

Statement of J. Brian Atwood
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International Affairs

before the House Foreign Affairs Subcommittee on
International Operations

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Mr. Chairman, I welcome the opportunity to present the case for the National Democratic Institute for International Affairs before this distinguished subcommittee.

In the last session of Congress, action was taken to prohibit the two party institutes from receiving grant assistance from the National Endowment for Democracy. Opponents of the party institutes raised a number of charges, many of which I am sure will be repeated in this year's debate.

Some members expressed serious and legitimate concerns about American parties meddling in the free elections of other democratic states. Others believed that the party institutes would sponsor events whose sole purpose was to entertain American party officials; that the parties were not capable of serious pursuits in the international field.

These charges were made a year ago, before either of the party institutes were in business. They addressed the question of the party institutes only in the abstract, raising fears and portraying a worst-case scenario.

This year, these questions will no doubt be raised again, but this year the party institutes are no longer an

abstraction. Policies and procedures have been adopted and projects are underway. This year Members can see for themselves whether these institutes have an important role to play in strengthening democratic institutions beyond our borders. I believe we do.

This year the issue is not whether the party institutes, if funded, will use the money for foolish or frivolous initiatives. This year the issue is whether Congress wants to stop the institutes from doing serious and constructive work in the democratic development field. This year the issue will be whether our country wants to turn its back on individuals who are willing to risk their lives to strengthen democracy and who have asked the party institutes for help.

Mr. Chairman, the opponents of funding the party institutes would have the House believe that the institutes are arms of the Democratic and Republican National Committees. They would have you believe that we are involved in partisan, political activity. This is not only patently wrong; if it were true, we would be engaged in unlawful activity.

It is important to understand what the so-called "party

institutes" are in legal terms. We are indeed affiliated with our two American parties, but not formally and certainly not legally. The perception of affiliation is created through the membership of our respective boards, not in any legal association. NDI Board members are well-known and respected Democrats, people like our Chairman Charles Manatt, Senator Pat Moynihan, Congressman Mervyn Dymally, and former Secretary of State Cyrus Vance.

This affiliation is vitally important in giving our Institute credibility and legitimacy overseas. Many foreign political parties want to work with the Democratic Party of the United States in the common pursuit of democratic principles.

Nevertheless, our legal status for domestic purposes is important to underscore in answering the charges that it is wrong to make partisan organizations eligible for government funds. In fact, both "party" institutes have established themselves as non-partisan, educational organizations under section 501c(3) of the Internal Revenue Service Code. As such, we are legally prohibited from engaging in partisan activity and we cannot and do not receive funding support from any partisan organization, including the Democratic or Republican National Committees.

It is also important to note that the party institutes are staffed by professionals who are trained in the intricacies of foreign affairs and committed to democratic principles. We view the opportunity to assist democratic institutions and advance pluralistic values as a unique and important one. Therefore, the party institutes have been established with the legal structure and professional requirements necessary to ensure that the work of democratic development will be responsibly achieved.

The question of why the party institutes should engage in this work also needs to be clarified. Because our own system is so well established, we may take for granted the role of parties in the democratic process. Political parties are pivotal institutions in any democracy, and as such, they deserve institutional support to encourage the public's participation in the political process. As non-governmental entities, the party institutes are uniquely able to undertake important programs to assist these kinds of democratic institutions overseas -- programs that the U. S. government cannot undertake, nor can any of the other institutes or organizations funded by the Endowment.

Mr. Chairman, the NDI Board has struggled with the issues raised by this relatively new field of endeavor. We

have approached the requests we have received carefully, responsibly, and with great seriousness of purpose. We don't take lightly the charge that our involvement in a foreign nation might be seen as interventionism or meddling in the affairs of others. We understand the fundamental differences between our unique system of government and that of most parliamentary democracies. We have developed a set of guidelines to democratic development work that addresses these problems and differences.

Mr. Chairman, I ask that a memorandum entitled "NDI Policies and Objectives," dated February 19, 1985 and adopted at our February 28 Board meeting, be made part of the record. This statement addresses many of the concerns raised by last year's congressional debate and by our own Board.

