CHAPTER TWENTY-TWO

ON CAPITALISM, COMMUNISM, AND FREEDOM

THERE IS A verse common in English folksongs that usually, as singers say, goes something like this:

The men of the forest, they once asked of me,
"How many blackberries grow in the blue sea?"
And I answered them back with a tear in my eye,
"How many tall ships in the forest?"

The misunderstanding and inappropriateness captured in this quatrain characterizes the long, bloody experience of the United States as a global power since the end of World War II. It characterizes Soviet foreign policy as well, but that is beyond our direct control, and does us no direct harm.

The image of a tall ship in the forest describes the U.S. adventure abroad particularly well. The Soviets' political and economic system is a rusty battlewagon that leaks even in the familiar harbors of Leningrad and Kiev. Our ship, on the other hand, is a majestic and heroic instrument. It was crafted and launched with genius and love. It is just out of place.

The crew are fishermen, not expeditionaries—artisans and architects and farmers and machine designers, not gunners. The men at the bridge have steered them far off course. The ship lies beached in jungles from Vietnam to El Salvador. The foreigners who see it don't understand that it behaves differently in these surroundings than it does in the free and productive society that set it sail.

The ship doesn't represent us well. Its cannon blaze until the powder runs out, and then the people of the forest emerge, and bury their dead comrades. In a rage, they strip the ship plank by plank. With the lethal booty they savage first the crew and then each other.

A lighter metaphor for the U.S. experience abroad can be found in the old joke about the city-slicker salesman in his stylish new car, who loses his way as the interstate gradually becomes a highway, the highway a road, and the road, finally, some dirt tire tracks. In the end, the salesman comes to a wretched farmhouse on whose ramshackle front porch sits a farmer in tattered coveralls, chewing tobacco and strumming an ancient banjo.

The two men run through an exasperating series of questions and answers as the salesman tries futilely to get directions. ("Can I take this road to Fort Mudge?" he asks at one point. "Yup," says the farmer, then adds, "Won't do you no good, though. They already got one.") At last, the salesman flings his new hat in the mud and screams at the farmer, "You know, you're pretty goddamn stupid, you know that?"

"Yup," says the farmer, spitting out a long swill of tobacco juice. "But I ain't lost."

WE reduce the world's problems to simplicities: the efficiency of marketplace incentives versus the efficiency of central control, the efficiency of pluralistic politics versus the efficiency of a one-party state. How easy foreign relations would be if that were all there was to it! On those terms, we could not lose. Our basic values are fine.

Back in the 1960s, President Kennedy invited skeptics to come to Berlin to see the difference between the Western and Soviet systems. The comparison was a touch spurious, because the Soviets had deliberately restrained East German recovery for reasons of vengeance, while the U.S. had helped capitalize a boom in its sector of Germany. But the economic and political contrast between the two Berlins was stunning and undeniable. And the Soviets' instinct for malevolence, and America's for industrious cooperation, were legitimate factors for emerging Third World countries to consider when choosing the models they would follow.

In the decades since then, the Third World itself has offered many equally stunning examples of similar countries that chose different roads. In every case, the more market-oriented and the more pluralistic the road chosen, the more successful the country has been in meeting the needs of its people:

Morocco versus Algeria, Malaysia versus Indonesia, Thailand versus Burma, Kenya versus Tanzania, the two Koreas, and—still instructive despite a certain obvious unfairness in exact comparison—Taiwan versus main-land China. These pairs of countries are roughly similar in mineral wealth, agricultural potential, and racial makeup.* Most of the pairs are similarly sized, too.

There are differences. Kenya is populated by the industrious Kikuyu tribe, while Tanzania's indigenous tribes were slaved out, so that its present occupants are mostly descendants of wanderers. Indonesia has ten times as many people as Malaysia and only five times as much arable land. But Nyerere of Tanzania and Sukarno of Indonesia specifically invited comparison of their development results with those of Kenya and Malaysia, which they knew were following different, more free-market, policies. That was back when Nyerere was optimistic, and Sukarno claimed to have all the answers.

To measure the contrasts between countries most fairly, one must compare them percentile against percentile—that is, the top one percent of one country against the top one percent of the other, the tenth percentile against the tenth percentile, the fortieth against the fortieth, and so on down to the lowest percentile. The more successful country will have made a better life for a majority of percentiles without inhumanely repressing any of them.

The percentile-against-percentile comparison eliminates the skewering effects caused by philosophical choices. Some countries, for example, can run a high per capita income without benefiting most of the population, because the extra income is confined to the top percentiles. Other countries can improve the lot of most people while leaving a substantial minority frustrated and angry. (Cuba, the lone communist success in the Third World because of its windfall Soviet aid, is an example.)

One could cite many statistics describing the various pairs of countries listed above, showing that freer markets produce more goods for more people. Probably the most astounding fact is that Burma, the world's number one exporter of rice before the socialists got hold of it, was importing rice in the 1970s. (By the 1980s, using new seed strains, it returned to a slight surplus, though nothing like before.) Indonesia, which also could produce food in abundance, began importing it during Sukarno's time and still does.

But to appreciate what these statistics mean, for the population of the countries, you have to be there, walk the fields, and visit the homes. Kennedy said, "Let them come to Berlin." By like measure, we could now invite anyone to visit these sets of countries and choose which he would rather live in, at any given percentile.

THE Malay resident of the peninsula's lesser-developed east coast is apt to live in a decent house, eat well, have a free school for his children and access to running water, electricity, and paved roads. The roughly 45 percent of

*Taiwan is a special case. If you don't want to call it a country, you don't have to, but it's been acting like one.

Malaysia's population that bears Chinese or Indian blood lives mostly on the west coast, and in European style. Many own cars. The countryside is abuzz with motorcycles.

Although Malaysia is the world's largest producer of rubber and tin, Indonesia has the resources to produce more rubber than Malaysia, as well as substantial amounts of tin and petroleum, making Indonesia potentially the richer of the two countries. Yet conditions in Indonesia appeared miserably backward after the fifteen years of government by Sukarno, who adhered closely to the left-wing socialist prescription for nation-building (and to some degree, created it). Conditions continue to be backward under the socialism, hidden in anti-communist rhetoric, of the U.S.-supported generals.

Sukarno was so busy campaigning to save the whole Third World from European-American imperialism that he lacked time to devote to Indonesia. He squandered many of his country's resources trying unsuccessfully to conquer Borneo, a part of Malaysia. He railed against Malaysia's trade orientation with the West.

Meanwhile, the rupiah (Indonesia's currency) became wildly inflated, discouraging investment by Indonesians as well as foreigners. Sumatra, an agricultural gold mine that produces most of Indonesia's wealth even though its potential has barely been scratched, had a road system right down with Zaire's (and only those who have survived the overland journey to Kisangani can quite imagine what that means). A four-wheel-drive vehicle could average no better than 10 miles an hour over some main roads in dry weather.

Schools and teachers were few, and children seldom bothered to attend class even if a class was available. Curable illness was everywhere—pus dripping from children's eyes, ringworm eating away their hair, skin infections—things you didn't see in Malaysia.*

Sukarno spent a fortune on useless public showplaces in Djakarta—a skyscraper modern department store that did little business, numerous monuments (one topped with a small mountain of solid gold, supposedly in the shape of a flame but actually more resembling a human hand with the middle finger upraised), and the shell of a mammoth national mosque that he never completed.

Sukarno also established a police state. Every group of living units in Djakarta was assigned a block captain to keep track of the comings and goings of each resident. (After U.S. intervention, when General Suharto made Indonesia part of the free world again, these regulations were relaxed; residents were required to report to their block captains only if they did something unusual, like invite a guest over, or travel.)

*These observations were made in 1970, well after Sukarno's death, yet they were by all accounts valid for Sukarno's time. They certainly applied to the Suharto government, then in power, thanks to U.S. advisors and weapons. By 1970, we had kept Suharto in power five years and he had improved nothing, except to make peace with Malaysia and partially stabilize the rupiah.

