

REPORT TO THE CONGRESS



BY THE COMPTROLLER GENERAL
OF THE UNITED STATES



Public Diplomacy In The Years Ahead--An Assessment Of Proposals For Reorganization

Department of State
United States Information Agency

Proposals by an independent panel for reorganizing U.S. "public diplomacy"--international information, education, and cultural relations--are being considered by the executive branch and are slated for consideration in the Congress.

One proposal would considerably improve operations; two others are promising but need further study. The other proposals--which would make the Voice of America an independent agency and reassign the United States Information Agency's foreign policy information and policy advisory responsibilities--seem more likely to hinder than to advance the efficiency and effectiveness of U.S. public diplomacy.



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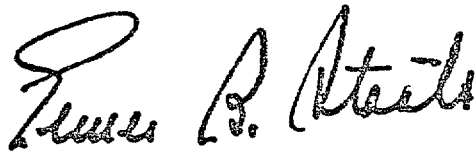
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To the President of the Senate and the
Speaker of the House of Representatives

The successful adaptation of U.S. public diplomacy to a rapidly changing international environment calls for serious ongoing analysis and consensus-building by all concerned. This report contains an assessment of the proposals made by the Panel on International Information, Education, and Cultural Relations (Stanton Panel). It also discusses certain non-organizational changes that merit attention in the ongoing effort to improve U.S. public diplomacy.

Our review was made pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

Copies of this report are being sent to the Director, Office of Management and Budget; Secretary of State; and Director, United States Information Agency.


Comptroller General
of the United States

COMPTROLLER GENERAL'S
REPORT TO THE CONGRESS

PUBLIC DIPLOMACY IN
THE YEARS AHEAD--AN
ASSESSMENT OF PROPOSALS
FOR REORGANIZATION

Department of State
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D I G E S T

United States "public diplomacy"--international information, education, and cultural relations--is being extensively reexamined in and out of Government. Various proposals call for redefining the mission of public diplomacy, changing or eliminating functions, and reorganizing the administering apparatus.

STANTON PANEL REPORT

The most prominent and comprehensive report suggesting changes in organizational arrangements to conduct U.S. public diplomacy is that of the Panel on International Information, Education, and Cultural Relations (Stanton Panel), a group of private citizens.

The report, published in March 1975, was endorsed 3 months later by the Commission on the Organization of the Government for the Conduct of Foreign Policy (Murphy Commission). A number of other qualified persons have strongly opposed several of the proposals. The State Department and the United States Information Agency are on record against all but one of them.

The report is being reviewed by the executive branch and is slated for consideration in the Congress.

GAO's review is confined to the Stanton Panel recommendations. In the final chapter, however, GAO notes certain nonorganizational changes that merit attention in the ongoing effort to improve U.S. public diplomacy. (See pp. 34 to 36.)

One of the Panel's proposals would improve present operations; two others seem promising but require further study; and the remainder--which contemplate a major reorganization--seem more likely to hinder than to advance the efficiency and effectiveness of U.S. public diplomacy. The latter proposals would achieve a certain tidiness on paper at the expense of arrangements that essentially have met the test of practicality and performance.

Policy information function

The Panel proposes to reassign to the State Department the U.S. Information Agency's role in articulating and advocating U.S. foreign policy overseas. This is based on the Panel's distinction between "policy" information-- which covers the Government's "stance on foreign policy questions of immediate concern"--and "general" information.

Like many other observers, GAO believes the two kinds of information are often mutually reinforcing and difficult in practice to separate. The primary responsibility for articulating and advocating as well as formulating U.S. foreign policy is vested in the President and the Secretary of State. A role of the U.S. Information Agency is to give resonance abroad to authoritative definitions and interpretations of that policy under State Department guidance. For the most part this work appears to be done professionally and to the State Department's general satisfaction. GAO believes the U.S. Information Agency should retain its policy information role. (See pp. 9 to 13, 15, and 16.)

Policy advisory function

The Panel also proposes to transfer to the State Department the U.S. Information Agency's function of advising U.S. policymakers on the policy implications of foreign public opinion. This function is in fact performed by several Federal agencies. The U.S. Information Agency's cultural and media contacts abroad enable it to make a distinctive advisory contribution.

There have been complaints, echoed by the Panel, that this contribution has not been properly utilized. How adequately it is utilized, how much it differs from that of other agencies, and whether the "neglect" of U.S. Information Agency policy advice can be corrected by means other than transferring the advisory function are among the unanswered questions raised by this proposal. Pending further study of such questions, the present arrangement should be left intact. (See pp. 9, 10, 13, 14, and 16.)

Establishment of new Information and Cultural Affairs Agency

The Panel proposes to consolidate the cultural functions of the State Department's Bureau of Educational and Cultural Affairs and those of the U. S. Information Agency. A single agency would be responsible for both the domestic and overseas aspects of U.S. general information,

educational, and cultural programs. GAO believes, as do most persons consulted, that this proposal is constructive. It would lead to more efficient and consistent administration of U.S. cultural programs. (See pp. 17 to 24.)

Relationship of new Information and Cultural Affairs Agency to Department of State

The Panel proposes that the new information agency be placed "under--but not in--the Department" as an "autonomous" agency on the model of the Arms Control and Disarmament Agency.

Both independent status for the information agency and the Panel's alternative have distinct advantages and shortcomings. Either could work well. The choice should be based on a careful study of the pros and cons.

If the agency were assigned to State, however, some safeguards and some vigilance would be advisable to protect the agency's professional integrity and its ability to cover objectively not only the State Department but other agencies and branches of Government as well as the private sector. (See pp. 19 to 24.)

Field reorganization

The Panel proposes to reorganize U.S. overseas missions so that articulating "policy" information would be the exclusive responsibility of State Department officers while "general" information and cultural programs would be the province of Information and Cultural Affairs Agency officers. This would fragment what the Panel itself describes as "the unified organization which has worked so effectively in the field for over twenty years." The present trend toward closer integration of those activities in the overseas missions should be encouraged. (See pp. 25 to 27.)

Voice of America

The Panel proposes to make the Voice of America an independent agency under its own board, asserting that this "would enable the Voice of America to function as a credible medium."

The Panel offers no evidence that present Voice of America broadcasts lack credibility, credence, or listener-ship. Audience research by the U.S. Information Agency

and others in recent years suggests otherwise. Similarly, the Panel implies without attempting to demonstrate that Voice of America does not satisfy the needs of the Department of State. The evidence again points in the other direction. Implementing this proposal would add considerably to costs of operation.

How U.S. foreign policy is reported and advocated, especially by fast media and especially in moments of international crisis, can greatly affect the national interest for good or ill. For an agency billed and perceived as "the" Voice of America, there can be circumstances in which diplomatic needs ought to prevail over journalistic concerns.

It should be emphasized, however, that circumstances justifying State Department or White House intervention in Voice of America broadcasting are highly unusual, and the prerogative should be exercised with restraint and in full awareness of the need to protect Voice of America's professional integrity.

The present structural relationship between the Voice of America, the U. S. Information Agency, and the Department of State should be preserved, but efforts should be made to improve the working relationships. (See pp. 28 to 33.)

AGENCY COMMENTS

This report was submitted in draft to the interested agencies and advisory commissions, as well as the Chairman of the Stanton Panel, for their informal comments. All agreed that the cultural functions of the U. S. Information Agency and the Bureau of Educational and Cultural Affairs should be consolidated. GAO's conclusions concerning the other Panel proposals have elicited emphatic agreement and equally emphatic disagreement. All comments were carefully considered.

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ABBREVIATIONS

ACDA Arms Control and Disarmament Agency
CU Bureau of Educational and Cultural Affairs
FSO Foreign Service Officer
FSIO Foreign Service Information Officer
GAO General Accounting Office
ICA Information and Cultural Affairs Agency
USIA United States Information Agency
USIS United States Information Service
VOA Voice of America

CHAPTER 1

INTRODUCTION

U.S. conduct of what has come to be called "public diplomacy"--international information, education, and cultural relations--is being extensively reexamined in and out of Government. Proposals from a variety of competent sources call for redefining mission and philosophy, modifying or eliminating functions, and reorganizing the administering apparatus.

