KEYNOTE ADDRESSES
FROM THE *VIRTUAL DIPLOMACY* CONFERENCE

The Information Revolution and International Conflict Management

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Bits, Bytes, and Diplomacy

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Diplomacy in the Information Age

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Contents

Key Points

Solomon, "The Information Revolution and International Conflict Management"

- "Virtual Diplomacy" is an Institute of Peace project designed to explore how the global Information Revolution—today's explosive growth of telecommunications and information processing capabilities—is transforming international relations. This exploration proceeds from a review of the effects of the new information technologies on organizations and the way they do business. Its goal is to assess the significance of these developments in communications technologies for managing international conflict. What we mean by "Virtual Diplomacy" is political, social, and economic interactions that are mediated through electronic means rather than face-to-face communication.

- New communications technologies are profoundly altering the pace and pattern of conflict situations just as they are facilitating new forms of social organization. What "Virtual Diplomacy" is trying to do is anticipate how society will evolve along the complex international pathways of the World Wide Web, the Internet, the global information superhighway, and explore how new information technologies can be used to manage conflict more effectively.

- It may be too early to assess the long-term impact on contemporary society of computer-managed information networks and associated systems of information collection, analysis, and communication and storage, yet we can already see some of their profound—and, at times, contradictory—effects on social organization and action: decentralization and centralization, fragmentation and integration, transparency, mobilization and rationalization, acceleration, and "virtuality."

- An underlying theme of "Virtual Diplomacy" is how the traditional notion of state sovereignty is no longer relevant to the way the world of the twenty-first century will work. Today, in almost any part of the world, publics can be mobilized through radio, telephones, fax machines, and the Internet, creating "virtual," or electronic, communities that are basically divorced from notions of a territorially defined political community.

- The world is transparent now in a way it has never been; we can "see" developments in almost any part of the world. We are becoming overloaded with information gathered through all sorts of vehicles, sensors, and people who are able to bring together through networked communications their views of the world. This visibility makes it possible for many more people to take action, but it also presents decision makers with an information glut that they are just beginning to learn how to manage.

- The Information Revolution is taking the initiative in policymaking away from governments. How policymakers react to and cope with the fact that their hands are being forced by the mass media—the so-called "CNN effect"—has created a new set of challenges for governance and diplomacy. In addition, the information that is empowering private sector individuals and groups means that nonstate actors are playing an increasingly prominent and autonomous role in the ways that governments interact with their citizens and with other governments.

- Communications technologies, in and of themselves, cannot play the role of third-party mediators in a conflict situation; hardware and software are merely instruments of action. Yet they do facilitate interaction and significantly enhance the exchange of the substance of communication. "Virtual Diplomacy" is an effort to assess the ways

that these technologies can help mediate the communication processes that are essential to conflict management and resolution.

Wriston, "Bits, Bytes, and Diplomacy"

- We are in the midst of a revolution. A revolution by definition causes old power structures to crumble and new ones to rise. The catalyst—but not the cause—has always been technological change. Now, as in revolutions past, technology is profoundly affecting the sovereignty of governments, the world economy, and military strategy.

- Sovereignty, the power of a nation to stop others from interfering in its internal affairs, is rapidly eroding. Today special interest groups of all kinds, from terrorists to human rights activists, bypass government-based communications channels in their efforts to further their own crusades.

- The convergence of computers and telecommunications has made us into a global community, ready or not. For the first time in history, rich and poor, north and south, east and west, city and countryside are linked in a global electronic network of shared images in real time. Ideas move across borders as if they did not exist. Indeed, time zones are becoming more important than borders.

- A global village will have global customs. Denying people human rights or democratic freedoms no longer means denying them abstractions they have never experienced, but violating the established customs of the village.

- The flood of real-time data has also transformed the international economy. The depth of the global market renders economic theory based on national markets suspect. The market is a giant voting machine that records in real time the judgments of traders all over the world about American diplomatic, fiscal, and monetary policies. It has created an information standard that is far more rapid and draconian than the gold standard ever was.

- Information technology has also produced a new nonmaterial source of wealth: information. The new economic powerhouses are masters not of huge material resources, but of ideas and technology. The powerful economies of Singapore and Hong Kong, countries with virtually no physical assets, demonstrate the growing irrelevance of territory to wealth. This shift in the basis of generating wealth requires a different kind of management structure and mindset, and affects not only individual companies but entire nations.

- These changes affect not only the civilian production machine on which our economic strength rests, but also our military capabilities. The U.S. military today is a spectacular example of the replacement of physical assets by information. Information, to be sure, has often made the difference between victory and defeat. Where is the enemy located? How many troops are involved? How are they armed? What is new is the ease and accuracy with which such questions can be answered.

- Reliance on information technologies also has dangerous downsides. The American information infrastructure, in the words of the recent Report of the Defense Science Board Task Force on Information Warfare, is "vulnerable to attack" and "creates a tunnel of vulnerability previously unrealized in the history of conflict." Rogue states and groups can conduct information warfare even though they do not command a large military establishment.

- Because so much change in the current revolution is driven by technology, our task in mastering these new forces is made more complex by the difficulty of communicating across disciplines. Diplomats, trained in the humanities, often seem to validate C. P. Snow's famous lecture on "Two Cultures," in which he argues that scientists and humanists are ignorant of each other's knowledge and are content to stay that way.

- There is still no substitute for courage and leadership in confronting the new problems and opportunities that our world presents. What has changed dramatically is the amount of information available to our policymakers. One hopes that the data processed by the minds of trained diplomats will produce real knowledge, and with enough experience, wisdom.

Shultz, "Diplomacy in the Information Age"

- Diplomacy is the method—some might say the art—by which relations between nations are

managed. It is the manner, as distinct from the content, of foreign policy. Many dividends will come from thinking about the interaction of new volumes and flows of information with the objectives countries seek and their means of getting there. Indeed, much has changed in diplomacy over the years, but much remains the same.

- Most negotiations—exercises in diplomacy—are not one-time events, but part of a process that will have ups and downs. As such, relationships should be constructed with long-term considerations in mind. Nevertheless, the reality is that major powers will interact over time, so short-term tensions need careful—and sometimes confrontational—treatment. Negotiation has to be *about* something that matters. And it has to be *for* something that counts. In recent years, however, we have seen the rise of the idea that anything and everything can be negotiated.

- Good diplomacy relies on accurate information that is relevant; sifting out that information is crucial. So is the process of analyzing what the information means, and there is no substitute for "touch and feel" in these processes. The diplomat on the spot, respected, well-connected, and linguistically comfortable, can make essential contributions.

- Information technology cannot replace solid diplomatic reporting. It is important to distinguish between excellent means of communication and excellent communication. Computers offer the former, and educated men and women can manage the latter. We need to have the discipline to hold our fire until solid and thoughtful reporting—diplomatic reporting—comes in. When the media are closing foreign bureaus, it is exactly the wrong time for the U.S. government to be closing and consolidating embassies and consulates abroad.

- The private sector and individuals now have access to information that was once available only to a few government agencies, but it doesn't replace the insightful analysis of the diplomat on the spot—the foreign service officer. You just can't get the total feel for it by looking at a computer screen half a world away. We need both: the foreign service officer on the ground and the expanding circle of analysts around the world. They need each other.

- Information is everywhere and widely available to the citizenry generally, not just government officials. So the government no longer has a monopoly over information. Of course, questions abound: What information is reliable? What is incorrect, misleading, or slanted? Who can tell without some independent checks?

- The media, particularly television, play a larger role than ever. After all, they are in the information business and have developed the skills of quickly gathering information and sorting out what is newsworthy. The possibilities of distortions, let alone selectivity, mean that an independent base of information is essential. Even so, the compelling image on the screen—accurate or not—can have a powerful impact on the citizenry.

- The Information Age should enhance accountability in diplomacy as well as in most other activities. In the field of diplomacy, what you do and say is increasingly in the public domain. The quality of your decisions and your capacity to execute them effectively is also increasingly on display.

- Speed is another characteristic of diplomacy in the Information Age. When combined with the wide access to information, prevalent even now, the pressure is on for rapid reactions, for operation in real time. It is especially at such times that a set of strategic ideas can pay off handsomely in facilitating not only quick, but good, decisions.

- No doubt the way the world works has changed permanently and dramatically. Yet, when it comes to the conduct of diplomacy, many key attributes remain. This conference is a much needed start at thinking through how the new affects the old and vice versa. From such a new platform of understanding, our diplomacy can be strong and true.

