEGY

■ The Commission finds a historic pattern of insufficient commitment to public diplomacy at the highest levels in the Executive Branch. Attention to public diplomacy has been episodic, crisis-related, and tied largely to the explanation of high profile policies. Effective public diplomacy in the Persian Gulf crisis was an exception.

■ The President, the Secretary of State, the National Security Advisor, and the Director of USIA should make clear that public diplomacy is a strategic component of foreign policy.

■ A Presidential directive is needed reaffirming that the Director of USIA serves as statutory advisor to the President and the National Security Council on public diplomacy and foreign public opinion.

■ The National Security Council should establish a permanent public diplomacy coordinating mechanism and designate a senior officer with full-time public diplomacy responsibilities.

■ Major policy decisions should take into account USIA's assessments of foreign public opinion. The Department of State should assign a senior public diplomacy advisor to the Deputy Secretary and designate a Deputy Assistant Secretary for public diplomacy in regional and functional bureaus.

RESEARCH

■ The Commission regrets funding for public opinion research, media studies, and program evaluation has been cut at a time when needs and opportunities have never been greater.

■ USIA's opinion and media studies in Eastern Europe and the Soviet Union are unique, and provide remarkable insights into the changing shape of the Communist world. They deserve greater attention from senior officials throughout the foreign affairs community.

■ USIA has not adopted past Commission recommendations to prepare an Agency-wide program evaluation strategy, to increase the percentage of funds for media and program studies, and to foster a climate that encourages widespread use of research findings by USIA managers.



Kuwait's Ambassador to the United States Saud Nasir Al-Sabah and Defense Department Under Secretary for Policy Paul Wolfowitz discuss Operation Desert Storm with journalists in Jakarta, Bangkok, and Singapore on USIA's satellite television network.

LESSONS FROM THE PERSIAN GULF CRISIS

USIA played a major role in the Persian Gulf crisis. The Agency's activities were an important adjunct to U.S. diplomatic and military operations, and they will be essential to future U.S. relations in the region and elsewhere. The Commission commends President Bush, USIA, and the members of the Inter-agency Working Group on Iraq Public Diplomacy for their effective use of public diplomacy throughout the crisis.

Iraq followed its invasion of Kuwait with a propaganda campaign intended to split the U.S.-led coalition through appeals to Arab nationalism, Muslim solidarity, Palestinian grievances, and other latent but powerful regional feelings. The United States established an Inter-agency Working Group to plan a public diplomacy strategy, to develop themes supportive of U.S. policies, to counter misperceptions and Iraqi disinformation, and to coordinate media and other public diplomacy activities.

In both planning and implementation, USIA had the most to contribute. Daily reports from field officers, opinion studies prepared by USIA's Research Office in Washington, and analysis by officers at home and abroad provided most of the expertise. The Commission is pleased the Agency was a full partner "at the table" in developing the Gulf public diplomacy strategy and in carrying it out.

Worldwide attention to events in the Gulf generated unprecedented interest by foreign governments, media, and general audiences in USIA's print and broadcast operations. Voice of America English, Arabic, and Farsi broadcasts were greatly expanded, and rebroadcast of



U.S. Ambassador Edward Gnehm and USIA Public Affairs Officer James Callahan prepare for a press briefing in liberated Kuwait.

VOA's coverage by foreign radio stations increased dramatically. USIA's Worldnet satellite television network increased its program placement on foreign stations. Policy-related items were carried electronically in Arabic and other languages on the Agency's Wireless File news service. In stepped-up appearances on USIA's media and in briefings at its Foreign Press Centers in Washington and New York, U.S. officials explained coalition policies and refuted Iraqi disinformation.

At USIA's posts worldwide, Gulf public diplomacy was a high priority. Language-qualified officers, with broad contacts and knowledge of their host countries, articulated U.S. policies, countered misperceptions, arranged press briefings and other public affairs programs, reported on opinion trends, and assessed public diplomacy themes and activities. In the Middle East, USIA officers communicated effectively with Ministries of Information and provided public affairs assistance to the U.S. Central Command.

USIA officers in Washington and abroad acted with skill and dedication in the Persian Gulf crisis. We salute them. The Commission especially commends William Rugh, USIA's Director of Near East and South Asian Affairs, for his informed professionalism and wise counsel on Gulf public diplomacy at the highest levels in Congress and the Executive Branch.

Considered assessment of the role of public diplomacy in the Persian Gulf crisis will take time. However, we can draw several early lessons.

First, public diplomacy is a necessary complement to traditional statecraft and military force. The crisis brought home to millions of television viewers worldwide the reality that governments, democracies and dictatorships alike, must compete for the attention and support of citizens in other countries if their policies and actions are to succeed.

Second, the crisis demonstrated anew that the U.S. must maintain vital and flexible public diplomacy capabilities. Many policymakers "discovered" in the Gulf crisis the need for a public diplomacy strategy, an inter-agency coordinating mechanism to implement it, and the value of focused, adequately-

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funded international broadcasting and public affairs programs. This lesson applies to regional conflicts, democracy-building, trade relations, global environmental concerns, international counter-narcotics efforts, and a host of other U.S. interests.

Third, communication intended to persuade often owes a great deal to educational exchanges, International Visitors, English teaching, books, libraries, and other long-term programs. These activities, widely appreciated for reasons that go beyond international politics, contribute to understanding and to shaping fundamental attitudes that put U.S. policies, institutions, and leadership in perspective.

Fourth, policy statements by the President and U.S. officials at the highest levels had greater impact abroad than any other public diplomacy initiative. Senior policymakers need to take more time early in a crisis for VOA interviews, Worldnet dialogues, and briefings at USIA's Foreign Press Centers.

Public diplomacy in the Gulf crisis was effective largely because it was reasoned, imaginative, restrained, and low key. Policies were stated clearly and supported by the American people. The temptation to preach and overreact was avoided. And on many issues, coalition partners took the lead where an "American" approach would have been less credible.

Finally, policymakers and public diplomacy professionals developed greater appreciation of the impact of "real-time" communications and round-the-clock news coverage. When the President and the world learn simultaneously about an Iraqi missile attack on Israel, public opinion becomes not just one element in policymaking, but is *instantly* central to it.

This does not mean public opinion should determine policy; it does mean it must be taken fully and immediately into account as policies and actions are decided. For USIA it means rethinking the role of some of its field operations. As one thoughtful assessment from USIS Lagos put it: "In this new age, we will need a very different kind of support from Washington . . . We see our role as placing fast breaking news in a proper context, interpreting it and providing authoritative, credible background instead of being a purveyor of that news or even official texts."

The war in the Gulf was also a war of ideas. If ideas are an essential component of policy and strategy in wartime, they are even more essential to the definition and articulation of the world order that follows.

At a USIA-sponsored conference in Santiago, U.S. Solicitor General Kenneth Starr and other American speakers discuss constitutional law with Chilean scholars and jurists.



MISSION

Public diplomacy — the open exchange of ideas and information — is an inherent characteristic of democratic societies. Its global mission is central to American foreign policy. And it remains indispensable to America's interests, ideals, and leadership role in the world.

Identification of USIA with the Cold War persists in some circles, and there are those who would now dismiss the Agency as irrelevant or seek to redefine its basic mission. We think either would be a mistake. USIA's mission does not depend on transitory events, on U.S. interests in a few countries, or on a single goal, however valid, such as democracy-building or anti-communism.

International broadcasting, educational exchanges, and most USIA activities abroad evolved as the United States became a world power and as communications technology advanced. They have become interrelated parts of a unified, coherent effort to communicate with the people and governments of other countries.

Organization charts have changed, and statements of mission have varied in emphasis. But the core elements of public diplomacy's mission have remained constant:

- To explain and advocate U.S. policies in terms that are credible and meaningful in foreign cultures;
- To provide information about the United States, its values, institutions, and culture;
- To build mutual understanding and lasting relationships through the exchange of people and ideas; and
- To advise U.S. policymakers on foreign public opinion and its implications for proposed policies.

Public diplomacy did not begin with the Berlin wall, and the need for it did not end when the wall came down. USIA has a permanent mission, relevant to all international contingencies. What we said last year applies with even greater force now:

"To compete successfully as a nation, we must communicate persuasively. We must be subtle and creative. We must understand other cultures, and they must understand ours.

*"Trade, narcotics, commercial opportunities, nuclear nonproliferation, the environment, new regional groupings, changing technologies, and a host of other issues comprise a complex chessboard of political and economic challenges. The ability to communicate with elite and mass audiences is a strategic asset in [such] a world"**

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INTERNATIONAL
CONTINGENCIES.

The mission of public diplomacy can best be achieved by keeping the management of international information programs, educational exchanges, and radio and television broadcasting within the U.S. Information Agency. The purposes and well-documented interdependence of these activities overseas leads inevitably to their collocation here at home.

To cite only a few examples: educational exchanges, cultural presentations, and International Visitor programs create an atmosphere in which even difficult policy issues can be addressed more constructively. As VOA and Worldnet place more programs via satellite on foreign stations and networks, the role of USIA's posts in international broadcasting increases. And USIA's broadcasters in Washington supplement field operations with their "how-to" features on democracy-building and English teaching programs.

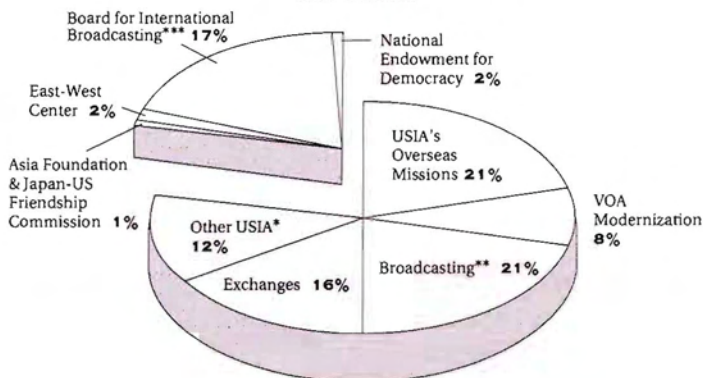
Many Chiefs of Mission and public diplomacy professionals have observed to this Commission that USIA's programs defy easy categorization along media or informational or cultural lines. They are and should be part of a coherent, integrated communications process with the people and governments of other countries.

Public diplomacy does not need a new mission or a major reorganization. It does need additional resources, strategic planning, inter-agency coordination, continuous assessment of priorities, consolidation of some assets, and sustained commitment by America's leaders.

*U.S. Advisory Commission on Public Diplomacy, "Public Diplomacy in a New Europe," May, 1990, pp. 6-7.

THE PRESIDENT'S FY 1992 REQUEST FOR PUBLIC DIPLOMACY

\$1.3 Billion



*Includes administrative support for USIA's overseas missions, Agency direction, Research, and P Bureau programs

**Includes Voice of America, USIA/TV, Radio Marti, and TV Marti

***Radio Free Europe and Radio Liberty

RESOURCES

*t*he United States underinvests in international information and educational exchange programs. USIA's budget request of \$1,059 million for FY 1992, of which \$908 million goes to Agency operations, is not adequate. It is a compromise forced by Federal budget realities. In real dollar terms, it continues a regrettable six-year decline in USIA's budget that severely limits the Agency's ability to maintain basic programs and take advantage of unprecedented opportunities.

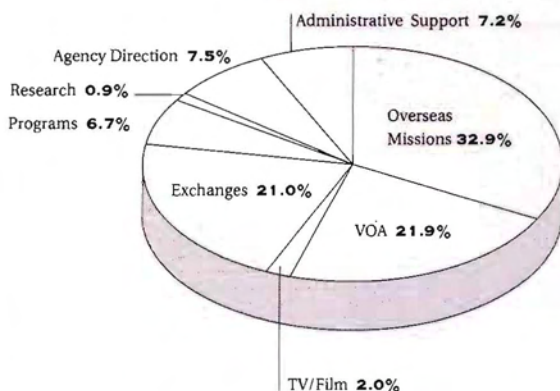
The Commission believes America's public diplomacy requires another \$50 to \$100 million annually. World realities have undergone a sea change since the President submitted his budget last January, let alone since it was put together at USIA and at the Office of Management and Budget.

Funding offsets for needed public diplomacy increases will not be found elsewhere in the international affairs budget. They must come from a reeval-

USIA'S OPERATING EXPENSES*

1981

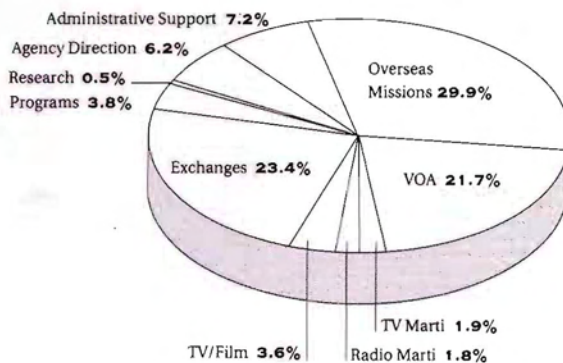
\$439.4 Million



1991

\$815.9 Million

(\$591.4 million in constant 1981 dollars)



*Excludes VOA's construction budget and grants for the National Endowment for Democracy and the East-West Center.

uation of national budget priorities, which the Administration should lead.

USIA's 1992 request does permit some program increases in Eastern Europe and the Middle East, but at the expense of mandated cuts, primarily in Western Europe. The Commission regrets this. Public diplomacy programs are greatly needed in so-called "information rich" societies, where the sources and purposes of information are not always clear and where the sheer quantity of "news" can distort and confuse.

Commercial media operate to make profits and cater to general audiences. USIA's programs are tailored to reach policymakers, opinion leaders, and educated elites. A Worldnet teleconference on GATT with members of Congress, Administration officials, and journalists in Tokyo and London, for example, will receive focus and placement in ways much more helpful to the United States than by leaving coverage of the public debate entirely to Japan's NHK network and Britain's Sky TV.

