

OVERSEAS CUTOFF

Inconvenience Edges Toward Emergency

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In Vietnam, the government has threatened to cut off electricity to the U.S. Embassy because the \$1,600 bill hasn't been paid.

In Russia, U.S. diplomats took out an interest-free loan from the Moscow embassy's community association to cover the payroll for Russian employees.

In Cuba, the trucker who hauls drinking water to the U.S. interests section has refused to make any more deliveries until paid.

Between 20,000 and 30,000 applications by foreigners for visas to come to this country are going unprocessed each day, creating a huge backlog of paperwork and infuriating prospective visitors. And in this country, more than 200,000 Americans are waiting for passports that cannot be issued.

Such is life in the State Department in the third week of a partial government shutdown that has cut off the department's money and blocked almost all nonemergency spending. Senior officials yesterday described a mounting sense of crisis as undone paperwork piles up, the backlog of unprocessed visa and passport applications grows, travel plans are canceled and embassy officials scramble for funds to pay restive local employees.

"We just don't have any cash," said Richard M. Moose, under-

See OVERSEAS, A11, Col. 1

OVERSEAS, From A1

cretary of state for management. As long as suppliers and contractors are willing to extend credit for the few expenditures authorized, the State Department can get by, Moose said. But in the many parts of the world where the department has to lay out cash as services are provided—including several countries where security companies demand payment up front to provide guards—the current mass inconvenience is about to become an emergency, Moose and other officials said.

People around the world may find it hard to believe that the United States could be reduced to the level of "banana republic," Moose said, but "my threshold of believing what can't happen is getting lower all the time."

State is one of nine Cabinet departments and assorted independent agencies whose fiscal 1996 appropriations bills have not been signed into law by President Clinton and thus are mostly shut down because of the budget impasse between Clinton and the Republican-controlled Congress. State, more than any other agency, has spread the impact of the shut-

down around the world.

Among those who have felt it are students who planned to start classes this month in foreign universities, vacationers who had firm travel plans and nonrefundable tickets, and people with job offers from employers overseas.

"We had an 84-year-old woman who wanted a passport to go to Rome because her bishop was being elevated to cardinal" in the Roman Catholic church, a State Department

consular official said. "We had to say no because it wasn't an emergency."

In many foreign countries, according to Moose and other officials, local laws do not permit the furloughing of local employees. As a result, "we have to let them come to work, but we can't pay them." Worse than that, other officials said, is the fact that visa applicants can see all these furlough-proof local employees at their desks, but are unable to obtain any service because the workers are not permitted to do anything.

"All this is unprecedented. We hope for a solution soon. Otherwise things will just get worse and worse," said Pamela Harriman, U.S.

ambassador to France.

State Department and Office of Management and Budget officials said the cutoff of visas and passports has cut into airline revenue at a peak travel season because tens of thousands or even hundreds of thousands of prospective travelers had to stay home. Airline industry spokesmen, however, said they have so far noticed little impact.

Some of the impact of the shutdown is more embarrassing than substantive. Harriman and all other ambassadors, for example, have been told they cannot spend any money on what is known as "representation," which mostly means entertainment. No luncheons for visiting business executives, no cocktail parties for important locals, no travel to ribbon-cuttings and statue dedications.

The shutdown also is undermining morale in the ranks as leaves and long-planned transfers are canceled and work that is being done goes unrewarded, senior officials said.

In Colombia, for example, U.S. consular officials who worked all last week to help families of the victims of an American Airlines crash were treated as "volunteers" because there is no money to pay them.

In Washington, newly appointed foreign service officers are planning to meet tonight to commiserate over cancellation of their first deployments.

And morale among State Department and U.S. Information Agency employees at overseas posts is likely to fall further on the next scheduled payday, officials said, because their colleagues from funded agencies, such as Defense and Agriculture, get full paychecks but they do not.

Those concerns, however, pale before impending crises in security and communications, officials said.

"I don't think the system can tolerate this for many more days," said OMB Deputy Director John Koskinen, noting that local personnel in many foreign countries "live paycheck to paycheck. That raises a serious problem for us because a number of those people provide security."

"The places that really worry us are the ones where the FSNs [foreign service nationals, or local employees] are at the lower end of the pay scale anyway," Moose said, citing Cairo, New Delhi and Moscow as

examples. He said in many embassies funds used for recreation or commissaries are being tapped to cover the payroll shortfall.

In embassies that have U.S. Marine guards, Moose said, the State Department is responsible for paying for the Marines' food but no lon-

NGTON POST

ger has the funds to do so. "Maybe we can get the Corps to carry us on the cuff. It doesn't do a lot for our image," he said.

As if to underline his point about image, the U.S. Embassy in Mexico City, where the shutdown has been front-page news, sought to allay fears about the solvency of the government in Washington.

"The embassy wishes to make it clear that this situation arises from the constitutional definitions of how the United States budget is passed, into law and does not represent any fundamental inability of the United States of America to pay its bills," the statement said.

On Saturday, Moose said, the State Department will run out of money to pay the contractors who run its worldwide communications network. Diplomatic cables, e-mail and secure telephones—the lifeblood of diplomatic communication—could be truncated or cut off, he said.

The restriction on all but emergency travel will not block Secretary of State Warren Christopher and a sizable entourage from flying this weekend to Paris and the Middle East, officials said. One reason is that Christopher travels on an Air Force plane, and the State Department's credit is good with the Air Force.

Staff writer Don Phillips, and correspondents Lee Hockstader in Moscow, John Lancaster in Cairo, Molly Moore in Mexico City and Dan Williams in Paris contributed to this report.

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