THE NEW ENVIRONMENT AND NEW IMPORTANCE OF PUBLIC DIPLOMACY

The underlying reasons for the current reassessments of public diplomacy are clear. U.S. public diplomacy primarily originated in the late 1940s and early 1950s. The past three decades have substantially changed the environment in which public diplomacy must be conducted:

- Altered East-West relations have modified the assumptions and rhetoric of the Cold War.
- North-South confrontations have driven home a heightened sense of the economic interdependence of nations.
- The bread-and-butter, not to mention survival, aspects of interdependence have made international relations a matter of concern not just to a select few, but to large and growing publics.
- An explosion of literacy and communications technology has given those publics both greater access to pertinent information and often more influence over national policies.
- The increased prominence of human rights issues has sharpened the continuing ideological conflict.
- The nature of military technology has made using military power to attain national purposes more questionable, thereby increasing the relative importance of the other tools of statecraft.
- The growth in the number of independent states has made the relevant sphere of public diplomacy virtually worldwide.

Contemplating these altered conditions, practitioners and students tend to agree that U.S. public diplomacy enjoys enhanced opportunities to serve the national interest. The new international environment necessitates the development of a more cooperative world system. The United States expects to play a major role in the organization and operation of such a system. To do so, it must, among other things, see that its values, purposes, and policies are correctly understood by the rest of the world and that its policies consider the legitimate interests of other nations. These two national objectives define the mission of U.S. public diplomacy. They also dictate its essential characteristics: to be effective in today's world, U.S. international communication must be candid, credible, comprehensive in coverage, attentive to other cultures and points of view, and endowed with adequate resources.

PRESENT STRUCTURE AND ARRANGEMENTS

The two Federal agencies primarily involved in U.S. public diplomacy are the United States Information Agency (USIA) and the State Department's Bureau of Educational and Cultural Affairs (CU). Other agencies, notably the Department of Health, Education, and Welfare, the National Science Foundation, the Defense and Commerce Departments, and the Agency for International Development, also have important, more specialized information and exchange programs abroad.

Under the Mutual Educational and Cultural Exchange Act of 1961 (Fulbright-Hays Act) and the U.S. Information and Educational Exchange Act of 1948 (Smith-Mundt Act), CU seeks to promote mutual understanding between Americans and other peoples through various programs for the exchange of students, teachers, artists, writers, political leaders, and other individuals of present or prospective influence in their societies. It recruits American participants for such programs; assists and encourages private American organizations here and abroad in similar activities; and largely through private contractors, arranges hospitality, contacts, conferences, and other activities for foreign exchanges.

CU, directed by an Assistant Secretary of State, employed 262 persons in fiscal year 1976. It is organized into six regional offices and a number of functional offices that deal with such activities as International Visitor Programs, International Arts Affairs, Private Cooperation, and Youth, Student, and Special Programs. CU's estimated expenditure for fiscal year 1976 was \$58.6 million. Of this, about

\$43 million was devoted to exchange-of-persons programs involving 1,386 American and 3,620 foreign grantees. Aid to American-sponsored schools abroad claimed \$1.7 million. About \$1.2 million was spent on cultural presentations and some \$647,000 went to support activities of the United Nations Educational, Scientific and Cultural Organization.

CU's cultural and educational programs abroad are administered by USIA under a reimbursement arrangement with the State Department. To this end, USIA provides a cultural affairs officer in American embassies. This officer makes the necessary local arrangements for the recruitment and orientation of foreign exchangees and for the programs involving American specialists, academicians, performing arts groups, and others.

The United States Information Agency was established in 1953 as an independent agency to assume overseas information functions of the State Department and the Mutual Security Agency. Its Director reports to the President and receives guidance on foreign policy from the Secretary of State. Under the Smith-Mundt Act, USIA prepares and disseminates abroad

"information about the United States, its people, and its policies, through press, publications, radio, motion pictures, and other information media, and through information centers and instructors abroad. * * *"

USIA is also charged by Presidential directive with advising the President and interested agencies on foreign opinion and implications of such opinion for U.S. policy.

Five area offices provide the direct link with the Agency's 185 posts in 112 countries for developing information policies, products, and operations. Four media services--Broadcasting (the Voice of America), Information Center Service, Motion Picture and Television Service, and Press and Publications--provide materials for the overseas posts. The overseas missions of USIA, known as the United States Information Service (USIS), are headed by Public Affairs Officers. Under them, the Cultural Affairs Officer, Information Officer, and others carry out the overseas information, educational, and cultural programs of the United States.

In fiscal year 1976, the Agency employed 8,840 persons: 4,206 Americans, 1,079 of whom were overseas, and 4,634 foreigners overseas. Total appropriations in that

year were slightly more than \$273 million. Resources devoted to the Voice of America (VOA) totaled \$63 million and those to information centers and related activities amounted to \$57 million.

RECENT CRITIQUES AND STUDIES
OF U.S. PUBLIC DIPLOMACY

Though there may be general agreement concerning the increased opportunities and importance of U.S. public diplomacy, there is less agreement as to whether its present style and structure assure efficient and effective operations. Thus:

- The Senate Foreign Relations Committee in 1973 questioned whether all of USIA's functions are worthwhile and whether those that are should be carried out under different organizational arrangements.
- A 1973 study by a senior USIA officer suggested for the 1980s a reorganization of the machinery of public diplomacy that foreshadowed the principal proposals of the Stanton Panel.
- In a 1974 report, we found a need for the executive branch and the Congress to "agree on the aims and expected achievements of USIA operations" and concluded that in view of changed international conditions, "a reform may be needed to communicate America's story to the world more effectively."
- The Panel on International Information, Education, and Cultural Relations (Stanton Panel) in March 1975 called for an expanded information and cultural program but noted that such an endeavor must assume "* * * a new style and content." Specifically, in view of greater public sophistication, the program must take account of the "great need today for credibility." Further, in view of the need to find cooperative solutions to world problems, the program "must also be genuinely reciprocal."
- In June 1975 the Commission on the Organization of the Government for the Conduct of Foreign Policy (Murphy Commission) stated that "The ability of this country to make its views prevail and its policies succeed will derive less from its wealth and power, and more from such respect and support as the rest of the world accords to its values and

purposes." However, primarily because of curable structural defects, "neither foreign policy advocacy nor the building of long-range understanding between the U.S. and other nations is now being handled with full effectiveness."

--A 1975 study by the Congressional Research Service of the Library of Congress concluded that, "present U.S. Government information and cultural programs are less appropriate to the foreign policy environment and technological capabilities of the 1970s than to those of earlier decades," and it outlined several alternatives to the "current structure, emphases, and functional organization" of the agencies concerned.

--In a report of May 1976, the House International Relations Committee declared, "It is timely, almost imperative, that attention be given to determine what, if any, changes should be made in [USIA's] organization and its mission." The report urged that the administration in 1977 study the Stanton Panel's proposals and "present its detailed recommendations before the Congress proceeds to make its own study and recommendations."

--A recent public statement endorsed by nearly 500 of USIA's professional staff calls for a new USIA "charter" that would emphasize the principles of candor, accuracy, and "dialogue" in international communication.

SIGNIFICANCE OF STANTON PANEL REPORT

Some of the concerns and ideas reflected in such assessments led the U.S. Advisory Commission on Information and the U.S. Advisory Commission on International Educational and Cultural Affairs to propose a fresh review of U.S. public diplomacy by an ad hoc nongovernmental study group. The result of that initiative was the establishment in March 1974 of the Panel on International Information, Education, and Cultural Relations, chaired by Dr. Frank Stanton and sponsored by the Georgetown University Center for Strategic and International Studies. The Panel comprised all members of both advisory commissions together with seven other distinguished private citizens. Its report was published a year later.

