

Carter and the World: The First Two Years

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One of the striking features of the first two years of the Carter administration is its failure to dispel the widespread uncertainty about candidate Carter's fundamental political outlook. Jimmy Carter's two strongest traits in domestic affairs—a populist image and a concern for economic and administrative efficiency—continue to coexist without merging. Many people find it difficult to decide whether he is a liberal or a conservative. This has advantages in a period in which labels are distrusted, but it makes it hard for him to build a strong and durable constituency to support his policies.

A similar uncertainty exists about the focus of the administration's foreign policy. Foreigners often complain about this more strongly than Americans, and allies and adversaries alike stress the difficulty of making firm decisions without knowing the likely direction of U.S. policy. The administration had been in power less than a year when it began to be charged with failing to develop an integrated policy, one that could be clearly articulated by a forceful spokesman such as Henry Kissinger. Its critics argued that this deficiency accounted for its inability to follow a consistent course on matters ranging from relations with the Soviet Union to the Arab-Israel conflict. They often forget that the Nixon-Kissinger foreign policy remained far from clear after their first year in office. The Nixon Doctrine gave a few hints in 1969, but it was only in 1971-72—with the opening to China, the arms limitation agreements with the Soviet Union, and the emphasis on a balance of power approach to world affairs—that the Nixon administration conveyed a clear sense of direction to the world.

Yet hardly had U.S. policy been enunciated than it had to be modified, because concentration on improving relations with the Soviet Union and China was accompa-

nied by a neglect of U.S. relations with Western Europe and Japan and with the developing countries. The need for firm ties with our major allies when dealing with Moscow and Peking, plus the increased importance of international economic affairs (especially after the dramatic rise in oil prices in 1973), led the United States to give renewed attention to relations with the industrial democracies and, to a lesser extent, with the developing countries.

However useful such a comparison is in providing a sense of perspective, the Carter administration will ultimately be judged less by how it compares to its predecessor than by how it responds to the challenges faced by the United States during its years in office. Several questions are pertinent to such an evaluation. What kind of situation has the administration faced in world affairs? What were its central tasks, and how well did it seize the opportunities and overcome or neutralize the constraints it encountered? What have been its principal successes and failures? Finally, what does its record to date suggest about its likely performance in the years ahead?

The Domestic and International Milieu. President Carter was fortunate in that he faced no international crisis when he took office, nor did he encounter—or create—any during his first two years. As the leader of the majority Democratic party, whose domestic programs are more popular than those of the Republican minority, he was not inherently dependent upon dramatic foreign policy successes to win and hold public support. The domestic economic situation was not so bad—nor so good—that it could not be improved. Despite Carter's narrow victory at the polls, there was a widespread public desire to see him succeed and build upon President Ford's efforts to reestablish respect for the presidency after Johnson and Nixon had been forced from office.

Carter was also the beneficiary of a narrowing of the divisions among the American people on the appropriate U.S. role in the world. By 1977 there was fairly widespread agreement that the United States should contin-

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ue to play a substantial, though more selective and cautious, role in world affairs. The American people wanted the United States to retain close ties with the industrial democracies, maintain a strong defense, continue to seek ways to reduce tensions with the Soviet Union and China (but without making what many saw as inequitable concessions), devote greater attention to human rights, and work actively with other countries in the search for solutions to international problems. (A strong if unfocused sense of nationalism, due to frustration in dealing with an intractable world, was also a discernible undercurrent among many Americans.) Since Carter had expressed the same basic positions, he was in a good position to pursue these lines of policy. However, his emphasis on the need to do more for the developing countries elicited no public response, and his calls for greater efforts to curb nuclear proliferation and to reduce arms sales encountered a skeptical public attitude at home and stirred apprehension among many foreign governments.

The milieu in which the Carter administration found itself offered certain advantages, but it also faced several serious problems and constraints. Congress was determined to be a full partner in the foreign policy process, but it spoke with many voices. Laws had been passed that imposed specific restrictions or requirements on the executive. A more powerful Congress might prevent the executive from making some mistakes, but might also prevent it from responding to new challenges and opportunities.