Foreword

After averting the forty-year-old threat of nuclear annihilation, the world today faces a less deadly but much more complex challenge. Many have written about the marvels of the Information Revolution, but one important dimension of this era has so far eluded a comprehensive discussion: the revolution's impact on statecraft and, more broadly, on how nations interact in an age of rapidly changing information and communications technologies.

Expanding and increasingly integrated global markets, new international actors, pervasive computer networks, and global news media that provoke instant policy responses to a growing number of international crises all pose a distinct challenge to governments. How to respond? How can we begin to build a coherent, supportable post–Cold War foreign policy that addresses new domestic and international security concerns arising from the exponential growth and spread of such technology? How can U.S. diplomacy and statecraft draw on the nation's technological edge to promote its international leadership role?

These observations only touch on the profound impact of communication and information technologies in shaping the global environment as we enter the new millennium. The myriad issues stemming from today's rapid technological growth have so many profound implications for U.S. foreign policy that the United States Institute of Peace decided to establish an ongoing project to examine these issues in depth. After two years of effort, including a preliminary conference on "Managing Communication," the Institute convened a major international gathering on the theme of "Virtual Diplomacy: The Global Communications Revolution and International Conflict Management." The conference, held April 1–2, 1997, brought together leaders in business, industry, academia, U.S. foreign-policy making agencies, international and nongovernmental organizations (NGOs), media, and the U.S. military to explore their mutual concerns and common missions in an increasingly complex era of global change and to discuss how these technologies have changed their roles in the conduct of global affairs.

Presented in this Peaceworks is a representative portion of the conference's ongoing conversation, provided by the conference's keynote speakers: Institute president Richard H. Solomon, former assistant secretary of state for East Asian and Pacific affairs, who opened the conference with a conceptual overview of the Virtual Diplomacy project; Walter Wriston, former chairman and CEO of Citicorp/Citibank; and former secretary of state George Shultz, professor of international economics at Stanford University's Graduate School of Business and a distinguished fellow at the Hoover Institution. Each in his own right captures the best thinking of several communities represented at the conference.

In its twelve-year history, the United States Institute of Peace has played an important role in bringing together diverse communities—governmental and nongovernmental, foreign and domestic—to explore alternative ways of managing international conflict. The objective is to expand each community's knowledge of the others, thereby enriching their common understanding of specific issues in and approaches to managing international conflict. In the Institute's tenth anniversary conference, entitled "Managing Chaos," the role expanded, leading the Institute to explore the practical uses of new technologies for these new conflict managers.

"Managing Chaos" illustrated the pivotal role that the new conflict managers play in international conflict resolution and the need for improved coordination of effort, both within the NGO community and between governmental and international organizations, in responding to humanitarian crises across the globe. Participants in this and a follow-on conference, "Managing Communications," sponsored jointly with the National Defense University on June 20, 1996, drew attention to the disparity between the potential

for cooperation promised by new information technologies and the challenges organizations face in employing these tools effectively.

Drawing on the discussions at both conferences, the Institute conceived the Virtual Diplomacy project as a programmatic means to explore the long-term issues involved in the changing nature of international relations and, more immediately, to help statecraft's practitioners understand and apply new information technologies in preventing, managing, and resolving international conflict. Specifically, the goal of the Virtual Diplomacy project is to demonstrate how these technologies can help ameliorate international conflict at specific "entry points" along the conflict continuum—starting from preventive diplomacy through the process of rebuilding and strengthening civil society in postconflict situations.

It is not too much to say that digital media protocols have become the lingua franca of the new world order, linking diverse cultures, economies, and political systems and creating new relationships that disregard conventional boundaries and hierarchies. Teleconferencing, computer-mediated communications, and personal media technologies have expanded opportunities for communication across geopolitical boundaries and time zones, increasing the number of actors who can influence the evolution of conflicts and the speed at which events progress from potential problem to deadly crisis.

Jean-Marie Guehenno, author of *The End of the Nation-State*, describes the Information Age as "imperial," in the sense of a "virtual" society too vast to constitute a political entity—a world that is at once unified and without a center. Power bases, he predicts, are shifting from territory and material wealth to "accessibility," that is, constant access to a vast global electronic network. What follows from this premise can only be described as the turning upside down of international political structures: Territory as the primary basis of power in the international system is on the way out, while a yet-to-be-identified integrator of global networks is on the way in. The power of information technology, harnessed by the commercial world, has created and now enforces global relationships. To be sure, the speed and universality of global communications has accelerated these developments.

The unnerving result for foreign affairs practitioners, however, is that although technological forces have decentralized decision making to a remarkable degree, those same forces are simultaneously reshaping the global environment into borderless, networked communities. In such an environment, it is hard to define a "national" policy: more actors have more access to foreign-policy making, but the hierarchy and political authority to execute the decisions has become more diffuse at the same time. Localization *and* globalization by such transnational media as the Internet and other information networks *is* changing the character and governance of the nation-state. National identities and allegiances are fragmenting along ethnic, religious, and cultural lines; and global markets, not political borders, are coming more and more to determine economic regulation and growth. In the midst of such global forces, diplomacy faces new challenges and new opportunities in the conduct of foreign affairs and the management of international conflict.

Nonstate actors have recognized the power of these new forces and have assumed effective and efficient administration of global networks. Jessica Mathews points to a "power shift that is transferring part of a role once uniquely attached to governments—namely, framing international policy and law—to outsiders, represented by nongovernmental organizations" and attributes their new leverage in international affairs to the growth and availability of new technologies: "NGOs can now yank an issue from the third or fourth tier of official interest and push it to the top. Once there, backed by sufficient public pressure, issues can move with a speed foreign to usual diplomatic practice. Information and communications technology is crucial."[1]

Such change in the international environment has posed a distinct challenge to global leadership and diplomacy. Much discussion has focused on the news media as the most powerful nonstate actors in the international arena today—a phenomenon referred to as the "CNN effect." (A United Nations diplomat recently lamented that the Cable News Network has become the sixth permanent member of the Security Council.) In an increasingly pluralistic international climate, consensus-building is the primary means to galvanize action among nation-states. Nevertheless, instantaneous media coverage makes the painstaking diplomatic work of building one multilateral agenda out of many unilateral policies increasingly difficult for heads of state, who are now vulnerable on two fronts—their own domestic agenda versus an often contradictory international agenda.

Despite their pervasiveness, these new global forces have not eclipsed U.S. leadership. In a recent issue of *Wired*, the trend-setting organ of the *digerati*, Peter Schwartz and Peter Leyden concluded: "Today,

the United States has a . . . crucial leadership role to play. . . . Americans are fundamentally shaping the core technologies and infrastructure that will be at the foundation of the 21st century. . . . American corporations are the first to adopt the new technologies and adapt to the changing economic realities. As a nation, the U.S. is figuring out how to finesse the new model of high quality economic growth driven by new technologies."[2]

Thirty-six years have passed since George Shultz first identified the profound effect computers would have on management, but the foreign-policy community is just now beginning to exploit the opportunities offered by the new information technologies. The critical factor is understanding how best to integrate these tools to develop enhanced strategies to meet the increasing demands on organizations in this new global environment. The best and fastest integration will determine which institutions sink or swim. They must pay now for the planning and implementation of appropriate information technology infrastructures or pay much more later for not having done so. Government agencies are no exception. Budgetary pressures and the demands for more effective management will force government agencies to adopt information technologies in order to manage an increased work load and exponentially faster turnaround times.

"Virtual Diplomacy" is an effort to help governmental and nongovernmental foreign affairs practitioners understand how best to use these tools to cope with the new global forces. Organizations must respond to the challenge of going beyond venerable but outdated Cold War concepts that have informed their missions for decades. In short, they must rely on a creative resourcefulness in responding to the new international environment by, in effect, mimicking that environment, organizing themselves to act and respond as a network of information resources.

In this Peaceworks, each of the keynote speakers at the "Virtual Diplomacy" conference issues an appeal to the foreign affairs community, identifying specific challenges as well as new approaches to help us adapt to a more complex global environment. They presage the coming of a revolution in diplomacy, in the way international affairs are managed. Although the speakers address the issue of diplomacy and rapid technological change from different perspectives, a common theme appears: The years ahead will require leadership, courage, imagination, and a sense of resolve from foreign-policy makers and practitioners as they confront the perils and promise of the Information Revolution's impact on international relations.

Sheryl Brown
Director of Communications

1 The Information Revolution and International Conflict Management

Richard H. Solomon

The vision behind "Virtual Diplomacy" has a history of several decades, and while the United States Institute of Peace is a third-generation observer in assessing the evolution of the Information Revolution as it impacts on international relations, we believe this conference is the culmination of what we have been thinking and writing about—directly and indirectly—for many years.