Several considerations give the Panel's report unusual importance and provide the rationale for the present review. The report

- is the product of a prominent and unusually well qualified group of individuals and has gained support from other such persons;
- has been (except for one minor proposal) fully endorsed by the Murphy Commission;
- has been, except for one major proposal (consolidation of cultural functions), opposed by the State Department and USIA;
- has elicited serious dissent from a number of prominent and qualified individuals, including some Members of Congress, a number of top officials past and present, and at least two members of the Panel itself;
- advances proposals which would have major operational consequences for good or ill;
- has been discussed in at least five congressional committee hearings and is scheduled to be taken up in others;
- contains some proposals (e.g., independent status for the Voice of America) that would require legislation; and
- is still under consideration by the executive branch.

ESSENCE OF STANTON PANEL REPORT

In essence the Panel finds that the present organization of U.S. public diplomacy is "at variance with logic" because it assigns certain foreign policy functions to the information agency, gives responsibility for cultural programs to the diplomatic agency, and divides the administration of those programs between the two.

The Panel would remedy these "anomalies" by assigning all educational, cultural, and general information functions to a new Information and Cultural Affairs Agency (ICA), and creating a new office in State to assume responsibility for policy information and for advising on the policy implications of foreign opinion. VOA would become an independent entity under a board of overseers.

The Panel does not analyze the U.S. informational-cultural product, nor does it claim to have identified serious defects in it. Indeed, the report has high praise

for the work of both agencies. It finds that the present system "has worked surprisingly well," but that it "will work much better" if the Panel's recommendations are adopted. The proposed changes involve only structure. The Panel anticipates, however, that the proposed alterations will "permit the deeper changes of content and purpose all desire." The deeper changes anticipated were not specified beyond the reference to the need for credible and reciprocal programs.

OFFICIAL REACTIONS TO PANEL REPORT

In January 1976 the State Department and USIA submitted separate position papers to the National Security Council commenting on the Panel recommendations. Both opposed all Panel proposals except the one concerning the consolidation of CU and USIA cultural functions. State cited a "fundamental need * * * to establish policy coherence in our international communications efforts." It opposed the Panel's recommendations on the ground that they would not "contribute to this needed coherence." USIA argued that the proposals are unworkable and based on a fallacious distinction between information and culture.

SCOPE OF REVIEW

For several reasons, then, the Panel's recommendations call for careful analysis. In this review, we explored the pros, cons, and alternatives and assessed the practical implications of the Panel's proposals.

We reviewed literature and documentation of public diplomacy, including memorandums of the State Department, USIA, and the Stanton Panel and applicable legislative history. We interviewed more than 100 individuals, including the Panel's Chairman and Project Director, the Assistant Secretary of State for Educational and Cultural Affairs, the Director of USIA, and officials of U.S. embassies in four countries--West Germany, Poland, Portugal, and Thailand. In December 1976, we convened a symposium of Government officials and outside specialists to discuss international exchange programs. One item on the agenda dealt with the reorganization of U.S. educational and cultural relations.

In our effort to determine the practical implications of the Panel's proposals, the insights of the working professionals have been indispensable, although they cannot, of course, be regarded as determinative. We have also con-

sidered the views of qualified individuals whose personal or professional interests would not be affected by implementation of the Panel's report.

The Panel made one recommendation which we did not examine. This was that

"USIA's FSIO [Foreign Service Information Officer] career service should be absorbed into State's FSO [Foreign Service Officer] corps. * * * Those officers presently in USIA and CU who are not involved in the diplomatic aspect of the new agencies would be classified as GS * * *"

The complexities and importance of this proposal suggest the need for a detailed separate study.

In the next four chapters, we examine the Panel's other recommendations. Each chapter summarizes the proposal under consideration, states the Panel's rationale, provides a critique synthesizing the views of others we consulted, briefly analyzes alternative organizational possibilities, and presents our observations.

Our review is confined to the Stanton Panel recommendations. We do, however, note in the final chapter certain nonorganizational changes that we believe will merit consideration in the ongoing effort to improve U.S. public diplomacy. One such step would be the development of a new "charter" defining mission, objectives, and operating guidelines.

A draft of this report was submitted to the interested agencies and advisory commissions, as well as the Chairman and the Project Director of the Stanton Panel, for their informal comments. All agreed that the cultural functions of the State Department's Bureau of Educational and Cultural Affairs and the United States Information Agency should be consolidated. Our conclusions concerning the other Panel proposals have elicited emphatic agreement and equally emphatic disagreement. All comments were carefully considered in the completion of this report.

The successful adaptation of U.S. public diplomacy to a rapidly changing international environment calls for a serious, ongoing effort of analysis and consensus-building by those concerned. The present report is intended as a constructive if preliminary step in that process.

CHAPTER 2

TRANSFER OF USIA'S POLICY ARTICULATION AND ADVISORY FUNCTIONS TO STATE DEPARTMENT

PANEL PROPOSAL

Under its present mandate, USIA disseminates information abroad about the United States, its people, and its policies. It also advises the makers of U.S. policy on the implications of foreign public opinion. One of the Panel's principal proposals would have USIA's present role in articulating "policy" information abroad reassigned to the State Department. "General" information would be assigned to a new agency. The Panel's distinction between general information and policy information is fundamental to its analysis and to all of its major proposals. General information concerns "American society and American perceptions of world affairs." Policy information is "specific information about U.S. foreign policy." It deals with "the presentation of the U.S. Government stance on foreign policy questions of immediate concern."

The Panel would also reassign USIA's policy advisory function to the Department. To absorb those functions, the State Department would, under this proposal, establish a new Office of Policy Information, headed by a Deputy Under Secretary of State. Reporting to him would be a new Assistant Secretary of State for International Press Relations, heading a new Bureau of International Press Relations; the Assistant Secretary for Public Affairs, heading the present Bureau of Public Affairs; and the Office of the Department's Spokesman.

PANEL RATIONALE

"Placing the articulation of our foreign policy in the hands of the Department most responsible for formulating and executing that policy," the Panel argues, would eliminate a major organizational "anomaly." By so doing, moreover, "articulation and explanation of foreign policy for overseas audiences should not only become more direct but, above all, more authoritative."

Reassigning USIA's foreign public opinion advisory function to State would eliminate another organizational anomaly:

"The rendering of advice to decision makers on foreign public opinion as an input to the policy making process can, in the Panel's view, be accomplished only by people who have regular access to those decision makers in the Department of State."

The Panel notes that "USIA has had difficulty carrying out the task." One reason for this "has clearly been the lack of regular access to the makers of foreign policy."

RESPONSE OF CRITICS

Critics of the Panel report object to the proposed transfer of USIA's policy information and advisory functions to the State Department for various reasons. First, the transfer would relieve the Agency of essentially journalistic functions, which it has performed well and which are best done by an independent agency. Further, it is based on an unworkable distinction between policy information and general information and on a misunderstanding of the work of certain agency elements.

Some who disagree with the proposal point out that the Panel does not make a case that USIA's performance of either the policy information function or the advisory function is inaccurate or otherwise unsatisfactory. The implicit question is, why disturb the existing arrangement? Neither the State Department, which stands to gain important functions and additional personnel, nor USIA found merit in the proposal to transfer those functions. There is no apparent record of chronic or serious dissatisfaction in the State Department with USIA's performance of those functions. Indeed, a number of present and former Department officials we consulted had high praise for the Agency.

Policy information function

A frequent objection to the Panel's proposal is that the distinction between policy information and general information is unworkable. The Panel itself took testimony showing that much U.S. information activity in the field involves both, that they are complementary, and that they are often incorporated in U.S. information products in ways that could not readily or usefully be disentangled. Some public affairs officers say that their acceptance and credibility as policy spokesmen have been enhanced by their identification with the

post's cultural programs. In his official comment on the Panel report, then USIA Director Keogh asked:

"How much would mutual understanding be worth if the current problems and day-to-day issues which form much of the substance of relations between countries are intentionally avoided? Is there not real danger that the programs of ICA would lack substance and realism and would not be taken seriously? As the American Foreign Service Association, representing the career officers in the State Department, AID [Agency for International Development], and USIA, has stated, a result of such reorganization would be 'a cultural program whose insulation from the central concerns of the Embassy would almost certainly undermine its relevance.' The public would be justified in questioning whether they should be paying for programs that are so insulated from American policy."

