The Association for Diplomatic Studies and Training
Foreign Affairs Oral History Project

RALPH MILTON BUCK

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Q: Let's start at the beginning. When and where were you born?

BUCK: I was born November 1944 in Oklahoma in the Baptist Hospital in Muskogee, Oklahoma. My parents lived in Stigler, Oklahoma, a small town in the eastern part of the state.

Q: Let's talk about your father's side and sort of back up. Where did they all come from, what do you know about them?

BUCK: My father was born in Missouri in 1894 but his family moved to Oklahoma when he was about two years old. My mother was born in 1905 in Oklahoma before statehood. She was born in Keokuk Falls, a place that according to her had three or more saloons on every block, but which no longer exists. It was also the birthplace of Jim Thorpe, the world famous Native American athlete.

Q: What do you know on your father's side? What were they, the Bucks up to?

BUCK: The Bucks' original ancestor came from Germany about 1730. His name was Christian Buck. He was a Lutheran minister, and he lived in Wytheville, Virginia, which is in the far western part of the state. His German name is believed to have been Buch. He first went to Pennsylvania, then to Virginia. The Buck family lived there for three generations. Some Bucks apparently still do. Eventually, one of the Buck boys, about the time of the Civil War, left and went to Texas where he married and had a son in 1865. His son, James Buck, moved to Missouri and then to Oklahoma when it was opened up to settlement.

My grandfather was a Deputy U.S. Marshall in Oklahoma Territory, near what became Oklahoma City. For years my father had his gun, a 32 caliber Iver-Johnson revolver, but a niece of mine has it now. His wife was worried that he was going to get killed in a shootout with outlaws. She was also worried about dangerous wild animals. They lived in a wooded area and she was afraid a mountain lion would get one of the children. She begged him to quit law enforcement and to move. Eventually he did and they wound up in the town of Gotebo in the western part of the state. That's an area with very good black soil, very productive farming. It was a growing area at that time, so my father lived there for over forty years and all his other five children were born there. It's now almost a ghost town [Ed: Gotebo population in 2010 was 226].

Q: We are talking through the turn of the century?

BUCK: Well, my father lived there up until the early 1940s. After his father died, he and the other children sold the farm. But my father owned several other farms, a gas station, and an automobile repair shop. I went back there a few years ago and visited the gas station he built. It still has the name he gave it, “the Blue Goose Station”, above the door.

Somehow he lost a lot of money and there were hard times in Oklahoma, because agricultural prices had dropped in the 1920s. Eventually he got a job as a contract rural route mail carrier for the Post Office Department. Then in 1932 when Franklin Roosevelt came in, he was able to get a full-time job with the post office. He wound up transferring, he switched jobs with another employee over in eastern Oklahoma, to the town of Stigler, in Haskell County. He did that to be closer to his children. His wife had died, leaving him with five children to raise, and he was sending them to a private boarding school in Arkansas.

That’s where he met my mother. She was working in Stigler. He saw her at a gas station. He asked someone “who was that cute chick”. They got married in 1942 and I was kind of an unexpected result of that.

Q: OK, how about on your mother’s side?

BUCK: Her family came from Tennessee. Her father and his brother moved from Tennessee to Oklahoma seeking to get rich as the town of Paden grew and developed. He owned a drugstore and also was the principal of the local high school. Both he and his wife were college educated. They took turns being the local postmaster. Paden no longer exists.

Q: Were any of these what are called “Sooners”?

BUCK: No, my parents came in after that. The Sooners were people who came in ahead of the time they were supposed to and grabbed the best land. Since the Sooners became some of the most prominent people in Oklahoma, they naturally made themselves out to be heroes, while actually they were a bunch of cheaters.

Q: Where did you grow up?

BUCK: My early years were in Oklahoma, until about the age of twelve. We lived in in Stigler, then in Edmond, which is now a suburb of Oklahoma City. We moved to Florida because my father had retired and my mother got a job in Florida as a school teacher. She completed her master’s degree at the University in Edmond in psychology and special education, which was a very unusual field at the time, but she was unable to get into a special education program in Oklahoma. We went to Dunedin, a town in Pinellas County, Florida, north of St. Petersburg, where one of my brothers was working at the time as an engineer with a company called “General Nuclear”. Pinellas County was

a pioneer in setting up special education for handicapped and slow learning children, and my mother founded the special education class at Dunedin Elementary.

Q: Up to the age of twelve, what was it like growing up in Edmund as a kid?

BUCK: It was very nice; I had a great childhood, both in Stigler and in Edmond. We owned a large house and I had a lot of friends and basically had lots of things to do, especially camping and so forth with the Boy Scouts. I earned the Eagle Scout rank, actually completed it at the troop in Florida. I went to the special Jamboree of the 50th anniversary of the founding of the Boy Scouts in 1957, in Colorado Springs, and saw President Eisenhower there.

Q: Where did your family fall politically?

BUCK: My father, William L. Buck, was a staunch Democrat. He blamed the Republicans for the Great Depression and warned they would do it again. He was a strong supporter of Roosevelt, but his greatest hero was Harry Truman, whom he identified with (Missouri, small businessman, etc.). He loved "Give 'em Hell Harry". My mother, Doris-Ann, often voted Republican. She voted for Dwight Eisenhower partly because he had promised to end the Korean War. Her other son, William, was in the 45th Infantry Division in the Korean War and she was worried he would not be coming home. He almost didn't. She did not like Ronald Reagan.

Q: How about religion? Was that this an important part?

BUCK: Very important. My parents founded two Baptist churches in their lifetimes. There was a split in the Baptist church in Stigler. A big dispute had erupted over the pastor. One Wednesday "prayer meeting" night a group in the church brought in secretly a whole bunch of people who usually never came but claimed to be members and voted to fire the preacher. My parents loved and admired their pastor, whose major defect in the eyes of this other group was that he had a college degree. That was just unheard of in the Baptist church in rural Oklahoma and he just did not deliver the kind of "fire and brimstone" and "you are all going to Hell" kind of sermons they expected. These were the same people who voted for prohibition (and kept prohibition in Oklahoma) but Saturday night were out drinking moonshine and giggling about it. So my father went out and bought the land and found an abandoned church building outside of town and had it hauled in by an enormous truck (the biggest truck I had ever seen) to be put on the site. And that was the church I mostly grew up in. He had a beautiful voice and he was also the music director of the new church. My mother taught Sunday School.

Later, they helped found another new church in the town of Spring Hill, Florida, where they lived, because there wasn't any Baptist church there.

Q: Were you much of a reader as a kid?

BUCK: Yes, one of the great things my parents did was they bought me an encyclopedia

set, the *Britannica Junior*, and I actually enjoyed reading it. So I would just sit down and read the encyclopedia for hours.

Q: Do you remember any books as a kid that particularly grabbed you?

BUCK: No, the usual kinds of things. I read books by Jack London and other adventure books. I was interested in science and they got me a chemistry set and microscope.

Q: How about elementary school?

BUCK: When we moved to Edmond I had the good fortune of going to what was called the Campus School, on the campus of Central State University. That was because my mother was a graduate student there. This school was primarily for student teachers to gain teaching experience. Many of the professors at the university actually gave our classes. My Phys. Ed. teacher was the school coach. My art teacher was the head of the art department.

Q: For one thing you must have had a great library.

BUCK: We did have a school library, but I didn't use the university library.

Q: Too early?

BUCK: Right, but what we did use was the athletic facilities. We had the use of the university swimming pool and other things like that.

Q: We are still talking about elementary school. What sort of games, sports or recreation did you use?

BUCK: Actually, I can't remember that well. I would say just the ordinary sports like basketball and football. Well, I did play Little League baseball at Stigler. That was I guess my first sport. My father played a lot of baseball in his youth and once planned to try out for a major league team. But he did not encourage me all that much.

Q: As a kid did you have a major league baseball team that you followed?

BUCK: I collected baseball cards and followed the New York Yankees.

Q: Were there stories about the Depression? One thinks about the Okies, the people who left the, sort of the Steinbeck crowd, The Grapes of Wrath and all that. Were there stories about that that you remember?