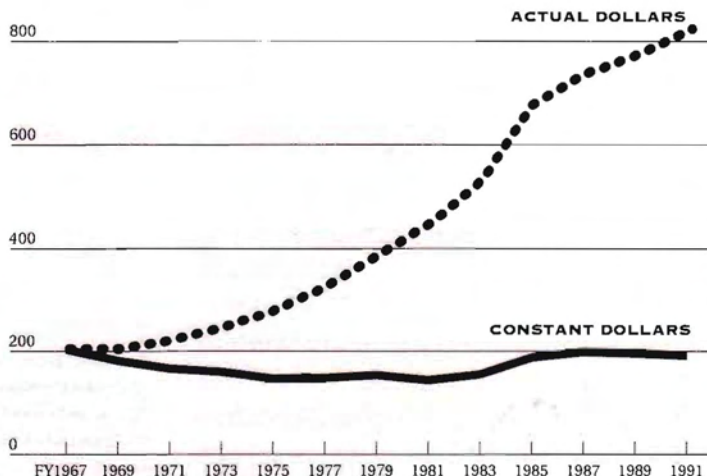
USIA's FY 1991 budget is \$1,006.2 million, reflecting a modest increase over the President's request last year and strong bipartisan Congressional support. Nevertheless, inflation and exchange rate losses will necessitate reductions of approximately \$32.5 million in the Agency's \$851 million operating budget this year, which remains smaller in real terms than two decades ago. In the current budget environment:

- USIA's field staffing remains at the lowest level in the Agency's history.
- USIA must close posts and other installations, 12 next year in Western Europe alone.
- USIA's Program Bureau will sustain a 29 percent budget cut with substantial reductions in speakers, the Wireless File, publications, and exhibits.
- In the past five years, annual Fulbright scholarships have dropped more than 30 percent, from 5,795 to 3,971.
- Funding shortfalls are forcing delays in VOA's "streamlined" modernization plan.
- VOA has cut weekly airtime for Creole, Dari, Pashto, French to Africa, Korean, and Russian, to expand elsewhere, primarily in Arabic, Farsi, and English to the Middle East.

The Commission is concerned also that earmarks,

COMPARISON OF USIA'S OPERATING EXPENSES ON A CONSTANT DOLLAR BASIS*

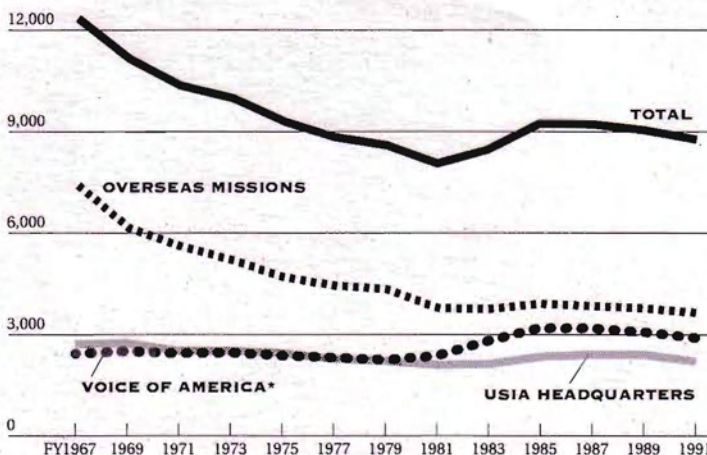
Dollars in Millions



*Excludes VOA's construction budget, Broadcasting to Cuba, and grants for the National Endowment for Democracy and the East-West Center.

HISTORY OF USIA POSITIONS BY MAJOR ACTIVITY

Number of Positions



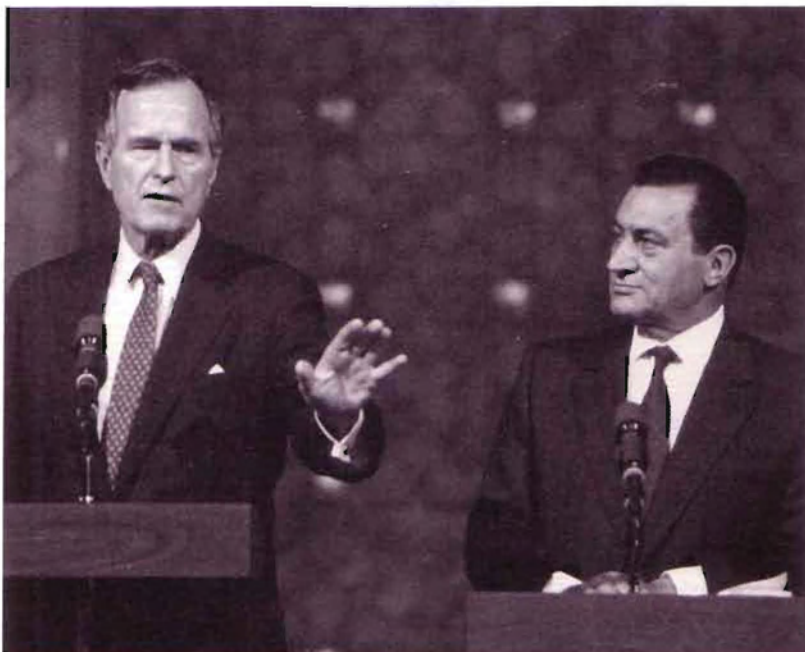
*Includes staffing for Radio Marti (beginning 1984) and TV Marti (beginning 1989).

separate appropriations, and insufficient long-term planning — in a period of eroding annual budgets — have affected the quality of USIA's program and resource management. As a result, valuable "unprotected" activities funded in USIA's Salaries & Expenses account — books, libraries, speakers, youth exchanges, training, student counseling, foreign press centers, American studies, opinion research, and program evaluation — have taken deep cuts.

We understand the reasoning behind earmarks, but often they address narrow headline issues. They inhibit the nation's ability to respond quickly to crises and new challenges.

For its part, USIA needs to do more to ensure that, whatever the level of appropriations, resource decisions are based on priorities linked to well-defined public diplomacy objectives, rigorous program evaluation, and comparative assessments of program value. USIA should adopt a long-term plan to guide operations for the next three to five years. It should institutionalize a strategic planning process grounded in continuing examination of public diplomacy goals and priorities, and capable of responding quickly to changing circumstances.

President Bush and Egyptian President Mubarak in a briefing on Operation Desert Shield. Statements by the President are essential elements of public diplomacy. They are carried worldwide by USIA's Voice of America broadcasts, Worldnet television, and Wireless File news service. (Photo by David Valdez)



STRATEGY

the strategic planning and inter-agency coordination that characterized the effective use of public diplomacy in the Persian Gulf crisis regrettably was an exception to the norm.

Historically, USIA has been too far removed from the policy planning process to play an early, consistent, and influential advisory role. In the years immediately prior to the Gulf crisis, the National Security Council and the Department of State did little to show they fully appreciated the value of public diplomacy in implementing policies and in assessing the public affairs consequences of proposed policies.

The case for making public diplomacy central to planning and implementing American foreign policy is incontrovertible. Foreign public opinion can significantly affect the success or failure of policies. News and information that can influence opinions are transmitted instantly to elite and mass audiences worldwide. It therefore is essential to include assessments of public opinion — and significant social, cultural, and religious trends — in the development of proposed policies.

The Commission urges the Administration to consider the following:

Commitment from the top. The President, the Secretary of State, the National Security Advisor, and the Director of USIA should make clear that public diplomacy is a strategic component of foreign policy and ensure it is treated and funded accordingly. The Commission recommends a Presidential directive reaffirming that the USIA Director is a statutory advisor to the President and the National Security Council on matters relating to foreign public opinion and the conduct of public diplomacy. USIA's Director should participate in National Security Council deliberations on a regular basis.

Inter-agency coordination. Using the Inter-agency Working Group on Iraq Public Diplomacy as a model, the National Security Council should estab-

lish a permanent public diplomacy coordinating mechanism and designate a senior officer with full-time public diplomacy responsibilities. Senior officers with public diplomacy experience should be assigned also to the Deputy Secretary of State, the Under Secretary of Defense for Policy, and at appropriate levels in the Agency for International Development, and the Arms Control and Disarmament Agency.

USIA's assessments of foreign opinion, media trends, and public diplomacy impact should be required whenever policy options are considered. To accomplish this, USIA must have access to significant NSC policy papers.

Similarly, public diplomacy action plans and USIA's views on how policies ought to be communicated should be required in the implementation of policies. NSC decision directives should address relevant public diplomacy implications. Major speeches and public announcements of foreign policy decisions should be coordinated with USIA.

The Department of State. Two years ago, the Commission was heartened by efforts at a senior level in the Department to integrate public diplomacy more fully into the policy process. These efforts were not fruitful, however, and the Commission urges they be renewed in the context of the successful use of public diplomacy in the Persian Gulf crisis.

In addition to a senior public diplomacy advisor to the Deputy Secretary, the Commission recommends a Deputy Assistant Secretary for public diplomacy be designated in each regional and functional bureau. Action memoranda from regional bureaus should include a separate section on public information policy. Career enhancing inter-agency assignments for USIA and State Department officers will encourage cooperation and greater awareness of public diplomacy.

The Commission is aware of concerns that USIA's programs may occasionally have been used to influ-

ence public opinion in the United States. It is important to remember that public diplomacy takes place abroad. To avoid misunderstanding, the term public diplomacy should not be used to characterize domestic public affairs activities intended to inform Americans about their foreign policy.

Increased field reporting. In our last report, the Commission observed that analytical reporting by USIA's field officers can be useful to policymakers. The experience in the Persian Gulf bears this out. Comprehensive reports from USIA's officers informed the deliberations of the Iraq Public Diplomacy Task Force and were used in a variety of other ways.

USIA's officers have wide contacts and broad knowledge of foreign attitudes and cultures. Their reports are essential supplements to the Agency's opinion research studies. USIA still does not emphasize such reporting, and many officers view it as an unnecessary burden. The Commission urges the Agency to make clear the importance it attaches to reports on key issues. Feedback to posts on their value and use will heighten their frequency and quality.

THE PRESIDENT, THE
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ACCORDINGLY.

RESEARCH

USIA's Office of Research provides support for the Agency's role as principal advisor to the President on foreign public opinion. The Office reports directly to the USIA Director and conducts three kinds of research: (1) surveys and attitudinal studies of mass and elite opinion on selected issues, (2) evaluations of USIA's programs, including studies of VOA and Worldnet program effectiveness and audience estimates, and (3) studies of foreign media environments.

Last year, USIA spent approximately \$1.5 million on research studies. Some 75 opinion surveys were commissioned in 38 countries on such issues as the Gulf war, democratization in Eastern Europe, the war on drugs, regional and ethnic conflicts, and bilateral relations with Japan, Israel, the Philippines, Mexico, India, and other countries.

Commitment to opinion research by policymakers, often pro forma, appears to be changing. The Commission welcomes USIA's recent efforts to be more assertive in interpreting foreign attitudes and in drawing attention to the implications of research studies. USIA uses rapid-response polling and flash telephone surveys on priority events, such as Presidential summits and the Gulf war, tailoring research to the needs of policymakers.

The Commission found particularly impressive a comprehensive series of opinion and media studies on Eastern Europe and the Soviet Union. These studies are remarkable for their methodological soundness and their insights into the changing shape of the Communist world. They proved highly useful in inter-agency deliberations on the future of international broadcasting, and they deserve greater attention from senior officials throughout the foreign affairs community.

The Commission continues to be concerned about the lack of adequate funding for public diplomacy research and insufficient attention to program evaluation as a management tool. In times of budget shortfalls, research is an easy target. USIA still has not adopted Commission recommendations to prepare an Agency-wide program evaluation strategy, to increase the percentage of funds for media and program studies, and to foster a climate that encourages widespread use of research findings by USIA managers.

The USIS London Reference Center handles 10,000 mail inquiries and 20,000 phone requests each year for information about the United States. Operators have access to U.S. data bases.



Field Programs

EMERGING DEMOCRACIES

- The United States has a fundamental stake in the democratic revolutions taking place worldwide. Ideas and values are as important to their success as economic assistance.
- Public diplomacy has a crucial role in accelerating political and economic reforms by communicating democratic ideas and information about market economies.

EASTERN EUROPE

- USIA's budgets and staffs in Eastern Europe remain at or near Cold War levels. The Agency has broad contacts and a long-term commitment to democracy-building in the region. Additional resources should be allocated without reducing needed and underfunded public diplomacy programs elsewhere.

SOVIET UNION

- USIA should move quickly to expand program operations in the Soviet republics. Planning should be based on carefully delineated program objectives and priorities, and assessment of the appropriate mix of informational and educational exchange programs.
- USIA Foreign Service National (FSN) positions should be reestablished in the Soviet Union.

CHINA

- Exchanges, international broadcasting, and other public diplomacy programs in China are an investment in one of the nation's most important bilateral relationships. USIA has wisely maintained fundamental institutional arrangements in ways that are consistent with American values and strategic interests.

COORDINATION AND FOCUS

- Many federal agencies and private organizations are usefully engaged in democracy-building abroad, but inadequate coordination, program duplication, and insufficient funds are hampering their efforts.
- USIA, the Agency for International Development, and the National Endowment for Democracy should delineate democracy-building responsibilities in inter-agency Memoranda of Understanding.

FIELD MANAGEMENT

- Under current budget constraints, USIA is unable to provide sufficient media, language, and academic training for its American and foreign national employees.
- The Commission continues to support direct appropriations or separately identified funds in the Department of State's appropriation for USIA's diplomatic security needs.
- USIA has made progress in developing telecommunications systems and data bases for policy, program, and administrative purposes. Funding and staff shortages, and insufficient officer training continue to delay this process.

NATIONAL ENDOWMENT FOR DEMOCRACY

- The National Endowment for Democracy is contributing effectively to democratic change around the world. The Commission encourages the Endowment to maintain closer contact with its major funding sources, USIA and AID, and with U.S. missions abroad.