It was 1977 when I first heard someone use the term "Information Revolution." I was working at the RAND Corporation at the time, and one of the members of RAND's board of directors was Walt Wriston, then the CEO of Citicorp. As those of you who have read his book *The Twilight of Sovereignty* know, Wriston was far-thinking in terms of seeing the impact of satellite communications on the workings of the global financial system.

Another of my seniors who was also ahead of the game in seeing the connection between the Information Revolution and diplomacy is former secretary of state George Shultz. I began running the State Department's Policy Planning Staff in 1986 and discovered that Shultz had already begun to speak out about the impact of the Information Revolution on global affairs—he gave several speeches on the subject in 1985–86. Yet, despite his prescience on this topic, the State Department—constrained by declining budgets and comfortable with well-established ways of conducting diplomacy—was slow to respond to the possibilities of the new information technologies.

One of the things "Virtual Diplomacy" will examine is why the government has been sluggish, relative to the private sector, in adopting the advanced technologies of information processing and communications. In that regard, we are honored that two of the intellectual godfathers of "Virtual Diplomacy," who have served as exemplars in the worlds of diplomacy and international banking, are participants in this enterprise. For the Institute, "Virtual Diplomacy" is the fulfillment of a two-year effort to focus our small but flexible institution on some of the leading-edge issues that link the Information Revolution to foreign affairs. The Institute staff who have sparked this enterprise, providing vision and organizational drive, are Sheryl Brown, director of our Office of Communications; Margarita Studemeister, director of the Library Program; and Bob Schmitt, our chief information officer. They are due credit for mobilizing the intellectual talent for this conference and structuring its agenda.

As Harriet Hentges, the Institute's executive vice president, noted in her welcome, "Virtual Diplomacy" involves an effort to explore nothing less than how the Information Revolution is transforming our world. But our main objective is to carry that assessment beyond the issue of the effects of new information technologies on organizations and the way they do business to an exploration of the significance of these developments for managing international conflict. This is the issue at the core of the Institute's charter. Congress established the Institute in 1984 with the mandate to strengthen our national capabilities for resolving international conflict without recourse to war and violence, and we seek to do this through programs of research, education, and training. Our objective in "Virtual Diplomacy" is to assess how the global Information Revolution is creating new possibilities for preventing, managing, and resolving international conflict.

What does "Virtual Diplomacy" mean? Some of my colleagues are uncomfortable with the notion of "virtual reality" or "virtual" this-or-that, because it implies a lack of reality. To put it simply, what we mean by "Virtual Diplomacy" is social, economic, and political

This essay is an expanded version of Institute president Richard Solomon's introductory remarks for the opening of the "Virtual Diplomacy" conference. The essay draws from his prepared remarks and from a formal overview paper, which is available on the Institute's web site at: www.usip.org.

interactions that are mediated through electronic means rather than face-to-face communication.

THE INFORMATION REVOLUTION AND SOCIAL CHANGE

Today's Information Revolution has been a century and a half in coming, and the technologies that constitute the focus of "Virtual Diplomacy" are a composite of innovations that have evolved since the earliest times of our republic:

- *The telegraph*. We all know that the American continent was developed in the nineteenth century along the telegraph lines that reached out to the West.

- *Photography*. Many of us will recall the Civil War photographs of Matthew Brady. But what we may not remember is that the first use of overhead photography in a wartime situation occurred during the Civil War, using the "satellites" of that era—hot air balloons.

- *The telephone*, which was commercialized at the end of the nineteenth century; *radio; television* just before World War II; then the postwar innovations of the *computer*, the *transistor, integrated circuits* that made possible miniaturization; the *communication satellite*, *fiber optics*, and *radio-satellite circuits* that are now making possible global cellular phone service; and the development of *packet switching*, which is the basis of the "netted" communications of the Internet and the World Wide Web.

These technological developments occurred sequentially and largely independent of one another. Today they are integrated into multimedia systems of communication that have global reach and are available at remarkably low cost. And that mix of technologies and their worldwide and inexpensive availability is what is bringing about such a fundamental transformation in the way we communicate. In terms of our concerns in this conference, however, the significance is not the technology, but the way these communications systems are transforming the structure of domestic and international social and political systems, reshaping the way we all do business and interact with government. In that regard, several general observations readily come to mind.

Innovations in technology have long been recognized as drivers of social change, and the dynamics of communication and conflict are central to processes of change. Thus, new technologies of communications are profoundly altering the pace and pattern of conflict situations just as they are facilitating new forms of social organization.

Innovations in technology have long been recognized as drivers of social change, and the dynamics of communication and conflict are central to processes of change.

The innovation of more efficient modes of communication has made possible ever higher levels of social organization—from the tribe to the nation-state to worldwide markets and the global village. Warfare also has evolved by exploiting the possibilities of new communications technologies, from the smoke signal to the drum and flag to today's computer and satellite-mediated communications systems. What "Virtual Diplomacy" is trying to do is anticipate how society will evolve along the complex international pathways of the World Wide Web, the Internet, the global information superhighway, and explore how new information technologies can be used to manage conflict more effectively.

It may be too early to assess the long-term impact on contemporary society of computer-managed information networks and associated systems of information collection, analysis, and communication and storage, yet we can already see some of their profound—and, at times, contradictory—effects on social organization and action:

- *Decentralization and centralization*. The new technologies are producing a "flattening" of

bureaucratic structures as more readily accessible information and lateral communications systems, such as e-mail, reduce the need for hierarchy and middle management, permitting those "on the ground" to take informed and organized action. At the same time, however, more accurate and accessible information gives those in senior leadership positions the ability to act directly if they choose to do so, increasing their effectiveness—and also their personal accountability.

- *Fragmentation and integration.* The new technologies tend to have a fragmenting effect on social organization, facilitating the creation of "virtual," or electronically linked, communities of shared interests along lines of language, religion and race, work function, and specialized activities. In such communities, there are no notions of bonds to political authority or physical territory. That said, networks also integrate these communities and make possible coordinated action despite their spatial separation. The impact of these new patterns of association on politics, as single-issue constituencies begin to play a larger role in relation to multiple-issue, territorially based communities, is a matter of growing interest and speculation.[1]

- *Transparency*. The Information Revolution, above all, is making the world more "visible" by promoting the collection, analysis, and dissemination of information on just about anything of interest to anyone. In matters of international politics this has meant, for example, bringing into the open previously classified information about a nation's weapons systems that was gathered by reconnaissance satellites and other electronic collection methods, or making available instantaneously and globally information about human rights abuses—from Timor to Tian An Men. Transparency facilitates arms control regimes, democratization, and political accountability. It is also creating for decision makers the challenges of how to cope with information overload and pressures for early action before information has been fully analyzed and assessed.

- *Mobilization and rationalization*. Information can mobilize people to act, and the most intense action is usually driven by emotional responses. Televised images of starving refugees or civilians being shot by riot police build public pressures on governments to "Don't just stand there, do something!" even if a more considered initial reaction might be "Don't just do something, stand there!" (and take time to assess the situation and plan the most effective course of action). At the same time, information—accurate information—can have a rationalizing effect on behavior. Ongoing assessments of the media's impact on U.S. foreign policy indicate that the tension between the emotionally mobilizing and rationalizing effects of more readily available information about world events is a dynamic unlikely to be resolved any time soon.[2]

- *Acceleration*. The Information Revolution has distorting effects on society, in much the same way that hypergravity does strange things to time and space. Global satellite and computer-mediated communications systems have eliminated the constraints of distance and time zones on international financial markets. Satellite-based Global Positioning Systems are giving militaries, peacekeepers, and humanitarian relief organizations precise information about the physical location of objects—with evident benefits for targeting precision-guided munitions or locating refugee populations, water resources, airstrips, and supply warehouses. For foreign-policy decision makers, instantaneously available information about global events is accelerating the pace at which decisions must be made. More generally, information and its increasingly wider and more rapid transmission are accelerating the pace of all human interactions, speeding up processes of scientific innovation, commercial exchange, and social change. At the same time, people who are surrounded by such technologies are struggling to control the pace of life at a tolerable level and limit information overload.

- *Virtuality*. One of the buzz phrases of the Information Revolution is "virtual reality." This concept initially referred to computerized simulations of real locations. "Virtual Diplomacy," however, is real diplomacy—in the sense of authoritative interactions between officials of different governments—but it is "virtual" in that the exchanges are electronic rather than face-to-face. We are early in the process of learning the many effects of interacting electronically across national and cul-

tural boundaries, across distance and time, and understanding the implications for international relations of managing conflict by "virtual" means. We know that electronic communications work better if the participants already "know" each other through prior direct physical interaction. Yet we can anticipate that as the era of electronic communication advances, our interactions with people will be increasingly "virtual" as opposed to physical.[3]

THE "VIRTUAL COMMUNITY" VERSUS THE NATION-STATE

What we do not know, and what "Virtual Diplomacy" is designed to help us explore, is whether we can learn to deal with the enduring human capacity for conflict in less destructive ways through the "virtual" processes of information gathering, analysis, and communications that are the pathways of the global information infrastructure.