BUCK: Yes. Everybody in Oklahoma was determined that if John Steinbeck ever came back to Oklahoma, they were going to lynch him. They felt that *The Grapes of Wrath* had given the state a very bad name and they felt this was very unfair and they didn't like it at all. As far as stories, no, not really. Some people had left during the 1920s and 1930s, had

gone to California especially, but you remember most of the story of Grapes of Wrath takes place in California, so there's not really that much about Oklahoma in it.

First of all, the dust bowl wasn't the whole state; it was one part of the state and that was not the part where my parents lived.

Q: When you were twelve years old, that would have been 1956, you went to Florida. Where in Florida? What was the town like?

BUCK: We went to Dunedin, Florida which is right next to Clearwater, that's north of St. Petersburg, across from Tampa Bay. It was a small town, about 10,000 population, but it was even then a well developed commercial and tourist area.

Q: Was there a pretty mixed crowd? I am thinking that this was still the time when there wasn't probably as strong a Spanish influence, was there, Hispanics?

BUCK: There were some Hispanics, mostly in Tampa, but there was not a large Hispanic population in that particular area. A town north of Dunedin called Tarpon Springs was founded by Greeks. At one time it was famous as the center of the sponge fishing industry. Dunedin was founded by some Scottish people. We had a Scottish Highlander band with bagpipes, and I wore a Scottish kilt in the band. One thing I would point out though, the schools were segregated. There were no black kids in my school, not even high school. When we first got to Florida I was rather surprised or perplexed because they had separate facilities for whites and what they called colored people; such things as separate bathrooms and separate water fountains and I had never seen that before.

Q: Now we are moving close to high school time. What was life like for a kid there?

BUCK: It was a pretty good place because we did have Clearwater Beach, which is a beautiful beach, and so we would go over there. I would go frequently, maybe once a week on Sunday.

I was in the first graduating class of Dunedin high school in 1962. The area was growing, people were moving in there, so new schools were being built. I attended a new junior high school and then they built a new high school and I was in the first graduating class. It is a little hard to imagine now but up until that time there had not been very many high schools in the area.

Q: As the population was changing was this turning into sort of a retirement place or were these people who were having children and sort of middle aged or younger?

BUCK: It was both. Of course, there were a lot of retired people coming in. That was probably the mainstay of the economy but they also had a lot of other things too. Dunedin was the headquarters of the Professional Golfers Association and there were many aerospace and military industries located in nearby St. Petersburg and elsewhere. A lot of this was related to the space program.

Q: What subjects in high school particularly interested you?

BUCK: I was fascinated by science. At that time, there was a special nation-wide effort to boost science (after Sputnik, i.e. 4 October 1957), especially something called "PSSC Physics" which included standardized laboratory experiments, professional training films, and standardized exams. This was probably the first time anything like real science was tried at the high school level, at least in Florida. But I was disappointed that most of the other students could not pass the exams and the teacher also seemed to be struggling, so they backed off and watered it down a lot. Also, in high school I took Spanish (with a teacher who actually spoke the language) and I wound up having four years of Spanish. In the summer of my junior year I participated in a summer exchange program with Mexico. I went with a group from our school to Jalapa, Mexico, where we attended special classes at the University of Vera Cruz. I lived with a Mexican family that had four other boys, and I spoke Spanish for three months that summer with my Mexican "brothers".

Q: How did that take?

BUCK: Well, I learned to speak Spanish although I didn't use it initially in the Foreign Service. I later took Spanish at the Foreign Service Institute and I was able to do very well with it during my tours in Latin America.

Q: Were there any extracurricular activities?

BUCK: I played oboe in both the junior and senior high school bands. I participated in all the football games and did a whole lot of marching at games and in parades in Florida, like the Gasparilla in Tampa and others in St. Petersburg.

Q: How was the oboe, it's a pretty difficult instrument to play, isn't it?

BUCK: It is difficult because of the double sided reed which is hard to get a good sound out of. Other than that, it is not any more difficult than other wind instruments. It is difficult to make a nice tone with an oboe and you have to prepare your reed carefully.

Q: Were movies a recreation or was it mainly the beach or what?

BUCK: We saw a lot of movies but the beach was the major recreation, along with drive-ins where guys hung out with their hot rod cars. Every now and then one would peel out and lay rubber when the cops weren't around. There was some late night drag racing on hopefully empty roads but I never took part in that.

Q: Did you have any time for academics?

BUCK: I don't think I studied all that much. We had study hall almost every day. I always completed my homework at study hall. I don't think I ever took anything home.

I had a job all the way from junior high through high school. I worked at a Publix supermarket as a “bag boy” every afternoon right after school until 9:00 pm. On Saturdays, I arrived at work at 7:00 am and went home at 11:00 pm. Our crew had to scrub and wax the floor of the entire store every Saturday after closing. On Sundays, I went to Sunday school and church, then choir practice and sang in the youth choir every Sunday evening. The only free time I ever had available was a bit on Sunday afternoon and after the service on Sunday evening.

Q: How about courses? For example, considering your later career, did the international events intrude much?

BUCK: Well, the Cuban missile crisis certainly did intrude and also the space program. Those are the two things that I remember at that time. I remember us being called into the gym for assembly to watch on TV the first attempt to launch the Vanguard satellite (our response to the Soviet Sputnik) and the whole thing just blew up on the launch pad. I thought it was pretty funny. Mostly, everyone was just really quiet after that.

Then the Cuban missile crisis came along and everybody thought we were going to go to war. The U.S. Army was deploying heavy combat forces in Florida. There were troops and vehicles on the highways heading south. They were setting up surface to air missile sites on the beaches to protect the troops because it was a staging ground. The military was actually building up for an invasion of Cuba.

The Cubans in Florida were always heavily involved with whatever was going on in Cuba and even before Castro’s revolution there had been news on the television in Tampa about seizing weapons that were destined for Castro. There were rumors the Mafia was running guns to Cuba. Later, the Cubans in Florida turned against Castro (after so many had fled), and Florida was a hotbed of intrigue against Castro. Florida’s senators were calling for invasion of Cuba and all the Cubans were incredibly upset when President Kennedy did not go through with it. Almost no one mentioned the nuclear war threat. Today you often see on television references to “duck and cover” nuclear bomb threat drills in elementary schools in the 1950s. I don’t remember ever having participated in anything like that.

Q: With your Spanish language did you find that you were learning more about you might say the Latin American side of things, history and all? How about Europe and the Cold War and all that? How did that play out in high school?

BUCK: In high school I would say there was almost no serious instruction about anything of an international nature. I did, of course, learn a little bit about Latin American countries because of studying Spanish but other than that, I don’t really recall anything.

Q: In 1962 you graduated from high school? What were you pointed towards?

BUCK: I was interested in engineering and I went to the University of Florida because

that was where they had the engineering program in Florida, but I lost interest in that mainly because my mathematics background was not anywhere near good enough. I would have had to have had considerable tutoring or remedial work. I found when I got into the university that my high school in fact was not at the level needed to prepare one for college, especially in any technical field. I was deficient in mathematics but also in most everything else. Most of what I had learned about chemistry or physics was just plain wrong and I did not know much about writing style, that is, writing for maximum effect. I took a course in writing.

Q: Do you feel looking back on it, a result of being a new high school that they really hadn't gotten their feet or was this the Florida system?

BUCK: It was the Florida system. Pinellas County schools were better than average in Florida.

Q: It's hard to go back but particularly some of these southern states didn't take education that seriously where here in Virginia because of the desegregation, they shut down the school system for a couple of years and I remember being in the University of Maryland back in the 1930s it wasn't even accredited at one point.

BUCK: Well, Florida only had two, actually three, state supported universities prior to I believe, the 1960s. That was the University of Florida, Florida State, and Florida A&M. Florida A&M was exclusively for black people. That was it. There was also the University of Miami, which was private.

Q: Which campus of the University of Florida did you attend? How did you find the university?