FIELD PROGRAMS

Public diplomacy is carried out by 928 Americans and 3,646 foreign nationals at U.S. missions around the world. Known overseas as the U.S. Information Service (USIS), the Agency maintains 205 posts in 128 countries.

USIA's programs in each country are under the direction of a Public Affairs Officer, or PAO, assisted by Cultural Affairs and Information Officers. The PAO is the principal advisor to the American Ambassador on matters relating to the press, education, cultural affairs, and local public opinion. PAOs speak for their embassies or consulates in media briefings, and they seek to develop credibility and substantive personal links with opinion leaders in the countries to which they are assigned. PAOs administer academic and professional exchanges, frequently in cooperation with binational commissions.

USIA's posts use a variety of program tools and communication techniques, such as the Wireless File, magazines, books, speakers, exhibits, videotapes, VOA broadcasts, Worldnet dialogues, libraries, English teaching, and student counseling. Goals and program priorities are set forth in each post's annual country plan, which is revised as circumstances warrant.

For example, PAOs in media-saturated societies may refine programs to communicate with opinion leaders and educated elites on important bilateral issues not covered adequately in the mass media. In emerging democracies, they may emphasize the ideas and structures of democracy and economic reform. And in closed, authoritarian countries, PAOs may seek to sustain long-term personal and institutional relationships as an investment in the future.

The Commission has been necessarily selective in its discussion of field activities. Each USIA post is important, each is unique. All share a common challenge: public diplomacy opportunities far outstrip available resources. The key to these opportunities is here at home. We need to be aware of what is at stake and where additional resources can make the most difference.

EMERGING DEMOCRACIES

The revolution of ideas that transformed the world during the 1980s has demonstrated beyond doubt the universal appeal of democratic principles and free market economies.

Historic breakthroughs in Europe, Asia, Africa, and Latin America bear eloquent testimony not only to the internal contradictions of flawed political systems, but to the importance of communications and the value of public diplomacy as a force for freedom and democracy. For decades, Western radio broadcasts, educational exchanges, and U.S. embassy press and cultural programs brought to million news and

A. Under Secretary of Defense for Policy Paul Wolfowitz

B. Former USIA Director Bruce S. Gelb (center) with Deputy Director Eugene P. Kopp (left) and former Agency Counselor Michael Pistor

C. Ambassador Max Kampelman, former head of the U.S. delegation to the Conference on Security and Cooperation in Europe (CSCE)

D. Deputy Secretary of State Lawrence Eagleburger

E. Ambassador Frank Shakespeare, former Director of the U.S. Information Agency

F. Senator William Brock (right), former Chairman, National Endowment for Democracy, and NED President Carl Gershman

G. The Commission discusses the revolution of ideas in Europe and its impact on public diplomacy with policymakers and private sector leaders at a hearing in January, 1990.



A



B



C

information denied by state-controlled media, and built relationships that kept truth and freedom alive.

Now, these countries need what decades of totalitarian rule did not provide — institution-building skills, entrepreneurial know-how, and a firm intellectual foundation in democratic values and human rights.

During the past year, Commission members visited Hungary, Poland, East Germany, Mozambique, South Africa, and the Soviet Union. The pace and scope of democratic change vary widely, but three critical elements are common to all:

- Vital U.S. interests will be enhanced to the extent political and economic reforms are successful. Ideas and values are as important to their success as economic assistance.
- USIA has a crucial role in accelerating these reforms by communicating democratic ideas and information about market economies.
- Many federal agencies and private organizations are usefully engaged in democracy-building abroad, but inadequate coordination, program duplication, and insufficient funds are hampering their efforts.



D



G



E



F

EASTERN EUROPE

*t*he Commission examined opportunities in Eastern Europe in a public hearing in January, 1990, and in a report the following May on "Public Diplomacy in a New Europe." We believe our conclusions remain valid, and we are pleased that many of the recommendations are being pursued.

The events of the past year confirm that transition to democracy and free market systems in Eastern Europe will be neither fast nor painless.

Thus far American initiatives have outdistanced coordination and strategic planning. An International Media Fund (IMF) was created to support emerging independent electronic and print media. The National Endowment for Democracy (NED) is funding civic and institutional development projects. The Peace Corps is sending large numbers of English teachers. The Agency for International Development (AID) is launching a "democracy initiative," university linkages, and other institution-building activities. The Department of State has sought to

facilitate inter-agency coordination at the federal level, and a Citizens Democracy Corps was created to stimulate private sector involvement and cooperation. Private organizations are sponsoring youth and educational exchange programs in increasing numbers.

USIA's "Marshall Plan of Ideas" promises an imaginative public diplomacy strategy for Eastern Europe. But it was not aggressively promoted by the Agency at the outset, and funding enhancements in the amount national interests require have not been forthcoming from the Administration.

USIA has a proven infrastructure and a long-term commitment to nurturing the seeds of democracy in the region. Its field staffs have broad contacts and experience in managing the kinds of programs that strengthen the intellectual foundations of democracy and free markets.

In contrast, many new public and private initiatives emphasize training and immediate practical results, programs that will not flourish unless Eastern

Europeans develop strong entrepreneurial and democratic civic cultures.

USIA's resources are insufficient to meet democracy-building needs. Inflation and exchange rate losses have forced the Agency to cut back on programs worldwide, with only marginal increases in Eastern Europe. Small USIS staffs report many more requests for American expertise than they can handle. Swamped with program opportunities of their own, they often are called upon to help other agencies carry out similar programs.

With staffs still at or near Cold War levels, USIA is seeking eleven new positions in Eastern Europe and the Soviet Union. This is being accom-

Czechoslovak President Vaclav Havel visits the Voice of America. "You have informed us truthfully of events around the world," he said. Now "you will have to inform us about how to create democracy...."



plished by transferring positions from Western Europe. The Commission believes this is unwise. The United States must invest in democracy-building without reducing needed and underfunded information and educational exchange programs in other parts of the world.

In 1990, USIA received only \$3 million from the Support for Eastern European Democracy (SEED) legislation. This year, SEED II provided \$369 million government-wide. Halfway through the fiscal year, USIA had yet to receive its disproportionately low allocation of \$16.7 million. The Agency's share of SEED II is intended to encourage educational reform, citizen networks, books, management and parliamentary training, English teaching, independent media development, and rule of law activities. But the funds cannot be used to build staff, and without field personnel, program management is jeopardized.

SOVIET UNION

perhaps no political and economic struggle is more momentous than the one now occurring in the Soviet Union. There is extraordinary ferment among emerging political parties, trade unions, civic groups, independent media, and ethnic and nationality groups in the republics. The stakes are high and outcomes are far from clear.

What is clear is the intense interest throughout Soviet society in market-based economic models, and the expanding prospects for a full range of public diplomacy programs. The U.S. must seize this opportunity, mindful of the potential for chaos, renewed repression, and a return to hard-line policies. The Commission is concerned, for example, by recent reports of stepped-up covert efforts by the Soviets to spread disinformation about the United States.

For decades, Communist regimes severely restricted USIA's activities. Accordingly, the Agency wisely put most of its program dollars into shortwave broadcasting and large traveling exhibits. Today, many restrictions are gone, and there are historic opportunities for USIA to help shape change.

USIA, however, is still constrained, but this time with constraints of our own making — budget cuts, staff shortages, inadequate facilities, and strict security measures. To cite just one example: USIA's American staff in the Soviet Union (there are no foreign national employees), is about half the size of its American staffs in India, Brazil, or Japan. The U.S. public diplomacy investment is vastly disproportionate to the Soviet Union's size and importance.

Programs on a free market economy and democratic political systems are USIA's top priorities. Soviet policymakers, scholars, and media elites eagerly welcome dialogue on the U.S. economic model, the U.S. legal system, federalism, the role of a free press, the environment, and ethnic issues.

Unprecedented opportunities exist for visiting experts and U.S. officials to address these and other matters on Soviet radio and television. Speakers, International Visitors, "how-to" features on the Voice of America, Worldnet dialogues, Fulbright exchanges, book translations, and streamlined, low-cost multimedia exhibits also are essential in achieving these objectives.

As Congress and the Administration look to the future, the Commission suggests the following.

Increased and concentrated resources. Additional public diplomacy resources are justified in the Soviet Union. But USIA must take care they are concentrated and coordinated to achieve maximum impact through the appropriate mix of information and educational exchange programs.

Expanded programming in the republics. The Commission welcomes the new USIA branch post in Kiev. The Agency should move quickly to seize program opportunities in the Baltics and the republics.

Cultural Center. A first-class American cultural center in Moscow should be a high priority. It will foster mutual understanding at many levels, increase access to the Soviet people, and greatly facilitate program operations. The cultural center and USIS oper-

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American textbooks were displayed at the first major U.S. book exhibit in East Germany in the last months of the Communist regime.

ations in the republics should invest heavily in computer links to U.S. data banks.

Exhibits. Large traveling exhibits, so valuable during the Cold War, are no longer cost-effective. But there is an important role for smaller multi-media exhibits, especially in cities outside Moscow and Leningrad.

FSN positions. The Commission recommends that USIA's Foreign Service national employee (FSN) positions be reestablished in the Soviet Union.

Program Coordination. The Director's Task Force on Soviet Affairs and USIA's Eastern European Initiative office have interim roles in setting priorities and bringing about needed coordination of public diplomacy activities in the Soviet Union and Eastern Europe during a period of extraordinary change. They should not permanently replace USIA's established policy guidance and post management organizational structures.

CHINA

Eighteen months ago, shortly after the tragic events in Tiananmen Square, the Commission issued a special report on "United States Public Diplomacy in China." We concluded that educational exchanges, the Voice of America, and other USIA programs played a vital role in China's modernization. Both China and the United States had benefited significantly from these activities, and their continuation would be in the long-term interests of each.

In the wake of the democracy movement, China suspended the Fulbright and International Visitor programs, jammed the Voice of America's influential Chinese-language broadcasts, and put a variety of other information and cultural initiatives on hold.

The repressive political climate in China has not prevented resumption of exchanges and other USIA programs, although most have not reached levels that existed prior to June, 1989. Fulbright and International Visitor grants are steadily increasing. USIA's remarkably successful China book translation program flourished despite the crackdown. The Agency conducted two English teaching workshops this year, participated in an international film festival, and contributed to other performing arts programs.

Despite continued jamming, Voice of America broadcasts remain the most powerful, direct, and effective means the United States has to provide accurate news and information to millions of Chinese. VOA broadcasts 19 hours a day to China — 11 hours in Mandarin, 1 hour in Cantonese, and 7 hours in English.

These broadcasts should be one of public diplo-

macy's highest priorities. It is important, however, that program quality be maintained. Reduction of Mandarin to 8-10 hours, for example, would still permit VOA to reach its audiences in prime time. But it would free funds needed for broadcasts on market economics, business management, democratic thought and institutions, and "targeted" programs on events in and relevant to China.

The future of public diplomacy in China remains uncertain. USIA was wise to maintain fundamental institutional arrangements in ways consistent with American values and strategic interests.

COORDINATION AND FOCUS

American involvement in democracy-building worldwide is generating debate on roles and relationships. Should AID undertake academic exchanges in Eastern Europe where it has no historical roots? Who coordinates the initiatives of USIA, AID, and NED in South Africa? Should the Peace Corps invest substantial resources to support English teaching, an activity USIA has carried out for 40 years? How do the important exchange and assistance programs of private foundations relate to the work of government agencies? Where do outreach programs of the Department of Education, the Justice Department, and the Small Business Administration fit in? Do the National Endowment for Democracy and International Media Fund keep U.S. embassies adequately informed of their in-country activities?

These are questions of coordination and in some cases program duplication that must be addressed. The Commission believes a constructive approach should include:

- Recognition that ultimately ideas and skills are as important to the success of democracy-building as bricks and mortar, or even printing presses and

dish antennas.

- Identification of each agency's comparative advantage, or what each one does best; there is plenty to be done by each within the scope of its statutory authority.
- Concentration of resources in agencies that have experience in democracy-building, with infrastructures in place, extensive in-country contacts, and a history of close ties to relevant private organizations in the United States.
- Clear statements of responsibility in carefully worked out inter-agency Memoranda of Understanding.
- Expansion to other regions of the inter-agency coordination approach developed by Deputy Secretary of State Lawrence Eagleburger's office for democracy-building in Eastern Europe.
- Investment of additional resources, without excessive earmarking, through direct authorization and appropriation to each agency. Inter-agency transfers should be maintained until adequate direct appropriations are enacted.

FIELD MANAGEMENT

Providing the training, administration, and policy guidance to ensure that public diplomacy professionals are safe and productive in 205 posts worldwide is one of the most difficult tasks in government. The Commission has addressed a few of the issues USIA currently faces in its management of field operations.

Training and professional development. The communications revolution with its increased emphasis on electronic media has heightened the need for training in technology and media skills. At the same time, crises during the past decade in Iran, the Persian Gulf, China, and the Soviet republics have underscored the need for language instruction and

study of political, cultural, and religious forces in societies fundamentally different from our own.

Under current budget restraints USIA is unable to provide the amounts and kinds of training that are needed for both Foreign Service and Civil Service employees. USIA's training budget has fallen below the level considered desirable by the Agency and standard in the private sector. Management and professional skills courses have been cut, and long-term study — of great benefit to those who have become the Agency's best senior officers — has been all but eliminated.

USIA's people are the heart of American public diplomacy. Cutting the training required to prepare them for their work may be easy in the short-run. In the long-run, it is short-sighted.

Media and advocacy skills training. Contact with foreign media and American journalists assigned abroad is an increasing part of daily embassy routine. The Commission reaffirms its belief that media training is essential for USIA's field officers, U.S. ambassadors, and other embassy officers with public affairs responsibilities. Media training still is not universal in USIA. And in the Department of State it is not frequent, intensive, well-funded, or fully appreciated.