The USSR had achieved military parity with the United States, and its military build-up showed no signs of tapering off. The shift in the central strategic balance attracted most public attention, but the build-up of Soviet naval and long-range airlift capacity provided Moscow with a global reach that had already had its impact in Angola and was soon to be demonstrated in Ethiopia. The U.S. effort to forge a new relationship with China remained suspended in mid-passage. Troubles were looming in Southern Africa, in several parts of the Middle East, and over the Panama Canal issue.

America's once unchallenged economic predominance had eroded as a result of the economic dynamism of Western Europe and Japan and the lackluster performance of the U.S. economy since the Vietnam war. The United States was pulling out of the worst recession since World War II, but declining productivity³ gains, persisting inflation, and growing dependence on imported oil threatened to create an unmanageable trade deficit. Other countries lacked the size to provide international economic leadership, and the United States lacked the strength and dynamism to play its earlier role.

A Time of Trouble. An appraisal of the Carter administration's conduct of U.S. foreign policy leads to three broad conclusions. First, it made a poor start, due in part to a combination of inexperience and overambitious efforts. Second, its performance has been improving, an improvement that goes beyond the dramatic events of Camp David and the normalization of relations with Peking. Third, it needs

to overcome certain deficiencies and weaknesses if its record is to improve further.

Any new administration faces a major dilemma on taking office. It can move quickly to make the changes it deems desirable, striving to distinguish its policies from those of its predecessor. Or it can accord top priority to a careful study of the situation it faces and the choices available to it in order to avoid ill-conceived and uncoordinated actions. The former avoids the danger that the pressures of daily events and the forces of inertia will overwhelm any impulse toward change, but entails the risks of impetuous actions and of adopting a piecemeal rather than an integrated approach. The latter enables the new leaders to draw upon the knowledge of permanent officials, but at the risk of becoming their prisoner. President Carter, determined to stress his differences from his predecessors and distrustful of the Washington establishment, opted for the first approach, which in turn caused many of the administration's early difficulties.

The administration's desire to make its mark quickly led it to move before preparing the ground for its policy shifts. It did not foresee that announcing its policies publicly (in line with Carter's commitment to openness in government) would appear to other countries as deliberate challenges to them. Thus the substance of its March, 1977, proposals to Moscow to reduce substantially the strategic arsenals of both superpowers received little consideration by an aged Soviet leadership unprepared for such an approach and already nervous and angry about Carter's interest in the fate of Soviet dissidents. Soviet leaders apparently felt that the U.S. was challenging their power at home—and in Eastern Europe—as well as refusing to accord the USSR the international status it had long sought and believed it had won.

U.S. leaders continually wrestled in public and private with three key aspects of U.S.-Soviet relations—(1) the strategic nuclear balance and the terms of a SALT II agreement; (2) the appropriate response to Soviet attempts to expand its position in the Third World by exploiting unstable situations (especially in Africa), and (3) how to influence Soviet policy on human rights and emigration. U.S. leaders agreed on the need for greater support of African aspirations, but Vance, Brzezinski, and Andrew Young had very different ideas about how to respond to the Soviet—and Cuban—role there. The conflicting views within the administration over such complex issues covered a narrower spectrum than views in the Congress or the country, but were highlighted by the fact that first one advisor and then another seemed to have the president's ear. These problems were intensified by differing views about the extent of American leverage on the USSR, and on the utility of a "linkage" strategy. Should the U.S. condition its policy in an area such as strategic arms on Soviet actions on human rights, for example, or in Africa? No clear policy was enunciated, but the combination of bold words and proposals followed by cautious actions and retreats left both hard and soft liners in the United States dissatisfied. An action-overreaction cycle set in between Moscow and Washington. The ensuing deterioration of

relations was hardly catastrophic, but it set back the search for ways to mitigate Soviet-American hostility while doing nothing to restrain Moscow's growing challenges.