Mr. Chairman, as this policies and objectives statement makes clear, our involvement with foreign political party organizations or other entities only occurs if we are invited to participate with them. The threshold decision is made by the foreign party. We want to be doubly sure that the foreign party has carefully weighed the political and social consequences of an involvement with our Institute.

I must also emphasize that our relationship with a foreign organization does not constitute an endorsement of that organization's policy positions. Our goal is to help strengthen the system in which democratic institutions are operating. Our decisions as to whom we will assist are not political; rather, they reflect our judgement that an institution is vital to the viability of the democratic system within which it operates.

To safeguard the integrity of our efforts, NDI will not engage in any projects specific to election activity. I strongly believe that this policy will help underscore NDI's commitment to direct its program toward enhancing and stabilizing democratic systems, not promoting candidacies or particular party platforms.

We have already received numerous requests to begin this work, Mr. Chairman. Before I describe them to you, I would like to outline the decision process to which they have been subjected. I believe we have developed a solid set of guidelines that will enable us to observe the policies and objectives I have discussed. The Institute's process of analysis includes:

-- Rigorous examination of the requesting party's significance within the political system, its

historical antecedents, ideological outlook (particularly its attitude toward democratic principles) and its record of leadership.

-- Assessments of U. S. interests in and involvement with the host country, including its geo-political significance, its current state of relations with the U. S., its foreign and domestic policies, and the possible impact (long and short range) on U. S. interests the program could foreseeably create.

-- Assessment of the domestic impact the project might create, with particular consideration of the influence on NDI's credibility and effectiveness as an organization engaged in serious democratic development work.

Staff analyses would then be discussed among members of an Advisory Board comprised of individuals whose range of expertise can help NDI identify and address additional issues raised by a specific project. Project proposals which survive this process are then submitted to the full Board for approval, along with recommendations of possible funding sources (NED funds, foundation grants, corporate sponsorship, etc.)

It is my strong belief, Mr. Chairman, that this process ensures that we will observe the standards of integrity and caution our work demands. I encourage the Committee to review our statement of policies and objectives, as I am confident that it reflects the seriousness of purpose with which we will approach our task.

Our accomplishments to date reflect that we have already undertaken serious and worthwhile projects. NDI's November Consultation here in Washington hosted representatives from 18 diverse multi-party nations, establishing ties with a number of party representatives and resulting in a constructive discussion of the kinds of programs and assistance NDI could offer in the field of democratic development.

In February, 1985, the Chairmen and senior staff of both party institutes went to Venezuela, one of South America's oldest and strongest democratic nations, to meet with Venezuelan party leaders. The Venezuelan party foundations are renowned on the continent for their work in democratic development. This historic meeting was the first effort to establish joint initiatives with Venezuelan and American party institutes acting as co-sponsors, and the proposals introduced there will be followed up by a

visit to Washington by the Venezuelan officials in May. The goal of this meeting is to refine and begin implementing specific initiatives which the Venezuelan and American party institutes will co-sponsor, including training workshops for younger party leaders from other Latin American nations.

In May, NDI will host a conference of party leaders from all the South American democratic states, many of which have only recently returned to democratic government after years of authoritarian control. In addition, representatives of the democratic oppositions of Paraguay and Chile have also been invited. The agenda will encourage presentations and discussions of those political and economic issues of particular concern to the democracies on the continent, including the role of the military in a democratic system, the delivery of constituent services, economic and political pressures on democratic governments, and constitutional and legal protection in democratic systems.

The group will also discuss how to assist Chile's coalition of democratic parties (the "Democratic Alliance") and the Paraguayan opposition in their quest to reinstate democratic pluralism. Participants will be asked to submit proposals for future collaborative efforts with NDI in the

area of democratic institution building.

NDI has also been asked by the major parties of Brazil to assist the federal legislature in its efforts to improve the budget process for the national Congress. As Brazil redefines its governmental structure in a democratic environment, it is vitally important that elected officials understand the relationship between their fiscal decisions and economic conditions. Democracy without the appropriate legislative mechanisms will not produce popular and workable programs.

We are particularly enthusiastic about a proposal submitted to NDI by the Center for Political, Economic and Social Studies, the political party foundation for Uruguay's ruling Colorado Party. Uruguay's return to democracy, after 13 years under oppressive authoritarian rule, is another example of the movement toward democracy across the continent.