Language training. Although foreign language instruction comprises 85 percent of USIA's small training budget, language courses, personnel policies, and funding levels do not provide an adequate supply of officers with the fluency required for today's public diplomacy needs. Training USIA's officers to speak in foreign languages, with the nuances and sophistication that professional communication requires, is as critically important as any question facing public diplomacy.

Foreign Service Institute. The Commission recommends adding a mandatory course on public diplomacy to the curriculum of the Foreign Service Institute for State Department and AID officers.

Private sector support. USIA's field officers increasingly work with private sector interests to fund conferences, university chairs, fine and performing arts presentations, and a variety of other initiatives

supportive of public diplomacy. The Agency's training program should familiarize officers with fund raising techniques and the nature of corporate support for educational and cultural activities.

Foreign national employees (FSNs). Foreign national employees are indispensable. They provide continuity, institutional memory, language skills, and understanding of their countries that American officers, however experienced, cannot replace. The Commission is concerned that U.S. training opportunities for FSNs declined more than 36 percent during the past five years. In many countries inflation has outpaced their salaries. And Washington-based administrative support services are not adequate.

Diplomatic Pouch. The Commission welcomes the Department of State's reversal of a dubious, short-lived policy requiring USIA and other foreign affairs agencies to establish separate mail handling systems for their field officers. Delayed and erratic mail delivery created documented hardships for officers and their families, compromised public diplomacy programs, and was not cost-effective.

Security. The physical security of U.S. employees and facilities abroad must remain a high priority. But security policies must also reflect USIA's mission, which requires public access to the Agency's buildings and programs, and that officers move about in the community.

In administering security policies, the Department of State still is not fully responsive to USIA's funding and special public access needs. The Department has not disbursed sufficient funds nor made prompt transfers to USIA. Some headway has been made in providing adequate

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TECHNOLOGY AND
MEDIA SKILLS.

funding for building security upgrades, but State must increase amounts for a variety of other USIA security needs. The Commission continues to support direct appropriations or clearly identified funds in the Department's appropriation. Moreover, the Department's policy that USIA's operations must be collocated in new embassies needs to be changed to reflect the Agency's public access requirements.

Information Data Systems — US-INFONET. High-speed retrieval and transmission of information is essential to public diplomacy in the age of instant communication. USIA is developing US-INFONET to integrate a variety of electronic mail and data systems for policy, program, and administrative purposes. Some early data bases have been discontinued; others are on line and well used, while many are still being developed.

"Keynotes," begun in 1987, included press guidance, speech excerpts, and other material to give posts a timely heads-up on complex and evolving policy issues. Without staff to keep it current, it fell into disuse.

"Public Diplomacy Query," PDQ, has proven useful. This indexed compendium of USIA products carries information for some 30 services, including the Wireless File. USIA's posts also have access to commercial data bases such as Nexis, Dialogue, LegiSlate, InfoSouth, Reuters, and New York Times services. Their use, however, is limited by their high cost.

The Commission's 1989 report commended a plan for an "Expertise" data base to serve all Agency elements that recruit authorities for overseas programs — Amparts, Academic/Cultural Specialists, Satellite Speakers, Worldnet, and the Voice of America. Unfortunately, "Expertise" has not come on line.

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CANNOT REPLACE.

Data programs take time to develop, and the speed of technological change itself works against the stability of information transfer systems. Funding and staff shortages have hindered their implementation. Training has been given a low priority. Officer training is essential, especially for senior officers with little experience in automated data systems.

High-speed data transmission, used primarily for the Wireless File, is available via telephone line modems at most posts. But much outdated equipment overseas must be replaced.

This technology should be given higher priority. There should be frequent communication with posts on technology developments, instruction on what is available, and inquiries about what is needed — all in language field staffs can understand.

Moroccan journalists discuss economic issues at a USIA-sponsored roundtable.



NATIONAL ENDOWMENT FOR DEMOCRACY

Created by Congress in 1983, the National Endowment for Democracy (NED) has been in the forefront of democratic change around the world. Established to encourage free and democratic institutions in other countries through private initiatives, it serves the nation's interests well.

The Endowment is a private, non-profit corporation led by a bipartisan board of distinguished Americans. USIA provides most of the Endowment's funding through an annual grant in an amount determined by Congress. In FY 1991 Congress increased NED's appropriation to \$25 million.

NED is a funding organization. It does not conduct programs directly. Some 75 percent of NED's funds go to four core grantees that represent the broad spectrum of American life: the AFL-CIO's Free Trade Union Institute, the Center for International Private Enterprise affiliated with the Chamber of Commerce, the National Democratic Institute for International Affairs, and the National Republican Institute for International Affairs. NED's remaining discretionary funds support overseas projects through other U.S. organizations. Examples of Endowment-funded projects include:

- A U.S.-South Africa leader exchange program;
- A South Asian regional conference on micro-enterprise and the informal sector;
- Support for *The Chinese Intellectual*, a leading journal of Chinese thought and opinion;
- Newsprint for the independent press in Romania and Bulgaria;
- Assistance to a Russian-language literary journal;
- Training programs, equipment, and publications assistance for trade unions in the Soviet Union;
- Support for labor-management seminars in Chile.

The Endowment considers democratic developments in the Soviet Union to be of critical importance, and it will concentrate on projects in support

of emerging political parties, local governments, free trade unions, independent media, civic and human rights organizations. Other NED priorities are the Baltics and South Africa. Initiatives in the Arab world are planned, and NED's *Journal of Democracy* will soon publish an Arabic edition, as well as English and Spanish.

The spread of democracy around the world has both legitimized and complicated the Endowment's work. With democracy-building becoming a central objective of U.S. foreign policy, it is increasingly important to distinguish between programs most effectively carried out by private independent organizations like NED, and those best conducted by U.S. Government agencies.

Congress intended the Endowment to have independence and flexibility, advantages that enable it to respond quickly to opportunities around the world, and to make funding decisions that might complicate U.S. bilateral relations if they were made by a government agency. But keeping pace with events and its own successes have placed heavy management demands on the Endowment. With a modest budget and small staff, it oversees hundreds of awards to foreign organizations, many of which have little experience in administering grants.

A recent General Accounting Office study of the Endowment called for improvements in certain management and grants accounting practices. The Endowment recognizes these problems and is taking steps to correct them, seeking to maintain flexibility while assuring accountability.

As the major funding sources for NED, USIA and the Agency for International Development should coordinate closely with the Endowment, both in Washington and in countries where it funds activities. The Commission has observed the Endowment does not always keep U.S. missions abroad informed of its in-country projects. Doing so helps to minimize misunderstandings. Public Affairs Officers and other mission employees are knowledgeable about events in their countries, and can be informed sources of support.

Media

INTERNATIONAL BROADCASTING

- A global U.S. Government radio and television broadcasting capability is a necessary instrument of American foreign policy.

VOICE OF AMERICA

- VOA faces declining shortwave listenership and stiff competition from domestic media in Eastern Europe and other parts of the world. Diversified signal delivery systems, including programs transmitted by satellite to foreign stations, have helped offset this decline and multiply VOA's audience.

- Direct shortwave and medium wave broadcasting will be needed for some time to come in the Soviet Union, China, Africa, and the Middle East.

- Budget reductions and the cost of programs required for competitive broadcasting in open media environments make it impossible to keep 44 high-quality VOA language services on the air. Continuous evaluation of language priorities is needed.

TELEVISION

- USIA's satellite system and network of dish antennas at 216 locations worldwide is a significant but still under-utilized communications achievement.

- Worldnet accounts for only seven percent of the total U.S. international radio and television operating budget. Inadequate funding and insufficient planning continue to hamper USIA's use of this powerful medium.

BROADCASTING TO CUBA

- The Commission finds that TV Marti at present is not cost-effective when compared with other public diplomacy programs of proven value.
- Radio Marti broadcasts high quality programs that are effective and consistent with VOA's standards of objectivity, accuracy, and balance.

COMMERCIAL SATELLITE TELEVISION

- Private international television broadcasters, such as Cable News Network (CNN), have become primary sources of news and information for political elites, opinion-makers and mass audiences worldwide. The impact of "real-time" communication and round-the-clock news coverage require USIA to rethink some of its field operations.

BROADCASTING STRATEGY

- U.S. international broadcasting should continue to support foreign policy goals and be an integral part of the public diplomacy mission of the United States.
- To promote efficiency and avoid redundancy, U.S. radio and television broadcasting capabilities should be consolidated. Plans should be made to phase out some Radio Free Europe language services consistent with the achievement of their goals.

WIRELESS FILE

- Modernization of the Wireless File has been a wise investment. Computerized, high-speed transmission of the File is making this basic media tool even more useful to posts and realizing dramatic cost savings.

MAGAZINES

■ USIA's magazines and scholarly journals are important program tools, praised by posts and valued by foreign audiences. The Commission supports efforts to establish publishing priorities, consolidate publications, eliminate duplication, and make USIA's publications more versatile and less costly.

EXHIBITS

■ USIA's high quality graphic representations of American life carry important messages to mass and elite audiences abroad. New opportunities for other forms of public diplomacy in the Soviet Union and Eastern Europe led to reassessment of the role of exhibits and development of a smaller, more cost-effective program.

■ USIA should not become responsible for participation in international expositions unless Congress and the Executive Branch are prepared to commit the resources needed for a high quality American presence. Funds should not be taken from other public diplomacy programs.

USIS Santiago produces a weekly current affairs program for placement on radio stations throughout Chile. The program features visiting Americans and their Chilean counterparts.



INTERNATIONAL BROADCASTING

United States Government international broadcasting has served American interests well for half a century. Now, in a period of historic change and tight budgets, we are compelled as never before to assess its fundamental goals and priorities.

With origins in the nation's response to Axis propaganda in the 1930s, the Voice of America began worldwide shortwave broadcasting as the U.S. entered World War II.

Throughout the Cold War, VOA broadcast news and information to audiences worldwide, including millions denied both in the Soviet Union, China, and Eastern Europe. Radio Free Europe and Radio Liberty (RFE/RL) were established separately from VOA to focus on developments in Eastern Europe and the USSR, and to serve as surrogate free media.

In the 1980s, government broadcasting adapted to new technologies and a more competitive media environment. USIA created Worldnet, a global satellite television network. Congress

established Radio Marti within VOA to bring news and information to the people of Cuba and authorized television broadcasting to Cuba. VOA and RFE/RL undertook multi-million dollar programs to modernize aging shortwave transmitters. VOA increasingly supplemented shortwave with satellite delivery and program placement on local stations. Meanwhile, dramatic growth occurred in private sector telecommunications. And Cable News Network (CNN) became an influential source of television news and information around the world.

These developments and steadily declining funds led the Commission two years ago to recommend "a comprehensive review of U.S. international radio

VOICE OF AMERICA

and television broadcasting in terms of national resource priorities, foreign policy objectives, and changing technology and media habits.”*

The political revolutions in Europe sharply focused the need for a fresh look at government broadcasting, and Members of Congress early in 1990 called for a full-scale Presidential review, which the Administration has undertaken.

The questions facing policymakers are difficult. What is the mission of government broadcasting in a world where the free flow of information has increased dramatically? What technologies and signal delivery systems best serve U.S. interests? What programs are most effective? What language priorities are appropriate? What is the optimum mix of broadcasting and other public diplomacy activities such as educational exchanges and U.S. embassy public affairs programs? What strategy and criteria ought to govern decisions about the future of surrogate broadcasting? Finally, how much should Americans spend on government broadcasting?

While many policy and organizational decisions are to be made, the Commission believes a consensus is emerging on several broad principles.

- A global U.S. Government radio and television broadcasting capability is a necessary instrument of American foreign policy.
- International broadcasting should continue to support foreign policy goals and remain an integral part of the public diplomacy mission of the United States.
- To promote efficiency and avoid redundancy, government radio and television broadcasting capabilities should be consolidated.

*t*he Voice of America remains a vital national asset, and its value clearly did not end with the Cold War.

An estimated 127 million people worldwide listen regularly to VOA's direct broadcasts. Many more listen to live and taped programs rebroadcast by a growing network of affiliated stations in other countries.

VOA transmits approximately 150 hours of daily programming in 44 languages, including English. Its statutory charter calls for broadcasts to include accurate, objective, and comprehensive news; balanced programs on American thought and institutions; and effective presentations of U.S. policies, with responsible discussion and opinion on such policies.

Hostilities in the Persian Gulf demonstrated anew the need for a powerful and versatile U.S. Government broadcasting capability. War coverage included statements by President Bush and senior U.S. officials, reports from VOA correspondents around the world, commentaries, features, and policy editorials.

Recent events in the Baltics and widespread *unrest in the Soviet republics underscore VOA's continuing role in providing accurate news to listeners in the Soviet Union.*

In China and other Asian countries with state-controlled media, such as Burma, Laos, Cambodia, Vietnam, and North Korea, VOA's broadcasts are one of the few sources of objective news and information. Listeners have a strong desire to hear about events in their countries and “cross-reporting” on relevant developments in other countries.

When the U.S. sent troops to Panama in 1989, VOA increased its broadcasts to Central America, demonstrating in this hemisphere the need for broadcasting assets capable of responding to a crisis.

VOA's importance in short-term crisis situations is clear. Important too are broadcasts that provide practical information on democratic institutions and market economics, English language instruction, and documentaries on education, agriculture, health care, narcotics issues, the environment, science, and the arts.

* United States Advisory Commission on Public Diplomacy, 1989 Annual Report, p. 24.

But the VOA of the future will look quite different from the VOA of the past fifty years.

For decades, Soviet and Eastern European jamming conditioned many of the technology and program decisions of Western radio broadcasters. Today in these countries, VOA and RFE/RL place programs on local stations, co-program via "radio bridges," and maintain their own news bureaus. Their broadcasts contain more programs on democracy in action.

Media openness in Eastern Europe is generating confidence in domestic radio and television with significant declines in listening to direct short-wave broadcasts.*

U.S. radios face stiff competition. Worldwide, indigenous radio and television stations, satellite-delivered television programming, videocassettes, and other electronic media are competing for audiences. With the spread of democracy, audiences have become more discriminating and more reliant on their own media.