The present Director of USIA, John E. Reinhardt, has taken a similar position, asserting that "the main enemy of an information program * * * would be fragmentation, setting up separate bureaucracies for the operation of different parts of the program."

Transferring USIA's policy information function would, as the Panel notes, entail the transfer of the Wireless File and its staff. It has been suggested that this proposal represents a misreading of what the Wireless File is and what is required to make it work. This is a high frequency radio teletype network by which USIA Headquarters on weekdays transmits five regional files to 130 posts. The contents are primarily official texts, policy statements, and backgrounders. In addition, news roundups are provided to posts in countries not adequately served by commercial media, and essential program materials are carried for other agency elements--VOA broadcast schedules, current booklists for the information centers, foreign media reaction summaries, profiles on American specialists recruited to go abroad, and advance transcripts of films and videotape recordings.

Questions have been raised as to whether the Wireless File, if moved to State, would continue to carry such program materials and would continue to provide adequate coverage of the White House, the Congress, other agencies (notably Treasury, Defense, Labor, Commerce, and Agriculture) as well as independent American commentary that also contribute to

the policymaking process. If not, it is argued, the network output would lose much of its interest and credibility to the foreign audiences for whom key elements of the File are intended.

Moreover, some critics suggest, the judgments that go into making up the daily Wireless File are necessarily in large part those of professional journalists concerning what the press attaches and their local media and governmental clients are likely to find useful.

A possible variant of this aspect of the Panel's proposal would be to transfer to State only those positions or persons who would be concerned with preparing the Department's own contribution to the Wireless File. Final editorial judgment as to the content of the File (and the right to ask State for clarification or further details) would be retained by USIA. This might alleviate what appear to be largely marginal difficulties of USIA access to policymakers.

Another alternative, which has elicited interest among some State Department officials, would be to transfer the Wireless File staff not to the proposed new bureau but to the existing Office of the Department Spokesman. This, it has been suggested, would unify and enhance the status and policy relevance of the worldwide press function and increase the Secretary's ability to fine-tune it.

Finally, with respect to the policy information function in general, some critics of the Panel proposal argue that the present system is best calculated to assure conformance to foreign policy objectives without sacrificing speed of communication. The key to this is the system for delivering State Department policy guidance to USIA. Such guidance is conveyed through several channels and at several levels to USIA's media services as follows. A member of USIA's Policy Guidance Staff (a unit of five professionals in the Office of Policy and Plans) attends the State Department Spokesman's pre-press briefing session every weekday morning; he and other USIA people, e.g., a VOA correspondent, attend the noon briefing. The Agency's geographic desk personnel maintain liaison with their counterparts in State's political bureaus (as do the regional officers of CU). VOA, in turn, receives its policy guidance from the Agency's policy group through the VOA Policy Application Staff (four persons). As the need arises, there may be direct contact between the USIA Director (who regularly attends meetings chaired by the Secretary or Under Secretary) and senior Department officials.

This arrangement puts the Agency's Office of Policy and Plans in a position to evaluate the commentaries by the Agency's media services in relation to State Department guidance. Where necessary, Policy and Plans will make suggestions regarding these commentaries. Agency partisans of the present arrangement claim that Policy and Plans is able to clear 9 out of 10 commentaries within 15 minutes and that State, with its tradition of caution and its professional bent for diplomacy rather than fast-media communication, would be unlikely to work that quickly. To that extent, it would be unable to meet the standards of an effective and credible policy information service.

Policy advisory function

USIA's function of advising policymakers on foreign public opinion is based on President Kennedy's statement of the USIA mission in a 1963 memorandum to then Director Edward R. Murrow:

"The mission of the U.S. Information Agency is to help achieve U.S. foreign policy objectives by * * * advising the President, his representatives abroad, and the various Departments and Agencies on the implications of foreign opinion for present and contemplated U.S. policies, programs and official statements."

Critics of the proposal to transfer USIA's advisory function to State argue, in part, that USIA and its field staff can make a unique contribution to the analysis of foreign opinion and its implications for U.S. policy. Some add that what is needed is not the proposed transfer but better use of the USIA product. As the U.S. Advisory Commission on Information put it:

"USIS officers, in the course of their duties, develop an extraordinary variety and large number of personal contacts in foreign societies. They develop a highly useful fund of knowledge and insight which can be fed back to Washington. But this resource has been unappreciated and neglected. There has been little utilization of this feedback. * * * Because of such neglect we are at times unnecessarily surprised to suddenly discover the depth of opposition to our proposals."

The Panel, as noted, attributes such neglect to USIA's "lack of regular access to the makers of foreign policy." In his testimony before the Panel, George Ball, former Under Secretary of State, offered a different explanation:

"There were so many different channels of information coming in all the time * * * from a dozen different places, to say nothing of the telegrams from the embassies, which very often would incorporate whatever the information officer in that embassy was saying."

It is reasonable to believe that if USIA's "feedback" were the sole source of such information for policymakers, the problem of "access" for that purpose would never have emerged. In one U.S. Embassy we surveyed there were five mission elements reporting to Washington agencies on foreign opinion--USIS, Foreign Broadcast Information Service, the Embassy's Political Section, the Defense Attache, and the Central Intelligence Agency. Although this may all be necessary because of the different users and uses involved, there no doubt is some overlap in such reporting on foreign opinion.

Former USIA Director Keogh told us that in fact USIA's foreign public opinion function does receive attention in the policymaking process at all levels below the Secretary. This was confirmed to some extent by State Department officials. USIA's advisory material includes a daily summary of press comment, which is prepared by the Agency's Media Reaction Staff (eight persons) for distribution by 8 a.m. each weekday. These are based on reports written by USIS personnel in the field under the guidance of a weekly "watch list" issued by headquarters. This same staff produces approximately 20 other reports per week on foreign media reaction to major international issues. The staff is also charged with sending to the President and to the Secretary of State a separate series of daily reaction cables when they travel outside the United States. Other reports on foreign opinion, provided by the Agency's Office of Research, cover media research, attitude and audience research, and foreign information research.

One argument sometimes cited against transferring this service is that the professional independence of the Agency and its field staff tends to assure greater objectivity in the reporting of foreign opinion.

OUR OBSERVATIONS

The proposals to reassign USIA's policy information and policy advisory roles to the State Department are both based on the Panel's distinction between policy information and general information. We agree with those who have pointed out that the two kinds of information are often complementary and in practice difficult to separate.

Policy information function

The primary responsibility for articulating and advocating as well as formulating U.S. foreign policy is vested in the President and the Secretary of State. These officials and U.S. ambassadors explain our foreign policy not only through direct communication with foreign government representatives but also through press conferences and other forms of public statement.

The role of USIA has been and should remain that of giving wider resonance abroad to authoritative definitions and interpretations of U.S. policy under proper State Department guidance. This is a function requiring professional skills in journalism and fast-media management. For the most part, neither the professional skills and interests nor the organization and procedures of the State Department lend themselves to that role. There is a distinct possibility that assigning that job to State would lead to diminished emphasis on, and less effective coverage of, U.S. policy information abroad.

This is by no means to suggest, however, that improvements should not be sought in the present arrangements for policy articulation and policy guidance. For example, a frequent comment at USIA is that State Department officials often do not appreciate the need to give USIA full information--that the Department could afford to be more forthcoming in furnishing positive policy guidance. This point is made particularly with reference to USIA's need to get advance notice of major policy announcements in order to better prepare the timely reporting and analysis on which the Agency's effectiveness depends. On the other hand, as a State Department official noted, there may well be instances in which time does not permit such notice or in which security considerations would properly lead Department officials to err on the side of caution in sharing information even within the U.S. Government.

