

## INTERVIEW: Thomas Dine says Congress needs to invest money strategically in Ukraine

by Irene Jarosewich

Despite numerous imposed and self-inflicted problems, Ukraine has been fortunate in the number of good friends and the amount of goodwill the nation has been able to attract since independence 16 years ago. Foreign governments, global institutions and countless influential individuals have set their sights on Ukraine, pushing and prodding, cheering and coaching the young country towards a stable future. Among Ukraine's strong supporters is Thomas A. Dine, a former president of Radio Free Europe/Radio Liberty, who also served as assistant administrator for Europe and Eurasia at the U.S. Agency for International Development (USAID). Mr. Dine's Washington and international experience includes a 13-year tenure as the executive director of the American Israel Public Affairs Committee (AIPAC), 10 years in the Senate as a former policy specialist, fellowships at the Brookings Institute and the Kennedy Institute of Politics at Harvard University, as well as service with the U.S. Embassy in New Delhi and as a Peace Corps volunteer in the Philippines.

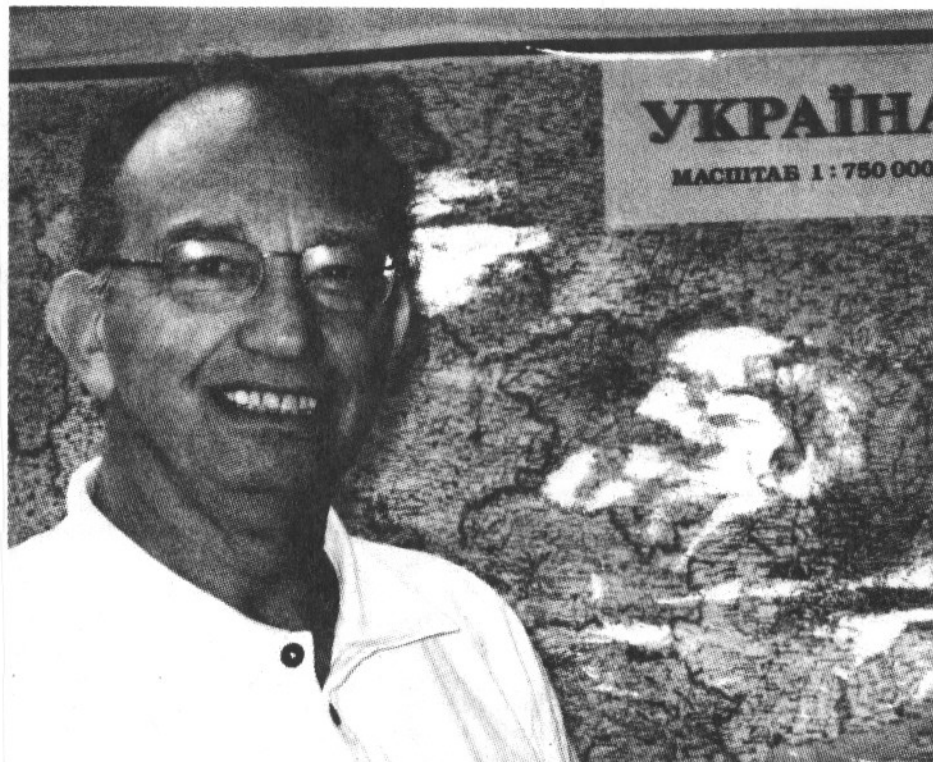
Recently Mr. Dine joined forces with another good friend of Ukraine, Nadia McConnell, president of the Washington-based U.S.-Ukraine Foundation. Mr. Dine has agreed to help direct the foundation's program to expand democracy in Ukraine at the local and the national levels as well as in the region. Mr. Dine was interviewed in Washington in August about his vision for Ukraine and the role of the United States in shaping Ukraine's future.

**Mr. Dine, with your extensive experience and the numerous opportunities available to you, the first question has to be: why Ukraine and why now?**

The essence of the answer lies in my outlook towards the world, which includes a strong and robust Ukraine. I come at this after having been involved in Eastern Europe and Eurasia for more than 15 years. I've been to Ukraine many times, first as a high-ranking official of the Clinton administration, with regard to our foreign economic assistance, and then as the head of Radio Free Europe/Radio Liberty and its important Ukrainian-language service.

In terms of foreign policy, there are people who view Ukraine simply as a counterweight to Russia. That's not good enough, however. A democratic and independent Ukraine is absolutely essential to our values, our principles, our standing in the world. Ukraine has a great deal to offer its citizens and its neighbors. Ukraine's heritage is worthy. Ukraine has a beautiful history of the classical arts, for instance, its music. I've seen the human capital, its enormous potential for Ukraine, potential in agricultural development, in new areas such as information technology, the potential to develop a robust market economy, potential for Ukraine to become a valuable partner in the European arena.

However, in order for this to happen, Ukrainians need to develop the direct connection between the market economy of capitalism and the civic and political infrastructures and institutions of democracy. It won't serve Ukraine's interest, or the interests of the U.S., or anyone's interests, if Ukraine goes the way of Russia, that is Kremlin-controlled economics and politics. Therefore, the building of civil society is absolutely essential to Ukraine's future, which in part answers the question, "why now?" It is essential to dramatically restructure and



Thomas A. Dine

reform civil society today to be in a better place 20 years from now.

The 20th century was a rough century, but the 21st is our chance to change that. Again and again I have seen that for the United States the best bilateral relationships are a result of shared democratic values, of mutual security interests and of person-to-person relationships and partnerships. This is my personal philosophy and approach; I hope to have an opportunity to play a role today and tomorrow.