In assessing next steps, the Commission offers the following considerations.

Language priorities. Budget reductions and rising production costs are making it impossible for VOA to keep 44 high quality language services on the air. The Commission questions the recent establishment of a Tibetan service, maintaining 11 hours of daily Mandarin broadcasts rather than a more cost-effective schedule, continuation of some language services that have small audiences, and current levels of duplication between English and language broadcasts.

In today's budget climate, the number of language services is artificially high. VOA's language priorities



VOA's London bureau serves correspondents in Europe, the Soviet Union, and the Middle East.

should be examined continuously to ensure they are commensurate with available resources and U.S. interests.

Competitive programs. Thriving domestic media, powerful regional broadcasters, and aggressive local placement by other international broadcasters are challenging VOA to improve program quality. Repeat broadcasts and programs designed to overcome jamming are no longer needed in the Soviet Union and Eastern Europe. Competitive broadcasting in open media environments requires new reporting techniques and a variety of tailored and innovative program formats. If VOA is to maintain a high level of program excellence, additional resources will be needed.

VOA must continue to answer the prescient question raised several years ago by its own 2001 Committee: "Why would a people with unfettered access to...increasingly credible national media turn to VOA, BBC or any other international broadcaster?"

Broadcasting to Asia. The Commission welcomes recent Congressional initiatives on broadcasting to Indochina and other parts of Asia that lack indigenous free media. U.S. strategic interests and the long-term value of promoting democracy in the region

*USIA-sponsored polls support this conclusion. The Commission has relied heavily in this report on assessments in "The Broadcast Media Environments of Europe and the USSR," a December, 1990 working paper prepared by USIA's Office of Research.

suggest a need for examination of these proposals.

Creating a "Radio Free Asia" as a surrogate station within RFE/RL, however, may not be necessary, cost-effective, or realistic in the current budget climate. Moreover, RFE/RL's transmitters do not reach East and Southeast Asian audiences. VOA currently broadcasts in Khmer, Lao, Vietnamese, Burmese, Korean, Mandarin, and Cantonese. Enhancement of the program content and broadcast hours of these services is a viable alternative.

As a global broadcaster, VOA is well suited to engage in the "cross-reporting" that can make targeted programming effective. "Targetted" programming, used effectively by VOA in broadcasting to China, describes what is going on in the listener's country and provides context in terms of the experiences of others. For example, ferment in Albania and the activities of workers in Hungary are stories of interest to audiences in Vietnam.

"Targetted" broadcasting, like surrogate broadcasting, depends on research and is costly. The Commission believes now is an appropriate time for a review of U.S. broadcasting to Asia in terms of policy objectives, resource priorities, the content of current broadcasts, and changing technologies and media habits.

VOA Europe. The Commission has supported VOA's efforts since 1985 to reach successor generation audiences in Europe via English language broadcasts delivered by satellite to a network of 72 medium wave, FM, and cable radio affiliates. However, listenership to VOA Europe remains low, despite heavy emphasis on entertainment programming. Commercial advertising by affiliates so far has been unsuccessful. Funds are unavailable for the vernacular language broadcasts needed to reach large audiences. There are legitimate questions about VOA Europe's cost-effectiveness as presently constituted in view of competing public diplomacy opportunities.

Nevertheless, VOA Europe's satellite delivery system and network of affiliates is a valuable investment. USIA officers in Eastern Europe and the Soviet Union report promising opportunities for placement of its

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broadcasts on local stations. A strong desire to learn English in these countries and intense interest in political reform and economic restructuring underscore the wisdom of cutting back on VOA Europe's entertainment programming with corresponding increases in targeted public affairs programming.

Middle East Broadcasts. During the Persian Gulf crisis, VOA greatly expanded its daily broadcasts to the region: from 7.5 to 15.5 hours in Arabic, from 3.5 to 4 hours in Farsi, and from 10 to 18.5 hours in English. A special 24-hour-a-day network was established to carry the expanded programming. VOA's World-wide English service was carried on USIA television satellite audio subcarriers for transmission to dish antennas at USIS posts around the world.

VOA also installed a 50-kilowatt transmitter in Bahrain capable of reaching Kuwait and southern Iraq. English broadcasts began in late January. However, Bahrain did not agree to vernacular broadcasts until March 1991, when fol-

A VOA correspondent interviews members of the Voice of America Listeners Club in New Delhi.



lowing months of negotiations it permitted one hour of evening programming in Arabic on a trial basis.

Some questions about the accuracy and objectivity of VOA's Arabic broadcasts were raised in Congress and the media.* Concerns were generated by isolated reports of inaccurate news stories, too much air time for critics of the coalition war effort, and biased selections in roundups of U.S. and Middle East press opinion. There were reports also that coalition partners had voiced complaints to U.S. officials about VOA broadcasts.

In response to questions from House Subcommittee Chairman Howard Berman (D-CA) in a hearing on USIA's 1992 budget, VOA officials denied any "pattern of abuse." There are examples "where editorial judgments were faulty," VOA's Deputy Director stated, but overall the quality and editorial integrity of VOA's broadcasts were maintained. To address these concerns, however, VOA stepped up internal reviews of its Middle East programming and contracted for outside studies by the Hudson Institute and the Center for Strategic and International Studies (CSIS).

Because these are sensitive and consequential matters, the Commission believes it is important to understand the context and manner in which VOA handled the issue.

VOA is often said to be "at the crossroads of journalism and diplomacy." Under its statutory charter, VOA broadcasts comprehensive, objective news. It also presents the policies of the United States in clearly identified editorials. These difficult and often contrasting statutory missions were not well understood by coalition partners. Nor indeed are they always appreciated by U.S. Ambassadors and policy-makers in Washington.

In the Gulf states and elsewhere in the Middle East the crisis generated significant increases in VOA's audiences. A USIA research survey in December



Shortwave transmitters at VOA's new relay station in Morocco will provide coverage in Eastern Europe, Western Soviet Union, the Middle East, Southwest Asia, and West and Central Africa.

1990, for example, showed VOA's regular listening rates in Saudi Arabia increased from 12 to 19 percent. In the United Arab Emirates, regular listening increased from 1 to 10 percent.** VOA was not just a news source; it became a more pervasive political and cultural presence. This led to closer scrutiny by Arab governments.

The pressures on VOA were intense. VOA Arabic more than doubled its daily air time with no commensurate increase in personnel. Broadcasting staffs stretched thin are more prone to make mistakes, but the Commission has seen no evidence there was a systemic problem in VOA's Middle East broadcasts.

Nevertheless, we do have several general concerns.

Proportional air time for responsible critics is essential to VOA's credibility and effectiveness. VOA should take care that balance and proportional representation of contrasting opinions are maintained

* "Allies Aim to Triumph in War of Words," *London Times*, February 13, 1991; "Berman Questions Slant of War Coverage by Voice of America," *Los Angeles Times*, March 21, 1991; "Absolute Truths Collide in Arabs' War of Words," *New York Times*, February 16, 1991.

**"Foreign Radio Listening Rates High in Four Arab Gulf Nations: VOA Increases Audience During Crisis," USIA Research Memorandum, February 14, 1991.

not just in a 24-hour day or a seven-day week, but within the listening time span of a typical listener. In time of war, VOA has a special obligation to make sure its broadcasts are accurate and relevant to its listeners.

Although VOA's language services and overseas correspondents have excellent contacts, they could enrich their programming through closer consultations with USIA's field posts and area offices in Washington. This does not mean VOA should clear its broadcasts or discuss news judgments in advance. Consultations can and should be achieved without infringing on VOA's integrity or news autonomy.

As we said in a 1989 report on China, "VOA would benefit from greater dialogue between broadcasters in Washington and officers at U.S. [missions abroad]...Increased consultations and two-way visits would provide VOA with feature program suggestions and informed evaluations of its broadcasts."

Finally, VOA's initial research design for external reviews of its Arabic broadcasts was methodologically deficient, notably in confining the evaluations to a single 24-hour period, which VOA itself selected. This initial approach precluded assessment over time and would have diminished the credibility of the project. At the request of the House Subcommittee on International Operations, VOA amended its evaluation contracts to broaden the scope of its external program reviews.

VOA has a fine record on internal program evaluation. Annual reviews, with follow-ups, are conducted for each broadcast service, using journalists, language experts, area specialists, and USIA's research professionals—although usually not representatives from the Agency's overseas posts and geographic area offices. Detailed standards are set forth in VOA's program handbook. The Commission has commended VOA's annual research plan as a model for the rest of the Agency.

We trust that in the future VOA will consult fully with the Office of Research in the design of its external program reviews.

Alternatives to shortwave. Diversified signal delivery is essential if VOA is to remain competitive in

Central Europe, Asia, and Latin America. Programs delivered by satellite for live and delayed broadcast by foreign networks and local AM and FM stations have greatly multiplied VOA's audience. The cost is much less than shortwave, and the sound quality far superior. There are tradeoffs, however. Placement does not guarantee use, and VOA must share editorial control.

Examples of placement include VOA's programs in Polish on Warsaw Radio I, in Portuguese on Brazil's powerful Globo and Bandeirantes networks, in Czechoslovak on Radio Prague, in Spanish on Colombia's national Caracol network, and in Greek on affiliates in Greece and Cyprus. During the Gulf war, VOA estimated some 1,800 affiliates worldwide received its news reports, many through USIA's 205 posts. As VOA moves into networking and cooperative ventures with foreign media organizations, the importance of USIA's field posts to international radio broadcasting will increase.

Modernization. VOA's engineers and other experts maintain that direct shortwave transmission will be needed to reach radio audiences in the Soviet Union, China, and many countries in Africa and the Middle East for years to come. Inexpensive shortwave receivers are widely available in these areas, and in contrast to placement, shortwave reaches listeners directly without censorship or in-country controls.

VOA's shortwave coverage remains woefully inadequate, however, in much of interior China, Soviet Asia, South Asia, and Africa. Decades-old transmitters in Sri Lanka, Botswana, Liberia, and the Philippines, the latter VOA's only shortwave outlet for East Asia, are in dire need of repair. The loss of the Liberia relay station in that country's civil war has practically eliminated VOA's already weak shortwave coverage in Africa.

Facing an adverse budget climate, VOA in 1989 cut back sharply on the ambitious billion-dollar-plus modernization program begun in the early 1980s. Its revised strategy focused on constructing high priority

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shortwave stations in Morocco, Thailand, and Israel, and a medium wave station in Belize. Completion of a satellite interconnect system and extensive maintenance and repair of existing stations were also emphasized.

Several Commission reports have assessed the political, technical, and resource considerations — many but not all beyond USIA's control — that delayed facilities modernization. VOA's revised modernization strategy is realistic. Its completion should be one of public diplomacy's highest priorities.

Radio by Direct Broadcast Satellite (DBS). Technologies that would enable listeners to receive digitalized radio broadcasts of CD audio quality directly via satellite move closer on the horizon, although experts differ on the near-term viability of DBS Radio. At least one U.S. company is preparing to launch a satellite capable of providing digital audio broadcasting to Africa. VOA is following this closely. VOA should continue to investigate the regulatory, technical, political, and resource developments associated with DBS Radio. Institutional bias toward shortwave technology should be resisted, and VOA should encourage the development of satellite and DBS technology.

Media training. In cooperation with other USIA program elements, VOA's International Media Training Center has developed an outstanding record in high quality media training for hundreds of foreign journalists. The Center is especially well-suited to provide training for radio, television, and print enterprises in the emerging democracies of Eastern Europe. The Commission believes foreign media training is a good investment and urges increased funding and staff for the Center.

Research. Changes in the global political and media environment necessitate increased audience research and application of research findings by broadcasting managers to ensure an optimum mix of programs and signal delivery systems. USIA's Office of Research does not have adequate resources to assess audience levels for VOA's direct broadcasts, and it has no funds to survey rapidly expanding audiences for VOA programs placed on local stations.

Bureau of Broadcasting. With wise leadership, the recent merger of USIA's radio and television operations into a Bureau of Broadcasting holds promise of greater efficiencies, enhanced media flexibility and more effective use of emerging satellite technologies. The Bureau includes the Voice of America, the Worldnet television service, and the Office of Cuba Broadcasting (Radio Marti and TV Marti). There is considerable potential for the new Bureau to provide the integrated approach to electronic audio and video services that USIA will need in the 1990s.

Leadership. The timing and motivation of a separate move to consolidate VOA's personnel and other administrative services into the Agency's Bureau of Management, however, gave rise to public misunderstandings and brought to a head tensions between former USIA Director Bruce S. Gelb and VOA Director Richard Carlson. Both are dedicated men who contributed to the nation's public diplomacy, and who were part of a leadership team that led USIA through a difficult period.

The Commission regrets the public disputes that occurred during their tenure. The wide publicity given to this internal matter should not reflect unfairly on the excellent and important work being carried out by the Agency.

TELEVISION

Television has changed the course of history and the conduct of diplomacy. Whether the images are of pro-democracy demonstrators in Tiananmen Square, of President Bush in a videotaped message to the Iraqi people, of ecstatic East Germans driving across the border to West Germany, or "real time" reports of missile attacks on Israel, governments are shaping decisions with television in mind, and their leaders are using the medium to communicate directly with citizens in other countries.

Recognizing television's impact as a primary source of news and information for millions world-

wide, USIA during the past decade developed a satellite system and global network of dish antennas at 216 locations. The Commission commends the Agency for this significant technical achievement.

The system, known as Worldnet, permits real time "Dialogues" (one-way video, two-way audio) between journalists overseas and policymakers in the United States. "Dialogues" occur regularly between U.S. participants and professional peers abroad on political, economic, cultural and scientific issues. USIA also uses Worldnet to transmit Presidential speeches, press briefings, and other news and information instantaneously throughout the network.