These differences of perception between the two agencies concerning access suggest that something closer to an interagency consensus might usefully be sought.

Policy advisory function

It is widely acknowledged that the Agency's advice to State on the policy implications of foreign opinion seldom reaches top Department echelons directly. The Panel attributes USIA's difficulty in this regard to its "lack of regular access to the makers of foreign policy." Another explanation is that State receives policy information and advice on foreign opinion from many other sources. Nevertheless, as George Ball pointed out in his testimony before the Panel, a USIA contribution may well reach senior Department officials through U.S. ambassadors.

It seems to us that the Panel's proposal to transfer USIA's advisory role to State raises a number of questions that should be clarified before a decision is made:

- To what extent do State and other U.S. agencies in fact make use of USIA policy advice on foreign public opinion at pertinent lower levels?
- Are there other ways to cure any "neglect" of USIA's policy advice?
- Is the USIA advisory product distinctive in ways that would justify its continuation?
- To what extent is USIA's research and reporting on foreign opinion necessary to its own information and cultural operations?

Pending concrete examination of such questions, it would seem advisable to leave the present arrangement intact.

CHAPTER 3

ESTABLISHMENT OF NEW INFORMATION AND

CULTURAL AFFAIRS AGENCY

PANEL PROPOSAL

Under present arrangements, U.S. educational and cultural exchange programs are managed by the State Department's Bureau of Educational and Cultural Affairs. Abroad, its programs are implemented by USIA personnel. The Panel proposes that the educational and cultural functions of State and USIA be consolidated in a new headquarters agency to be called the Information and Cultural Affairs Agency.

ICA would both manage U.S. educational and cultural programs in Washington and execute them in the field. Under the Panel's proposal, ICA would also assume USIA's responsibility for disseminating abroad general information, as distinct from policy information. The proposed reassignment of USIA's role in communicating foreign policy abroad and in advising policymakers on foreign public opinion is discussed in chapter 2. With this proposed redistribution of functions, USIA disappears.

The Panel proposes that the new ICA operate "under--but not in--the Department of State." It would be "an autonomous agency with its own budget and administration," on the model of the Agency for International Development or the Arms Control and Disarmament Agency (ACDA).

PANEL RATIONALE

When USIA was established in 1953, the Panel notes, the Bureau of Educational and Cultural Affairs was left in State "to avoid giving the educational exchange of persons a propaganda flavor." The overseas end of the work has been done by USIA from the outset. In an era seeking a relaxation of tensions, the Panel argues, and considering that the Agency's work has evolved to a point where almost all of it is directed at "the same longer range objectives" pursued by CU, the earlier reservations about transferring CU's functions (which "never made much sense") no longer should govern.

According to the Panel, combining general information and exchange of persons in the new ICA would have several advantages: "The Washington offices serving overseas posts would be brought into correspondence with the unified organization which has worked so effectively in the field," and thereby would "simplify enormously the task of those stationed abroad in their efforts to get from headquarters the support they need to do their jobs." It would mean, for ICA, "one instead of two channels of communication with the field * * * and one supervisor instead of two for the officers who now try to satisfy CU and USIA." It would yield "some budgetary savings from the ending of duplication of offices." It would restore to the information agency "control in Washington over an important tool for its efforts to depict U.S. life and thought overseas (namely, real live American exchangees)." Finally, it would facilitate programing "based on the coordination of people with a variety of media products."

The Panel preferred putting the ICA under but not in the Department of State, rather than giving it USIA's status as an independent agency, for several reasons:

- "Organizational logic" points in that direction.
- The agency would gain prestige and greater acceptance in the Congress and the private sector.
- Relevance of ICA program to policy would be assured.
- The relationship to State would familiarize Foreign Service Officers with the work and impress them with its importance.

RESPONSE OF CRITICS

In general, those we consulted agree with the Panel that the educational and cultural functions of CU and USIA should be assigned to a single headquarters agency. For most, the principal reason is that this would eliminate an awkward, troublesome, and time-consuming burden of interagency coordination. Some note it would also tend to assure execution of the programs in conformance with a single, consistent operating philosophy. There is, as the Panel noted, the possibility of some budgetary saving through eliminating duplication of offices. USIA's budget office has made a rough estimate that the saving might be about \$2 million and 50 jobs. A rough and possibly optimistic estimate by the Congressional Research Service put the potential saving at \$10 million to \$15 million.

Relationship of new information-
cultural agency to Department
of State

Opinions as expressed by the interested agencies in 1976 differed regarding the relationship of the revamped agency to the State Department. USIA preferred retaining its present status as an independent agency reporting to the President. The State Department preferred the ACDA model proposed by the Panel. The Department departed from the Panel proposal, however, in suggesting that the agency head be an Under Secretary of State and that he assume a role of "leadership in planning and coordinating coherent communications strategies."

Some USIA officials, while acknowledging the need for policy guidance from State, fear the proposed closer relationship would seriously erode the Agency's professional and budgetary independence--that the information agency would be smothered in a Department having quite different professional concerns and capabilities. Others have suggested that any closer relationship to State would be desirable only if the Department were reorganized, as a 1959 Brookings study proposed, along Defense Department lines, with cabinet-rank secretaries for political, economic, and information-cultural affairs. Some of those opposing the closer relationship concede, however, that it might yield the advantage of greater access to and acceptance by the Department.

The Panel has suggested that this issue--the formal relationship of the information-cultural agency to State--is perhaps more cosmetic than real. However, some, including the Panel's Project Director, feel that the "cosmetics" may be important because the Government's cultural constituents--scholars, artists, journalists, and others--would presumably be unwilling to accept exchange grants from or other relationships with what some perceive as a "propaganda" agency. On this point, opinions differ and available evidence is inconclusive. It is a plausible inference that the Panel would not favor relocating CU's cultural functions in an agency that retained the function of explaining and advocating U.S. foreign policy. Among those we consulted, however, there was strong support for the proposed CU "merger" but not for the move to divest the information agency of a policy information role. At the same time, some point out that in such consolidation, precautions should be taken to prevent either downgrading or politicizing the cultural programs and to preserve present CU working relationships with State's political bureaus.

Finally, some critics note, the proposed consolidation of CU and USIA functions might entail a conflict with the congressional ban on the domestic distribution of the information agency product. As Henry Loomis, President of the Corporation for Public Broadcasting and former Deputy Director of USIA, points out, the exchange program "by definition is a two-way street and therefore involves foreign cultural activities within the United States." He suggests that, "The Congress should determine that this would not be construed as attempting to propagandize the American people, an activity from which USIA is wisely prohibited."

Possible alternatives

Possible alternatives to the Panel's proposed new Information and Cultural Affairs Agency range from terminating the programs to maintaining the status quo. With some variations, as noted, State and USIA have advocated a modified version of the latter. A summary of the other principle alternatives follows.

Terminating programs

The case for terminating the programs relies on one or both of two judgments. One is that the Nation's needs for international communication are adequately met by intergovernmental diplomacy complemented by the commercial media and the vast network of private contacts and exchanges of persons and information. The other is that governmental information and cultural programs amount to a form of ideological or cultural imperialism which offends against American values and which is, in today's world, self-defeating.

The counterargument relies essentially on the proposition that the commercial media either distort or ignore much information which it is in the national interest to communicate to foreign peoples and that Government-sponsored programs fill important gaps in the private network.

An alternative short of terminating the programs would be to subject them to the test of zero-base budgeting, a procedure adopted by the Carter administration requiring the total rejustification of programs annually. The 1975 Congressional Research Service study suggests that "the nature and extent of U.S. operations should be assessed on a country-by-country basis before continuing officially supported programs."

Fully integrating programs in State Department

Another broad alternative would fully integrate information and cultural operations in the State Department. This might be done in one of at least two ways. One, as noted above, was suggested in a 1959 Brookings Institution study. It would create a reorganized Department of Foreign Affairs modeled on the Defense Department, within which there would be three component departments--State, Foreign Economic Operations, and a new Department of Information and Cultural Affairs to carry out the functions now performed by CU and USIA.