An underlying theme of "Virtual Diplomacy" is how the notion of state sovereignty—once measured by the three-mile range of the cannonball in defining the extent of a state's control of its borders—is no longer relevant to the way the world of the twenty-first century will work. Walt Wriston wrote more than a decade ago about the way that central banks have lost control of monetary policy because of instantaneous global communications. And today, in almost any part of the world, publics can be mobilized through radio, telephones, fax machines, and the Internet, creating "virtual," or electronic, communities that are basically divorced from notions of a territorially defined political community.

In our daily lives, we all experience the way these technologies are compacting time and space. When I was ambassador in the Philippines, I worked a two-day workday everyday because of the time shift between Manila and Washington across a dozen time zones. I worked a regular day in Manila and then a second day back in Washington using a variety of electronic forms of communication—the phone, telex cables, and the fax machine. The daily rhythm of life and work is being profoundly transformed by these technologies.

The wide availability of information and the means to communicate it are empowering previously unorganized or just locally organized individuals, thereby creating the notion of a "virtual community"—real people, but people who interact through electronic means rather than face-to-face.

The world is transparent now in a way it has never been. It is transparent in the sense that we can "see" developments in almost any part of the world. We are becoming overloaded with information gathered through all sorts of vehicles, sensors, and people who are able to bring together through networked communications their views of the world. This visibility makes it possible for many more people to take action, but it also presents decision makers with an information glut that they are just beginning to learn how to manage.

The Information Revolution is taking the initiative in policymaking away from governments. We all know about the "CNN effect." If you go into almost any foreign affairs office of any government, a television set will be on; global television provides the most updated news. How policymakers react to and cope with the fact that their hands are being forced by the mass media has created a new set of challenges for governance and diplomacy. In addition, the information that is empowering private sector individuals and groups means that nonstate actors are playing an increasingly prominent and autonomous role in the ways that governments interact with their citizens and with other governments in the international realm.

As we look to the future, the notion of a "virtual society" means, as Nicholas Negroponte put it in his book *Being Digital*, that we will be interacting more through our electronic interfaces than through atoms, through direct physical contact. And it is in that sense that "Virtual Diplomacy" explores the way that states and societies now interact through these electronic media.

COMMUNICATION AND CONFLICT

Now, why should the United States Institute of Peace be interested in these communications technologies? The short answer is than an understanding of social conflict requires understanding the dynamics of communication. Normal or healthy relations among individuals and societies are characterized by open, relatively rational communications with relatively infrequent misunderstandings and low levels of distrust. Conversely, some of the clearest indicators of an emerging conflict situation are "misunderstandings" and misreadings of attention, or imputations of hostile motives to the other party; at worst, these indicators involve demonizing a potential adversary or projecting one's own hostility or malevolent inten-

tions onto the opponent. The move to overt conflict is usually accompanied by a breakdown in direct communications between the parties. The standard response when you get into a difficult situation with another country is recalling your ambassador for consultations, breaking off the formal channel of communication just when the situation is getting hot—a "natural," but potentially counterproductive aspect of a confrontation.

Management of conflict situations requires special, protected channels of communications between adversaries, channels that are trusted as to accuracy, intent, and authority to keep the conflict from getting out of control. For example, during the Cuban Missile Crisis, informal channels of communication involving journalists, military attachés, and intelligence officers spontaneously arose, linking the Kennedy White House and the Khrushchev leadership in the Kremlin. These channels played a crucial role in one of the major crises of the Cold War era, at times distorting communication of intent through deceptive actions, at other times ensuring that contact did not totally break down and providing a degree of control over events.

The effort to de-escalate or resolve conflict usually requires, or is facilitated by, the intervention of a third party or mediator who helps to reestablish broken communication links and begin the process of reestablishing trust. A good example of this process is the Nixon administration's use of its working relationship with Pakistani president Yahya Khan in 1970–71 as the intermediary between Washington and Beijing. Yahya Khan vouched for the good intentions of two leaderships that had been locked in confrontation for decades and helped them establish a secure channel of communication by which to begin the process of normalizing relations. Reconciliation among parties to a conflict is usually facilitated by a neutral yet sympathetic third party who can help begin the process of dissipating the emotional burdens of conflict and reestablishing rational communication.

Communications technologies, in and of themselves, cannot play the role of third-party mediators in a conflict situation; hardware and software are merely instruments of action. Yet they do facilitate interaction and significantly enhance the exchange of the substance of communication. In that regard, I should call attention to one of the conference's exhibits, the so-called "power scene" technology that facilitated the Dayton negotiations on a Bosnia peace agreement by exposing the parties in the negotiation to the complexities of the physical terrain over which they were trying to craft a settlement.

Communications technologies can help establish rational estimates of an adversary's preparation for combat, when the tendency in a preconflict situation is to impute capabilities that are commensurate with assessments of the opposing side's ill will. Recall the significance of the overflight surveillance program using U-2 aircraft during the early years of the Kennedy administration. At first, the U-2 photographs alleviated concerns about a "missile gap" between the United States and the Soviet Union. Later on, however, U-2 photographs confirmed the Soviet missile deployments that led to the Cuban Missile Crisis.

Communications technologies, in and of themselves, cannot play the role of third-party mediators in a conflict situation; hardware and software are merely instruments of action.

In sum, "Virtual Diplomacy" is an effort to assess the ways that these technologies can help mediate the communication processes that are essential to conflict management and resolution. We will be successful in this endeavor if we leave you with a better understanding of the impact of the Information Revolution and its technologies on the society that will emerge in the twenty-first century and if we come to some greater insight about how we can use these technologies to better deal with international conflict—to

2 Bits, Bytes, and Diplomacy

Walter B. Wriston

An American historian once wrote, "Peace is the mastery of great forces; it is not the solution of a problem."[1] Great new forces are at work in the world, and if we are to master them, the beginning of wisdom is to recognize that the world is changing dramatically and at unprecedented speed. We are in the midst of a revolution. A revolution by definition causes old power structures to crumble and new ones to rise. The catalyst—but not the cause—has always been technological change. Now, as in revolutions past, technology is profoundly affecting the sovereignty of governments, the world economy, and military strategy.

THE THIRD TECHNOLOGICAL REVOLUTION

We are now living in the midst of the third great revolution in history. When the principle of the lever was applied to make a plow, the Agricultural Revolution was born, and the power of nomadic tribal chiefs declined. When, centuries later, men substituted the power of water, steam, and electricity for animal muscle, the Industrial Revolution was born. Both of these massive changes took centuries to unfold. Each caused a shift in the power structure. Today the marriage of computers and telecommunications has ushered in the Information Age, which is as different from the Industrial Age as that period was from the Agricultural Age. Information technology has demolished time and distance. Instead of realizing Orwell's vision of Big Brother watching the citizen, the third revolution enables the citizen to watch Big Brother. And so the virus of freedom, for which there is no antidote, is spread by electronic networks to the four corners of the earth.

History is strewn with wonderful inventions. Most of them were designed to solve specific problems: the wheel to move things, engines to supply power, clocks and compasses to tell time and direction. The inventions that made possible the Information Revolution were different. They changed the way we solve problems. When Johann Gutenberg pioneered movable type in Europe in 1436, and when Intel designed the integrated circuit in the 1970s, the way we record, store, access, and peruse knowledge made quantum leaps forward and affected not only how we do our jobs, but what we do.

These two events were just as important as they sound. Gutenberg broke the monopoly of the monks who copied manuscripts by hand and guarded them jealously. They understood that knowledge was power and sometimes chained books to the shelves. In *The Discoverers*, Daniel Boorstin cites a twelfth-century manuscript inscription: "This book belongs to the monastery of St. Mary of Robert's Bridge, whoever shall steal it from this house, or mutilate it, let him be forever cursed. Amen." Contrast that mindset with the ability of a researcher anywhere in the world with a computer and a modem to tap into the entire database of the Library of Congress, the Bibliothèque de France, or the British Library. In today's parlance, this change constitutes a paradigm shift.