BUCK: I was at Gainesville. Florida was a very good university. I am sure it was the best university in Florida. Florida State was also very good but they had a slightly different curriculum at that time. Gainesville was the place for medicine, engineering and science. Florida State had some other faculties. About halfway through, I switched to political science and became quite interested in that and in international relations.

Q: How come? Was it more…

BUCK: Partly because I was good at it and although I had taken technical courses, I had also taken other courses as well. I had taken languages and social studies and history and I just did a lot better in those fields.

Q: In political science, it was an interesting political time. In the first place, how did the Kennedy assassination hit where you were?

BUCK: It hit of course, but I can't remember too much real consequence from it. I do remember where I was when it happened. I was in a class of economics, the class had not yet started and somebody came in and said the president had been shot and they

dismissed the class. Frankly, I don’t recall people really talking about it that much. That university was oriented around football games and parties, as well as studying, but people were pretty much focused on their own activities. There was some small protest activity later about the Vietnam War but Florida was not really a place where there was a lot of anti-war activity from 1962 to 1966.

Q: This was before things really got cranked up. At that time how was the racial situation playing out from your perspective?

BUCK: Actually, pretty well. I did my little part. Some friends and I went with a black guy to a local restaurant and we desegregated it. We had a little sit-in there and basically forced the owner to serve him because he had a sign up which said “we reserve the right to refuse service to anyone.” This was a local diner. Gainesville was very much a southern town but the owner decided to serve him rather than have any bad things happen. The town was not really integrated at that time I would say. So you had a black section of town and a white part of town. This was true of all the other southern towns. Some of the college kids would go over into the black town to attend the nightclubs and I did that and they welcomed us there and, of course, we were bringing in money. I must tell you they really had excellent singers and bands. We are talking about very professional for such a small town. Local white people had nothing like that.

Q: In your political science, were you concentrating on any particular thing?

BUCK: Mainly international relations and, in fact, I was concentrating on Latin America. One of my professors, head of Latin American studies, was an expert on Peru, named Harry Kantor. He said he was the top U.S. expert on the APRA (American Popular Revolutionary Alliance, or Alianza Popular Revolucionaria Americana) in Peru and his hero was Víctor Raúl Haya de la Torre, who founded APRA in 1924. He spent a lot of time down there with them. The APRA was, you might say, a democratic socialist party. Kantor was involved with the AFL/CIO’s (American Federation of Labor/Congress of Industrial Organizations) Latin American program, aimed at fighting the Communist unions there. It was later revealed this activity was financed by the CIA (Central Intelligence Agency). Kantor hinted at this himself sometimes.

Q: Did you ever get to Peru? Were there summers abroad?

BUCK: No, nothing like that.

Q: Did the Miami Cuban group have any impact where you were?

BUCK: No. The only Cubans were in Tampa and Miami. However, I was friends with several young Cuban guys at the University of Florida. We were taking classes together and we hung around some together. I remember one or two seemed to have been involved with the Bay of Pigs invasion or other anti-Castro activity, or at least they knew a lot about it.

Q: So this was a completely different world.

BUCK: Yes.

Q: Did you run across any reference at all to the Foreign Service while you were in school?

BUCK: At the University of Florida one of my professors told students about the Foreign Service and encouraged me to take the exam. That's how I got into the Foreign Service because I took the Foreign Service examination and passed it.

Q: Was this your first real contact with the idea of the Foreign Service?

BUCK: Yes, it was. I didn't really know about it up until that time.

Q: You took the exam when?

BUCK: I took it when I was a senior at the University of Florida. I first passed the written exam, then the oral exam, which may have been after graduation. I said I wanted to go to graduate school so they gave me a year, and I delayed entering the Foreign Service for about a year after the oral exam.

Q: How did the oral exam go?

BUCK: It was fine. They asked some strange questions but they said I did well on it, especially on areas where I knew something about the subject.

Q: I would have thought that you wouldn't have been well prepared from what you have said. The university wasn't as focused on this sort of thing.

BUCK: The quality and level of education at the University of Florida was very good. We had a lot of fine professors. The head of the Political Science Department was Chairman of the American Political Science Association. Many of our instructors were natives of the countries they were lecturing about and knew the history and politics backwards and forwards. I have no criticism there at all. I did very well on the Graduate Record Exam, hitting 99th percentile, and got a graduate fellowship.

Q: Do you recall any of the questions on the oral exam?

BUCK: Yes, one of the questions was name every major decision made by the Truman Administration and say whether you agreed with it or not and why. I was able to cover at least four or five major decisions.

Q: Where did you go to graduate school?

BUCK: University of North Carolina at Chapel Hill.

Q: What were you taking?

BUCK: International relations, political science, and minor in sociology.

Q: Were you pointed towards a master's?

BUCK: Yes, but I did not get the master's degree because although I completed all the course work, I didn't have time to do a thesis, as I honored my opportunity to go into the Foreign Service when it was offered.

Q: So you came in the Foreign Service when?

BUCK: October, 1967.

Q: What was the A-100 course like at the time?

BUCK: Orientation to the federal government plus a few exercises on drafting cables and the like, mostly a series of lectures and a few visits. Nothing all that memorable.

Q: Did you have a feeling of where you wanted to go and what you wanted to do?

BUCK: They made it very clear they weren't going to pay any attention to that.

Q: So, what happened?

BUCK: At the end of the course they had the ceremony and announced where people were going, where they were assigned. So when they got to me they said, "South Vietnam, CORDS (Civil Operations and Revolutionary Development Support) Program."

Q: That was the era, wasn't it? You knew that was coming up, didn't you?

BUCK: I pretty well knew that was coming up. Later on, they started taking almost everybody for Vietnam. In my class, they took only those who were single.

Q: What was the training for Vietnam like at that time?

BUCK: The training was at the Vietnam Training Center which was part of the Foreign Service Institute. It was located in Arlington Towers in Rosslyn.

Q: In the garage, essentially.

BUCK: Yes. I spent ten months studying Vietnamese. That also included some area studies. At the end of that time we were shipped off to Vietnam, with a week along the way spent in Taiwan studying the Taiwanese agricultural cooperative program. I did have a short stint on the Vietnam Working Group (the Vietnam desk in the State Department)

before beginning my language training.

Q: In 1967 when you came in, the Vietnam War was cranking up. In 1964 we started committing troops. What was your feeling from your friends, yourself and all? What was the feeling about Vietnam?

BUCK: You know, in the university I hadn't paid much attention to it. I wasn't studying Southeast Asia. I was working on Latin America and a little bit on South Asia, India and so on, but I really had paid very little attention to Vietnam. Some of my friends were getting drafted and some were joining the reserves. I was in the ROTC (Reserve Officer Training Corps) program at the University of Florida for the first two years, did not continue to get my commission, but besides a lot of marching in uniform and saluting ("pass in review…"), we had classes on military doctrine and operations in Southeast Asia. I was in Air Force ROTC.

Q: Did you have any idea; should we be there, shouldn't we be there?

BUCK: I didn't think that the prospects were very good from what I had read. It didn't seem like things would be likely to work out very well in our favor because of just the historical background and South Vietnam's unfavorable strategic situation. I was not involved in any kind of anti-war activities and really didn't have any strong views on it.

Q: How about your colleagues in the A-100 course? Were they a more opinionated crew on Vietnam?

BUCK: No, but I will give you an idea. I think I was the first one they announced was going to Vietnam and when they announced all the others, everyone would clap, of course. When they got to me you could hear a pin drop. Not one person clapped. There was one fellow assigned to Vietnam who wanted to be an Arabist. We started going to the language training and he had actually studied Arabic in Cairo and wanted to go to an Arabic speaking country. Of course, they weren't going to let him do that. He wound up dropping out. He resigned.

Q: How did you find Vietnamese?

BUCK: Well, I did pretty well. I got the required rating of "three" in speaking and reading. I was able to master the tones. I think it is a difficult language. It is very hard to learn all the vocabulary and there are many variations in words that sound much the same but at least they had native speakers at FSI and they had very good scientific linguists. The linguists were able to explain intricacies of the grammar and how to form your mouth to pronounce the words and other things that even a native speaker wouldn't know.