A variant of the Brookings proposal, suggested by a senior USIA officer, would establish an Under Secretary of State for Public Affairs on the same level as the Under Secretaries for Political and Economic Affairs. Reporting to that person would be Assistant Secretaries of State for Cultural and Academic Exchanges, Cultural Operations, Media Services, and Public Information (domestic) and the Director of the Voice of America. All administrative and support elements of USIA--such as personnel, research, congressional liaison, general counsel, security, budget, and inspector general--would be integrated into the corresponding offices of the Department.

The British Council model

Still another broad organizational alternative to the Panel proposal would be to give the proposed general information and cultural affairs agency, duly divested of the policy information and advisory functions, the status of a quasi-governmental institution on the model of the British Council. The Panel reportedly considered this alternative seriously and was dissuaded from it only by the judgment that it might not be approved by the Congress.

The British Council was established in 1934 to promote a wider knowledge of Britain and the English language. It received a Royal Charter in 1940. It sponsors language training, runs libraries, publishes periodicals, conducts exchange programs, mounts exhibitions, and organizes artistic performances. Its 1975-76 budget was about \$100 million.

According to a Member of Parliament who served several years as Deputy Chairman of the Council, the organization acts independently of the British Government. Although there is much behind-the-scenes consultation, the Government does not attempt to exert control.

The Council is supported mainly by a lump sum annual grant from Parliament. It is governed by a chairman appointed by the Foreign Secretary for a 5-year term and a 20-member board drawn from literature, publishing, science, the arts, trade unions, and the House of Commons.

Those supporting this alternative believe that a relatively independent general information and cultural organization would enjoy greater credibility and acceptance among the artists, scholars, journalists, and others who form the constituency of official cultural affairs programs.

The Inter-American Foundation model

An interesting variant of the British Council model within the U.S. Federal structure is represented by the Inter-American Foundation. The Foundation is a nonprofit, tax-exempt U.S. Government corporation established by the Congress in 1969 "to support Latin American and Caribbean efforts to solve their own 'grass roots' economic and social development problems." It is funded by the Government and is authorized to receive contributions from nongovernmental sources. It has a staff of 60 Federal employees and is limited by law to a staff of 100. Its budget for fiscal year 1977 was \$23 million.

The unique and experimental nature of the organization is reflected in a House report at the time of the initial legislation. The report, as summarized in a statement by the Foundation's President before a House subcommittee, called for:

"* * * innovation, sensitivity to and support for indigenous efforts, independence from short-term political factors which affect the day-to-day course of U.S. Government policy, experimentation to overcome bottlenecks to progress, responsible recognition and assumption of risks to help solve specific development problems, replicability, and operations primarily through and with the private sector."

Management of the Foundation is vested in a seven-member Board of Directors appointed by the President with the advice and consent of the Senate. Four of its directors, including the Chairman, represent the private sector, and three are chosen from among Government officials concerned with inter-American affairs. Directors serve 6-year renewable terms without compensation.

CUR OBSERVATIONS

Successful implementation of the proposal to consolidate CU and USIA cultural functions in Washington would, we believe, achieve a more efficient and consistent administration of U.S. cultural programs. This step, as the Panel points out, would also permit the elimination of one advisory commission by consolidating the functions of the U.S. Advisory Commission on Information and U.S. Advisory Commission on International Educational and Cultural Affairs.

If it were decided that the proposed agency, shorn of the policy information and advisory functions, could serve the national purpose more effectively if it had independence comparable to that of the British Council, we believe the Inter-American Foundation might provide a more appropriate model. The Foundation's President has testified that its status has enabled it to relate effectively to indigenous private groups in the region "without always taking into account what a foreign policy or government-to-government relationship is." He added that while there is much consultation with U.S. Government authorities, "there has been no attempt to manipulate us politically by any country, including our own."

For reasons indicated in chapter 2, we do not share the Panel's view that the consolidated agency should be shorn of the policy information role. However, if CU's functions are assigned to the information agency without divesting the latter of the policy information function, it would seem advisable to survey the CU-USIA constituency--scholars, artists, journalists, etc.--to determine how they might respond to the consolidation and what suggestions they themselves might have about implementation.

As to the relationship which the consolidated agency should have to the State Department, there are two main options. One is that the agency retain a status of independence, reporting to the President and taking its policy guidance from the Department of State in accordance with present arrangements. Another is that the agency be placed, in the Panel's phrase, "under--but not in--the Department of State," on the Arms Control and Disarmament Agency model. A variant of the latter, urged by State in its position paper on the Panel report and by John Richardson, Jr., former Assistant Secretary of State for Educational and Cultural Affairs, would put the information

agency not only "under" the State Department, as proposed by the Panel, but partly "in" as well. That is, the agency director would be an Under Secretary of State and, with certain agency elements, would have offices in the Department. Advocates believe this variant would give the agency better access to the Secretary for purposes of both policy information and policy advice. Some suggest this might also put the agency head in a position to provide Government-wide coordination and leadership in information and cultural programs.

We believe each option has distinct advantages and shortcomings; either could work. The choice should be made only after proper study. If the agency were put under but not in the State Department, provision should be made to safeguard the agency's present professional and administrative independence while remaining under State Department policy guidance.

CHAPTER 4

FIELD REORGANIZATION

PANEL PROPOSAL

The Panel proposes to reorganize information and cultural activities in the U.S. overseas missions to reflect the distinction it draws between policy information and general information.

Thus, "The official abroad principally concerned with carrying out the policy information and advisory functions should be the Press Counselor/Attache," a State Department employee. He would receive the Wireless File, policy guidance information, and background telegrams from the Department and would report to the Department on media reaction and foreign opinion. The head of the local USIS establishment of the Information and Cultural Affairs Agency would be the Information-Cultural Counselor/Attache, an ICA employee. He would handle general information products and the exchange of persons program.

This "eliminates the present echelon and position of Public Affairs Officer (PAO) as an intermediate level between the operating press and information-cultural elements and the embassy's top management. The DCM [Deputy Chief of Mission] himself will henceforth be exercising this coordinating and supervisory role on behalf of the ambassador * * *."

PANEL RATIONALE

The rationale for the proposed field reorganization parallels that stated for the proposed reorganization of the Washington headquarters. (See pp. 9 and 10.)

RESPONSE OF CRITICS

The proposal encounters the argument noted above, that the information product partakes of both policy and general characteristics in ways often impossible to disentangle.

Other objections cited are that:

--It disturbs an arrangement abroad against which there appear to be few major complaints and which the Panel itself describes as "the unified organization which has worked so effectively in the field for over twenty years."

--It raises possibilities of "jurisdictional" confusion and controversy. The Panel concedes that assigning press functions to a State Department officer and general information and cultural functions to an ICA officer will entail "some overlap in the cultivation of contacts" and will require "a high degree of tact and managerial skill" in dovetailing the work of the two. To the extent that problems of jurisdiction emerge in the field, critics argue, they will impose a considerable new coordination burden on the Deputy Chief of Mission.

--While Foreign Service Officers often do well in dealing with the press, that work emphasizes professional skills, experience, and interests more likely to be found in USIA than in State.

--USIA advised the National Security Council that a divided field operation

"would reduce mission effectiveness in utilizing and coordinating all the information and cultural tools available in support of mission objectives. The effect of the proposed reorganization would be to export the artificial division that now exists in Washington."

--The proposal runs counter to what some critics regard as a promising new trend in the management of U.S. overseas posts. According to a USIA member of the Governing Board of the American Foreign Service Association, many U.S. missions

"have been doing away with the old categorization of personnel and function which often inhibited effective operations. Press and information offices have been merged, programming divisions have been created which eliminate the old and misleading distinctions between information and cultural activities. As a result a more coherent and fully orchestrated program has begun to take shape at many of our key overseas posts."

Thus, what the Panel called the unified USIS field organization is now being ever more closely integrated.