George Gilder explains that "the key to paradigm shifts is the collapse of formerly pivotal scarcities, the rise of new forms of abundance, and the onset of new scarcities. Successful innovators use these new forms of abundance to redress the emergent shortages."[2] The enormous use of timber for railroad ties and trestles as American railroads pushed west caused Theodore Roosevelt to declare a national shortage of timber, which was soon replaced by an abundance of concrete, iron, and steel. Shortly thereafter, electricity and steam power overcame looming shortages of

Mr. Wriston's address, delivered at the Institute's "Virtual Diplomacy" conference on April 1, 1997, was based on his article that appears in the September/October 1997 issue of *Foreign Affairs*. The article is reprinted here with permission.

labor and materials. The recent alleged shortage of broadcast frequencies caused electronic engineers to expand the spectrum's useful frequencies through innovation. This cycle has continued throughout history. In the three pillars of the order that resulted from the Industrial Revolution, national sovereignty, national economies, and military power, the Information Revolution has increased the power of individuals and outmoded old hierarchies.

A GLOBAL VILLAGE

Sovereignty, the power of a nation to stop others from interfering in its internal affairs, is rapidly eroding. When Woodrow Wilson went to Paris to negotiate the Treaty of Versailles, he ordered his postmaster-general, Albert Burleson, to assume control over all transatlantic cable lines in order to censor the news from Europe. Today no one and no nation can stop the flow of information across national borders.

During the Persian Gulf War, Saddam Hussein proposed what was viewed in Washington as a phony peace settlement. President Bush had to convey that judgment to the twenty-six nations in the coalition. As former White House Press Secretary Marlin Fitzwater remembers, the "quickest and most effective way was CNN, because all countries in the world had it and were watching it on a real-time basis . . . and twenty minutes after we got the proposal . . . I went on national television . . . to tell the twenty-six members . . . that the war was continuing." In this and many other instances, the elite foreign-policy establishment and its government-to-government communications were bypassed. No highly trained foreign service officer meticulously drafted a note, no secretary of state signed it, and no American ambassadors called on foreign ministers to deliver the message. The United States entrusted a vital diplomatic message in the midst of a war to a private television company seen by the whole world. Wilson's strategy was to control the flow of information by fiat, while Bush realized that since he could not beat the world information free market, he had better join it.

Today special interest groups of all kinds, from terrorists to human rights activists, bypass government-based communications channels. In *The News Media in National and International Conflicts*, Andrew Arno explains that when relations sour between two countries, "it is often more a matter of strained relations between centers of interest than whole countries." We have seen these forces at work from South Africa to Korea as one pressure group after another steps around national governments to further its own crusade.

The convergence of computers and telecommunications has made us into a global community, ready or not. For the first time in history, rich and poor, north and south, east and west, city and countryside are linked in a global electronic network of shared images in real time. Ideas move across borders as if they did not exist. Indeed, time zones are becoming more important than borders.

Small villages are known as efficient marketplaces of ideas. A village will quickly share news of any innovation, and if anyone gets a raise or new privileges, everyone similarly situated will soon be pressing for the same. And why not? These people are just like me, the villagers say. Why should I not have what they have? The Internet carries conversations between millions of people without regard to gender, race, or color. The impact of a global conversation, like that of a village conversation, is enormous—and it is multiplied many times.

A global village will have global customs. Denying people human rights or democratic freedoms no longer means denying them abstractions they have never experienced, but violating the established customs of the village. It hardly matters that only a minority of the world's people enjoy such freedoms or the prosperity that goes with them; these are now the benchmarks. More and more people around the world are demanding more say in their own destiny. Once people are convinced that this is possible, an enormous burden of proof falls on those who would deny them.

The global conversation puts pressure on sovereign governments that over time will influence political processes all over the world. The Information Revolution is thus profoundly threatening to the power structures of the world, and with good reason. In Prague in 1988 the first protesters in the streets looked into CNN cameras and chanted at the riot police, "The world sees you!" And it did. It was an anomaly of history that other Eastern Europeans watched the revolution on CNN relayed by a Russian satellite and mustered the courage to rebel against their own sovereigns. All this has confirmed Abraham Lincoln's sentiment, expressed on his way to his first inauguration, that the American Declaration of Independence "gave liberty not alone to the people of this country, but hope to all the world, for all future time." At the

time Lincoln spoke, his words were heard by only a handful of people. It is a testament to his prescience that changes he could not have imagined have brought his words, and freedom itself, to unprecedented portions of humanity.

A NEW SOURCE OF WEALTH

The flood of real-time data has also transformed the international economy. The depth of the global market renders economic theory based on national markets suspect. In the world's financial markets, sovereign governments have lost the ability to influence the price others will pay for their currency on anything but a momentary basis. When I started in the banking business, the total foreign exchange market in New York was only about $50 million. If the Federal Reserve called Citibank or Chase and instructed them to sell $10 million, an order that size could move the market. Today, the market is $1 trillion, and central bank intervention in foreign exchange becomes an expensive exercise in futility. The market is a giant voting machine that records in real time the judgments of traders all over the world about American diplomatic, fiscal, and monetary policies. It has created an information standard that is far more rapid and draconian than the gold standard ever was. Moments after a president announces a policy in the Rose Garden, the market's judgment is reflected in the price of the dollar.

Information technology has also produced a new source of wealth that is not material; it is information—knowledge applied to work to create value. When we apply it to new tasks, we create innovation. The pursuit of wealth is now largely the pursuit of information and its application to the means of production. The rules, customs, skills, and talents necessary to uncover, capture, produce, preserve, and exploit information are now humankind's most important. Competition for the best information has replaced competition for the best farmland or coal fields. In fact, the appetite for annexing territory has already attenuated, and major powers have withdrawn from previously occupied territories.

The new economic powerhouses are masters not of huge material resources, but of ideas and technology. The way the market values companies is instructive: it now places a higher value on intellectual capital than on hard assets like bricks and mortar. Microsoft, with only a relatively small amount of fixed assets, now has a market capitalization well in excess of Ford, General Motors, and Chrysler combined, all of which have huge installed bases. The powerful economies of Singapore and Hong Kong, countries with virtually no physical assets, demonstrate the growing irrelevance of territory to wealth. This shift requires a different kind of management structure and mindset, and affects not only individual companies but entire nations.

The changing perception of what constitutes an asset poses huge problems in expanding or even maintaining the power of government. Unlike land or industrial plants, information resources are not bound to geography, nor easily taxed and controlled by government. In an economy that consists largely of information products, the government's power to tax and regulate dwindles. Our laws and systems of measurement are becoming artifacts of another age. Bill Gates, with the skills to write and market a complex software system that can produce $1 billion of revenue, can walk past a customs officer anywhere in the world with nothing of "value" to declare, but his wife might have to pay duty on her new ring. Bad data produces bad decisions and leaves us puzzled as to why old policies no longer work. The measures of the industrial society, which count the number of railroad brakemen but do not record the number of computer programmers, highlight a growing problem in setting policy. As DNA research reveals more precise understandings about the way a living organism functions than gross observations of developed biological - structures, so we need more precise measures of how nations and companies function in our new environment.

INFORMATION DOMINANCE

These changes affect not only the civilian production machine on which our economic strength rests, but also our military capabilities. In science, there used to be two ways to proceed: the first was to construct a theory, and the second was to conduct a physical experiment. Today we have a third: computer simulation. In the Persian Gulf War, for example, young, basically inexperienced Americans defeated Iraq's feared Republican Guards. A retired colonel asked one commander: "How do you account for your dramatic success, when not a single officer or man in your entire outfit ever had combat experience?" "But we were experienced," said the commander, "We had fought such engagements six times before in complete

battle simulation at the National Training Center and in Germany."3 The U.S. military today is a spectacular example of the replacement of physical assets by information. Information, to be sure, has often made the difference between victory and defeat. Where is the enemy located? How many troops are involved? How are they armed? What is new is the ease and accuracy with which such questions can be answered.

Military intelligence has become much more complex and even has a new name: "information dominance." Today Apache helicopters flying over Bosnia upload detailed pictures of action on the ground to a satellite, record them with a video camera, or beam them directly to local headquarters. Videos taken from the air verify the Dayton Accords. Major General William Nash observed that in Bosnia, "We don't have arguments. We hand them pictures, and they move their tanks." This is a long way from 1943, when analysts were hunting through the stacks of the Library of Congress for maps and photographs of possible German targets for allied bombers, since few, if any, were available in the War Department. Today even the ground troops on patrol are equipped with night vision goggles and use a hand-held Global Positioning System device to pinpoint their exact position from satellites. Because the soil is strewn with mines, knowing exactly where you are is a matter of life and death even when there is no fighting. Mines that have been located by an airborne mine detection system are exploded by remotely controlled drone Panther tanks. And so in the military as in civilian life, information in all its forms is replacing hard assets.