Malaysia did have a couple of advantages over Indonesia unrelated to their forms of government. For one thing, British colonialism had given Malaysia much more in the way of public services—like roads, electric power, and schools—than Dutch colonialism gave Indonesia. For another, Malaysia was helped over the years by a large, gradual influx of Chinese, whose instinct for productive enterprise has made them a success in every country in Asia (except their own).

But neither of these excuses—the relative benefits of British colonialism, or the success-prone stock of Chinese settlers—is available to Marxist apologists for Indonesia, because Marxists don't recognize that colonial contributions or racial differences exist. Indonesia, which followed socialist notions, failed.

THAILAND wasn't colonized by anyone, and the Chinese aren't a big part of its economy. It succeeded, relatively speaking, because of the degree of free choice its people were allowed. Western-quality goods have appeared in towns throughout Thailand and have worked their way into the lives of the people. Even in farming areas, Thais are well-dressed, live in clean wooden houses often of two stories, and make meat or fish part of their daily diet. Television is common and radios, phonographs, and wristwatches almost universal.

In early morning and midafternoon the sidewalks fill with children in freshly ironed school uniforms and toting satchels of books. Not many kids are seen outside of school during school hours. Roads range from good to excellent by Third World standards, and are heavily used by trucks, modern buses, private passenger cars, and the ever-present motorcycles.

From across the border in socialist Burma, Thailand looks like paradise.* Thailand is the source of Burma's "luxuries"—everything from underwear to hair tonic. They are smuggled across the northern border to Mandalay and travel down to Rangoon. This black market, possibly the biggest in the world in terms of the percentage of national commerce it accounts for, makes the grim life in Burma bearable for those who aspire to more than the annual change of clothes that government rationing permits them, and who can pay the stiff mark-ups.

Army officers are best able to afford these luxuries, partly because they collect heavy bribes from the black marketeers. Army officers also have the most highly paid government job classifications in an economy in which the

*Although the author has traveled in Thailand as recently as 1982, my only journey through the two countries in sequence, for comparison, was in 1970. But the Burmese government then in power—ruled by General Ne Win—stayed in power until late in 1981, and its policies didn't change. Recent accounts suggest that this portrait remains accurate, and at any rate, conditions in 1970 reflect fairly on twenty years of socialism.

government is almost the sole employer. The piles of Burmese-produced dry goods available on the streets at night without rationing testify to enormous pilferage from textile plants. Workers often earn more stealing the products of their factories for resale through the black market than they receive in wages.

Civilian wages, low as they are, are paid in kyats (pronounced "chats") whose value on the black market is only one-third the official exchange rate declared by the government.* In an economy so heavily dependent on illegal trade, the citizens hurt most are farmers. Burma is 80 percent rural. The farmers are "the people" in whose name and for whose benefit the government allegedly communized commerce. But most farmers lack any access to the black market economy.

The streets of even major cities like Rangoon and Mandalay seem deserted by comparison with those of an average Thai town. The shops are relatively empty of goods, and except for some buses and a few cars in Rangoon, motorized transport is rare. The main means of getting about in Rangoon is the bicycle ricksha; in Mandalay it's a horse-drawn cart with passenger seats. Most vehicles on Burmese streets would be in museums in Thailand. In 1970, one could travel the 300-odd miles from Rangoon to Mandalay—Burma's main highway—and see only a few ancient trucks chugging along at 30 miles an hour, and not a single passenger car.

Construction, perhaps the most important bellweather of prosperity in any country, and certainly one of Thailand's most flourishing industries, seems moribund in Burma. Multistory buildings are few, steel and concrete scarce. The whole country gives a visitor the appearance of having gone out of business.

Though the government extols itself through its newspapers, and doesn't allow anyone to publish anything different, "the Burmese way to socialism" is a joke to the population. Ne Win and his associates made themselves one of the most despised governments in the world. When Westerners were allowed into the country in 1970 for the first time in many years (other than for a one-day layover in Rangoon), people either poured out their hostility against the regime or cautioned that discussions about politics weren't allowed. It was next to impossible to elicit a favorable comment about the government, even from the army officers who were supposed to be running it.

BY the late 1970s, the economic discrepancy between mostly free market Kenya and socialist Tanzania became so great that Tanzanian president Julius

*In 1970, the highest civilian wages, even for university graduates, were only about $15 a month. In 1983, some wages were reported nearing $100 a month, but, of course, much of the increase was due to inflation.

Nyerere felt compelled to close the border between the two countries. He explained that he didn't want his people contaminated by the "immoral" ideas they might get if they saw that other Africans owned cars, television sets, and wristwatches, while Tanzanians waited in line for bread.

Nyerere is an almost perfect example of the point at issue, because his failure can be blamed so singly and clearly on his ideology. Other than his belief in the one-party socialist development model, he has all the virtues that an Episcopalian missionary could have wished on him. He is bright, well-educated, hard-working, honest as the day is long, and, for a politician, he is almost humble—certainly not given to the kind of megalomania that destroyed Kwame Nkrumah in Ghana. The leftist prescription for nationhood could not have been pursued with greater rectitude than it was by Tanzania.

Nor could Tanzania complain, as Cuba could, for example, that U.S. embargoes and other hostile acts interfered with its economic growth. The U.S. and other Western countries *lavished* aid on Tanzania—food, construction projects, Peace Corps volunteers, and big bucks. The U.S., the U.S.S.R., China, Western Europe, and even Israel queued up to supply Nyerere with roads, railroads, ports, and machinery. Per capita, Tanzania has been one of the largest recipients of foreign aid in the world.

But the companies were nationalized, the banks were nationalized, and, most important in a chiefly agricultural country, the farms were nationalized. Hundreds of thousands of Tanzanians were resettled out of their traditional villages and onto government communes. Ironically, the process resembled nothing so much as the colonial practice of moving villagers into low-wage jobs as virtual slaves on foreign-owned plantations.

Under colonialism, the plantation system accomplished its purpose, which was to feed the colonizer, not the farmers. It wasn't fair, but it was efficient. Europeans who were making good money could enforce ruthless discipline to maintain high production of export crops. Afterward, the farmers or their families could go dig private gardens as necessary to ward off starvation.

As a method of central development planning, however, this system didn't work at all. Without colonial force, and with no incentives other than an occasional compliment from Nyerere, production slid. And since the communes were supposedly organized for feeding the people as well as for export, private plots weren't considered necessary, and there was often no practical way for plantation workers to have them. Essentially, people could increase neither their incomes nor their caloric intake by working harder. So they didn't.

Sudan is another centrally planned state, although instead of pursuing neutrality as Nyerere has, Sudan's socialist leaders have allied themselves militarily with the U.S. As an experiment, in 1982, Sudan's largest farm (owned by the government, of course) began to pay farmers on delivery for each bale of cotton produced, instead of waiting until the end of the season and paying each farmer an equal share of the commune's total receipts.

Under the new incentive system, production was reported up one-third in the first year, and growing by one-third more than that in the second.

Meanwhile, directly between Tanzania and Sudan, Kenyans have lived largely by market incentives since independence. Obviously, they have a better life at every percentile. Corruption among the leadership gives some an unfair advantage, but even without benefit of graft, a typical extended family in Kenya has its 20 acres or so (an extended family might include three or four grown brothers with wives and children and maybe a retired parent or two). Several members of the family also are likely to have jobs in town that contribute an average $100 a month per job, in addition to the farm income. The basics of life are assured to most people, and in Africa today that's a lot.

Some problems have yet to be faced in Kenya. Women continue to bear an average of eight children each. With modern health care delivered more widely, most of the children now grow up, and adults live longer. Annual population growth has risen to 4 percent, perhaps the world's largest. Suddenly, Kenya has become one of the few places in Africa where land is scarce, and the same 20 acres is going to have to support a lot more people in the future unless something is done.

The hunt for land threatens the animal herds, which are important not only as a heritage of mankind, but also because they help make tourism Kenya's third-largest industry. Tourist income is needed because the price of oil imports going up has already passed the price of coffee exports going down, leading to the new phenomena of trade deficits in the 1980s.