Q: Were you picking up through your teachers or your area studies thing, were you getting any better feel for the situation in Vietnam before you went out?

BUCK: The area studies instruction was interesting and useful, mainly about Vietnamese history and culture and things to do and to avoid.

We also had some military training. We were sent to the Special Warfare School at Fort Bragg in North Carolina for one week of intensive training. The training was a very condensed version of the course given to U.S. military advisors and was conducted by Green Beret officers and non-coms. We practiced setting up military radios (which was not easy on those old models) and calling in artillery and air strikes, based on coordinates on military maps. We took apart and (sort of) reassembled every type of small arms weapon we were likely to encounter. We went out to the range and fired a number of semi- and full automatic weapons and grenade launchers and we practiced calling actual mortar round fire. We also prepared and set off real high explosive charges (each person prepared one charge and we walked away carefully). And we got very hurried introductions to such useful topics as house construction (how to square the angles and level the floors), building bridges with ropes and crossing them, water purification techniques, pressure points to stop bleeding, etc. etc. It was kind of funny at times. We were all dressed in suits and walking around in street shoes in the snow. I also took pistol marksmanship training at the International Police Academy in Washington and went through their full course (the same as given to foreign police officers). In Vietnam I was issued an M-1 carbine and about a thousand rounds of ammo, but I never carried it.

Let me recount a couple of things I learned at that time. I mentioned that I had been on the Vietnam Working Group. That would have been in December of 1967. I was reading intelligence reports about an upcoming attack expected in the spring of 1968 and, in fact, we had a few reports that went into some detail about this. I asked the chief political officer on the working group about this. I said, “Are people concerned?” We are picking up all this intelligence about this upcoming offensive.” He said, in effect, “The Pentagon is very pleased with this because they think this is going to be a good opportunity, their first really good opportunity, to bring the Viet Cong out in the open where they will be able to hit them with our full military might.” Shortly after that, in the spring of 1968 (January 31, 1968), we had the Tet Offensive, but I always remember that some people knew about it. In another instance, also on the Vietnam Working Group, I was given a copy of MACV’s (Military Assistance Command Vietnam) strategic plan for winning the war. It was classified Top Secret because, among other things, it called for and laid out the basic plan for invading Laos and Cambodia. This was in 1967. Of course, it was not put into effect at that time, not by American Troops. The South Vietnamese were given that task later and thoroughly bungled it. Actually, it probably was never within their capability.

Q: You arrived there when?

BUCK: I arrived in South Vietnam in March of 1969.

Q: Where were you assigned?

BUCK: An Giang Province in the Delta. It is up the Mekong River from Can Tho. The

provincial capital is named Long Xuyen.

Q: What were you doing?

BUCK: I was assigned as a rural development adviser, we called it "New Life Development", with the CORDS program. I was assigned to a military advisory team in Cho Moi District. My boss was a 29 year old U. S. Army major, West Point graduate. I spent a lot of time going out in the villages on a Vespa scooter or on the back of a Honda, trying to advance what essentially was an agricultural development program. The person I was working with and who was really spearheading this work (which I believe was a first in Vietnam) was a Filipino named Yambao. We would visit all these villages and he had this material for educating the farmers, including a slide projector. We were promoting the cultivation of high yield IR-8 rice. He only spoke a little Vietnamese, so I did a lot of translating for him. I never had a translator myself. I had immediate immersion in Vietnamese. It was sink or swim, just like most of the rest of the Foreign Service. No one is there to help you.

Q: This is miracle rice? Had you had any agricultural experience before?

BUCK: Absolutely none.

Q: Let's talk about the rice for a minute. What had been the situation and what was it supposed to do and what was it doing?

BUCK: First of all, Yambao was highly qualified. He had been with the International Rice Research Institute (IRRI) in the Philippines, where IR-8 rice and other varieties were developed. He actually brought the first IR-8 into South Vietnam in his own personal baggage and planted it in An Giang, one hectare, in 1967. This was before USAID Saigon even knew it existed. By 1969 we had 20,000 hectares under cultivation.

Q: In your Province?

BUCK: Yes. It enabled much higher production. The native rice that was grown there was called floating rice, which has the property of growing at the same rate at which the water rises. Much of this whole area is under water during the flood season. But the yield on floating rice is very low.

Q: This is the Mekong?

BUCK: The Mekong River, yes. It floods all the lowland areas. The towns and, hopefully, the roads are a little bit above the water level, but they still have a lot of flooding. The floating rice yields about a ton per hectare while IR-type rice can yield up to ten tons per hectare. This is with double cropping, that is, getting two crops a year or maybe even three, and with the application of fertilizer.

Q: This was really commercial production, wasn't it?

BUCK: Yes, because they were producing for export out of the province and were the largest rice exporting province in Vietnam (Note: they still are).

Q: What was the military situation there when you arrived?

BUCK: An Giang had the distinction of being considered the most secure and so-called pacified province in Vietnam. During the Tet offensive there was not a single mortar shell that fell in the whole province. We had no U. S. military except for a few advisers (and some artillery and Special Forces based there that operated outside the province) and there were no South Vietnamese regular army (ARVN) either. We had Regional Forces under the control of the Province Chief and Popular Forces under the control of the District Chief. These forces were locally recruited and lightly armed.

Q: What caused this because there was a hell of a lot of fighting during the Tet offensive in the Mekong Delta area, wasn't there?

BUCK: That's correct but An Giang was mainly populated by members of the Hòa Hảo Buddhist sect. Buddhists are supposed to be non-violent but the Hòa Hảo did not know that. The Hòa Hảo were founded by a monk named Duc Huỳnh Phú Sổ in 1938. His brand of Buddhism was influenced by the Theravada Buddhism of Cambodia. The dominant Buddhism elsewhere in Vietnam is Mahayana, the same as in China. One of the differences is that this version of Buddhism does not involve erecting any kind of statues or images to Buddha and it also forbids even the construction of temples. The only thing in a Hòa Hảo village is a meeting hall but there are no images. It was founded to be as much a social and political movement as a religious one. It grew rapidly.

Duc Huỳnh Phú Sổ was assassinated by the Communists in 1947. After that the sect declared war on the Communist Party. They cleared them out of all the villages in An Giang and out of much of the surrounding provinces too.

An Giang was actually in a very strategic location, astride an infiltration route which went through the southern part of the province between Cambodia and the rest of the Delta, but because of the political support for the Hòa Hảo, the fact that they would not permit the communist cadre to exist in the villages, there wasn't very much military activity. There definitely was a lot around the province, particularly in Châu Đốc on the border with Cambodia. Châu Đốc was originally part of An Giang (and is where the founding village of Hòa Hảo is located) but that province was thinly populated and was heavily contested throughout the Vietnam War.

Basically I could go almost anywhere in the province and I frequently drove my vehicle from An Giang to Can Tho for regional IV Corps meetings at headquarters (South Vietnam was organized into four military regions). There was an area right on the border between An Giang and the next province where there were almost no people. The sides of the road were all overgrown and the road was badly torn up. It was an insecure and frightening place. Once, somebody opened fire on me when I was going through there.

No hits, but I was the only one on the road.

Q: Normally wasn't personal security a problem?

BUCK: Normally it was not a problem. There were incidents. Let me describe a few things that did happen. Let me describe personal incidents and then I will tell you more about what was going on militarily.

I mentioned the possible ambush. Fortunately, no bullets hit my vehicle and I never saw anybody but there was a lot of automatic gunfire directed our way. Maybe they were just trying to scare us so I immediately shifted down to a lower gear and floored the accelerator and got the hell out of there. My passenger, who had a shotgun, turned white, but he said I did the right thing.

Another incident: One morning, I arrived at the CORDS Hotel in Can Tho, which was the hotel for civilians, and I noticed everybody was sort of milling around, moping around, not saying much. Everybody was very quiet so I asked what was going on and they said, "Oh, you didn't see outside?" They pointed out to me the holes in the bamboo curtains that were shielding the windows.

Q: You are talking about a grapefruit size hole.