--It overlooks an aspect of the country-team concept, under which the ambassador, as principal policy spokesman abroad, normally establishes a close working and supervisory relationship with the Public Affairs Officer, Political Officer, Press Attache, or whomever he may designate to help him perform that function. This tends to reinforce State's position as foreign policy advocate and to that extent obviates the Panel's concern that policy articulation by USIA officers might be less authoritative than it should be.

OUR OBSERVATIONS

We agree with those who believe that the proposed realignment of functions in U.S. overseas missions would fragment field operations, open the way to confusion and controversy over the assignment of responsibilities, and to that extent reduce the effectiveness of present arrangements. We believe closer integration of information and cultural programs in the overseas missions should be encouraged.

CHAPTER 5

VOICE OF AMERICA

PANEL PROPOSAL

The Panel recommends that the Voice of America be made a separate agency outside of both State and the information-cultural agency, though "closely linked" to both. VOA would be supervised by a "board of overseers" consisting of the proposed Deputy Under Secretary of State for Policy Information, the Director of ICA, and three private citizens appointed by the President.

State's interest in effective policy articulation and advocacy would be protected under this arrangement by making the Department itself and its proposed new Office of Policy Information "directly responsible for explaining and articulating U.S. foreign policy over the Voice" and giving the Department's spokesmen "direct and unqualified access to broadcast time." The material for the Department's contribution to VOA programming would be prepared by those of VOA's worldwide English writers who would be transferred to State for that purpose. The Department's interest in VOA operations would be further protected by continuing the "assignment to key Voice positions of foreign service officers who have served extensively in the areas to which their sectors of VOA are regularly broadcasting." (ICA's interest in "the portrayal of American society" would be served by providing for ICA guidance to VOA's writers.)

PANEL RATIONALE

As the purveyor of policy information, the Panel notes, VOA would logically be located in State. As a general information medium, the Voice would logically belong to the proposed Information and Cultural Affairs Agency. But VOA is also a broadcaster of straight news, and "the necessity of freedom from Government control dictates an independent status." Placing VOA in the State Department or keeping it in ICA would "severely compromise its independence as a source of news" and "make it extremely difficult to carry out the function entrusted to the other body."

The Panel argues that these arrangements would put policy articulation back in State where they feel it exclusively belongs, would protect the objectivity of VOA's news broadcasting, and "would permit the VOA to function as a credible medium."

RESPONSE OF CRITICS

Critics appear generally agreed that the Panel's case for the importance of reliable, objective news reporting by the Voice is in itself unexceptionable, for such emphasis does reflect America's "ideological appeal" as a defender of the free flow of information and is essential to the maintenance of credibility and listenership.

The implied elevation of news to top priority in the Government's scale of values for broadcasting raises two questions: whether it can be justified on policy grounds and whether it accurately reflects the Government's intent. So far as intent is concerned, there does not appear to be a clear basis for assigning priority to any of VOA's three functions. The Foreign Relations Authorization Act, fiscal year 1977, lists those functions without specifying their priority: to provide reliable news, project significant American thought and institutions, and present U.S. policies.

All three functions appear widely recognized as complementary and as indispensable to effective Government broadcasting. They can also be, the Panel rightly notes, inherently conflicting. As former USIA Director Keogh has acknowledged, "comprehensive news coverage is sometimes not the best diplomacy." Questions critics raise are: When a conflict arises, how is it to be resolved and by whom? In most instances noted, diplomatic imperatives seem to have prevailed over the principle of journalistic independence. To what extent have such episodes undermined the credibility of VOA's news reporting? What circumstances, if any, might justify State Department interference in VOA's selection or treatment of broadcast material?

Critics of this proposal argue that the Voice of America and the independent commercial press are notably different. VOA is sponsored by the U.S. Government, financed by the taxpayer, and billed as "the" Voice of America. Its personnel overseas travel on official or diplomatic passports, are privy to embassy briefings, have access to classified information, and enjoy the protection and advantages of official status. Its mission is not only to report and analyze the daily news but to "present a balanced and comprehensive projection of significant American thought and institutions" and to "present the policies of the United States clearly and effectively." Undoubtedly most of its listeners perceive it as an instrumentality of the U.S. Government. (It has been noted in this connection that changes in programming content or emphasis may be interpreted by foreign governments as diplomatic "signals.")

The Panel's proposal, some critics argue, would put VOA in a position to retain all its present special advantages and to act more independently of--that is, less responsively to--the overseas interests of the United States as perceived by the Department of State. The question here is not one of loyalty but of judgment--whether, in the event of disagreement, it is to be the judgment of an independent Government board numerically dominated by private citizens or that of the policymakers that prevails. In its official comment last year, the State Department concluded that the present arrangement for VOA "is highly advisable whatever decisions are reached on the Panel's other proposals."

There are a number of additional considerations cited by critics of the proposal to make VOA independent:

- It leaves large uncertainties as to how policy information (the State Department "commercial" as some have dubbed it) would be integrated into broadcasting schedules, who would control programing, what "direct and unqualified access to broadcast time" would mean in practice, and how responsive the new management would be to the needs of the Department and other agencies.
- It is questionable whether the State Department would prove able to produce the necessary stream of policy news and analysis in timely fashion. In the words of Edmund A. Gullion, Dean of the Fletcher School of Law and Diplomacy, retired Foreign Service Officer, and a dissenting member of the Panel, "the difficulties that might arise in trying to reconcile fast moving news coverage with Department clearances boggle the mind."
- Assigning supervision of VOA to a part-time Government board can be questioned, as at least one experienced observer has suggested, on the ground that "an independent Board would be a weak reed in time of trouble" and that the "history of Government boards is not an encouraging one."
- Appointment of the Board's full-time Executive Director and staff, assigned to carry out its policy control and evaluation tasks, could readily lead to serious jurisdictional conflicts between the Board and the VOA management. The experience of Radio Free Europe/Radio Liberty and the Board for International Broadcasting in this regard is instructive. As a GAO report noted 2 years after the establishment of the Board for International Broadcasting, "A basic

difference exists between the Board and the Radios over the interpretation of the Board's authority, functions, and responsibilities as set forth in the Act of 1973."

--Independent status for VOA could aggravate a tendency to compete with other media at the cost of increased sensationalism and reduced attention to that part of VOA's mandate calling for "a balanced and comprehensive projection of significant American thought and institutions." Former USIA Director Keogh, in commenting on the proposal, stated that this could lead VOA to

"project too little of the basic, long-range side of American life and too much of the transitory. The result could well be a situation in which American taxpayers' money would be spent on a broadcasting service which would devote too much of its time telling the rest of the world the worst about America."

--It is possible that implementing this proposal would require a substantial increase in funding and personnel. The Panel believes that "VOA will remain virtually intact under its new Board, inheriting only a few USIA administrative officers already accustomed to handling Voice affairs." USIA officials have concluded, however, that to set up the support elements now provided by USIA-- for example, a budget and finance unit, administrative services, security office, training, audience research, inspection and audits, legal services, the new Executive Director, and a secretariat--would require a net increase of 100 people and add some \$4 million to the present operating costs.

OUR OBSERVATIONS

Advocates of independence for VOA often cite the British Broadcasting Corporation's External Services, which has its own governing board, as the model to be emulated. On the other hand, it has been noted that while the BBC has a deserved reputation for journalistic integrity, that does not mean that its overseas broadcasting is insensitive to foreign policy considerations or unresponsive to Foreign Office guidance. As USIA Director Reinhardt testified recently,

"The BBC has operated for many years under general British traditions. In structure, it is quite different, obviously, from our own. In actual operation, the BBC is also cognizant of British foreign policy. * * * The tradition of the Foreign Office having lunch with members of the British Broadcasting Corporation, of exchanging telephone calls, of discussing foreign policy issues is the manner in which they have chosen to do it, and they do it well."

The principle of State Department guidance for VOA commentaries on U.S. policy is not in dispute. During our review, however, we noted numerous complaints by VOA professionals against State Department interference in VOA newscasting.