The years 1982 and 1983 also saw the reversal of the political liberalization that followed the death of national founder Jomo Kenyatta in 1978. Kenyatta had become a corrupt dicatator who biased national development toward members of his own Kikuyu tribe. His successor, Daniel Arap Moi, a non-Kikuyu, began by preaching national unity and freeing political prisoners. But eventually, he clamped down on dissent, and moved to straightjacket what had been one of the most vibrant free presses in the Third World.

For all their problems, though, Kenyans seemed to have learned from their Tanzanian neighbors that Marxism doesn't hold the answers. Says a sociology professor at the University of Nairobi, Kenya, "They [the Tanzanians] condemn our systems and say we are exploited, but they come begging to us for food. They come here to shop. They are just mismanaged." Now that the Kenyan-Tanzanian border is closed, Tanzanians must sneak into Kenya through Uganda in order to buy and sell in a productive economy. They do it.

Uganda has its own problems. In 1978, Nyerere's army helped rid Uganda of Idi Amin, a lunatic terrorist of a dictator. Amin had overthrown the elected government of Milton Obote in a coup in 1971. But with Amin gone, Nyerere simply reinstalled his old friend, Obote. While certainly an improvement over Amin, Obote still subscribed to Nyerere's original concept of the one-party socialist state as a road to Third World development.

Philip C. Githongo, a Kenyan who works at Union Carbide's Eveready battery plant in Kenya, says, "Nyerere and Obote tell Kenyans they are downtrodden masses and being exploited. It's the Tanzanians and Ugandans who suffer, under a system that produces nothing. They make people work in communes and nothing comes out."

PERHAPS the most influential thinker in the transfer of Marxist ideas to the Third World was Frantz Fanon, an Algerian whose works are not nearly so widely read today as they were in the 1960s—perhaps because history has proved them so wrong. Fanon tried to adapt Marxism to the Third World as Lenin's prerevolutionary writing had adapted it to twentieth century Europe. He became a darling of the New Left.

Fanon's most famous work was *The Wretched of the Earth*, in which he spoke of "the necessity for a planned economy, the outlawing of profiteers." He wrote, "In a colonial economy, the intermediary [retail] sector is by far the most important. If you want to progress, you must decide in the first few hours to nationalize this sector. . . . Nationalizing the intermediary sector means organizing wholesale and retail cooperatives on a democratic basis."

A few years after Fanon wrote those words, the West African country of Mali put them into practice. In every town, one or two government stores were established. Lines quickly stretched the length of a city block. After waiting up to two hours, the shopper reached the clerk, who stood between a wooden counter and the few shelves of sample articles. One could choose from among ten to fifteen items, usually no more than one brand of each: tinned tomato paste and sardines; bulk rice, onions, peppers, salt, and garlic; packaged soap and dry noodles; bottled oil and kerosene. And every store offered the same two toys, and only two: a sparking machine gun and a wind-up train, both imported from China. And that was it.

Yet in those same towns were stores, suddenly closed by government decree, where the traditional wide range of trading goods had been set out, where customers had been able to walk in and buy what they wanted, choosing from a variety of brands, sizes, and prices. Item for item the cost of shopping had been no more than what the government stores were charging, maybe a bit less.

The private stores were mostly owned by French expatriates. But they were almost all men and women committed to making Mali their home. Months after they were forced to shut their doors, they still sat, lonely and betrayed, in what had been their shops. Unsold merchandise, not available in government outlets, just gathering dust on shelves around them.

French expatriates had gained an unfair advantage during colonization, and the Malian government understandably might have wanted to help other citizens overcome this advantage. But if this had been the government's purpose, more reasonable programs could have been attempted. For example, the government might have opened a chain of franchised stores with local citizens applying or bidding for rights to the franchises.

Franchisees might then have bought their stores by making scheduled payments to the government from profits. No profits, no franchise—thus assuring that if a manager didn't compete successfully in the marketplace, someone else would get a crack at running his store. Meanwhile, the franchisees would have competed with existing stores, and the competition might have helped to weed out whatever inefficiency or unfairness was present in the existing ownership system.

But by banning all private stores—the so-called profiteers—the government worsened living conditions for everyone. It reduced its citizens' freedom of choice. It put direction of retail merchandising—the power to judge quality and price—into the hands of distant bureaucrats who had no means of testing customer preferences and no reason to respond to those preferences anyway.

Parallels existed elsewhere. There was the half-empty government department store in Djakarta, Indonesia—what a contrast to the bustling, competitive shops of Kuala Lumpur, Lagos, and Singapore! There were the ludicrous nationalized nightclubs in Baghdad, once boisterous belly-dancing salons, where now a handful of mirthless customers rattled around, invariably outnumbered by machine gun-toting army guards.

The issue is not simply public versus private. The productive economies of Malaysia, Taiwan, and Singapore have benefited from considerable government participation. On Taiwan, especially, the government intervened to make sure that much of the economy's profit was spread to the poorest parts of the countryside via large public works—hydroelectric projects and good schools, for example. This intervention helped keep production high, by maintaining morale among farmers who might not otherwise have participated in the industrial boom.

Government intervention under Marxist socialism is obviously very different. The problem with these radical governments is that instead of attacking poverty, they invariably wind up attacking only wealth. Some government intervention is generally necessary in order to attack poverty, especially after decades or centuries of feudal accumulations of wealth. Monopolies must be restrained and competition encouraged. Industrious individuals need access to land or other means of production to show what they can turn out. Marxism, though, has almost invariably brought about the vengeful destruction of productive power, not the thoughtful redistribution of it.

The limitations of Marxism are felt in its Soviet heartland, not just in Third World countries. The poor quality of Soviet production is renowned, and anyone traveling through the Soviet Union can see it. The respected publication *Africa Confidential** reported in 1979:

*Though *Africa Confidential* articles are unsigned, I was by chance able to authenticate this passage with its author; while discussing socialism at a restaurant in San Salvador

"Several African states have complained that the U.S.S.R. unloads inferior quality goods in exchange for its raw material imports. Others have entered into bitter business quarrels. For example, Sékou Touré [longtime socialist president of Guinea] was dismayed by the low prices for bauxite paid by the Russians—$6 a ton compared with $23 per ton from American companies. Guinea-Bissau [a neighboring country, also socialist, created from a Portuguese colony] has three times angrily demanded a renegotiation of its fishing agreement with Moscow. Mauritania has repeatedly protested against overfishing by Soviet fleets in its waters. So, more recently, has Mozambique. Since the overthrow of Francisco Macias Nguema in Equatorial Guinea, the new authorities in Malabo have sharply denounced Soviet application of the fishing regulations agreed between the two countries. Statements by the new government have been virulently anti-Russian. 'They leave us with only a few sardines,' now says the fishing ministry."

Cubans, both government officials and average families, readily acknowledge the inferior quality of Soviet imports. While people are glad to have stereo sets, or washing machines, the availability of only one rather tacky-looking model, and its propensity to break down, take the edge off the pleasure. Much of our enjoyment of material goods springs from choice and spontaneity, which the Marxist system shuts off.

When *New York Times* columnist Anthony Lewis went to Mozambique in 1982, he was besieged with pleas for more trade with the United States. "There is no doubt here about the capacity and efficiency of American companies," one official told him. "And there is no ideological obstacle. We want [to explore for] oil not for its own sake, but to develop the country and especially to increase trade with the United States."

In May 1983, Mozambican president Samora M. Machel, a big supporter of socialism when he was fighting the Portuguese for independence, and in the years immediately afterward, made some stunning admissions. "We have erroneously developed a hostile attitude to private enterprise that must be changed," he announced. "Our country must undertake a profound reorganization starting with the government itself"—whereupon he slashed the government payroll in urban areas, and sent workers out to the countryside. His intention was to encourage private enterprise farming.