The administration's approach also strained relations with its principal allies, who felt that the United States was adopting policies that affected them without adequate consultation or understanding of their needs. Japan feared that withdrawal of U.S. army combat troops from South Korea would destabilize Northeast Asia; West Germany resented and rejected U.S. public insistence that it cancel its nuclear agreement with Brazil; and fear of inflation led Bonn and Tokyo to refuse to accept the role of "locomotive" economies urged on them by the U.S. as a means to stimulate the world economy. U.S. allies were skeptical of Carter's emphasis on and handling of the human rights issue. Tokyo feared it would lead to a further erosion of the U.S. position in Asia and weaken Japan's security; Bonn

as troublesome effects. America's moral standing improved. Fears about crusades diminished as the administration gained experience in handling the issue, particularly when the necessity of opposing congressional efforts—led by a coalition of all-out advocates of human rights and die-hard opponents of foreign aid—caused senior officials to stress the limits of American power. Dissidents in many countries became more open and active; some won more freedom, but others suffered renewed repression. No authoritarian regime handed over power to its domestic opponents to please the U.S., but a number of governments desirous of maintaining ties to the United States freed some political prisoners and treated others less harshly. Finally, the administration's less rigid stand on North-South issues and more critical attitude toward repressive regimes of a rightist as well as a leftist character provided greater flexibility and new options for American diplomacy in parts of the Third World.

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and Paris feared that the fragile gains made on East-West relations would be undermined; and leaders in many countries were apprehensive that a major deterioration in U.S. relations with a largely authoritarian Third World would provide new opportunities for the Soviet Union. Underlying such concerns was the nearly universal view that the U.S. had not thought through the complexities or the implications of its policy. Even those who believed that Nixon and Kissinger had been too supportive of disreputable regimes were apprehensive that the U.S. was launching a new crusade in the guise of the world's moral policeman. Seeking the cooperation of other democratic nations on human rights issues would have alleviated these concerns, and even had the resulting policies been less forceful, they might have had greater impact.

The administration's early record also contained some important gains, although these attracted less attention than its troubles. It responded to the Soviet military build-up by increasing U.S. military outlays, but in a measured rather than a frantic manner. Western European countries welcomed this and the accompanying U.S. emphasis on a coordinated build-up of NATO conventional forces. However, those Americans most alarmed about the Soviet danger were critical of the cancellation of the B-1 bomber (and the later presidential veto of the appropriation for a nuclear carrier), and even those who opposed the neutron bomb agreed that the decision to postpone production was handled badly.

The emphasis on human rights had beneficial as well

The Recovery. The administration's scattered successes during its first year were not sufficient to quell a rising tide of criticism as it began its second year in office. Even those of its supporters who believed that—like the U.S. dollar—its performance was undervalued, acknowledged that it had yet to demonstrate its competence in a sustained fashion. They also recognized that it had to do so soon if the United States was to be taken seriously and have a constructive impact on world affairs.

Fortunately, it was about this time that the administration's performance began to improve, an improvement most striking in the series of successes it had in dealing with Congress. The new Panama Canal treaty was ratified by the Senate in April, 1978; the administration's arms package for Israel, Saudi Arabia, and Egypt was accepted by Congress in May; and the Turkish arms embargo was lifted in August. Whatever one's view of the merits of these matters or of the administration's judgment in staking so much of its dwindling political capital on them, its performance reflected an ability to combine flexibility with firmness as well as unusual political courage in facing powerful and well-organized interest groups.

The administration's greatest success came at the Camp David summit, where the president's energy, persistence, and attention to detail led to what could be an historic breakthrough. The road to Camp David had been a rocky one. Upon taking office, the administration had decided that good relations with the moderate Arab

states were essential if the U.S. was to play a constructive role in the Middle East. Menachem Begin's electoral victory in May, 1977, complicated U.S. efforts, but Begin's hard-line stance also made it easier for Carter to adopt an "even-handed" policy. If the administration's course reflected a determination to grapple with the fundamental issues, its shifting stance on the appropriate Soviet role and the Palestinian issue, and its slow response to Sadat's peace initiative, left nearly everyone puzzled at times. But the inconsistencies and shifting positions were more than offset by the Camp David accords, which won both popularity and respect for President Carter. A failure—as distinct from a delay—by Egypt and Israel to reach an accommodation on their remaining differences would be tragic, but it probably would diminish rather than destroy the respect won by Carter.