Worldnet is not a direct broadcast medium. Its programs reach mass audiences through placement on local television stations and collateral dissemination on radio and print media. Elite audiences observe and participate in the "Dialogues" at U.S. embassies and other locations. Meaningful cost savings have resulted from use of the satellite network for delivery of Voice of America audio feeds, multiple language versions of Worldnet television "Dialogues," Wireless File texts, and facsimile services.

USIA's more realistic view of the role and potential of satellite television in public diplomacy is a healthy corrective to early exaggerations of its value.

Rather than continue "America Today," a news program with a "Today Show" format intended for direct viewing, USIA wisely chose to emphasize program placement by its overseas posts and direct reception by foreign stations. "Newsfile," short videotape clips that focus on current events in the United States and bilateral issues with foreign countries, offers considerable promise. Transmitted in English, Arabic, Spanish, and French versions, "Newsfile" is used by foreign media in some 70 countries. Its value is far greater in the Third World than in the media-rich environments of Europe and Asia.

In Eastern Europe, USIA's polling data show a marked shift away from listening to western radios in favor of domestic media, particularly television. With these findings in mind, Worldnet initiated a two-hour daily feed to the region for public and independent broadcasters. Donation of dish antennas to some

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broadcasters has increased placement potential.

It is important to remember, however, that placing video material on foreign stations in optimum viewing periods is the ultimate objective. The Washington-based Worldnet satellite system is one effective way to do this. Facilitative assistance for foreign broadcasters who wish to visit the United States is another. USIA's officers in Eastern Europe point out that small co-production grants for television producers to shoot material in the U.S. are cost-effective and virtually guarantee extensive placement on East European television in prime time.

The Commission welcomes these developments. Worldnet's satellite system is an extraordinary achievement in international communication. Its "Dialogues" are a proven program tool worldwide. And "Newsfile" and other programs are a promising and more realistic use of the Agency's television capabilities. But we have two major concerns.

First, at a time when the influence of television is increasing, USIA's Worldnet budget dropped by 17 percent in the last three years. In FY 1991, funding for all U.S. international radio and television broadcasting was \$452.9 million. With a budget of only \$30.8 million, Worldnet accounted for seven percent of the overall broadcasting total. This budget is not sufficient. Nor is the priority given to television in comparison with radio broadcasting and other public diplomacy programs.

For lack of sufficient funding, the U.S. is moving slowly into the satellite age, while the British, French, Chinese and others are investing heavily. BBC World Service television, for example, began offering nightly news in English to Europe in March, 1991, and announced plans for expansion to the Far East and North America.

Second, the Commission remains concerned that USIA has yet to engage in long-range planning, adequate research, and rigorous assessment of what is achievable in its use of the television medium.

BROADCASTING TO CUBA

*t*he Commission endorses the goal of providing the Cuban people with televised news and information not available from their state controlled media. Radio Marti, initiated in 1985, has broadcast high quality programs that are effective and consistent with VOA's standards of objectivity, accuracy, and balance.

Pursuant to Congressional authorization, the Voice of America constructed and tested a television antenna and transmission system using an aerostat tethered above the Florida Keys. Broadcasting a high quality television signal from Florida to Havana is a remarkable technical achievement, and VOA is to be commended for it.

The Commission finds, however, that TV Marti is not cost-effective at the present time when compared with other public diplomacy programs of proven value. The President's report to Congress in August, 1990 found that TV Marti's signal has been "consistently and effectively jammed." Moreover, programs are transmitted from 3:30 a.m. to 6:00 a.m. so as not to cause illegal interference with Cuban telecasts. The President's report concluded that "Because of the difficulty in obtaining reliable information about the reception of TV Marti, the actual size of the audience is unknown."^{*}

^{*}See "President's Report to Congress on TV Marti Test Broadcasts to Cuba," 1990. Audience estimates for TV Marti broadcasts have been controversial. On August 9, 1990, the General Accounting Office issued a report entitled "Broadcasts to Cuba: TV Marti Surveys are Flawed." The GAO questioned USIA's survey results because "they make projections . . . based on incorrect application of generally recognized methodological techniques." The GAO also noted the survey results differ widely from information reported by the U.S. Interest Section in Havana. On October 9, 1990, in a letter to Comptroller General Charles A. Bowsher, USIA Director Bruce Gelb stated USIA's Office of Research "concludes that while the GAO report raises a few appropriate issues, it is on the whole inaccurate and misleading, applies a double standard, and ignores key findings and information that would refute the claims made by GAO, or which would have caused GAO to have arrived at different conclusions."

USIA spends a modest \$31 million annually for worldwide television operations and \$16 million for television broadcasting to Cuba. The Agency is unable to capitalize on public diplomacy opportunities due to this disproportionate allocation of television resources.

Finally, the Commission is concerned that Cuban jamming of Radio Marti's influential AM broadcasts in retaliation for TV Marti has reduced the flow of information to Cuba. With democratic change sweeping the world, it is more important than ever to provide news and alternative views to the Cuban people.

COMMERCIAL SATELLITE TELEVISION

*p*rivate international television broadcasters such as Cable News Network (CNN) have become a primary source of news and information for political leaders, opinion-makers, and mass audiences around the world. The credibility, volume, speed, and breadth of coverage of U.S. and international news by CNN in particular give it extraordinary influence.

CNN's English language broadcasts reach millions of viewers in some 90 countries. In societies with histories of media censorship and in corners of the Third World that only now are developing electronic media, its impact is remarkable.

In Pakistan, for example, CNN is available 24 hours a day on private stations in Karachi and Islamabad. A USIS field report describes it as "the single most exciting and important information innovation in Pakistan in many years — perhaps in its history." Nepal TV broadcasts 90 minutes of CNN daily. CNN is also widely available in the Western Hemisphere.

During the Persian Gulf crisis, Egypt, Saudi Arabia, Bahrain, Qatar, the UAE, and Turkey broadcast CNN's coverage on government-operated television

**U.S. GOVERNMENT
BROADCASTING SERVICES
OPERATING BUDGETS
FISCAL YEARS 1988 AND 1991***
(funds in millions)

	FY 1988	FY 1991		
RFE/RL	\$172.5	\$205.8	+ \$33.3	(19%)
VOA	\$169.6	\$183.7	+ \$14.1	(8%)
USIA TV	\$37.0	\$30.8	- \$6.8	(17%)
TV Marti	—	\$16.0		
Radio Marti	\$12.8	\$15.1	+ \$2.3	(12%)
RIAS	\$3.2	\$1.5	- \$1.7	(53%)
TOTAL	\$395.1	\$452.9	+ \$57.8	(15%)

* Excludes funds for radio construction.

soon as, sometimes before, U.S. diplomats and mass audiences around the world. This can create an illusion of understanding that may distort perceptions of U.S. policies and actions. Live access to unfiltered television news also is changing the role of commercial wire services, western radio broadcasters, and USIA's media and programs.

The Commission recommends that USIA undertake a study of satellite television and that Agency managers use its findings in media and program development. We also urge U.S. policymakers to take more time for appearances on commercial satellite networks given the access they afford to worldwide audiences.

stations anywhere from 4 to 24 hours a day. From Nigeria, USIS Lagos reported, "television has changed the perceptions of Nigerians toward the world around them . . . The major Nigerian media are all equipped with satellite dishes. Most tune them in to CNN, and are now using the Atlanta-based network as a primary source of international news." Nigerian radio stations broadcast the audio feed of CNN's Gulf war reports live to listeners in Africa's most populous country.

All of this raises questions for traditional and public diplomacy. International satellite television is immediate and pervasive. Government elites and foreign media learn of breaking news in "real time" as

Vice President Quayle prepares to speak with journalists in Guadalajara, Caracas, and Mexico City via USIA's satellite television network.



BROADCASTING STRATEGY

at the direction of President Bush, the National Security Council recently completed a comprehensive review of international broadcasting. Its sound conclusions reaffirm the continuing value of U.S. Government radio and television broadcasting services.

It remains to implement a strategy for efficient, imaginative use of America's international broadcasting assets. An inter-agency Policy Coordinating Committee (PCC), chaired by the Department of State, has been established to develop a long-term strategy and manage transition in U.S. Government broadcasting. A bipartisan Presidential Task Force is examining broad organizational and related questions.

The Commission welcomes these initiatives. There are good reasons for all concerned to move quickly.

- VOA and RFE/RL language services in many instances compete for the same listeners.
- There is duplication with VOA as RFE/RL expands democracy-building programs and engages in media training for foreign journalists.
- Funding for surrogate broadcasting is increasing at a faster rate than for international broadcasting. Exchange rates account for some of this, and OMB has begun to reduce funding for RFE's Polish, Hungarian, and Czechoslovak services.
- At a time when other nations are moving rapidly to create international satellite television services, the U.S. spends disproportionately less for television than for radio.
- There is a need for enhanced "targeted" broadcasting by VOA to countries in Asia and other regions where governments prohibit free media.
- New technologies, the dynamics of world politics, and the need for more flexible broadcasting capabilities call for coordination and sophisticated planning.

The Commission's views on radio broadcasting are predicated on an understanding of the funda-

mentally different missions of U.S. Government radio stations. VOA has a global mission to broadcast world news and information about the United States. RFE/RL was established to serve as a "home service" or surrogate station for those denied free media in Eastern Europe, the Soviet Union, and Afghanistan. This distinction is crucial to any assessment of where we go from here.

The U.S. must plan for the day when it can say "mission accomplished, well done" to some surrogate services. In saying this, the Commission again wishes to make clear that country-by-country distinctions are essential. We do not recommend phasing out RFE's Baltic Services or Radio Liberty, which broadcasts to the Soviet Union in Russian and eleven other nationalities' languages.

As America's global broadcaster, VOA will continue to broadcast to Eastern Europe. It is now possible, however, to phase out RFE's broadcasts to Hungary, Poland, and Czechoslovakia and to plan for eventual reductions in surrogate broadcasting to Bulgaria and Romania. Decisions should be based on well-defined criteria: the existence of established democratic institutions, free media, and basic human rights. The Commission believes such decisions will be understood in these countries. Democracies, unlike Communist states, do not prompt surrogate broadcasting by other governments.

The Commission supports consolidation of U.S. radio and television operations, wherever possible, within a government structure. Consolidation can promote efficiency and lessen redundancy in radio broadcasting. It can lead to more creative and synergistic audio and visual programming in vernacular languages. And while we foresee no "broadcasting dividend," consolidation offers considerable potential for more cost-effective use of scarce broadcasting assets at a time when public diplomacy is underfunded.

WIRELESS FILE

USIA's oldest and best known media tool, the Wireless File, furnishes official texts and other authoritative print material about U.S. policies and economic and social developments to posts in English, Arabic, French, and Spanish.

The File has undergone historic changes in the past three years. Its original radioteletype signal has been replaced worldwide by high-speed computer-to-computer transmission via telephone, and in some areas by satellite transfer.

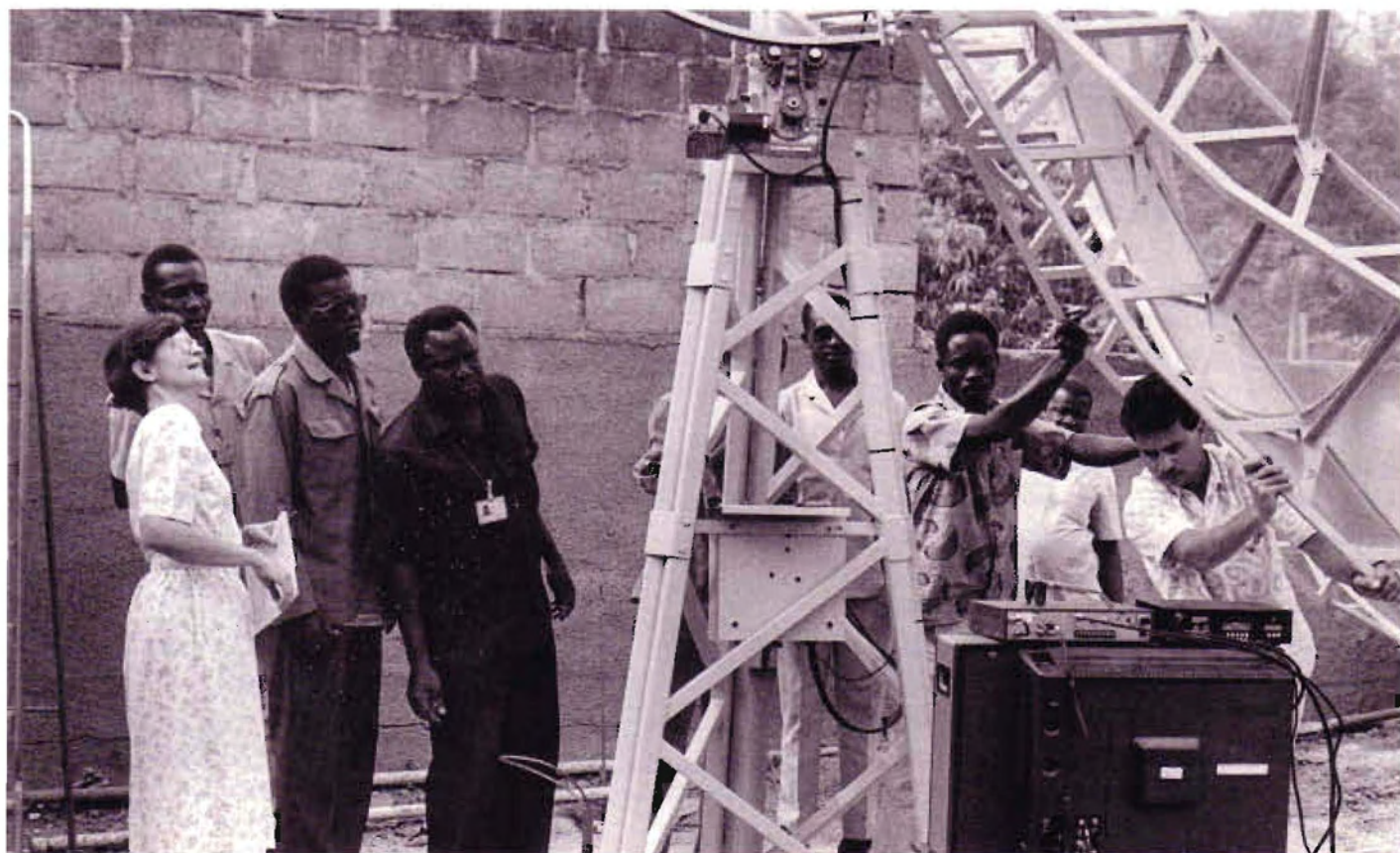
High-speed delivery has cut costs dramatically and saved staff time. USIS Nicosia, for example, reduced its monthly phone bill for File reception by 95 percent and cut the 45-minute transmission to five minutes. Greater economies and accuracy will be achieved with increased use of dedicated phone lines and Worldnet satellite subcarrier channels, freeing

the File from often unreliable international phone connections. USIA is pursuing these developments.