THERE is only one reason why a country would want to adopt Marxist-socialism today. Unfortunately, it is often a valid reason. Marxism-socialism is often the only way a country can avoid American imperialism. Joining the Soviet arms network is often the only way to have a national government

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in 1983, I recalled the passage to Susan Morgan, my dinner companion and then a reporter for *Newsweek*, who revealed that she had written it while working in Africa a few years earlier.

that is independent of CIA manipulation, and that stands a chance of bargaining at arm's length with multinational corporations.

A great irony is at work. The philosophers of both systems have generally preached that Marxism seeks economic improvement for the majority, while the free market is concerned with such noble ideas as human dignity and the worth of the individual. In the debate, the fact of a billion empty bellies is normally juxtaposed against the principles contained in the U.S. Declaration of Independence and Bill of Rights. Marxists contend that political liberty is a luxury that only the rich can use, and only by exploiting the poor. The democracies insist that man cannot live by bread alone.

Yet out in the world, the exact opposite applies. It is the U.S. that offers pure materialism. The alleged economic benefits of socialism are a joke to practically everybody. The only attraction the Soviets have is the offer of national dignity and independence. Of course, this offer is ultimately phony, and the Soviets seek to impose their control just as we seek to impose ours.

But for a couple of reasons, the Soviet threat often seems less frightening. For one thing, it is an unknown threat. So it may seem worth accepting, as a price for protection against the known reality of U.S. intervention. For another, the Soviets have shown themselves far less efficient at imposing and maintaining control than the U.S. has.

Except in areas contiguous to Soviet borders, where the might of Soviet ground forces can be brought to bear, Soviet personnel have generally given up and gone home when a nationalist or U.S.-imposed government has asked them to. Doubtless this is more the result of military incapability than of political good faith. But either way, it stacks up as less threatening than the U.S. record. As we have seen in country after country, the U.S. has rarely been tolerant of any sentiments contrary to its own. The first scent of national divergence has quickly evoked repression by covert or overt U.S. military action, even in a country like Iran, on the Soviet border.

The need for protection from U.S. intervention is what has given the Soviet Union the world influence we complain about. Just go down the list of countries that are constantly described as being "in the Soviet orbit." Many, of course, are Eastern European countries that were conquered by the Soviet army in World War II; that is a tragedy one hopes can some day be redressed, but the situation has not proven itself a continuing threat to other countries. North Korea was another World War II conquest. Then there is Afghanistan, on the Soviets' southern border, which has been overtly invaded and is resisting.

Beyond that, it is hard to find any Soviet "orbiters" that didn't get that way voluntarily, for nationalistic reasons, and that wouldn't leave the Soviet sphere if these nationalistic problems could be resolved. They are countries seeking protection for themselves or their close brethren, either from the U.S. directly, or from the real or perceived U.S. presence in Israel and South Africa.

Angola and Mozambique started off Marxist for one reason only: the U.S.

was supplying weapons to its NATO ally, Portugal, which was killing and enslaving the Angolans and Mozambicans. The Soviet Union offered an unarmed and unsophisticated people weapons to fight for their independence, and an ideology that purported to explain their colonial oppression.

Meanwhile, the United States turned its back on its own history, and tried to rationalize this oppression. When the Portuguese gave up, the U.S. tried to replace them, at least in Angola, with a longtime CIA operative who had almost no support among the people. What was any right-thinking patriot in these countries supposed to do?

And now there is pressure on the Angolan and Mozambican governments to stay nominally Marxist for the same kind of nationalistic reasons. The movement toward majority rule in South Africa is precious to blacks throughout Africa, probably the single foreign issue most of them are much aware of. Angola and Mozambique are naturally in the forefront of African support for this cause, both by geography and by the recentness of their own violent struggle for nationhood.

Because of this, South Africa has both countries under violent attack. Neither Angola nor Mozambique has any reason to hope the U.S. will provide protection or support, even moral. There is, in fact, much reason to believe that the U.S. is already intervening *against* them, and against the movement toward majority rule in South Africa—a movement that is not only inevitable, but that is in accord with the principles the United States has enunciated since the day of its founding.

U.S. intervention against this movement not only makes a Soviet alliance attractive to Angola and Mozambique, but it invites a Soviet liaison with the inevitable black government of South Africa itself. South Africa is the richest country and most promising trading partner on the continent. The only way we can lose it is by voluntarily making ourselves the enemy of its future leaders, whoever they turn out to be. The most likely leaders are being shot at with American guns today.

Beyond such practical considerations, it is hard to believe that the American people would knowingly choose to support a government run by a tiny minority of the population, a minority that brutally forces the nonwhite majority to live in segregated, second-class housing in undesirable areas, to send their children to grossly inferior schools, to forego the most desirable jobs regardless of their qualifications, and to be paid much less than whites for the jobs they *can* have, regardless of their productivity. This isn't our kind of government, but the Henry Kissingers of the world have got us defending it.

If the understandable nationalistic ambitions of southern Africans could be pursued without U.S. opposition, the Soviets would have little to offer and would soon be gone. Genuine U.S. diplomatic cooperation with South African blacks in trying to achieve these just ambitions peacefully would probably create more friends for us than shiploads of Soviet arms could create for the U.S.S.R. Certainly such cooperation would do most to encourage the development of free institutions in South Africa, something sorely lacking for 85 percent of its people today.

United States policy, with its intervention for and against mislabeled causes, has convinced millions of South Africans that they are living under capitalism, and that only socialism will liberate them. The truth is they are suffering under a state-controlled—state socialist—economy, and the very things they seek are the gifts of a free market. If the United States doesn't show it to them, who will?

FOR many years, Ethiopia and Somalia have traded off the U.S. and U.S.S.R. as patrons in their long war against each other, over the disputed border territories of Eritrea and Ogaden. Ethiopians have the greater grudge against the U.S., because of long decades of American military support for their brutal and corrupt dictator, Haile Selassie.

Selassie gained an undeserved good reputation in the U.S., thanks to the historical accident that Ethiopia was invaded by Italy in 1935. Somehow, the image of Selassie as an underdog fighting off giants stuck with him, even after he in fact became a giant fighting off underdogs. When Selassie was overthrown in 1974, the U.S. was tossed out of Ethiopia as part of his baggage. This is what Henry Kissinger called Soviet-Cuban encroachment in the "Horn of Africa."

Selassie's replacements had been forced to resort to the Soviet Union for arms and ideas all during their long struggle against him. They weren't about to switch patrons as they redirected their struggle against Somalia, and an Eritrean independence movement. The Ethiopian government's new link with the Soviets, of course, forced the Somalians to kick the Soviets out, and to seek a *U.S.* alliance. What does this have to do with Marxism, or a Soviet military threat to the West? Very little, except that the Soviets built a good naval base in Berbera, Somalia, and now we're using it to protect our Middle Eastern oil shipping.

ALGERIA had to fight for independence against a U.S. ally (France). Iraq's longtime antagonist, Iran, was armed and supported by the U.S. Both Algeria and Iraq were thus driven into Soviet attachments. Both show signs of wanting to shed those attachments now, but there remains the problem of their Islamic allegiance to Palestinian nationalism (and for Algeria, the problem of U.S. military support for its expansionist neighbor, Morocco).

The Palestinian nationalists were also driven into the "Soviet orbit," by U.S. support for their perceived enemy, Israel. Yasir Arafat is clearly a one-issue politician. With a Palestinian-Israeli settlement, Palestinian nationalists wouldn't need the Soviets anymore. Syria wouldn't, either. Without a settlement, a Soviet liaison remains, but it is geographically limited, and results from the U.S. choice to underwrite Israel.*

All these Soviet friendships lack fundamental support in the sense of shared values, or long-term mutual interests; they are based on local exigencies. They don't necessarily threaten the U.S. at all. Turmoil is a cause for concern, but if the U.S. would focus on protecting its legitimate trading interests in these areas, instead of imagining a global conspiracy aimed at the White House, the problems seem happily manageable. The level of violence might even be reduced to the benefit of everyone. And U.S. values—free politics and free markets—would be more respected by all, and perhaps even emulated by some.