Reliance on information technology also has dangerous downsides. The American information infrastructure, in the words of the recent Report of the Defense Science Board Task Force on Information Warfare, is "vulnerable to attack" and "creates a tunnel of vulnerability previously unrealized in the history of conflict." Rogue states and groups can conduct information warfare even though they do not command a large military establishment. Today we are witnessing guerrilla warfare, ethnic conflicts, and active terrorist groups. As the Task Force notes, "Offensive information warfare is attractive to many because it is cheap in relation to the cost of developing, maintaining, and using advanced military capabilities. It may cost little to suborn an insider, create false information, manipulate information, or launch malicious logic-based weapons against an information system connected to the globally shared telecommunications infrastructure. The latter is particularly attractive; the latest information on how to exploit many of the design attributes and security flaws of commercial computer software is freely available on the Internet."4 Adversaries, both real and potential, have a lot to work with since the Department of Defense has over two million computers, over 10,000 local-area networks, and over 100 long-distance networks that coordinate and implement every element of its missions, from weapons design to battlefield management. During the calendar year 1995, up to 200,000 intrusions may have been made into the DOD's unclassified computers. These intruders "have modified, stolen and destroyed data and software and shut down computers and networks." Effective diplomacy at critical junctures in any age is backed by the knowledge that if all else fails, military force can be used to attain national goals.

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Therefore, vulnerability to an attack on information infrastructure is attracting the attention of a presidential commission and numerous task forces. But with about 90 percent of our military traffic moving over public computer networks, it is increasingly hard to tell the military from the civilian infrastructure. The bureaucratic distinctions between intelligence and law enforcement, between permitted surveillance at home and abroad, may be unsuited for information warfare. There are no borders in cyberspace to mandate these distinctions. The smallest nation, terrorist group, or drug cartel could hire a computer programmer to plant a Trojan horse virus in software, take down a vital network, or cause a missile to misfire. Voltaire said: "God is always for the big battalions." In this new world he may be wrong. The United States' increasing reliance on massive networks may make it more, not less, vulnerable.

It may even be unclear what constitutes an act of war. If U.S. satellites suddenly go blind and the telephone network on the eastern seaboard goes down, it is possible that the United States could not even identify the enemy. Its strategic stockpile of weapons would be of little use. There would be no big factory to bomb—only a person somewhere writing software. The possibility of an electronic Pearl Harbor has sparked a debate on how to counter that threat. The Commission on Critical Infrastructure Protection established by President Clinton's executive order is a step in the right direction and has been described in Senate testimony "as the equivalent of the Manhattan Project." It will work at the crossroads of the First Amendment and national security, at the vortex of personal privacy through encryption and the National Security Agency's desire to breach it, and at the frontier of what Sun Tzu two millennia ago described as "vanquishing the enemy without fighting."

What has changed dramatically is the amount of information available to our policymakers.

VIRTUAL LEADERSHIP

We live in revolutionary times, as did the Founding Fathers. They exhibited a keen interest in technology—provision for copyright and patent protection was written into the Constitution itself. This provision was implemented by an act of Congress in 1790 creating a patent board consisting of the secretary of state, the secretary of war, and the attorney general. It was a prestigious group: Thomas Jefferson, Henry Knox, and Edmund Randolph. That board is long gone, and the schism between the diplomat and the scientist has grown wider over the years at the very time it is becoming more and more important that the two understand each other. Because so much change in the current revolution is driven by technology, our task in mastering these new forces is made more complex by the difficulty of communicating across disciplines. Diplomats, trained in the humanities, often tend to validate C. P. Snow's famous lecture on "Two Cultures," in which he argued that scientists and humanists are ignorant of each other's knowledge and are content to stay that way. Many diplomatic historians have tended to minimize or even ignore the impact of scientific discoveries on the course of history, preferring instead to follow the great man theory or look for the historical tides that carry the world along. Indeed, the indexes of many standard texts on diplomatic history do not even include the words "technology" or "economics."

An expert is a person with great knowledge about a legacy system—indeed there are no experts on the future. Henry Kissinger observed in *Diplomacy* that "most foreign policies that history has marked highly, in whatever country, have been originated by leaders who were opposed by experts. It is, after all, the responsibility of the expert to operate the familiar and that of the leader to transcend it." During World War I, an aide-de-camp to British Field Marshal Douglas Haig, after seeing a tank demonstration, commented, "The idea that cavalry will be replaced by these iron coaches is absurd. It is little short of treasonous." In the United States, the ridicule and court-martial of Brigadier General Billy Mitchell, when he postulated the importance of air power by offering to sink a battleship, is instructive. Secretary of War Newton D. Baker thought so little of the idea that he was "willing to stand on the bridge of a battleship while that nitwit tries to hit it from the air." Indeed this recurring phenomenon was encapsulated in Arthur Clark's First Law, cited in his *Profiles of the Future*: "When a distinguished but elderly scientist states that something is possible he is almost certainly right. When he states that something is impossible, he is very probably wrong." In the case of U.S. national security, a refusal to take note of real change in the world is a recipe for disaster.

The new technology will not go away—it will only get better in accordance with Moore's Law, which postulates that microchips will double in density and speed every eighteen months. Bandwidth will grow even faster. The third technological revolution has brought about immense global prosperity. Contrary to the doomsayers who postulated that the world would run out of resources by the year 2000, it is

difficult to find a single commodity that is worth more in real terms today than it was ten years ago. Knowledge, once an ornament displayed by the rich and powerful at conferences, now combines with management skills to produce wealth. The vast increase of knowledge has brought with it a huge increase in the ability to manipulate matter, enhancing its value by the power of the mind and generating new products and substances unknown in nature and undreamed of only a few years ago. In the past, when the method of creating wealth changed, old power structures lost influence, new ones arose, and every facet of society was affected. As we can already see the beginning of that process in this revolution, one can postulate that in the next few decades the attraction and management of intellectual capital will determine which institutions and nations will survive and prosper, and which will not.

But despite all of the advances of science and the ways in which it is changing the world, science does not remake the human mind or alter the power of the human spirit. There is still no substitute for courage and leadership in confronting the new problems and opportunities that our world presents. What has changed dramatically is the amount of information available to our policymakers. One hopes that the data processed by the minds of trained diplomats will produce real knowledge, and with enough experience, wisdom. Wisdom has always been in short supply, but it will be sorely needed in the years ahead, because in the words of former president Richard Nixon, "Only people can solve problems people create."

3 Diplomacy in the Information Age

George P. Shultz

Virtual Diplomacy: Does that mean diplomacy without presence? I'm uneasy. So I take my subject to be, "How to Conduct Diplomacy in the Increasingly Pervasive and Globalized Information Age." To summarize my view, lots has changed, lots remains the same, and lots of dividends will come from thought about the interaction of new volumes and flows of information with the objectives countries seek and their means of getting there.

I come at this subject against a long background of interest in the impact of information technology on organizations and on how work gets done. Three and one-half decades ago, I edited a book entitled *Management Organization and the Computer*. I issued a wake-up call to management: Realize the vast implications of what is on the horizon and look beyond keeping track of payrolls, personnel records, and other routine activities. And when I was secretary of state, I spoke in 1985 on "The Shape, Scope, and Consequences of the Age of Information." So I have long been impressed with the importance of the Information Revolution. Nevertheless, some important elements in the practice of diplomacy have not changed. Meg Greenfield addressed this point in more general terms: "Decked out in our ever newer skills and abilities and seemingly magical potential, facing the glowing screens of our new life, soaring above the earth, bouncing back from a long dreaded and once mortal disease, guess what? It's the same old us."[1]

So let me set out some aspects of diplomacy that still remain in place, then identify key changes brought on by the Information Revolution, and finally offer some thoughts on what to make of it all.

WHAT REMAINS THE SAME

Diplomacy is the method—some might say the art—by which relations between nations are managed. It is the manner, as distinct from the content, of foreign policy.

And the diplomat? He or she must truly represent us. To make this point, when swearing in new ambassadors, I used to take them over to the big globe in the secretary of state's office and ask them to point out their country. Almost invariably they would rotate the globe and point to their post, wherever in the world. I would then tell them that when I made this request to Senator Mike Mansfield, then American ambassador to Japan, he spun the globe and put his finger on the United States and said, "*This* is my country!"