Other innovations make the File even more useful. The Public Diplomacy Query (PDQ) database indexes recent Wireless File material and other information sources for quick reference and retrieval.

Technology and policy go hand-in-hand. Posts and editors in Washington must continue to evaluate the content of the Wireless File to assure its relevance. Measured against commercial news and other information sources, the Wireless File effectively transmits authoritative material to provide context and clarify issues.

USIA's satellite dish antenna in Burkina Faso enables this west African nation to receive Worldnet television, the Wireless File, and VOA audio feeds.



MAGAZINES

the printed word remains fundamental to the nation's public diplomacy. In the 1990s, USIA's publications are making important contributions to democracy-building in Eastern Europe, the Soviet Union, and other parts of the world.

America Illustrated, published in Russian for the Soviet Union, now addresses issues of democracy, free market economics, and institution-building. Russians and East Europeans are openly asking how our society operates, how Americans do things. Popular, illustrated magazines have broad public impact. Circulation of *America Illustrated* grew from 80,000 to 120,000 in 1990 and should continue to rise.

Dialogue is USIA's attractive, sophisticated magazine of ideas, published in English and 11 other languages. It is a credible showcase for democracy and culture in America. In local language versions, it is highly popular in Eastern Europe, and it is among the best publications available in many developing countries.

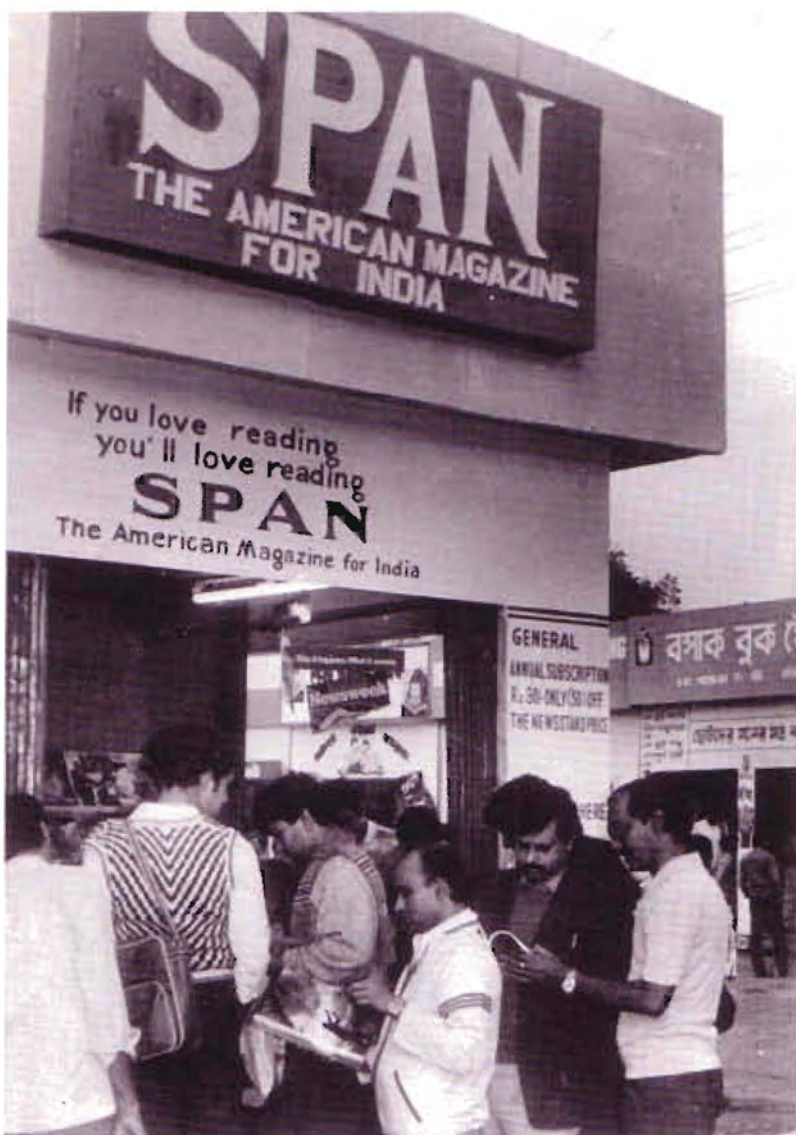
Problems of Communism, USIA's distinguished intellectual journal, will celebrate its 40th anniversary in 1991. Its relevance continues as it moves from Cold War issues to chart the course of political change in the Communist world.

Public Affairs Officers consistently rate USIA's magazines as valuable program tools. But they are expensive to produce and vulnerable to budget cuts. Since 1965, the number of Washington and post-produced magazines has dropped from 126 to fewer than twenty. With staff reductions and a 15 percent budget cut in 1990, USIA must establish publishing priorities, consolidate some publications, eliminate duplication, and make Agency publications more versatile and less costly.

Seeking to develop the commercial potential of its publications, USIA has secured Congressional approval to sell advertising and distribute magazines by paid subscription.

Technology also offers opportunities to economize. *Economic Impact*, a quarterly analysis of the

U.S. economy in the global context, became a biweekly newsletter, transmitted electronically to posts overseas. Using computerized desktop publishing, posts can produce their own attractive, low-cost, issue-specific publications, with copy and material supplied by Washington or gathered locally.



The U.S. pavilion at the Calcutta book fair promotes USIA's post-produced magazine for India.

EXHIBITS

Quality exhibits can represent American life in dramatic and memorable ways. Accompanied by language-qualified American guides, multi-media exhibits have been one of public diplomacy's most effective tools in communicating with millions in the Soviet Union and Eastern Europe about life in the United States.

But large, traveling exhibits are expensive. Moreover, political changes and communications advances have created opportunities for other forms of public diplomacy. The Commission commends USIA for intelligent reassessment of its exhibits program, and the development of a smaller, more versatile and cost effective approach.

USIA is scaling down the size of its exhibits, reducing the number of showings, and cutting operating costs. It is seeking increased private sector collaboration, and where possible to link exhibits with major trade fairs.

The new, more mobile thematic exhibits will combine graphics, speakers, seminars, electronic media, and other tools. They will focus on issues, and serve in effect as traveling American cultural centers.

"The Role of the Small Entrepreneur," planned for the Soviet Union, and "Environmental Action in America," which recently opened in Prague, exemplify the new approach. Unfortunately, the first exhibit has not been funded, and the budget for the second will not take it to other countries in Eastern Europe.

USIA also is responsible for U.S. pavilions at world's fairs. The Commission remains convinced their cost and frequency have outstripped the nation's willingness to fund and otherwise adequately support them. Presidential-level commitments to participate in international expositions often precede



USIA's exhibit, "Design USA," toured the Soviet Union for 18 months and was viewed by almost two million Soviet citizens.

full assessment of resource requirements and competing national priorities.

The Christopher Columbus Quincentenary gives the 1992 world's fairs in Seville and Genoa a special importance. U.S. participation was never in question, and the Commission commends USIA Director Gelb for his efforts on behalf of the American presence.

In the future, USIA should not be required to take responsibility for U.S. participation in international expositions unless Congress and the Executive Branch are prepared to commit the resources needed for high quality exhibits. Nor should funds for them be taken from other public diplomacy programs.

Educational and Cultural Programs

EXCHANGE OF PERSONS

- USIA's partnership with private sector organizations to carry out international educational, cultural, and professional exchange programs has produced some of the most fruitful results in the history of public diplomacy.
- USIA should be the lead agency in coordinating expanded exchange programs in the Soviet Union and Eastern Europe.
- The Fulbright scholarship program remains the flagship of American educational exchanges and deserves generous funding. The program requires more support from those "feeder services" — student advising, English language training, embassy staff assistance — that have been seriously affected by budget cuts.
- Educational exchanges should continue to emphasize the social sciences and the humanities, fields that can make important contributions to the profound political and economic transformations occurring worldwide.

BOOK PROGRAMS

- U.S. Government support for book translations and overseas distribution assists developing countries by communicating the ideas and skills of democracy and market economics. USIA should continue to work with other agencies, non-profit groups, and publishers to facilitate book donation and distribution.
- Tax codes should be changed to designate foreign educational, cultural, or research institutions as recipients of donated books, and to allow tax deductions to U.S. publishers for expenses of shipping donated books abroad.

ENGLISH TEACHING

- The predominance of English as the international language of choice is a consequence and benefit of American leadership. USIA's English teaching programs are a vital component of public diplomacy. Radio and television broadcasts can extend their reach.
- The Peace Corps should work closely with USIA to assure that new Corps language initiatives in Eastern Europe complement USIA's well-established English programs.

CENTERS AND LIBRARIES

- USIA should address the strategic importance of libraries and centers, identify their primary audiences, and define the Agency's future commitment to them.

EAST-WEST CENTER

- The East-West Center has made important contributions to U.S. ties with the nations of Asia and the Pacific. As it moves forward under new leadership, the Center is challenged to develop relevant, dynamic programs that meet the changing needs of the region.

EXCHANGE OF PERSONS

*f*ew experiences influence attitudes more profoundly than personal encounters between Americans and the people of other countries. Academic, cultural, and professional exchange programs are central to USIA's mission. They build relationships over time that enhance communication and understanding between the United States and other societies. They are among the most effective tools of public diplomacy.

Participants in U.S. Government-funded exchanges comprise the world's most distinguished roster of American and foreign leaders in all fields. In 1990, USIA sponsored short and long-term academic and professional exchange programs for more than 13,000 American and foreign participants.

Exchanges have a multiplier effect. They often

lead to institutional linkages between governments, universities, libraries, museums, and other organizations, and establish a lasting American presence and influence abroad. Many exchange programs include significant cost-sharing by participating private institutions.

In cooperation with private sector program managers and community volunteers, USIA conducts a variety of exchanges activities.

The International Visitor program, which brings foreign leaders in many fields to the U.S. for short-term professional visits, celebrated its 50th anniversary in 1990.

The Fulbright program for American and foreign graduate students, teachers, and researchers marked 45 years of academic exchange.

Hubert H. Humphrey Fellowships offer a year of graduate-level work in the United States for Third

International Visitors from Swaziland, Indonesia, Morocco and the Philippines visit Grand Coulee Dam. (Photo by Peter L. Perkins)



World mid-career professionals in public service fields.

A University Affiliations Program provides seed money to promote research and teaching partnerships in the humanities, social sciences, education, and communications between U.S. and foreign institutions of higher education.

Some 500 secondary school teachers participate annually in the Teacher Exchange Program.

The Congress-Bundestag Youth exchange gives more than 700 American and German young people a full year abroad, while the Samantha Smith Memorial program funds youth and undergraduate exchanges with the Soviet Union and Eastern Europe.

Counseling and other student services provide material on U.S. educational opportunities to Fulbright Commissions and other counseling centers abroad.

USIA's library, book, and English teaching fellow programs send American specialists abroad to work with foreign counterparts.

Funding Exchanges. The Pell Amendment of 1983 doubled U.S. Government investment in exchange programs, and returned Fulbright grants to the spending levels of the early 1960s. Since 1986, however, there have been only small increases in exchange budgets, while rising costs, a weakened dollar, and adverse consequences of the Tax Reform Act of 1986 have reduced the numbers of professional and academic grants. From 1986 to 1991, annual Fulbright scholarships dropped 30 percent from 5,795 to 3,971.

To protect certain exchange programs, Congress established earmarks and a separate appropriation. The Commission is concerned, however, that in a period of budget decline unprotected exchange-related activities have taken disproportionate reductions.

USIA's Salaries and Expenses account covering English teaching, book programs, libraries and binational centers increased only 2.2 percent in 1991. This does not cover inflation, exchange rate losses, and other built-in costs. Funding for overseas student counseling and cultural enhancement programs for



A USIA "Artistic Ambassador" conducts a master class at Oxford Mission orphanage in Calcutta.

foreign students in the U.S. was cut by 17 percent. The Youth Exchange program, short-term grants for visitors aged 15-30, was cut by more than 60 percent from 1989 to 1991. Budget constraints also are greatly eroding the capacity of USIS staff overseas to manage exchanges.

America's long-term exchange investment is declining just as new opportunities are opening in Eastern Europe, the Soviet Union, and other parts of the world. Additional sources of funding for exchange programs must be found.

In working with private sector organizations to administer exchange programs, the U.S. Government enjoys a partnership that makes public diplomacy a national endeavor. The International Exchange Association reports more than two million volunteers in 15,000 American communities are active in private citizen exchanges alone. Academic exchanges involve many thousands more.

This is a powerful constituency for public diplomacy, and in the face of declining numbers of exchanges, much can be done to mobilize public and Congressional support for these valuable programs. Their vitality and effectiveness depend on this public-private collaboration. The Commission commends

USIA and the exchange community for their recent efforts to engage in more frequent dialogue.

International Visitors. Each year, this distinguished and highly effective USIA program serves some 2,600 visitors invited by U.S. missions abroad. USIA's Volunteer Visitor office gives program assistance to an additional 2,500 individuals who visit the United States at their own expense.