READERS of Latin American history should have no trouble understanding why countries like Nicaragua would fear the U.S., and seek protection from the Soviets. Despite many attempts, the only government in the area to raise the least exception to U.S. domination and survive the inevitable onslaught has been Cuba's.

Back in Jimmy Carter's time, when the U.S. maintained a bit more perspective on the Latin front, Jamaica was allowed its flirtation with socialism, and eventually rejected it. Without belligerance from Washington, the socialist experiment never became chained to the buoy of Jamaican nationalist pride, and, therefore, sank.

Cuba would be a tougher nut to crack, because of the billions of dollars it receives in Soviet aid. In Asia, Vietnam would be a tougher nut still. The craters of U.S. bombs are only recently dug into Vietnamese soil. Moreover, Vietnam perceives a need to counterbalance the Chinese giant on its northern border, and thus wants arms, which the Soviet Union supplies.

Still, in the long run, the world's biggest economy, the U.S., is 90 miles off Cuba's shore, whereas the Soviet Union is half a world away and can't even take care of its own people. It's hard to believe that the natural economic relationship between the U.S. and Cuba wouldn't redevelop if Cuba could stop fearing for its independence. And the Vietnamese have hinted that they, too, want to move toward normal commercial relations with the U.S.—although their belligerance in taking over all of Indochina, and their brutality in running it, doesn't particularly recommend Vietnam as a trading partner if alternative suppliers and markets are available.

Among the Soviet "orbiters," then, that leaves only Muammar Qaddafi as much of a soulmate. And the Russians can have him. (Would *you* want to depend on Qaddafi?) For the time being, Qaddafi is willing to—in fact,

*There are strong cultural and moral reasons for making this choice, and the purpose of this book isn't served by getting into the merits or demerits of those reasons. The important point is that the decision, with its consequences, was and is a U.S. choice.

needs to—sell the West his oil, which is the main U.S. concern with Libya. Some day, in the process of shooting himself in the foot, Qaddafi will probably wound himself fatally, and another leader might bring Libya into a more rational policy.

The U.S. seems to have excellent intelligence out of Libya, which allows it to intercept arms shipments and departing terrorist squads pretty routinely. At least, after a decade of Qaddafi, the known damage seems relatively minuscule, and if it worsened, then overt rather than covert action might be widely accepted, perhaps even with broad international sanction.

Washington, of course, insists on seeing Libya as a threat to all Africa. So far, Libya's only invasion has been of Chad. To undertake this, Qaddafi had to hire the layoff list from the CIA, and even then, he failed. If you can't even conquer Chad, a barren stretch of scrub whose defenders are mostly on horseback and preoccupied with looking for the next waterhole, what kind of conquerer are you?

IT should not be surprising that needless U.S. intervention leads to popular resentment of the U.S. And this, of course, can be marshaled into support for local leaders, sincere or demagogic, who choose to exploit it. The hostility the U.S. sometimes finds overseas isn't hostility toward the U.S. *system*, or toward the U.S. people as they exist at home. It is hostility toward U.S. *foreign policy*, which usually has nothing to do with the U.S. system.

What we send abroad with our covert and overt military intervention doesn't resemble democracy or free markets in the slightest. No organization can be more socialistic and antidemocratic than an army, even the American one, and even if it dresses in civvies like the CIA. When our forces intervene, local people don't see the flag of individual liberty; they see one more meddlesome government bureaucracy, and it's not even theirs.

Often our main economic contribution to a country is the sale of weapons. These sales are encumbered by all sorts of government regulation and involvement (mostly for good reason, of course—weapons are dangerous) that is uncharacteristic of a free economy. Our concentration on the sale of weapons, and even of major civil development projects, is a concentration on goods bought by governments. Therefore, the sales enhance the socialist part of the purchasing country's economy, which is counterproductive to our supposed goal.

We continue to press not our system, which encourages free choice, but some convoluted notion of our system, which imposes *our* choice. We insist on imposing solutions to particular problems involving foreign people. They are asked to live by our choices, when they often don't want or even understand them. Nor do American voters understand, or necessarily want, the kind of administration that our colonial bureaucrats bring to the countries we take over.

The government of El Salvador that started dragging the U.S. into its civil war in 1980 had, since taking power in a coup in October 1979, seized control of the country's banks, and nationalized exports of coffee, cotton, and sugar. When an organization of wealthy businessmen, mostly from the oligarchy, protested in July 1981 that these "structural reforms" were wreaking havoc with the economy, the U.S.-backed government granted the businessmen a request: it froze the wages of Salvadoran workers. At the same time, however, it continued controls on rents; school tuition; fees charged by doctors, ophthalmologists, and dentists, and for hospital services; and the prices of rice, corn, sugar, and beans.*

Boy, the Marxist guerrillas would sure have to put on their thinking caps to top all that!

As the war ground on, American liberals made a hero of the former U.S. ambassador to El Salvador, Robert White, who spoke out for continuing the land redistribution and other U.S.-designed reforms; this was after the Salvadoran voters, who weren't allowed to vote for anyone on the left, defeated the "moderate" candidates Reagan was pushing, and chose instead a far-right constituent assembly. This assembly was proceeding to undo the reforms, which White and other Americans had created.

So Reagan switched, and backed the election winners. He probably never considered the possibility that the reason the right wing won was that it presented the only opportunity for local voters to express their disagreement with having the U.S. run their country. So now the U.S. was supporting a dismantling of the "reforms" it had coerced the previous Salvadoran government into enacting. And White and other liberals called for coercing the new government into reinstituting the reforms.

White's reforms certainly were kinder to most Salvadorans than some of the bloodthirsty alternatives being offered. But at bottom, White was still taking the same position that his adversaries were—namely, that the United States could run El Salvador better than El Salvador could.

If that sounds like a reasonable proposition, consider Chile. After the U.S. played a large, but not precisely known, role in dumping the socialist government of Salvador Allende, the U.S. brought in the University of Chicago economics department to run the place. The most eloquent description of what happened after that comes from Everett G. Martin of the *Wall Street Journal*.

Reporter Martin had been in the forefront of chronicling the economic damage done under Allende's socialist policies (much of the damage, we now know, was caused by CIA sabotage). He had even entered a long-running editorial debate with Allende's mourners, insisting that the shortcomings of the overthrown government not be forgotten. In other words, Martin is no apologist for the Left, and, in fact, gave the new Pinochet junta

*Story by Raymond Bonner in the *New York Times*, July 2, 1981.

the most favorable send-off it could have had from an objective press.

But on January 18, 1982, Martin wrote from Santiago:

"This country's plunge into a free-market economy is in serious trouble, the worst since the experiment began eight years ago. Almost daily, more factories go bankrupt, copper mines and construction projects close, and farms go on the auction block. Some smaller cities have been left without a single industry. Bankers struggle to deal with mountains of bad debts; the government had to act in November to save eight financial institutions from collapse.

"Unemployment climbs sharply.... The seventy-four-year-old head of Chile's Roman Catholic church, Cardinal Raul Silva Henriquez, who receives reports from Church parishes all over the country, tells an interviewer, 'I could be wrong, but never in my long life have I seen such a disastrous economic situation.'" That lifetime obviously encompassed the elected socialist, Allende, who was operating under the handicap of President Nixon's order to the CIA to "make the [Chilean] economy scream"; now, Pinochet had the U.S.'s earnest help. In fact, Martin wrote in the *Journal*:

"The critics' prime target is the reclusive finance minister, Sergio de Castro, fifty-one. He heads an economic team called the Chicago boys because so many of its members trained at the University of Chicago under Milton Friedman, the Nobel Prize-winning economist who champions free enterprise."

We rescued Chile from the socialists, all right. Then we did even worse to it ourselves.