BUCK: It seems the night before an American MP had gone berserk and had started firing M-79 grenade rounds into the hotel. He's standing on top of the MP building which is across the street and fortunately didn't hurt anybody in the hotel because these bamboo screens absorbed the explosion. However, an American army truck came down the road and he fired one into the cab and blew the legs off the driver, an American. He killed a few people on the street. I asked, "Did somebody go up there and try to stop the guy?" They said, "Oh, no. We just waited until he ran out of ammunition." So stuff like that went on.

We had other incidents. Another thing people don't realize about warfare is that it causes all kinds of behavior. A war zone is a different environment, even if you aren't in the battle yourself, if you are not a soldier. It is a war environment and it affects civilians; it affects everyone. For example, you read now in the report of casualties out of Iraq that some of them are killed in action and then there are so called non combat fatalities and sometimes those are fairly large and you may not notice that. I can tell you it happens because accidents happen. People become less concerned about their safely than they would be in another situation. In one weekend we lost four vehicles destroyed in road accidents, plus two aviation accidents. These accidents killed over 20 American soldiers.

Q: I can remember, about the time you were there, I was consul general in Saigon from February, 1969 till July, 1970. I remember walking into my office one day and seeing a bullet hole right through my window by my office past my desk. You lined up the bullet hole and you realized it was from the embassy grounds. The Marine guard said he took a round from the outside. Obviously, the guy let off a round. These things happen.

BUCK: So you were there about the same time I was.

Q: How did your Vietnamese work out?

BUCK: Very well. I tested at a "four" level in speaking when I got back. I was one of the few Americans who achieved this and who never had an interpreter from day one, so I exclusively used the language and I was out in the villages a lot. I visited all 254 hamlets in our province at least once and usually more than once, so I got a lot of practice. This was after I moved from Cho Moi District to the Provincial Advisory Team headquarters in Long Xuyen. I was an assistant "New Life Development" adviser and my boss there was a USAID officer who had once run a feed store somewhere back home.

Q: What was your impression of, one, the Vietnamese as a people and two, of sort of the government structure that was impacting on these villages?

BUCK: Let me first go back to the military; a few other incidents. One evening I was awakened by a lot of explosions, really big explosions. The next morning we found out we had been rocketed. The capital had been shelled during the night by 105 millimeter rockets. They fortunately didn't kill anybody but they were aiming for the province chief's house and houses where people like me lived. So we had a few little incidents like that.

Also, one of the villages I often visited in Cho Moi district (which is an island between the two major branches of the Mekong River) did have one hamlet where some people were pro-Viet Cong. Local village guerrillas sometimes caused trouble near there, so one day when I visited the village chief he showed me the B-40 rocket launcher round that had put a hole in the wall of the his house just the night before, right in his bedroom. He said, "Fortunately, I wasn't there because I have five houses and I never sleep at the same one twice." So we had things like this.

One thing I should mention. You asked about relations with the people. They were pretty good on the whole but there was an incident that was written up that I know a little bit about. It had to do with a young man named David Gitelson. He was an IVS (International Volunteer Services) volunteer in An Giang. Have you heard of him?

Q: No.

BUCK: Some of his story is in a book called <u>Vietnam, the Unheard Voices</u>, published in 1969. One of the villages on the edge of the province was bombed by U. S. aircraft in December 1967. Gitelson had a very good relationship with the local people; he dressed like the peasants in their long, white pajama-like clothing. I think he may have even grown a beard like the elders although he was only about 25 years old. The people called him the "poor American" because he lived exactly the same as these poor farmers. He lived in a thatched hut, ate their food and everything. He was also involved in a conflict with the local district chief who he was accusing of corruption and diverting a lot of the aid supplies. Anyway, he wanted to take some relief supplies into this village. Everyone

warned him not to because the village was controlled or at least patrolled by the Viet Cong, but he said that he had a good relationship with the people, that they would protect him, and he felt he had to do it so he went ahead and went in there.

Well, he was killed and they sent his body back down the canal on a sampan. But there is an interesting twist on all this because we found out what happened later. In 1973, some American Foreign Service Officers went into the village, interviewed the village chief who was head of the local Communist Party, and were told the story of what had happened. This was actually written up in a State Department airgram. It may be accessible somewhere.

The Party Committee held a meeting to decide what to do about this guy. On the one hand, they felt he was a good person, a good American, and he had a lot of support among the people because he had been helping these people a lot, giving them all kinds of supplies and taking their side with the District Chief. They debated about what they should do and finally they decided he had to go because he was just too popular, he was too dangerous, but they gave him a decent funeral. Then there erupted a protest demonstration; over 500 people staged a march to the district town to protest his death. And the people covered the sampan with flowers before they floated it back down the canal.

I have always thought this was a remarkable incident. I think the IVS was an unheralded organization that was doing work that many of the rest of us couldn't really do or did not have the nerve to do.

Q: Could you explain a little about the relationship of the IVS and what they were doing at that time.

BUCK: After Gitelson, we didn't have an IVS volunteer in the province but I can tell you that Gitelson was detested by the U.S. military command and the advisory team. They thought he was anti-war or something; they didn't like him.

Q: He was kind of a hippie or?

BUCK: He was a hippie type, yes. He was not quite a hippie in the American sense but he did not associate with the Americans and he was constantly fighting with people over aid money and corruption.

Q: This is a problem. How did corruption, what was your impression of corruption in your area?

BUCK: We certainly had some corruption. The District Chiefs frequently were accused of corruption but I must say that probably because of the influence of the Hòa Hảo it was not as severe as in many places. Our Province Chief was considered absolutely straight and I think he was. I think he owned the boots he wore and that's just about it. In some of the districts, well, the aid didn't get distributed, let's put it that way, but it varied a lot.

Actually, I had many reports on this subject from undercover teams we sent into the villages to find out what was going on. They would go into a village and hang around and ask some questions without revealing who they worked for. They would then come to me and I would debrief them at a local hotel. It was all done covertly and outside the Vietnamese Government. They would give me their report in Vietnamese and I would translate it into English and report it. We found places where the AID projects were good and some where they were complete nonsense and a lot of things were being stolen.

Let me back up a little bit and tell you more about what was going on in An Giang because it was different perhaps from other places and we were a little bit ahead of some of the provinces.

An Giang was chosen in 1966 to be the location for a special USAID pilot program, a demonstration effort called the An Giang Special Program. It was adopted in Honolulu directly between President Johnson and Premier Nguyen Cao Ky. It involved about 20 projects started in 1967. There were some delays getting started, mainly because of staff shortages, but they did ramp it up. The projects included agricultural machinery fabrication, a feed mill, and a rural electrification program. The latter was implemented by the REA, the Rural Electrification Administration, which was a holdover from the New Deal in the 1930s in the United States, sort of like the TVA. In addition to the Americans, there were agricultural advisers from other countries. There was an agricultural advisory team from Taiwan and I mentioned the Filipino adviser.

Some of these projects were not very effective, but I think some did have an effect and there were traces still evident of these projects even in the 1990s when I visited the province. The agricultural machinery firm had been taken over and was a provincial government enterprise, and the feed mill had been expanded. The whole province was now electrified, but some of the old poles (brought from the U.S.) were still there in the 1990s.

I mentioned that An Giang was the first with IR-8 rice and there were other advances, such as in education. The province, with American aid, built 500 primary classrooms in three years, raised the number of children in school by 300 %, established a new technical high school and in 1973 was in the process of establishing a university. We had around 800 projects going at one time. Rising agricultural prices, partly because of the war, and increased demand from the U.S. presence did make a difference. Farm income rose to the point where we said a pig equaled a Honda. One of the districts became the first in Vietnam to completely mechanize agriculture and to eliminate water buffaloes. By 1970 they had switched over entirely to power tillers and tractors. Small gasoline pumps were used to pump up water into the rice fields so they could get a second crop per year during the dry season. Small portable Japanese-made rice mills were liberating farmers from being at the mercy of the large mill owners.

The other thing we were involved in was something called the "Village Self Development Program." I should point out that the village occupies a unique position in

Vietnamese culture. It is the basis of Vietnamese social structure.