During 1978 the administration also made progress on other important issues. It made headway on the nonproliferation issue as greater American sensitivity to the particular concerns of other key nations was matched by their growing conviction of the need for cooperative measures to reduce the dangers of proliferation. The competitive aspect of U.S.-Soviet relations remained dominant, but after mid-1978 both Moscow and Washington gradually accorded increased importance to finding areas of accommodation, and slow progress toward a SALT II treaty was made. The administration's neglect of East Asia during its first year in office was corrected. The concerns of America's Asian allies were recognized by greater flexibility concerning the timing of U.S. troop withdrawal from South Korea and by a stated U.S. willingness to augment its military forces in Asia. The normalization agreement with Peking in December, 1978, put Sino-American relations on a firmer foundation. The U.S. determination to phase out rather than immediately cancel its security treaty with Taiwan, and to continue its economic relations and defensive arms sales, should enable Taiwan to adjust to its new position. An energy bill finally emerged from Congress, although its final form suggests that its contribution to the U.S. energy problem will be modest.

The magnitude of these gains should not be exaggerated. More difficult tests on these issues—such as concluding a useful SALT treaty and securing its ratification—lie ahead. Even if Cairo and Tel Aviv overcome the final obstacles to a peace treaty, the Egyptian-Israeli accord will remain vulnerable unless it leads to a wider Arab-Israeli settlement involving the West Bank and the Palestinians. Sacrifices and statesmanship on the part of Arabs and Israelis will be required—as well as sustained and skillful U.S. involvement—if an historic opportunity is not to be lost. Moreover, the trend of events in Rhodesia, Iran, and Afghanistan was ominous, and the U.S. ability to influence developments in these areas is limited. Reestablishing a sound American position in the international economy will require painful choices over a period of years. Finally, in its first two years the administration made little progress in formulating and articulating an integrated strategy to guide its actions in world affairs.

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The Economic Dimension. The growing importance of international trade and finance to the American economy makes it increasingly difficult to separate domestic and foreign economic policies, but the declining competitiveness of the U.S. economy in recent years limits any president's room for maneuver and increases the pressures placed upon him by protectionist forces. The Carter administration has made few concessions to such forces and has worked with other countries to prevent the erosion of trade liberalization gains made in recent decades. However, the U.S. failure to persuade other key countries to adopt more stimulative economic policies in 1977, combined with its expansive fiscal policies at home, pushed the U.S. economy ahead faster than those of most of the industrialized nations. This divergence in growth rates, together with a higher rate of inflation in the U.S. than in such key countries as West Germany and Japan and the growing American dependence on imported oil, caused the U.S. trade deficit to shoot up from \$5.7 billion in 1976 to \$26.5 billion in 1977. The administration believed that a decline in the value of the dollar would correct this situation by stimulating exports and curtailing imports, but it overestimated the efficacy of flexible exchange rates—at least in the short run. Although the dollar fell dramatically against such key currencies as the mark and the yen during 1978, the U.S. trade deficit for the first nine months of the year rose to \$22.7 billion. Only the sharp reversal of U.S. domestic economic policy and the drastic international measures arranged for the defense of the dollar in October, 1978, prevented an international financial crisis that could have shaken the foundations of the international order.

With U.S. domestic economic policy more constrained by international economic considerations than in the past, the Carter administration faces two difficult tasks. In the short run it must concentrate on restraining inflation and curbing the trade deficit. If such a course causes a recession in 1979, the president will be under heavy political pressure to restimulate the economy during the presidential election year of 1980, especially if some progress has been made in reducing inflation and/or the trade deficit. Yet with inflation deeply entrenched in the U.S. economy and with hundreds of billions of U.S. dollars held abroad, too early a return to

economic stimulus could undermine the dollar and lead to an international economic crisis.

To deal with the long-term problem the administration will have to push through basic reforms designed to reverse the country's declining rate of growth in productivity and otherwise improve American competitiveness so that the U.S. can compete better in the international economy. This will involve encouraging investment and keeping consumption in check and according greater weight to economic considerations in a reexamination of the extensive regulations imposed on business in recent years for laudable social and environmental reasons. The political problems such a course will create, especially for a Democratic president with populist inclinations, are immense. The president and Congress made a belated start on dealing with such matters in 1978, but their determination and persistence remain uncertain.