WHEN it comes to foreign affairs, the U.S. is no kinder to itself than to others—witness the policy (discussed earlier) of attacking the Russians, after their Afghanistan invasion, by clobbering the U.S. grain market (and making the taxpayers pay). U.S. industry next felt the sting of our anti-Soviet wrath when President Reagan decided we shouldn't help build a natural gas pipeline that our European allies desperately wanted (the pipeline would allow them to buy Soviet natural gas as an alternative to Arab oil).

Reagan ordered American companies to cancel the contracts they had won to help supply the pipeline project. The supposed justification for this was that the Soviets were using compulsory labor to work on the pipeline. This was a remarkable discovery—communists use "slave labor." It was as if no one had noticed that this is the way communism operates.

Even Cuba, which makes extraordinary efforts (for a communist state) to accommodate individual preferences, requires some people to work at jobs they don't want to do; the Soviet Union has never been known for going out of its way to accommodate individual idiosyncrasies. The worst offender of all is probably China, and the U.S. was sending the Chinese equipment with direct military application.

But on the discovery that Soviet pipeline workers were being exploited, the U.S. government robbed the Caterpillar Tractor Company of a contract to get $90 million of Russian money, and General Electric Company of a contract to get $175 million of Russian money (this in the middle of a recession). The government also got into fights with our French and Italian allies by trying to pressure *them* into turning back Russian money for products made in Europe with U.S. parts.

On the other hand, the government of Guatemala, not exactly a model of decorum, received from the U.S. a $135 million guarantee in taxpayer funds for a project Texaco was embarking on there. In 1981, two Democratic congressmen threatened that unless the Guatemalan government stopped murdering its citizens, they would start a congressional debate over the guarantee. Texaco promptly announced that it was dropping its application for the guarantee, in order to stop the embarrassment to itself and to the Guatemalan government.

In this case, Texaco said it would go ahead with the project on its own—a bald admission that the guarantee wasn't necessary in the first place. It was just a needless taxpayer subsidy, voted for on the ground that it would help Guatemala fight communism, when obviously it was mainly helping Texaco avoid the kind of risk that smaller capitalists have to take when investing their money.

Despite the well-grounded opinion of some congressmen that it was too brutal, the Guatemalan dictatorship continued to receive U.S. government support, financial and military. Costa Rica, though, which was behaving the way we say we *want* countries to behave, was getting hell from us. In 1981, T. D. Allman, writing in *Harper's* magazine, made the wonderful point that there were only two countries in Central America where a citizen could feel safe walking the streets and going about his business. They were Belize and Costa Rica—the only two countries in Central America that had no armies.

Costa Rica dissolved its army thirty years ago. It is a democracy that has chosen leaders who roughly adhere to U.S. ideals of civil liberties and human rights, at least more than other countries in the region. But instead of trying to keep it independent and peaceful, the U.S. has seemed bent on bringing Costa Rica into the turmoil that has enveloped its neighbors.

With U.S. aid, Nicaraguan exiles who were fighting to overthrow the Sandinista government in Nicaragua began operating from Costa Rican soil. The Costa Rican bases may have been handy, logistically, but they made Costa Rica part of the war, and opened it to retaliation. To counter the expected dose of regional violence, Jeane Kirkpatrick, the U.S. delegate to the United Nations and a favorite foreign policy advisor of the president's, suggested having the U.S. beef up Costa Rica's security by providing military training to its police. Leaders of both the Costa Rican government and the opposition angrily rejected that idea. A more heavily armed police, they said, would simply have increased Costa Rica's involvement, and therefore *weakened* its security.

Meanwhile, Americans helped undermine Costa Rican stability further by springing the IMF debt trap on the country. The world recession had battered the prices of Costa Rica's major export crops—coffee, bananas, sugar, and meat. Meanwhile, oil import costs had risen to $220 million a year. The Costa Rican government needed a $60 million loan from the IMF in 1982, to meet payments, already in arrears, on the country's $2.7 billion foreign debt (mostly owed to Western banks). To get the loan, the government was required to halt subsidies on in-country sales of exportable food. So Costa Rican grocery bills shot up.

The IMF offered a few hundred million more—which would mostly wind up right back in the pockets of the Western bankers, of course—if the government would double water, electricity, and telephone rates, and increase fuel prices by 70 percent and interest rates by 40 percent.*

As a result, the overall inflation rate in Costa Rica rose to 40 percent, and unemployment doubled, exceeding 10 percent. Small businesses were collapsing in bankruptcy. The *New York Times* quoted "a foreign diplomat" marveling at how docile the people remained through all this. "There haven't even been protest marches about the cost of living," the diplomat said. "Everyone is just waiting for the next government to solve the crisis."

Still trusting in democracy, are they? We'll show them. And if they finally do rebel, the State Department will blame it on Cuba.

OUR intervention via international financial institutions like the IMF and World Bank is much like our intervention through covert and overt military operations. Both kinds of "aid" strengthen central governments overseas without necessarily improving the *quality* of those governments. Both kinds of "aid" tend to concentrate power in existing leaders, and suck away what little power has been left in the hands of individuals, and in small businesses and living units.

We misunderstand our own message to the world. We misunderstand the source of our strength, our prosperity, and our freedom. The distinction between private and state enterprise is not what is fundamental to American achievement. Our achievement is based on a division of power.

We divide power throughout our society. The powers of government are divided among federal, state, and local units. At each level, power is divided among the executive, the legislature, and courts. Even so, government doesn't play nearly so great a role in the U.S. as we encourage it to play overseas. Most decisions here are barred to government. Many decisions are reserved to each individual to make for himself. Others are relegated to professionally competent authorities: within broad social guidelines that are politically or-

*Figures from Interlink Press Service. Judging from other published material, they are at least in the ballpark. The IMF doesn't disclose loan terms.

dained, doctors guide the day-to-day functioning of their own profession, as do accountants, plumbers, English literature professors, and (there's a hair in every pudding) lawyers.

In the business field, what has distinguished American society has been not only its Rockefellers, but its ability to *restrain* its Rockefellers, and to preserve open competition. What has distinguished us is not only our Standard Oils, but our ability to *break up* our Standard Oils. Monopolistic controls have been allowed to persist mostly in foreign dealings, through influence over the State Department, not the Justice Department.

The open chance for small business to grow, for the eccentric with a gift to become an entrepreneur, for the individual farmer to figure out a better way of planting or marketing, has been a lifeblood of our system. Equally so has been the power of consumers, individually or banded voluntarily together, to contain the excesses of large and small business.

The strength of American ingenuity is not just that it invented so much, but that when some of its products turned out to be dioxin and leaky nuclear power plants, concerned groups arose and quickly obtained enough influence to thwart the spread of the suspect products. As evidence has mounted that existing regulatory structures are inadequate, both industry and consumer groups have produced heavy hitters to debate the creation of new ones. Every General Motors has its Ralph Nader, and vice-versa, and the public can judge who happens to be talking the most sense at any given moment.

Yet overseas such dissent isn't possible. The drugs and insecticides we ban from the marketplace as unsafe are quickly shipped to Africa, Asia, and Latin America for sale there on the street. Boys on the streets of Lagos, Nigeria, carry trays on their heads bearing cans of bug spray with the labels of major U.S. oil companies on them, and no listing of ingredients. When the U.S. Food and Drug Administration outlawed cyclamate as a potential cancer-causer, a million and a half cases of Bristol-Myers Company and Carnation Company products containing cyclamate were shipped to Africa.

Like so many other things we do in the Third World, this "dumping" of dangerous products seems at first glance to be someone else's problem. But, in fact, it returns to be ours. The carcinogenic insecticides we send abroad come back to us in our coffee, and other imported food products. The counterbalancing powers that protect us at home don't exist in most countries.

The importers overseas who make money from what the U.S. sends abroad frequently operate with monopolistic authority granted by nondemocratic governments. Bribes may have been paid to secure the operating authority. There is no vehicle for complaint. There is no competition. Overseas, we allow no small shoots to flower. We will not recognize healthy tensions. We distinguish only two great camps. We help Ferdinand Marcos eliminate any challenge to his absolute authority. On Fidel Castro, we train our rifle sights.