**There seems to be a strong meeting of the minds since this is the philosophy that drives Nadia McConnell and the efforts of U.S.-Ukraine. How is it that you came to the foundation?**

I've known the U.S.-Ukraine Foundation since my early days at USAID, and I've known Nadia even longer. I've always been struck by her mind, her savvy, her passion, her purpose. USUF has been and is an effective organization that is helping Ukraine become a genuinely open and free society.

I remember the foundation's work with one of the first delegations of Ukrainian mayors to visit the U.S. – this was in November 1994. I am aware of the relationships that have developed subsequently – relationships that could only have resulted from long-term, consistent involvement and serious commitment. I've seen this with my own eyes and, at this stage of my life, I want to be a part of such an effort.

**Yes, but there are many individuals, in the U.S. and in Ukraine who view these bilateral delegation visits simply as nice travel opportunities, since, after all, how much useful experience can be gained in just a few weeks?**

These delegation visits are only one of the numerous venues that we have at our disposal for strengthening bilateral relations. They are not conducted in isolation. Each delegation visit is done in conjunction with a broader program. The U.S. must continue with programs in Ukraine that teach and train citizens in democratic procedures.

Furthermore, even though it is important for Ukrainians to see how U.S. cities are governed, for instance, it is no less important for Americans to be aware of Ukraine. We have 435 congressional districts. In each one of them people should hear that Ukraine is important to the United States. This requires Americans to study and appreciate Ukrainian society, to learn about opportunities in Ukraine and, in turn, Ukraine should open up its' economy and entice American investors, study groups and tourists.

Another objective of these visits is to simply offer a new perspective. Delegations from Ukraine frequently describe their efforts from the perspective of "top-down" – which is still the form of government infrastructure in Ukraine. America, in turn, can be described as grassroots, the opposite. Ukrainians are often surprised at how much can get done without government involvement. Ukrainians still seek to understand the balance – that government is important, but not the predominant factor in their lives.

Activities at the local level are the essence of civil society. And working at and with the local level has been the focus of the U.S.-Ukraine Foundation from its inception.

**The United States, however, has been shifting focus away from evolving democracies in Eastern Europe, par-**

**ticularly in terms of providing funding for long-range development. There seems to be a "sink or swim" attitude, that it's time now for only the strong to survive.**

There is some of that attitude, no doubt. But today the U.S. genuinely has a large budget deficit and Congress needs to develop a plan to reduce it. Nonetheless, it would not be in the interest of the U.S. to drastically cut funding to evolving democracies in Eastern Europe, in particular not for Ukraine, one of the largest countries in Europe and overall, an emerging partner, even an ally, of the United States. Despite some tortuous setbacks, Ukraine is making genuine progress towards integration with the West, and it would be unwise for the U.S. to eliminate funding for Ukraine.

With regard to Ukraine, Congress needs to invest money strategically and focus on organizations that have demonstrated institutional interest and expertise working in Ukraine, those that have evident results, not just those that are in it for the contract money, which, bluntly, are the so-called "Beltway bandits."

**Apparently several times in the past the U.S.-Ukraine Foundation has had Congressional support to receive funding, but USAID has not approved USUF to receive these funds. Why is that?**

The USAID bureaucracy is predisposed to deal only with large contracting organizations, often ones that include alumni of USAID. Over my 45-year career, I know this first-hand. This bureaucratic approach is a bit of a perverse view of how work really gets done. Look at poor efforts by Halliburton and other big USAID contractors in Iraq. On this read the award-winning book "Imperial Life in the Emerald City" by Washington Post editor Rajiv Chandrasekaran.

USAID, for example, does not have a good track record with Afghanistan in creating a modern economic and social system. I believe this is in part because we relied too much on large abstract organizations that were not working at the grassroots level. Of course, there are exceptions.

With regard to Ukraine, the small, hands-on USUF has proven itself effective on the ground – for 15 years. U.S. citizens are getting their money's worth. I challenge USAID to find anyone else with this track record in Ukraine. U.S.-Ukraine is creative and more efficient than most other organizations and in this way the USUF is valuable in our bilateral relationship with Ukraine.

Many members of Congress have a favorable view of the foundation and its work. Members of Senate and House are on record saying that they want the USUF to receive USAID funds. The executive branch is wrong for not providing these funds.

**The USUF has recently completed a multi-year project in Ukraine working with local mayors, local governments. And in the spring the foundation submitted a proposal for direct funding from Congress for its new project, the one that you have agreed to manage. Can you tell us a bit about this new project?**

This proposal is the result of a success story. Because of the U.S.-Ukraine Foundation's work with local governments, the head of Ukraine's Civil Service Administration has formally corresponded with members of Congress and administration officials requesting that the U.S.-Ukraine Foundation be the principal organization to train and improve Ukraine's civil service operations and to deal with issues such as corruption, public health and energy efficiency. The head has designated 300 top civil servants to be retrained by U.S.-Ukraine, along with our government's Office of Personal Management.

As the Soviet past fades, more work needs to be done with Ukraine's Parliament in order for it to become a fully functioning institution. There is a lesson for us in the U.S. to learn here: we went into Ukraine and from the beginning tried to set up capital markets.

However, the imperative in Ukraine, the key issue is building civil society – including an honest, transparent civil service. Without this infrastructure, there can be little chance of the civil, political and commercial sectors working fluidly and effectively.

The USUF also wants to engage Ukraine regionally, with its neighbors along a Black Sea and Baltic Sea corridor. The goal is to create a common regional block of democratic countries that are physically close to Ukraine, which include Lithuania, Poland, Belarus, Moldova, Rumania, Bulgaria and Georgia. The success stories in Ukraine are many with potential for many more.