First, diplomacy is a fundamental human activity, conducted between people as well as among nations. There are many kinds of diplomats. Sir Francis Bacon, as the Renaissance reached England, expressed his views in his essay "Of Negotiating": "Put little or nothing in writing, deal face to face where a man's eye upon the countenance of him with whom he speaketh may give him a direction how far to go." And Bacon would pick different personalities for different diplomatic jobs: "bold men for expostulation, fair-spoken men for persuasion, crafty men for inquiry and observation, forward and absurd (i.e., unyielding) men for business that doth not well bear out itself." So the proper diplomat must be suited to the mission.

Second, diplomats must speak with authority for the nation, otherwise no one will deal with them seriously: toyed with, perhaps; used as a conduit for exaggerations; or ignored. True diplomats build and nurture their bases of authority, recognizing that a great bulk of the work related to diplomacy takes place within, as distinct from between, the constituencies involved.

Third, the good diplomat wants to know that the other party speaks with authority, so a true agreement can be reached. When this is not so, or when games are played about the structure of authority, or when authority is inherently diffused, the task of the diplomat is much more difficult.

Fourth, the relationships involved in diplomatic exchanges (for example, alliances) must offer the possibility of benefit to all the parties concerned. So there must be stakes worth the effort.

Fifth, most negotiations—exercises in diplomacy—are not one-time events, but part of a process. The process will have ups and downs, which must be understood. As such, relationships should be constructed with long-term considerations in mind. I do not mean making the relationship itself the center of concern and attention; that only turns it into a bargaining chip. The quality of a relationship will be a reflection of the parties' ability to solve problems and take advantage of opportunities. Nevertheless, the reality is that major powers will interact over time, so short-term tensions need careful—and sometimes confrontational—treatment.

I know something about negotiation. I started out in the field of labor-management negotiations back in the days when that was the big league as far as negotiation goes. Now there is a time to negotiate and a time to refrain from negotiation. There are principles that give your negotiation backbone. Negotiation has to be *about* something that matters. And it has to be *for* something that counts. But in recent years we have seen the emergence of the idea that anything and everything can be negotiated.

We have seen it asserted that everyone has legitimate needs and concerns and that if only those needs are understood and addressed, then a successful outcome can be negotiated. From this framework of reference, we have recently seen principles negotiated away. We have seen violence rewarded with a seat at the negotiating table. We have seen dictators legitimized as negotiating partners, rogue states given international recognition, and amnesty granted to wrongdoers. We have seen hard-won international standards set aside—all for the sake of getting a negotiated agreement. We have seen negotiators make deals they know won't be honored—thus poisoning the well for future negotiations in other times of need. These are not cases of true negotiation, but just cheap, quick fixes that push the problems down the road, where eventually somebody else will have to try to solve them, but with diplomatic tools that have been corrupted by the misuse and abuse that we have witnessed recently.

Sixth, good diplomacy relies on accurate information that is relevant; sifting out that information is crucial. So is the process of analyzing what the information means, and there is no substitute for "touch and feel" in these processes. The diplomat on the spot, respected, well-connected, and linguistically comfortable, can make essential contributions.

Writing careful dispatches back home has always been a key diplomatic skill. It's an art. It sounds easy, but it isn't. Reporting has to be solid and well-considered. It has to emerge from deep experience and a good understanding of the society reported on. Above all, it has to be completely accurate—no colors, no emotions, no advocacy. Fact and commentary must be ruthlessly segregated.

We are told that embassy reporting is no longer needed today, that CNN does it faster and better. That's journalism—and that's great; I'm all for it. It's fast-breaking, faster than any embassy can match. But it's not diplomatic reporting. As Admiral Jon Howe used to say, "The first intelligence reports are almost always wrong." And television journalism is not universal. It focuses on places and topics the editors think the viewers are interested in. That's not at all the same list of things that may affect our national interest. And it depends on the availability of videotape and film footage. Look at the difference in coverage between Bob Dole falling off a speaker's platform in broad daylight in front of the cameras, and Bill Clinton falling down the stairs in the dead of night.

Information technology cannot replace solid diplomatic reporting. It is important to distinguish between excellent means of communication and excellent communication. Computers offer the former, and educated men and women can manage the latter. We need to have the discipline to hold our fire until solid and thoughtful reporting—diplomatic reporting—comes in. We need to urge American administrations to stop depriving diplomatic reporting of its most valuable advantage—universality of coverage. When the media are closing foreign bureaus, it is exactly the wrong time for the U.S. government to be closing and consolidating embassies and consulates abroad.

The Information Age brings us an overwhelming flood of material, and that's wonderful. But the job of sorting it out and making sense of it gets harder and harder. We have, and we need to maintain, a competition among analysts—at the Central Intelligence Agency, the Defense Intelligence Agency, and the State Department's Bureau of Intelligence and Research. The private sector and individuals now have access to information that was once available only to a few government agencies. The *New York Times* recently ran a

story about "Johnson's Russia List," an Internet service that posts all sorts of documents from that country as well as opinions and commentary from Western and Russian observers. So everybody can get into the analysis act. That's good, but does it replace the insightful analysis of the diplomat on the spot—the foreign service officer assigned to Moscow? No, not in my experience. Only a Russian can make a Russian's judgment. And a lot of Russians, in the aggregate, can move that society one way or the other. But only our people, who are right there, walking around in Moscow with them, can provide insight into what this flood of material means. You just can't get the total feel for it by looking at a computer screen half a world away. We need both: the foreign service officer on the ground and the expanding circle of analysts around the world. They need each other.

Of course, questions abound: What information is reliable? What is incorrect, misleading, or slanted? Who can tell without some independent checks?

Seventh, skillful diplomacy requires attention even when there are no acute problems or burning opportunities. I call this "gardening." You get the weeds out when they are small. In such a way, you also build confidence and understanding. Then, when a crisis arises, you have a clear and solid base from which to work.

Eighth, a set of strategic ideas is essential. Without them, you don't know where you are going. With them, you have the foundation for the kind of cumulative knowledge needed to cope with the almost constant mini-crises. Also, when you must act quickly and decisively, you have guideposts on which to rely.

Then there is the essential interplay between strength and diplomacy. Diplomacy without strength—military and economic—is fruitless; but strength without diplomacy is unsustainable, particularly in the modern era, when citizens want their leaders to demonstrate that they are searching for solutions. It is significant that permanent embassies arose at the same time as permanent armies. One could be regarded as the antidote of the other. Strength and diplomacy have always gone together—and still do.

Finally, after all is said and done, someone must produce good judgment, have some steel in their backbone when the going gets rough, and exercise common sense at those times when most others, even the vaunted media folks, are losing their sense of direction, if not their heads. So once again, as Meg Greenfield put it, in the end, "It's the same old us."

WHAT'S NEW AND DIFFERENT

Information is everywhere and widely available to the citizenry generally, not just government officials. So the government no longer has a monopoly over information. Of course, questions abound: What information is reliable? What is incorrect, misleading, or slanted? Who can tell without some independent checks?

Information moves around at terrific speed. This point is dramatic when applied to financial markets, which react almost instantaneously to important breaking news. As Walter Wriston long ago put it, "World markets now operate on an information standard." But the raw material of diplomacy is also information: getting it, assessing it, putting it into the system for the benefit or puzzlement of others.

The world is much more open than ever before. Even the leaders of closed, authoritarian societies have a hard time keeping any important development to themselves or keeping their own citizens from knowing what is going on inside, let alone outside, their borders. And any society that aspires to be a part of the modern world simply cannot maintain a closed, compartmentalized system.

Borders mean less because information and ideas flow across them, whether the government likes it or not. Sovereignty is still a clear and powerful concept, but its meaning has been altered. Regions and nationalities transcend borders, as do religious and ethnic ties. The foreign minister of Hungary once pointed out to me that Hungary is the only country in the world completely surrounded by Hungarians. That is not the result of the Information Age, but the force of this fact and its impact have been sharply altered by it. The

result is increased complexity in international relations, only enhancing the importance of a presence on the ground that understands the nuance of developments.

The media, particularly television, play a larger role than ever. After all, they are in the information business and have developed the skills of quickly gathering information and sorting out what is newsworthy. Sometimes, the pictures are dramatic and as real as life itself. I remember the extreme difficulty of handling the terrorists who took over TWA Flight 847 in 1985 because the American media and their cameras were not only covering the crisis, they also were giving the terrorists every opportunity to propagandize their views. But I also remember how dramatic the scenes of mass protest in the Philippines on CNN were in 1986 and also how beneficial they were in encouraging President Marcos to leave office.