The principal objective of the proposal is to disseminate, through the press, the electronic media and various training courses, information on: a) the new constitution and civil rule; b) human rights protection and the judicial process; and c) labor unions' right to freedom of assembly and organization.

Political parties in new democracies have as much of a stake in sustaining the democratic system as they do in winning elections. The Uruguayan parties demonstrate this deep concern for democratic development.

Democracy is perceived to be at risk in many regions of the world, and yet in some locations it has been particularly tenacious. Israel in the Middle East, Costa Rica in Central America, Botswana in Southern Africa and Thailand in Asia are besieged democratic systems that have managed to withstand diverse pressures. NDI, along with the National Republican Institute, proposes to examine democracies in crisis regions to determine those factors that have sustained them and ensured their survival. A conference/study format will be used to combine practical experience with the theory of democratic development. We expect to demonstrate objectively that democracy is still a highly effective system even when a nation is experiencing great pressures. We will attempt to raise money privately for this effort.

The final conference of the United Nations Decade for Women will be held in Nairobi, Kenya in July, 1985. In conjunction with that conference, NDI will conduct a series of workshops in Kenya to explore underlying causes of

limited political participation by women and offer strategies for increasing women's civic awareness and political activity. The first workshop will introduce to women the concept of civic participation and the appropriateness of their involvement. The second workshop will focus on building skills of civic participation, while the third workshop will concentrate on strategies to utilize their new skills to impact key officials and decision makers.

In July, NDI will co-sponsor with the ruling party of Senegal a conference of 35 African party leaders in Dakar, Senegal. The conference agenda will focus on political parties as instruments to promote democratic institutions and pluralism. Topics currently being developed for the agenda include: 1) the role of the party in providing constituent services; 2) party responses to economic austerity, external political pressures and natural disasters; 3) political party relationships with the military; and 4) party relationships with labor movements and unions.

NDI plans to invite all party leaders from the eleven English-speaking Caribbean nations to meet in August, 1985. Representatives from the following States will be invited: Antigua, Bahamas, Barbados, Belize, Dominica,

Grenada, Jamaica, St. Kitts-Nevis, St. Lucia, St. Vincent, Trinidad, and Tobago. Principal topics of discussion will be the increasing alienation of youth from the political process, economic development and economic hardships, and the special needs and problems faced by mini-states. Participants will also explore future collaborative efforts with NDI in the area of democratic institution building.

This diverse program represents only a fraction of what NDI can accomplish. We have undertaken those programs which, in our first year of operation, will help introduce NDI and establish our credibility in the field of democratic development. At the same time, we are addressing many prominent issues of concern.

We are fully aware of our limitations -- political and financial -- and we have developed a program designed to accomodate our goals within a rather confined framework. It should be clear, however, that we can achieve goals in which all Americans can take pride. We can and will address issues fundamental to the success of democratic institutions.

I have sought, Mr. Chairman, to clarify the process, substance and intent of NDI's accomplishments. This Institute has a unique opportunity to respond to diverse

needs, to individuals and institutions trying to overcome a complex set of pressures that inhibit the success of democratic processes. We also have the expertise, commitment, and integrity to ensure success and discourage abuse.

Mr. Chairman, I believe I have demonstrated that NDI has a well-conceived plan and a worthwhile goal. It is my belief that our objectives are in line with those of the National Endowment for Democracy, and therefore we should be permitted to seek access to Endowment funds. We are not coming to Congress for any specific earmarked funds; rather, we are asking simply to become as eligible as any other American organization to receive NED grants.

We have sought -- and will continue to seek -- program sponsorship from private sources. But I believe that as long as we implement programs that will demonstrate our commitment to democratic principles (and not, as some have charged, partisan activities) -- as long as NDI maintains its standards of conduct as I have presented them here today -- we should not be barred from seeking financial assistance from an organization whose principles and goals are so fundamentally aligned with our own.

Our grants from the Endowment have been used to provide assistance to individuals who are committed to opening the political processes in their nations, many at the risk of their own lives. These monies have not been used for partisan purposes. They have been used in the pursuit of goals all Americans can espouse.