The Need for a Strategy. The nature of America's role in world affairs requires the United States to develop and articulate a coherent and integrated foreign policy that provides a clear focus and a set of priorities for dealing with important issues. The Carter administration's neglect of this central task has been a cause of many of the troubles it has encountered. Laudable goals and objectives have been established, but no strategy has been adopted that relates the policies adopted to each other, assigns priorities among them, and thus guides the administration in the tactics to be taken to achieve its aims. Treating each issue on its merits can easily slip into treating each in isolation.

The complexity of the world and the multiplicity of American interests make it impossible for any president to operate from a detailed plan or blueprint. America has neither the wisdom nor the power to guide the world, and flexibility is necessary to cope with unforeseen developments. But a focus and a sense of direction are possible, along with an awareness of how the various sets of relationships we will be involved in will be related to each other.

The formulation and articulation of a broad strategy serves several purposes. Developing it forces leaders to do the hard thinking required about priorities and trade-offs, and most judgments on these matters are apt to be better if not made in the midst of a crisis. For example, discouraging nuclear proliferation may require supplying a greater number of conventional arms to a potential nuclear power than would otherwise be warranted. Sustaining a key bilateral relationship may necessitate a less rigorous pursuit of human rights objectives in one country than in another. Reducing dependence on imported oil may call for raising the price of domestically produced oil, thereby contributing to inflation. Implicit judgments on such matters are regularly made by officials, but unless the decisions are explicit and related to each other there will be little hope of keeping the various bureaucracies involved from following their own proclivities.

Articulating a coherent foreign policy indicates to the Congress, the public, and other governments that the United States knows what it is about, raises the level and

usefulness of public debate, and makes it possible for a government to build a relatively solid core of supporters. Such accomplishments are especially valuable when an administration encounters the setbacks or defeats that all governments experience periodically. A design or sense of direction are necessary to win the cooperation of other governments and to focus congressional efforts on broad policy issues (where its contribution can be most effective) and thus enable the president to maintain control of tactics. Even the most lucid articulation will not lead to complete consistency in action, however, for policies must be flexible enough to deal with diverse conditions in different areas and under changing circumstances. Indeed, the very inevitability of a degree of inconsistency demands that a government convey a basic sense of direction if it is to maintain public support. Finally, such articulation increases an administration's ability to focus debate on the national interest and counter the many groups in a society like the United States whose ethnic, economic, or ideological interests lead them to adopt a narrow focus on foreign affairs.

It is not entirely clear why the Carter administration has neglected this central task, or whether such neglect will continue. The cause may stem partly from the personal proclivities of the administration's leaders. President Carter and Secretary Vance appear disinterested in conceptualizing, preferring instead to deal with individual issues and situations. Secretary of Defense Brown has on occasion spoken effectively on broad security policies, but his responsibilities cover only part of the foreign affairs spectrum. The neglect may also be due to a conviction among these leaders that reality is so complex that if a strategy were not so general as to be useless it would be a straightjacket, or that the task would be so arduous and time consuming that it would not be worth the effort in a rapidly changing environment.

The latter objections have considerable merit, and none of the administration's critics has as yet effectively set forth a strategy that integrates balance of power considerations with those of world order; relates political, economic, and security issues to each other; and balances the importance of sound bilateral relationships with key governments (which remain the central actors in world affairs) against the claims of such global issues as nonproliferation, restraints on arms sales, and human rights. A mere enumeration of the issues involved illustrates the difficulties. Yet the inescapable complexity of America's involvement in world affairs increases the need for a focus if U.S. foreign policy is not to appear an unguided mixture of disconnected efforts. The basic responsibility for this task rests with government leaders.

President Carter and his associates have demonstrated their dedication and energy and an ability to deal with a growing number of individual issues and gain congressional support on many issues. However, the administration needs to dispel the impression of uncertainty it still conveys to many people in the United States and abroad if it is to build upon the record of its recent successes, especially with such challenges as SALT II and the East-West military balance, Southern Africa, and the international economic turbulence looming ahead.