* * *

FOR more than 650 miles, the Congo River and its tributary, the Ubangi, divide two African countries of great contrasts. On the northwestern bank is the People's Republic of Congo, which in 1963 proclaimed itself the first Marxist-Leninist state in Africa. It still flaunts that label. Across the river to the southeast is Zaire, a drumbeating Western ally.

It isn't surprising, therefore, that people constantly cross the river seeking economic freedom. For example, a Belgian, who wishes to be identified only as "Jimmy," crossed the river to avoid a state takeover of his paint business, which he has reestablished on the opposite bank. (He imports chemicals from Western Europe and mixes and sells paints locally.)

And a wealthy Bakongo tribesman, who doesn't wish to be identified at all, crosses the river every couple of weeks with hankies full of diamonds, so he can sell them on the competitive market instead of to a state-controlled monopoly.

What the American foreign policy establishment might find hard to understand, however, is the *direction* in which these people, and many others, cross the river. They are leaving the purportedly free capitalist country of Zaire, which is, in fact, a totalitarian state that seeks to control all economic activity above the subsistence level. And they are coming to the purportedly communist country of Congo, which, in fact, has discovered the benefits of the free market.

The Congo isn't, of course, a democratic or laissez-faire country. Like Zaire, it is a one-party state with a controlled press, and regional administrators who are appointed by the central government. A corporation that started to become a dominant force would soon find the government getting involved. But both economically and politically, the Congo is much freer than Zaire. Zairian political exiles make homes in the Congo and dream of one day returning to "liberate" their own country. For now, American firepower stalls those dreams. It is the same firepower that established the Mobutu dictatorship to start with.

The contrast between the Congo and Zaire reflects a worldwide disparity between big-power perceptions and local actualities. As local politicians have sought foreign patrons, and the U.S.S.R. and United States have sought local clients, labels have been stuck all over the globe that are quite inappropriate to the countries that bear them.

The long American misperception of Iran as a Western-style country, when in fact it never was one, led to a tragic breakdown of relations between two nations that basically need each other, both for economic health and for protection against the Soviets. Now the same kind of mislabeling threatens to create new Irans in Zaire and other places, which, like Iran, have vital mineral resources.

Despite its pro-Western label, the Zairian government spurns Western values. Government boards claim monopoly rights to all mineral resources. Marketing constraints discourage agricultural production. The controls can be beaten, if at all, only by those rich enough to bribe their way through. The Zairian form of government was described by one Peace Corps volunteer there as a "kleptocracy."

By contrast, the Congo allows considerable free commerce. "Here there is no trouble," says Jimmy, who has been in the paint business in Africa for thirty-eight years. "The government encourages investment. Here I am a socialist and a communist and a capitalist. The people are"—and up goes his thumb. He is so happy in the Congo, he says, that he recently bought a bar and restaurant in the capital city of Brazzaville, and has encouraged his son, just finishing school in Europe, to settle in Brazzaville and run it.

True, over the years the Congo has cooperated with the U.S.S.R. It funneled arms to the MPLA movement, later the government, in Angola (which has its own questionable pro-Soviet label). But Congolese citizens don't look furtively about for secret police when they speak, the way Zairians do. As Nicole Brenier, economic officer at the U.S. embassy, puts it, "They are Marxists, but not living like Marxists. Nothing is Marxist in the culture here. They are living like capitalists." Adds John Archibald, another U.S. diplomat in the Congo, "It's like day and night with Zaire. The economy here is working. The people are happy. The policy is very pragmatic. They're not dumb. Who needs enemies?"

From the moment one passes cordially through customs, one senses that the Congo is largely free of the corruption and routine restriction that plague Zaire. No one has his hand out to the Zairian traders who have bribed their own officials for permission to cross the river. They travel by ferry from Kinshasa, or by boat in the remote jungles upriver. Whole bargeloads of Zairian coffee reach the open Congolese market.

The hard currency from this trade is lost to the Zairian nation and its Western creditors. The IMF watchdog team, with its copious financial regulations, merely encourages illegal trading. Many Zairian smugglers keep their money in Brazzaville, to avoid the exchange controls at home.

Persons who enter Zaire with foreign cash are given accounting forms, and must register every conversion at a bank. Anyone who dares the law by converting on the black market can obtain about twice as many Zaires for the dollar as Mobutu's banks will pay. In the Congo, currency exchange is free. The local currency, the CFA, is tied to the French franc. It is so solid that most people prefer it to dollars, and merchants generally offer an exchange rate slightly *less* than is available in banks, on the theory that they are performing a service by taking foreign money.

At the insistence of Western creditors, cobalt must now be airlifted from Zairian mines to Europe at great cost. When cobalt was shipped by river, too much was offloaded illegally in the Congo, where Western and Soviet dealers are allowed to bid competitively for it. Diamonds are too small to control, so they still flow. "We do quite a big business," says the branch manager of Brazzaville Diamonds, one of the competing European-based companies that operate in the Congo (which has no known diamond deposits of its own). "Obviously, we have to keep a very low profile, but it's all quite legitimate [with the Congo government]," he says.

While Zaire receives financial aid from U.S. taxpayers, the Congo doesn't, and not just because of its "communist" label. With a per capita gross national product exceeding $500, the Congolese are simply too *rich* to qualify for U.S. aid. In Zaire, which is potentially much wealthier, per capita GNP hangs around $150.

One quick gauge of an economy is the restaurant trade. Zaire, where malnutrition is a leading cause of death, has strikingly few public eating places. Of course, it has European-style restaurants with New York-level prices for foreigners and the very wealthy. But ordinary people just can't afford the extra 25 cents or so that it would cost to consume their manioc and beer in convivial surroundings with someone to serve it, instead of at home. When you do find a local restaurant, $1 or $1.50 will get you only a watery soup with one or two scraps of meat to flavor your manioc.

Many people dine out in the Congo, where small restaurants abound, and where approximately the same $1.50 will buy a thick stew with six or eight pieces of meat big enough to cut with a knife, or a whole quarter of a chicken. In such restaurants, one finds people like Jerome, an auto mechanic who earns about $340 a month working for a local car dealership; or Joseph, a freelance welder who pulls in about $85 a month; or tailors, teachers, and others with salaries in the hundreds of dollars. Rarely do salaries in Zaire, even for college graduates, exceed $80 a month, and most people can't find salaried work. Congolese university students get a monthly living allowance of $140 a month; Zairian students, $25.

Moreover, prices in the Congo are substantially lower. A bolt of print cloth from a local textile factory goes for about $18 in the Brazzaville market; in Kinshasa, identical cloth, which has to be imported from Europe, runs $75 or $80. The price of shirts and dresses runs accordingly. A cup of beans that goes for 27 cents in a Congolese market costs 34 cents in Zaire.

The people of the Congo are clearly benefiting from open competition, and from the encouragement of private investment with guarantees of no government interference. Congolese president Denis Sassou-N'Guesso has issued a standing call for private investment in such practical activities as agricultural exportation, animal raising, forestry, mining, small industry, hotel and restaurant construction, and tourism. His Zairian counterpart, Mobutu, has devoted his much more lavish Western investment money on public sector showcases of questionable utility—a $233 million assembly hall known as the People's Palace, a national satellite and microwave communications system that's more or less permanently on the fritz, and a $1 billion-plus power line across the country to places where local souces of hydroelectric power are untapped.

If the men who make U.S. foreign policy were forced to walk through those countries and talk to the people in them, and then were forced to choose one of the two countries to live in—live as the citizens of those countries live at any given percentile—they would quickly see that the "communist" Congo offers a better life in almost every regard, mainly because it is no more communist than Zaire is free.*

We constantly overlook the distinction between what a country's government says, and what the people of the country do. Newspapers report that "Brazil believes . . .," and what the newspapers mean is that a relative handful of Brazilian generals and rich businessmen believe. *Brazil*—a consensus of its 125 million people—may well believe that those generals and businessmen should be lined up against a wall and shot. But only the government's views get reported, until suddenly, to everyone's surprise but the Brazilians', a rebellion starts.