The feeling was that we could get more out of our assistance projects if we could decentralize them to the villages, put them more under the control of village governments and local people. This was partly because our objectives were as much political as economic or even more so. The purpose was to promote self government and self defense. The government would give financial and material assistance such as cement and rebar, but the main factor would be to seek a local contribution. Not only should the village government be able to contribute some of its own funds, but local people would contribute the labor. The villages could set their own priorities and the plan was to phase out most of the central government and USG assistance over time.

Also, I think 1969 may have been the first year the Government of Vietnam, the GVN, had allowed local elections. Each village that had a locally elected government was given a small fund, about $9,000 U.S. equivalent, for self help projects and they were allowed to make their own decisions.

One of my tasks was to promote this program. For example, I drew up a brochure in Vietnamese and got it printed in color locally. Everyone took these along when we visited the villages. We would stress just a few key points when we explained how this program would work.

The question came up as to whether the villages would be able to support these projects financially. The CORDS Regional Headquarters in Can Tho wanted someone to do a survey of the taxation and financial system, to find out whether this was feasible. They talked about bringing in an outside "expert," but John Paul Vann, the Deputy for CORDS IV Corps, said no, we had a person in An Giang who already knew more about the subject than anyone else and could do it. So that's how I got the task.

I produced a report on fiscal self sufficiency, about 25 pages, with data, graphs, and charts. It was actually quite interesting because I had to get into the public administration system of the government, examine their tax rolls, and examine the books for every single village. Basically I audited the fiscal data for all 38 village governments. I met with the Village Chiefs and often took the Provincial Administrative or Finance Service Chief with me, to help do a little on the job training and to promote personal relations.

Q: This shows learning on your feet.

BUCK: Exactly. I had to find ways to find out what was needed to be done as I went along.

Q: What was your impression of John Paul Vann?

BUCK: Vann was an extremely dynamic person. He was unique. Everybody who worked with him was incredibly impressed. He was a person of enormous energy and enthusiasm and an inspiration. The Vietnamese had tremendous respect for him. As you know, he

was at different times the Deputy for CORDS in several of the regions. He flew his own helicopter, and we would know he was in town because he would fly in often on Sunday afternoon and buzz our houses so we would know to go to the airfield to meet him.

He would come in and demand a briefing immediately and he was one of those guys who was no nonsense. He asked a lot of very hard questions and you better know the answer. Most of us, those who were really out there doing things, could answer his questions, and if you could, he would give you credit.

I will give one example. Some outposts in one province nearby, little Popular Forces outposts, were being knocked over one by one almost every week. So Vann flew into one of them one afternoon and told the helicopter pilot just to leave. He went into the outpost by himself and stayed there all night and everybody was frantic. They thought he was going to be killed because these outposts were being overrun, and they were trying to get him out of there, trying to figure "How can we get him out?" Anyway, nothing happened that night but that's the kind of thing he would do. He would go in there himself and say, "Look, I am here. It's going to be OK. You'll be OK. If the enemy attacks, we'll beat them." Things like that, he built morale.

Q: You are still in An Giang. As I recall the Hòa Hảo had been kicked out of Saigon. They were basically not in the Government. The GVN did not like the Hòa Hảo.

BUCK: The Hòa Hảo had gotten into a fight with the GVN in the 1950s. They fought both the GVN and the Viet Cong at the same time and generally beat both of them. There were two factions of Hòa Hảo, actually two Hòa Hảo political parties, but they had a real firebrand leader, Le Quang Vinh, whose nickname was "Ba Cut", which means "three finger". He is said to have gotten that name because he had chopped off his finger in front of his men and said something like "If you haven't got the guts to do that, then don't go with me". But he was tricked by Ngo Dinh Diem's Government. They said they were going to negotiate with him but instead they arrested him and executed him. I believe this was in 1956.

After that, relations were very bad for a while. If you read books about Vietnam written in the 1960s, they frequently say the GVN was successful in suppressing the "sects." Of course, one of the sects they were referring to was the Hòa Hảo, who were not exactly suppressed. They just put them down for a while.

After Diem was assassinated in 1963, the Government began to negotiate seriously with the Hòa Hảo and formed some kind of pact or agreement with them. The Hòa Hảo were allowed to take over control of the Regional and Popular Forces at local levels. The Province Chief in An Giang was not a Hòa Hảo, but he was generally selected to be someone acceptable to them, and the relationship was good by the time I was there.

An Giang was not completely Hòa Hảo. It was about 75% or so. However, all the villages except one were controlled by the Hòa Hảo. The one exception was a village settled by Catholics from North Vietnam brought in after the separation of North and South in

1954. Another village had a lot of southern Catholics as well. The Northern Catholics, who were totally anti-Communist, were deliberately settled astride a notorious infiltration route from Cambodia. This helped block Viet Cong access to much of the Delta.

Q: What pressures were you feeling there from the infiltration from Cambodia?

BUCK: There was a lot of fighting going on around us. In the Tet offensive the Viet Cong captured the Châu Đốc provincial capital (near the Cambodian border). It was recaptured, but I was there in 1969 and there wasn't a single house in the town not riddled with bullet holes. The notorious Seven Sisters Mountain area was only a short distance away. It was a huge pile of boulders, with caves. Fighting went on there all through the late 1960s and early 1970s. I used to hear the B-52 bomb strikes on it. The concussion would shake the windows in my house so bad I thought they were going to break.

Q: How did you find the military activity in your area?

BUCK: There was one major military action in our province when I was there, in May of 1969. A Viet Cong battalion reinforced with North Vietnamese troops came into Cho Moi District in An Giang. We always wondered what they were trying to do, because they usually refrained from attacking the Hòa Hảo. They came with 400 or 500 men, but were immediately surrounded and pinned down by the province's forces. The province chief, however, would not allow any air strikes. In fact, after that incident in 1967 he forbid any use of air power in the province because he said the U.S. Air Force was killing more "friendlies" than enemies. He just wouldn't allow it but he also thought they could beat them by themselves. So our little RF guys tried to go after them and suffered 30 or 40 casualties almost immediately. The enemy had much more experience and knew how to dig in. Later we found out they had constructed several feet of overhead earth cover reinforced with logs. Our guys couldn't get them out of the bunkers.

The only real American involvement was to provide Cobra helicopter gunship support and at night the U.S. Force AC-47 "spooky" gunships came in with their 20 millimeter canons. I used to sit up at night and watch them firing red tracers down from the sky, which is a very eerie sight. It looks like a laser beam but it's not. It is a steady stream of 20 millimeter shells. All this strafing and artillery fire did not accomplish much except it pinned them down.

We had one American adviser killed. Actually, he was a good friend of mine and he was the only American causality. I used to have lunch with him almost every day. He was a young second lieutenant. They were planning not to promote him (it is kind of rare not to be promoted from second to first lieutenant). He had a smart aleck attitude and was thought to be against the war, but when the chips were down, he was the only officer out there putting himself in danger trying to get his men into position. The Viet Cong saw him and shot him right through the head.

They finally did bring in some ARVN (regular South Vietnamese army) with armored

personnel carriers and 106mm recoilless rifles and were able to come up very close and blast them out of the bunkers. The NVA/VC's bugged out in all directions. Some of them got away but most were killed or captured. I read the after action reports and as far as I could tell, this was a rather unique action at that time, in that the South Vietnamese had scored a major victory all by themselves.

There is a postscript to this. One of the Viet Cong soldiers was captured trying to swim across the river. He had been blinded by a shell of some kind and he declared "Chieu Hoi". That means he defected to the GVN side. We decided to send him to a doctor in the Philippines to see if they could restore his sight. One of my friends, James Farley, the adviser in Thot Nhot District, sat beside him on the same airplane taking them to Manila. He was talking with him in Vietnamese the whole way and Jim's Vietnamese was really good, better than mine, and this guy could not see. He insisted on feeling the hair on Farley's arm to prove he was not Vietnamese. But I thought this was really ironic and somehow illustrated many things about this whole conflict. Here we were, sending this former enemy to the Philippines at great expense to see if we could restore his sight, when he had been trying to kill us just a few days earlier.