International Visitors travel to many parts of the country, depending on their professional interests, and are hosted by a large network of volunteer community organizations who work with USIA and contract program agencies to develop substantive meetings and other activities. Half of the visitors participate in group projects on economics, politics, journalism, communications, the environment, and other issues.

IN CONDUCTING EXCHANGE
PROGRAMS, THE U.S.
GOVERNMENT'S
PARTNERSHIP WITH THE
PRIVATE SECTOR MAKES
PUBLIC DIPLOMACY A
NATIONAL ENDEAVOR.

Senate Minority Leader Robert Dole (R-KS) talks with Polish journalists participating in a Voice of America International Training Center seminar.



The Fulbright Program. The Fulbright program is a model of investment in long-term national interests. By building good will and trust among scholars around the world, it has created a constituency of leaders and opinion makers dedicated to international understanding.

The Fulbright program is the major academic component of USIA's exchange activities, and an integral part of the Agency's public diplomacy mission. In administering the program, USIA has used the experience and contacts of its officers to make the program responsive both to broad national interests and the academic pursuits of Fulbright grantees.

The J. William Fulbright Foreign Scholarship Board has served since 1946 to oversee the Fulbright program. Concerned about efforts to stretch the program's reach despite declining resources, distortions of the traditional Fulbright mission, and erosion of the program's prestige, the Board in February 1991 released a White Paper on "The Future of the Fulbright Program." It urges Congress to increase Fulbright funding, and calls for a return to the program's roots: attractive, long-term awards in support of quality scholarship.

The Commission welcomes the White Paper. Its conclusions merit close attention in Congress, the Administration, and the exchange community.

There are unprecedented opportunities to expand the Fulbright program in Eastern Europe, the Soviet Union, and other parts of the world. Additional appropriations are needed, but USIA must also pursue cost-

sharing with other governments, in-kind donations, tax-deductible private contributions, and the possibility of debt swaps.

The European Fulbright program depends heavily on cost-sharing. Germany, for example, funds 75 percent of its Fulbright program. Expansion into eastern Germany is limited by the inability of the U.S. to match the German contribution. The governments of Mexico, Japan, Australia, and others also give significant support. Corporate and alumni contributions are substantial in some countries.

The Tax Reform Act of 1986 continues to have a negative impact on the Fulbright program. USIA estimates that income taxes on student grants and the costs of withholding taxes on all academic grants will reduce the resources available for scholarships by about \$2 million in 1990-91. Grantees from developing countries are most severely affected. Legislation is needed to exclude Fulbright scholars from income tax on grant benefits, and to authorize the J. William Fulbright Foreign Scholarship Board to accept tax deductible private contributions in support of the Fulbright program.

Coordination of Exchange Activities. Many government and private organizations are initiating exchange and institution-building programs in Eastern Europe and the Soviet Union. The Commission welcomes the talent and resources they bring. At the same time, there continues to be insufficient coordination and duplication of effort.

USIA should be the lead agency in coordinating expanded exchange programs in the Soviet Union and Eastern Europe. With a 40-year history of conducting exchanges and developing international linkages, USIA has the structure, experience, and professional contacts to manage them effectively. The Administration should establish clear policy regarding the nation's exchange programs, and assure effective inter-agency coordination.



Soviet Minister of Culture Nikolai Gubenko meets Rep. Steny Hoyer (D-MD), right, at a lunch hosted by Rep. Bob Carr (D-MI), left, Chairman of the Congressional Arts Caucus. The Soviet official was in the U.S. as a USIA International Visitor.

BOOK PROGRAMS

Books have a powerful appeal in the developing world, even in rigidly controlled societies. Soviet publishers are now interested in producing American titles on economics in Russian editions, and USIS Beijing's launching of a Eugene O'Neill biography in Chinese attracted a large crowd of cultural figures.

The highly literate leaders of emerging democracies in Eastern Europe, for decades denied access to modern thought in the social sciences, urgently need the institution-building ideas and skills contained in books.

USIA book programs help meet this need. In consultations with posts, the Agency identifies works to be translated, buys overseas rights from U.S. publishers, then contracts with foreign publishers for local production of language versions. Translations directly support posts' country objectives.

USIA can help coordinate the activities of govern-



USIS staff talk with visitors at the Indonesian National Book Fair.

ment agencies, publishers, and non-profit donation organizations dedicated to the careful selection, collection, and targeted distribution of large quantities of books. Posts must be involved in selecting titles to assure books are useful to local audiences and relevant to program objectives.

U.S. tax laws raise obstacles to book donations. The Commission believes a limited change would be in the national interest: to designate foreign educational, cultural, or research institutions as recipients of donated books, and to allow tax deductions to U.S. publishers for expenses of shipping donated books abroad for these purposes.

U.S. Government funding for book programs is extremely low. In addition to its translation program, USIA supplies some 200 overseas American libraries with books and other materials in English and vernacular languages, on a budget no larger than the acquisitions accounts of some American municipal libraries. The Agency's 1986 book budget of \$3.5 million was reduced to \$2.2 million by 1991.

Agency-produced book exhibits and official American participation in book fairs have been useful in building contacts throughout the international book industry, and promoting collaboration among U.S. domestic and foreign publishers. Budget cuts will eliminate most exhibits in the 1990s, and greatly reduce USIA's participation in fairs.

ENGLISH TEACHING

English has become the predominant international language of commerce, communications, transportation, science, popular culture, and diplomacy. The ascendancy of English has occurred with little conscious attention or investment by the U.S. Government. Some European governments spend far more than the United States to promote their national languages abroad.

USIA makes a critical contribution to English teaching worldwide. While the global market for English language instruction is served primarily by commercial interests, USIA invests in such multiplier programs as teacher training, professional enhancement, exchanges of foreign and American English specialists, and curriculum development among indigenous language institutions.

Political developments of the past two years, especially in Eastern Europe and the Soviet Union, have greatly increased demand for English language skills

among foreign leaders looking to America for models of political and economic reform. VOA and Worldnet can help meet the need for English teaching expertise where political changes have suddenly opened vast markets.

USIA spent nearly \$4 million to support commercial production of English Language Teaching by Broadcast (ELTB). This investment is finally paying off. German and Japanese TV are broadcasting the series, and stations in Poland, Czechoslovakia, and the Soviet Union plan to use ELTB.

Recycling funds from the sale of USIA-produced English teaching materials has been a successful innovation. While the commercial sale of USIA products requires

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careful control, recycling is a model that might extend to library services, Agency publications, and student counseling.

The Peace Corps sees a new role for its volunteers as English teachers, and is launching programs in Eastern Europe. A Corps focus on basic language skills and American cultural enhancement might effectively and economically complement USIA's professional teacher training and exchange programs. The agencies must coordinate their activities to avoid program overlap and duplication.

A USIA "Cultural Specialist" demonstrates the final stages of print making at a workshop in India



LIBRARIES AND CENTERS

American libraries and binational centers abroad have a long history. Active in some countries for a half century, many facilities continue as dynamic centers for information about the United States and the study of English. Others have suffered neglect and decline. Some receive substantial direct support from USIS posts; many are largely independent.

USIA's budget cuts have affected these institutions. USIS-supported libraries in Italy, New Zealand, Pakistan, Sudan and other countries have been closed.

The gradual decline of program and financial support to libraries and binational centers has eroded their effectiveness, precisely at a time when many foreign audiences have new freedom to approach and understand America through these facilities.

There is renewed appreciation for the program potential of libraries and cultural centers in Eastern Europe. USIA is considering new cultural centers in Moscow, Leningrad, Kiev, Warsaw, Prague, Bratislava, Sofia, and Leipzig.

Elsewhere, libraries and centers have long represented a permanent American presence, showing the face of American life, thought, and culture. The long-term self-financing character of a successful binational center provides a prospect of stability that can be of critical importance to cultural programming.

USIA should address the strategic importance of libraries and centers, identify their primary audiences, and define its future commitment to them. Budgets, library technologies, and security concerns require long-range commitments and coordination between posts and Washington.

English language instruction, library services, outreach to key contacts, student counseling, and cultural programs attract host country citizens at all levels, and can be used by USIS officers to reach specific audiences.



At the American Library in Brussels, staff demonstrates computerized access to information.

Centers and libraries serve U.S. interests by providing information on issues of immediate concern, against the background of American values conveyed through cultural programs. They are meeting places for private sector organizations: Sister Cities, Partners of the Americas, American studies organizations, Chambers of Commerce, and student exchanges.

EAST-WEST CENTER

*t*he East-West Center in Hawaii was created by Congress in 1960 as an educational institution dedicated to promoting understanding, cooperation, and development among the United States and the nations of the Pacific.

Today, more than 2,000 individuals participate each year in Center programs, conducting research or attending short-term seminars on issues of regional concern. The Center serves scholars, public officials, journalists, scientists, and businessmen. Its principal program fields are political and economic development, natural resources and environmental affairs, population and demographics, culture and communications, and regional cooperation.

In FY 1991, the Center through USIA received \$23 million in appropriated funds, approximately 80 percent of the Center's budget. The balance is contributed by the private sector.

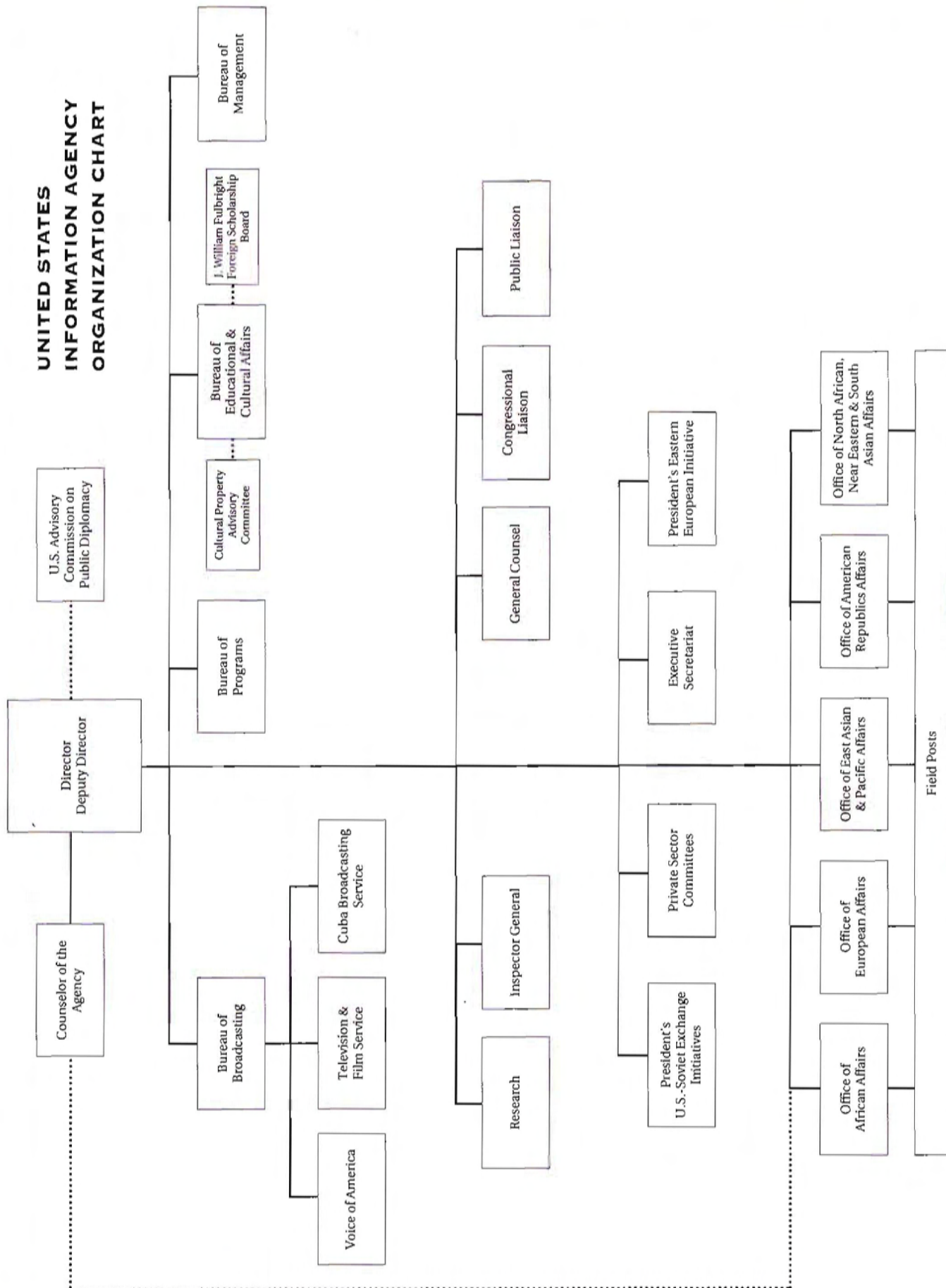
The Center has proven to be a far-sighted investment, strengthening ties with an area exercising major international economic influence. The Center estimates that by the year 2000, East and Southeast Asia will contribute one-fifth of the gross world product, roughly equal to that of North America.

The East-West Center is undergoing a change of leadership. Victor Hao Li, who guided the Center through the 1980s, resigned late in 1990. The Commission commends Dr. Li for nine years of distinguished service, building creative partnerships among individuals and institutions of the United States and Asia.

In the years ahead, the Center will be challenged to develop relevant, dynamic programs to meet rapidly changing needs, maintain academic quality, and wisely manage limited resources. The Commission hopes the Center's focus will include the emergence of democracy and free enterprise in Asia, press freedoms and international media concerns, and the international drug trade.

The Commission encourages USIA and foreign service officers to make full use of the Center's resources and the 25,000 accomplished alumni in positions of leadership around the region. The Center deserves to be better known in the United States as well, and should aggressively broaden its ties to the mainland private sector.

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