My views on the media's role in foreign affairs are heavily influenced by the notion of "quantum diplomacy," for which I must credit a physicist friend at Stanford, Sid Drell. An axiom of quantum theory is that when you observe and measure some piece of a system, you inevitably disturb the whole system. So the process of observation itself is a cause of change. That is all too often the case when a TV camera is right in the middle of some chaotic event, trying to capture its essence objectively. Quantum diplomacy holds that true reality is hard to record. So the possibilities of distortions, let alone selectivity, mean that an independent base of information is essential. Even so, the compelling image on the screen—accurate or not—can have a powerful impact on the citizenry.

DIPLOMACY'S FUTURE IN THE INFORMATION AGE

In this age of openness and transparency, we need to think in fresh terms about the collection and analysis of the information needed to inform and carry out our diplomatic objectives. Of course, the photographic and electronic intelligence we have relied on for so long should continue. We should also be prepared to exploit what can be gleaned from the Internet. Beyond that, what we need to know about most countries is readily available from open sources.

I see no reason to continue with the notion that every embassy should have a station, with all the extra expense and exposure that brings. Clandestine human intelligence collection will still be needed in some countries and in a few critical areas, such as terrorism. Such collection efforts should be specifically tasked and, therefore, managed carefully yet aggressively to yield the best results.

I also favor more, not fewer, small consulates operated on an open basis. A few trained people on the ground can help in the analytical, as well as collection, functions. A small, open consulate also can be operated relatively inexpensively. The expense comes with the full station and all the accompanying security and secrecy apparatus.

Regarding diplomats, the struggle for position to speak with authority for our country will be more difficult. The secretary of state, to pick an example at random, must struggle not only with colleagues in the executive branch and with members of Congress, but with groups with widely diverse, sometimes even conflicting, agendas who will parlay their access to information into a bid to command attention. A lot of meeting and listening will be in order, and a lot of contact with home constituencies will be needed. The job of the State Department's spokesperson will grow more important and therefore should draw people of high caliber to the task.

The people our diplomats must deal with will have similar problems. How well are they coping? Can they deliver on a commitment? These will be constant questions in the years to come.

There are always people who simply bypass officialdom and take it upon themselves to speak for the country. The expanded openness of the international realm will probably encourage that kind of behavior. Such interventions must be dealt with firmly, even if a former president or secretary of state is the person conducting the unofficial effort. I had to tell the Soviets repeatedly and forcefully that Armand Hammer did not speak for the president—and to tell Hammer to butt out.

In any case, the secretary of state will have to expend tremendous intellectual energy to keep up with the increased flow of information and will have to bring more people into even earlier phases of the analytical and decision-making process. More consensus-building skills will be needed.

The Information Age should enhance accountability in diplomacy as well as in most other activities. Personally, I am leery of the bail-out mentality that informed the International Monetary Fund's formation of a new $40 billion facility to handle "future Mexicos." Accountability is absolutely necessary in our

fast-moving world of global finance. I like the way the Bank of England handled Barings and the way California Governor Pete Wilson managed Orange County's debt crisis. People and organizations that make large mistakes should have to live with them.

In the field of diplomacy, what you do and say is increasingly in the public domain. The quality of your decisions and your capacity to execute them effectively is also increasingly on display. This spotlight, unnerving to some degree, should result in improved performance—and accountability is the source of power for the spotlight.

Speed is another characteristic of diplomacy in the Information Age. When combined with the wide access to information, prevalent even now, the pressure is on for rapid reactions, for operation in real time. Of course, you need not let the pace of information pace your decisions, but there are times when there is hardly any alternative. It is especially at such times that a set of strategic ideas can pay off handsomely in facilitating not only quick, but good, decisions.

One of my concerns in this age of instant communication, often by telephone or e-mail, is the problem of record keeping. Senator Daniel Patrick Moynihan put it well: "The true diplomat is aware of how much subsequently depends on what clearly can be established to have taken place. If it seems simple in the archives, try it in the maelstrom." I hope this issue of record keeping eventually receives more attention. In some ways, the vast memories of computers automatically help with this problem. But there are also big incentives, in what is also an age of litigation, to erase memories and purge records—or not keep records at all. We need to be careful, lest we become a society without a history.

No doubt the way the world works has changed permanently and dramatically. Yet, when it comes to the conduct of diplomacy, many key attributes remain. This conference is a much needed start at thinking through how the new affects the old and vice versa. Only from such a new platform of understanding can our diplomacy be strong and true.

Notes

Foreword

1. *Washington Post*, January 21, 1997.

2. "The Long Boom" (July 1997).

Solomon, "The Information Revolution and International Conflict Management"

1. See Jean-Marie Guehenno, *The End of the Nation-State* (Minneapolis: University of Minnesota Press, 1995); and David Ronfeldt, "Cyberocracy is Coming," *The Information Society* 8, no. 4 (1992): 243–96.

2. This issue was discussed in a session of the "Virtual Diplomacy" conference on April 2. See also Ted Koppel, "The Global Information Revolution and TV News," in *Keynote Addresses from the "Managing Chaos" Conference*, Peaceworks no. 3 (Washington, D.C.: United States Institute of Peace, February 1995), 11–15; Warren P. Strobel, *Late-Breaking Foreign Policy: The News Media's Influence on Peace Operations* (Washington, D.C.: United States Institute of Peace Press, 1977); and Johanna Neuman, *Lights, Camera, War: Is Media Technology Driving International Politics?* (New York: St. Martin's Press, 1996).

3. As Nicholas Negroponte would put it, the interaction will be between electrons as opposed to atoms. See his *Being Digital* (New York: Alfred A. Knopf, 1995).

Wriston, "Bits, Bytes, and Diplomacy"

1. Henry M. Wriston, *Prepare for Peace* (New York: Harper & Bros., 1941), 237.

2. George Gilder, "Over the Paradigm Cliff," *ASAP* (February 1997): 29.

3. Kevin Kelly, *Out of Control: The Rise of a Neo-Biological Civilization* (Reading, Mass.: Addison-Wesley, 1994), 246.

4. *Report of the Defense Science Board Task Force on Information Warfare* (November 1996), 8.

Shultz, "Diplomacy in the Information Age"

1. *Newsweek*, January 27, 1997.

About the Authors

Sheryl J. Brown is director of communications at the United States Institute of Peace. She came to the Institute after serving as deputy associate director of Boston University's Institute for Democratic Communication (based in Washington, D.C.) in 1988–89. Prior to that, she was a fellow at the Institute for Philosophic Studies at the University of Dallas (1973–85), and director of the library at the Northwood Institute in Texas (1979–81). Brown has written and edited various publications on foreign and public policy issues, philosophy, and literature, and was coeditor of *Resolving Third World Conflicts: Challenges for a New Era* (United States Institute of Peace Press, 1992). Since 1991, she has been an instructor of classical Greek history at Georgetown University.

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Richard H. Solomon has been president of the United States Institute of Peace since 1993. As assistant secretary of state for East Asian and Pacific affairs from 1989 to 1992, he negotiated the first UN "Permanent Five" peacemaking agreement for Cambodia, had a leading role in the dialogue on nuclear issues among the United States and South and North Korea, helped establish the Asia-Pacific Economic Cooperation (APEC) forum, and led U.S. negotiations with Japan, Mongolia, and Vietnam on important bilateral matters. In 1992–93, Solomon served as U.S. ambassador to the Philippines, coordinating the closure of U.S. naval bases and developing a new framework for bilateral and regional security cooperation. He previously served as director of policy planning at the Department of State (1986–89) and senior staff member of the National Security Council (1971–76), where he was involved in the process of normalizing relations with the People's Republic of China. From 1976 to 1986, he was head of the social science department at the RAND Corporation. In 1995, Solomon was awarded the State Department's Foreign Affairs Award for Public Service for his role in obtaining international agreement for, and fostering the implementation of, the UN peace plan for Cambodia.

Walter B. Wriston retired as chairman and chief executive officer of Citicorp and its principal subsidiary, Citibank, N.A., in 1984, after serving as CEO for seventeen years and in various other positions with the company for thirty-eight years. Following a year's service as a U.S. State Department officer and a four-year tour with the U.S. Army during World War II, Wriston joined Citibank in 1946 as a junior inspector in the Comptroller's Division. He was assigned to the National Division in 1949, becoming an assistant vice president in 1952 and a vice president in 1954. Wriston joined the bank's Overseas Division in 1956, was named a senior vice president in 1958, and was appointed executive vice president in 1960. Wriston became president and CEO of the bank in 1967 and of the corporation when it was formed in 1968; he was appointed chairman in 1970. He was chairman of President Reagan's Economic Policy Advisory Board, a member and chairman of the Business Council, and a co-chairman and policy committee member of the Business Roundtable. Wriston's published works include *Risk and Other Four-Letter Words* and *The Twilight of Sovereignty*.

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