Q: What about something that came up during the 2004 campaign when John Kerry ran for president against George W. Bush, the role of the Swift Boats in the Conflict. Did that occur in your area?

BUCK: We did have some American military. We had a RAG base right next to where I lived. That's River Assault Group, and the RAG guys would go up and down strafing both sides of rivers and canals. They had armored monitors, almost like our Civil War monitors, and they had Navy SEALs on board.

For a while John Kerry was based in Sa Dec Province, which is a little place just across the Mekong River from An Giang. I went over there one day to visit a friend, so I was actually at the base where those Swift Boats were operating out of. The interesting thing about Kerry is that he mentioned on the floor of the Senate that he had been in Cambodia. During the campaign he was attacked by people who claimed that this is impossible, that he was crazy, that no such thing ever happened, that none of these boats went into Cambodia, and so on. Well, I believe they did go into Cambodia. The Swift Boats would drop off the SEAL teams, who would reconnoiter to find out what was going on over there, and then they would pick them up. But our military would deny any of this was done because these were intelligence missions, not military missions, so under the thinking of the time, it was deniable.

Q: I sometimes wonder when you read about these, but the idea of running up and down a river shooting, trying to draw fire, you know, in retrospect you kind of wonder, what did that do to the people who lived in the villages along the way?

BUCK: They all had bunkers; they all built bunkers to protect against the PBRs (Patrol Boat, River) and the Swift Boats. Yeah, they feared and hated them.

There was an incident that occurred when I was in Cho Moi. I was there with the district military advisory team and the PBRs would come in there all the time and tie up because we were right on a branch of the river. One evening a Navy Chief came in. He said his name was "Hawk". He said "They call me Hawk." He was bragging he had just shot a Vietnamese boy, really, in our own town and it turns out the kid was the cousin of the District Chief. So the major who was in charge asked him why he had done that and he said, "Well, I saw him running." The major said, "Don't you know the people here are on our side? Not only that, we are dependent on the Vietnamese for our security here. There are no Americans here. You know, we've got five guys." I could tell the major had no intention of getting into an argument with a Navy Chief. I mean, you just didn't do that. This guy said, "He's probably a draft dodger and anyway, if I see anybody running, I'm going to shoot him and I don't care who he is." So there was this kind of attitude.

Q: You had some more things you wanted to talk about.

BUCK: You had asked me about the CORDS program and about civil-military relations.

I was also the youth and sports adviser. That mainly consisted of going around with and helping the provincial chief of the Youth and Sports Service. Among other things I sponsored sports events for young people. I bought some of the equipment and provided trophies and prizes to give out to the kids. However, I think my main activity was sponsoring a local rock and roll band. They were good kids and they weren't very good, but they were trying. I took them around to some performances and things like that.

Q: Did you run across any cultural or religious objections to this kind of music and the rocking and the rolling and all?

BUCK: No, some of the places we went were way out in the villages, and this may have been something that many people hadn't seen before, that's true. However, they certainly could have heard it on the radio. There weren't many rock and roll bands in the provincial town but they had such music at parties. They were just trying to learn.

Q: Had you had any musical experience?

BUCK: Oh, yes. I played oboe in the band for six years and before that, I played the piano.

Q: Was there a problem translating different tonalities into you know, Vietnamese versus European/American? Was this a problem?

BUCK: Vietnamese music is very well developed. There were a lot of famous singers in Saigon. After 1975, many of them left, went to Orange County, California, where there is an enormous music industry. They sell videos and CDs all over the world.

Q: I was just wondering if you were trying to move somebody to rock and roll

BUCK: No, the Vietnamese were well into it. They're very accomplished and they had gotten into semi-Western music styles under the French. Their popular musical style is a blend of Western and Eastern, although they also certainly had traditional music, mainly for the Chinese-style opera.

Q: What you are saying is that you were there during this 1969, 1970 period, a relatively quiet time in the Delta area, and you could do things like musical programs and sports.

BUCK: It wasn't really a quiet time at all. I would say it was virtually the peak of the war. But our province was more secure than many other places. There were some other areas that were also pretty secure. I mean, government forces controlled a lot of the Delta, especially after the Viet Cong lost so many troops in the Tet offensive of 1968. We and the GVN implemented something called the Accelerated Pacification Campaign, which sought to take advantage of this. There was a lot of conflict going on all over the place. We got some of it around the edges.

But just to give you an example. I said the place was pretty secure, but one time I went on leave, I went on R&R, and came back. While I was gone, the Filipino guy who ran our motor pool loaned out my vehicle, an International Harvester Scout, to some Vietnamese. They had driven it on a road, which I had been on, in the province next door, were ambushed by the Viet Cong and now were all dead. The vehicle had been left out there by the side of the road. I insisted the province send a truck out to get it. They finally did bring it back on a flatbed truck and I took one look at it and decided I didn't want this vehicle anymore. It was shot to pieces. There was blood all over the seat. Two Vietnamese soldiers borrowed the car and took their girlfriends on a joy ride. The women survived, I think, but the Viet Cong not only shot the soldiers, they tied them to the hood of the car and set it on fire. Things like that happened all the time.

Let me move on and talk about what we were doing with the CORDS program. CORDS was a unified command. Prior to the time it was set up, various agencies, USAID (U.S. Agency for International Development), USIS (U.S. Information Service), and others, all functioned independently of the military. CORDS brought everything under military command. The head of CORDS in Saigon and in the four military regions was called the DepCORDS. He was a deputy to the military commander. The USAID Mission in Saigon continued to exist but it only provided technical expertise out of Saigon. Most of the civilians worked for USAID, but once they were assigned to the field they were part of CORDS. The military advisory teams in the provinces and the civilians worked side by side and everyone answered to the same Provincial Senior Advisor.

The other principle was alternation of command. The idea was if a civilian was the head man, then his deputy had to be a military officer. If the top guy was military, then his deputy had to be a civilian. So they alternated it down the line. In our province, the Province Senior Advisor was F. William Small. Small's previous job was AID Mission Director in Burma where he had the dubious honor of closing down the mission in that country. His deputy was an Army Lieutenant Colonel. The DepCORDS in IV Corps (the Mekong Delta) was John Paul Vann. He was a civilian, paid by AID, but prior to that he

was a Colonel in the U.S. Army. [Ed: John Paul Vann was famous, died in Vietnam flying his helicopter, and was the subject of the book A Bright Shining Lie: John Paul Vann and American in Vietnam by Neil Sheehan (1988)]

Let me put these management and organizational things into a little bit better context. You have to understand, here we are in a province where we had about 35 U.S. advisers on the advisory team at the provincial level (not counting the military advisory team) and each adviser had his own vehicle and his own interpreter or assistant. I think I was the only American in the provincial capital who didn't have a Vietnamese assistant, but that's because I spoke Vietnamese well enough not to need one (two other civilian advisers in the districts also spoke excellent Vietnamese).

One thing was obvious: we advisors had more capability in terms of administration and resources than did the provincial government we were supposed to be advising. The provincial government's budget was tiny. They had almost no operating funds and no vehicles at all. The Province Chief, an ARVN Colonel, had a jeep. His deputy, a civilian, had an ancient Citroen, but he never went anywhere. That was it. So if a provincial official needed to go somewhere, about all he could do was get on his own motorbike, and without any security at all. As a consequence, we wound up simply providing transportation for these people. The Province Chief, whose name was Minh, decided to take advantage of this. He conceived an idea which we called the PMAT, Provincial Mobile Advisory Teams, enthusiastically endorsed by our Deputy Senior Advisor, a U.S. Army Lieutenant Colonel. The concept was to send out missions or teams around to all the villages. These teams often consisted of virtually the entire provincial government, that is, the province service chiefs. So every two weeks or so, we would hold one of these PMATs where essentially the entire provincial government would move to a rural village to spend the entire day at that village working with village officials and other local people. There would be a public assembly of all the village people, where the Province Chief would speak, selected service chiefs would outline their programs, and people would ask questions and express their own opinions. They would try to resolve problems on the spot, propose ideas, and so on.