By viewing the world as a chessboard, on which all pieces are either black or white, either our friend or the Soviets', our leaders are ignoring the principles of which genuine friendships, and partnerships, are made.

Only out of such principles can come true national security.

THE question inevitably arises: whom should we support in El Salvador, in Lebanon, in Chile, in South Africa? The answer is not to think in terms of *whom* we should support, but in terms of *what* we should support. Basic principles are easier to discern than personalities are, if we focus on them. We support free and democratic politics, free and prosperous markets, free and lively culture, equal and improved opportunity, individual rights, open and equal justice, and a fair distribution of public resources. We oppose violence, and outside intervention in the rights of nations to govern their own affairs.

We will find few leaders or factions around the world that fully subscribe to those principles. We will often have to do business with leaders and factions that subscribe to them hardly at all. Thomas Jefferson, our first secretary of state, set a policy of recognizing (that is, conducting civil relations with) *de facto* governments, even though we might not regard them as *de jure*, or proper, governments. The policy served us well until hysteria over communism confused the issue.

Nonintervention is not isolationism. More than ever, with communications shrinking the globe, we have some interest in what happens everywhere. Interests derive both from our membership in the human brotherhood, and from our very real commercial needs. Yet to become worldly wise does not

*To be sure, there are reasons why the two countries don't lend themselves to exact comparison. The Congo has fewer than 2 million citizens while Zaire has between 25 and 30 million, and is seven times bigger. The Congo is nicely endowed with resources, but isn't, like Zaire, a prime source of vital materials. These differences, however, should operate to Zaire's advantage.

mean to become an enforcer of worldwide dogma. It means, on the contrary, to understand the differences and complexities of each country and region, and to understand the limits of our ability to change them.

Nonintervention is not neutrality, either. We don't approve of the kind of governments that run the Soviet Union, Poland, Afghanistan—and El Salvador—and a lot of other places, and there is no reason to be shy about saying so any time anybody asks us. We sympathize with the subjugated, often terrorized people of those countries, and want to help them, however we can, within our principles.

We care about our principles, and nobody should doubt it. Inevitably, in supporting those principles we will sometimes appear to prefer one faction over another in specific disputes. But the preference is for the principle, not the faction, and our support should never become permanently attached to one faction by joining it in violence against its compatriot rivals. Rather, we should encourage all factions toward our principles, by making clear that we will adhere to those principles ourselves, and prosper by them.

And nonintervention is certainly not pacifism. There are potential violent threats to our safety and our commercial rights, and we should be prepared to defend against them. Guaranteeing our trade with the Middle East requires a strong navy—which we seem to have, because our merchant ships aren't being sunk. Guaranteeing our trade with the Middle East does *not*, however, require controlling the government of Angola, and every other country that may be blessed with a little beachfront.

Because we care about our principles, and aren't pacifists, our wishes go out to people elsewhere who fight for their freedom and independence. Our willingness to arm them, however, must be constrained. We must consider the ease with which arms get out of hand, and we must consider the likelihood that the principles of most other peoples, especially in the Third World, will at some point diverge from ours.

In an extreme case like that of Afghanistan, where virtually the entire population is united with us on the paramount issue that they have a right to be independent of Soviet occupation, and where other countries of the region are wihout exception in accord, it would seem a shame not to add our superior resources to some genuine cooperative effort to kick the Soviets out. But the arms we supply, and our contact with Afghans, must be governed by the knowledge that when the issue of Soviet occupation is resolved, other, local issues will continue to divide the Afghans, both within the country and in relations with their neighbors. We must not be lured into a continuing dispute that would ally us against new and so far undreamed-of enemies.

It should be the clear policy of the United States that we will not tolerate Soviet or any other foreign military presence in our own neighborhood if it seems to pose a serious new threat to our ability to defend our borders. We showed that policy in the Cuban missile episode in 1962. And if faced with a similar threat in Cuba, or Nicaragua, today, we should be prepared if necessary to obliterate the threat with a quick strike, or naval blockade, using the minimal, but still adequate force necessary. We should maintain satellite and other intelligence capabilities—including a reliable human spy network—necessary to warn us of such danger.

But we also ought to recognize that the only reason such a danger is even thinkable is that our government has threatened the sovereignty of these countries. The Soviets put (and were invited to put) missiles in Cuba in direct response to our invasion of Cuba and our scarcely veiled plots to repeat it. In 1982, we organized an invasion force to try to overthrow the government of Nicaragua, much along the pattern by which we successfully overthrew the government of its neighbor, Guatemala, not so many years ago. And then, when that invasion force began to act, and the Nicaraguans turned for military aid to the only place that would give it to them, the Eastern bloc, we howled about the menace.

The U.S. government contended that Nicaragua had been arming to invade its neighbors. But the armaments cited were puny, and the only foreign national soldiers "invading" the surrounding countries were American. Nicaragua was arming only as needed to defend its independence, and maybe not well enough to do that.

Surely a large, well-supplied Soviet military presence in Nicaragua would be an intolerable threat to the U.S. But it would be a threat we created. By returning to those principles we value, we can extinguish the threat without hiring an extra soldier or building an extra warship.

LET'S make an analogy between foreign policy and our personal lives.

Suppose that every few months we took a walk down the block, knocking on every door. At one house, we would announce to our neighbor, "I like you, I approve of you," and reach down into our pocket and hand him $1,000. At the next house, perhaps the same thing would happen. Then, at the third house, we would tell the neighbor, "I don't like you, I don't approve of you," and we would reach under our coat, pull out a sawed-off, 12-gauge shotgun, and blow him away, along with his entire family. And so we would go, down the block, making a decision at each house: the $1,000 or the shotgun blast.

Obviously, this sort of behavior wouldn't work in our daily lives. There aren't many friends on the block so close that we'd want to help support them. And while there are plenty of people on the block with whom we may have disagreements about fundamental matters such as politics and religion and property, and whose habits we may not approve of, and whose wit we find tasteless, we do not seek to destroy them. We exchange greetings on the street, we shop in their stores, and once a year we may visit them or welcome them into our home. None of this amounts to a compromising of our beliefs, or an endorsement of theirs. It just means it is in our own interest to maintain a code of civility that protects us as well as others. Regardless of the justness of our complaint, we don't invade and harass our neighbors, because we don't want to live behind barricades in our own homes. We do business with them because their commerce helps ours.

The analogy isn't exact because in our neighborhoods, in the grossest cases of misconduct, we can call in the police. The international bodies that we can appeal to as a nation have standards way too low—we need to work steadily to raise them—and they can levy mainly moral sanctions, which aren't always adequate. Still the fact remains that no nation has the power to police the world all by itself.

The lack of an international police force we can trust does impose military burdens on us as a nation that we don't have in our personal lives. As a nation, we must maintain sufficient force to defend ourselves, and use it when, in our judgment, we are under physical attack at home or in the international marketplace. But we were under no such attack from Angola, or even Cuba, when our forces invaded those countries. We judged them basically by our dislike for them, and for the crowd they hung out with.

In foreign policy, as in the neighborhood door-knocking situation, reacting to others according to whether we like or dislike them doesn't result in just police work. Our record of foreign intervention does not neatly align with the grossness of other countries' transgressions. For every Angola, where we intervened, there is a worse government—for example, Emperor Bokassa's in Central African Republic—where we did not. Bokassa passed our liking test because he was a friend, at least for a while, of our friend France.

More important, using force according to the standard we have used for the past nearly forty years simply hasn't given us a successful foreign policy. What it has given us is anti-aircraft batteries and concrete road barriers around the White House. Our embassies overseas and even many federal courthouses at home are designed like military fortresses. We have not produced a friendly world, or even a mostly friendly world, to do business in. We have produced enemies, in endless supply.

But if we can learn, as General Omar Bradley advised, to "steer by the stars, not by the lights of each passing ship," we will find that those enemies become fewer, and much more manageable, than we now think possible.