Some of the State Department interventions we noted did seem open to question. We believe, however, that there have been and can be situations in which State's view ought to control.

A well-publicized episode illustrates the point. In the days preceding the evacuation of Saigon, VOA was under instructions to report only official statements of the U.S. Government and congressional actions even though responsible unofficial American comments about the possibility of evacuation were being carried by the commercial media, including the wire services. State's reasoning was that such reports, coming from the U.S. Government radio, would gain greater credence and in the circumstances increase the danger of panic among the South Vietnamese, with consequent risk to American and Vietnamese lives.

Whether that would have occurred or not, the uncertainty itself provided some reason to err on the side of caution and to give State's political judgment precedence over VOA's professional concerns. (We were told that VOA correspondents in Saigon, among the last to be evacuated, applauded the State Department decision.)

The incident illustrates an infrequent but potentially important situation that argues for maintaining the present relationship between VOA, State, and USIA. It should, however, be emphasized that circumstances justifying such intervention are highly unusual and the Department's prerogative should be exercised with restraint and in full awareness of the need to protect VOA's professional integrity.

The Panel claims that making VOA independent "would permit VOA to function as a credible medium." This appears to imply that under present arrangements the Voice lacks credibility, although the Panel does not make that assertion. One test for credibility is listenership. Audience research conducted by professional polling organizations for USIA and others indicates that VOA has a substantial listenership and in general competes effectively with BBC.

Similarly, the Panel implies but does not establish a failure by VOA, operating from its base in USIA, to satisfy the needs of the Department of State. We found no evidence of serious or chronic State Department dissatisfaction with VOA's performance.

The reporting and advocacy of U.S. foreign policy, especially by fast media and especially in moments of international crisis, can significantly affect the national interest for good or ill. The considerations outlined above, in our judgment, weigh strongly against disturbing the present structural relationship between VOA, USIA, and the Department of State.

New approaches to improving VOA's working relationship with State and USIA should be studied. Local 1812 of the American Federation of Government Employees, for example, has suggested that VOA should be granted full authority over its own personnel system, that a special oversight committee should be established to resolve policy disputes, and that the VOA Director should be elevated to USIA Associate Director status and to membership on the Agency's Executive Committee.

For an institution charged with duties that put a premium on professional integrity but that may prove inherently contradictory on occasion, the solution may well lie less in organizational alterations than in other approaches. We believe the answer to the VOA dilemma must depend above all on a consensus on objectives and operating principles within the agency and beyond, strong leadership, and a growing tradition of reasonable policy guidance by State with responsible professional independence for USIA, duly supported by the President and the Congress.

CHAPTER 6

A NEW CHARTER FOR U.S. PUBLIC DIPLOMACY

The evidence reviewed in the preceding chapters led us to conclude that one of the Panel's proposals (consolidating the cultural functions of CU and USIA) would substantially improve present operations; two others (merging the FSO and FSIO personnel classification categories and reassigning USIA's policy advisory role) may have constructive possibilities but require further study; and the remainder, which contemplate a major reorganization, seem more likely to hinder than to advance ongoing efforts to improve the efficiency and effectiveness of U.S. public diplomacy.

It is the Panel's position not that the present system is working badly but that under the proposed structural changes it "will work much better." We are concerned that, on the contrary, if the recommendations as a whole were implemented, the system would work less well. The "anomalies" the Panel would correct appear, with one exception (dual administration of the cultural programs), to be innocuous and not anomalies at all. The Panel's approach would achieve a certain tidiness on paper at the expense of arrangements that have essentially met the test of practicality and performance.

To question a particular set of proposals for reorganizing an institution is of course not to imply a blanket endorsement of the institution or to deny the need for constant adaptation to change. We believe that in the case of U.S. public diplomacy, certain nonorganizational approaches to improvement would prove more promising. A Presidential Study Commission on International Radio Broadcasting under Dr. Milton Eisenhower observed not long ago:

"Able men of good will can make almost any organizational arrangement work; and conversely, even the finest organizational arrangements do not guarantee efficient and effective operations."

In the style, quality, and impact of any program, factors other than organization may well play more important roles. Among such factors are caliber, preparation, and morale of personnel; clarity of purpose; and resources.

We believe that while some improvement of U.S. public diplomacy can be achieved through organizational reform, most of the more promising prospects lie in other directions. These include efforts to: establish Government-wide leadership and coordination of information and cultural programs; improve the orientation and training of participants and practitioners; refine and more fully apply present techniques for program development and evaluation; clarify mission, objectives, philosophy, and operational guidelines; and promote wider public understanding, support, and involvement.

Of those issues, one that needs early consideration concerns, as a 1974 GAO report suggested, the mission, goals, and operating guidelines for the conduct of U.S. public diplomacy. Development of a consensus on this among those concerned, both in and out of Government, would provide a sounder basis than now exists for further consideration of organizational problems and solutions. A new "charter" would also facilitate the proposed merger of the information agency and the Bureau of Educational and Cultural Affairs, since the two agencies tend to view matters of mission and method differently.

There is, moreover, recent evidence that information-cultural objectives and methods are perceived differently even within USIA. On November 3, 1976, a public statement endorsed by nearly 500 USIA employees called for "Government-wide agreement that the mission of USIA is not to manipulate foreign attitudes, but to seek understanding of American policy as well as the society and values from which it flows." It acknowledges that, "the basic task of USIA has always been to support American foreign policy," and argues that the most effective and appropriate way to do this is both "to present persuasively the Administration's policies" and to communicate "responsible nongovernmental opinion, even though such opinion may at times be critical of those policies." It adds that, "To represent our society and its values with candor and to enunciate the policies of the Government with precision, we believe the proper mode of discourse is the dialogue."

The staff group calls for a new USIA charter based on those principles. It is apparent from a 1974 mission statement by then Director Keogh that these unexceptionable principles are not alien to the Agency's top management. Much of the Agency's and CU's output today reflects those principles. The differences appear to be those of degree and emphasis. They may also be in part semantic. Merely to inject facts into a dialogue is, in one sense, to

"manipulate" attitudes. Similarly, whether or not "propaganda" is reprehensible depends entirely on whether the term is taken to mean the distortion or merely the propagation of information.

It is clear, however, that this divergence of perceptions among USIA and CU professionals is real and has implications for morale and effectiveness. The fact would suggest the desirability of an attempt by management and staff, of CU as well as USIA, to develop a comprehensive statement of mission and methods to which they and the Congress could subscribe.

The Office of Management and Budget has taken a step in that direction. In April 1976 it drafted a paper and initiated discussion with the State Department and USIA on U.S. public diplomacy. The paper, "Federal Government Objectives for Information and Cultural Programs," was in part a response to the Panel report, which OMB staff criticize for having failed to relate its proposed structural changes to a clear conception of U.S. objectives.

Further efforts in that direction would be appropriate. There will always be discrepancies between theory and practice; however, a comprehensive charter defining mission, objectives, and procedures would provide a useful frame of reference for those concerned with the organization, conduct, and evaluation of U.S. public diplomacy.

PRINCIPAL OFFICIALS CONCERNED WITH
THE SUBJECT MATTER OF THIS REPORT

Tenure of office
From To

DEPARTMENT OF STATE

SECRETARY OF STATE

Cyrus R. Vance	Jan. 1977	Present
Henry A. Kissinger	Sept. 1973	Jan. 1977

ASSISTANT SECRETARY FOR
EDUCATIONAL AND CULTURAL
AFFAIRS

Joseph D. Duffey	Apr. 1977	Present
William K. Hitchcock (acting)	Jan. 1977	Apr. 1977
John Richardson, Jr.	July 1969	Jan. 1977

UNITED STATES INFORMATION AGENCY

DIRECTOR

John E. Reinhardt	Mar. 1977	Present
Eugene P. Kopp (acting)	Nov. 1975	Mar. 1977
James Keogh	Feb. 1973	Nov. 1976