My job was to support the Administration and Public Finance Service Chiefs on these missions. We would look at the functioning of the village government. We would inspect their financial records. I would try to encourage the provincial officials and the village officials to talk to each other, because frequently even that was a problem.

It was quite evident there was a huge urban/rural cultural gap in Vietnam. The urban people who had some education were contemptuous of rural people. They even spoke differently. I tried to get them to show some respect for each other. On more than one occasion the disrespect displayed (often by a rather junior official toward a village elder) was so bad I felt I had to admonish the official for this. The village officials had little education and no training. I think the Viet Cong did a much better job of bridging the gap.

This is not to say the provincial government was very much better. When you went into

the provincial offices, one of the immediately noticeable things was the complete absence of filing cabinets. They had no filing system. Maybe an official did have a few documents in a bookcase behind him rolled up and tied with a ribbon. Also, they were short on typewriters and on people who could type. They had maybe one old mimeograph machine in the province. Perhaps each office or building had one telephone line. I am giving you an idea of what things were really like.

Over all, I think we had a positive impact, however. There was some lasting effect. I re-visited An Giang Province twice in the 1990s. Remnants of some of the old AID projects were still visible at that time. I do think the American introduction of new agricultural methods made a difference.

Q: When you left there in 1970 what was your thinking about wither your province, wither South Vietnam? Your thoughts at that time?

BUCK: Well, I concluded that as long as American forces were in the country there was no way North Vietnam or the Viet Cong could take over the South. By 1971 most North Vietnamese forces were pretty well out of South Vietnam. They were later able to come back in and establish a foothold during the 1972 offensive but that was after the U.S. had withdrawn almost all its military forces. We did provide air support until 1973. However, I concluded that if the United States withdrew completely the South Vietnamese Government probably wouldn't last very long.

Q: How about the fighting along the Cambodian border, the incursion into Cambodia and all that? Did that happen while you were there?

BUCK: That happened while I was there.

Q: How was that viewed and what was the impact where you were?

BUCK: It was tremendously popular among the people. It was probably the most popular thing the Saigon Government had ever done. However, it was very definitely a mixed blessing. I saw the South Vietnamese armored personnel carriers coming back from Cambodia loaded down with all the loot. They had stolen bicycles, TV sets, everything they could grab in Cambodia and the troops were all cheering and waving. It was popular not because they were fighting Viet Cong or Communists. It was because they were fighting Cambodians. That operation was at least somewhat successful, but I believe it was a strategic blunder on the part of the United States. In fact, the North Vietnamese saw it that way and have said so. Expanding the war into Cambodia put an even larger burden on our war effort and resulted in us supporting a coup that overthrew Prince Sihanouk. Sihanouk then went off to China and got Chinese support and the Chinese stepped up their support of the Khmer Rouge. In my view, this inevitably led to the collapse of a weak and utterly dependent Cambodian Government, which was about the last thing we needed. The Communists were using Cambodian territory, but overthrowing Sihanouk (who was the only person in Cambodia with any legitimacy) was incredibly stupid.

Q: You left in July 1970, what was your next assignment

BUCK: I received a cable which said I had been assigned to Ottawa, Canada.

Q: That sounds reasonable. You carry forward your Vietnamese experience. So you went to Ottawa? What were your duties?

BUCK: They put me into an embassy junior officer rotational program, largely for training purposes. I rotated through the embassy's economic, political, and consular sections.

Q: Was it a little hard to simmer down after Vietnam?

BUCK: No, it wasn't hard to simmer down but I must say that it was not very rewarding professionally. I had a good time there. I made a lot of friends and I still have contact with some of the friends I made.

I shared a large house in the diplomatic neighborhood in Ottawa called Rockcliffe with four other single guys. One was a diplomat with the Japanese Embassy, one was an official in the Prime Minister's office, one was from England, and one was from France. We had a lot of parties and social activity. We threw parties for as many as 150 guests.

Q: Who was prime minister?

BUCK: Pierre Trudeau.

Q: He had taken a contrary stance and one that we didn't go along with, but he had his own ideas, very strident. How did this play out from what you were observing at the embassy and our relations?

BUCK: The relations were a little bit standoffish. We had very good contacts with the governmental bureaucracy, the professional government officials, but frankly, the Trudeau Government wanted a bit of an arm's length relationship, I believe.

There was also an ongoing problem for us in the Embassy in that the Canadian officials frequently went directly to Washington. They didn't always bother going through the Embassy.

Nevertheless, the Embassy was very busy. Problems came up all the time and there were a lot of trans-border issues that did occupy the Embassy.

One other thing I could mention along this line, the fellow from the Privy Council, Ross Lambert, had to get special permission from the Royal Canadian Mounted Police to allow him to live in the same house as me because they had some questions about somebody from the American Embassy living there.

Q: The Privy Council being the?

BUCK: It's the equivalent of the Executive Office of the President.

Q: Did you run across conscientious objectors or defectors? Were they a problem for us?

BUCK: I never ran across any Americans in that category or was aware of it. I did run across some hostile expressions from Canadians about American policy on Vietnam and so on. It wasn't very common but it did come up.

Q: Universities tend to be, the faculty tends to be, fairly left wing and generally, the United States is the primary punching bag. Did you run across this?

BUCK: I didn't have very much contact with university students. I did have a lot of contact with young people in Ottawa. Some of them were definitely of a left wing persuasion in that respect. That's certainly true but actually most Canadians are pretty conservative. They think those of us from south of the border are just a little bit too radical (in any direction). One of my housemates invited an official from the Cuban Embassy to come to our party. He thought that was funny, putting us together.

Q: Cuba has been sort of the designated pariah. The Canadians showed that they are not Americans by cozying up to the Cubans. The Cubans really haven't done much with this. They have never given the Canadians much bragging space.

BUCK: Well, you're right. I don't think Canada got much out of it, but for some reason they thought that running an aid program for Cuba was a neat thing to do.

Q: It's a way of showing they're not always with us and all that.

BUCK: Exactly. I did some economic reporting. I did some political reporting. I did a long study on the upcoming elections in 1972, and I drew upon my political science training. I actually studied the demographics of each individual parliamentary "riding." I wound up predicting the election very accurately. I think I only missed it by two seats.

Q: How did the election come out?

BUCK: Well, Trudeau and the Liberals did manage to win but they had a much reduced majority.

Q: Was the feeling that Trudeau had sort of flamed out pretty much?

BUCK: No, he stayed in power after that. He was at his peak.

Some important things happened. I was there during the crisis provoked by the Quebec Liberation Front. The QLF kidnapped the labor minister of the Quebec Government and

wound up killing him. Trudeau lowered the boom on them. It was dramatic. I remember seeing him on television and he said, “These people are a bunch of murderers” and “I am going to get them.” And he did. He did something you can’t do in the United States. He suspended the constitution, suspended all constitutional guarantees, and started rounding up sympathizers and holding them without trial or anything. They arrested about three hundred people, as I remember, and most of these people had no real connection with any violent terrorists. Of course they finally caught the ring leader who was an idiot about 21 years old and not very smart, but there were a lot of people in Quebec, the leftist intelligentsia and some other local leaders, who were giving intellectual and moral support to people like this. Trudeau just absolutely cut the rug out from under them and terrorized them himself. The biggest opposition to him doing this came from the Conservative Party because they complained Trudeau was seriously violating civil liberties. But at least they did restore civil rights after the emergency had passed.

Q: You mentioned the Quebec intelligentsia. They kind of played the same role or they are sort of a carbon copy of what was happening on the Left Bank in Paris. I think they prided themselves in this. Usually, it was a kind of leftism but they were pretty far out, weren’t they?

BUCK: Well, they were but I think this incident helped split off the more radical, violent elements from the moderates in Quebec who realized that they had a lot to lose by supporting people like this. Trudeau really rubbed that in.

The other thing Trudeau did was to bring a lot of Quebec people into the Federal Government, and he required all federal employees to learn French. French became an equal language with English. This was very unpopular with the English employees who suddenly had to go to French classes and of course, the French and English really don’t like each other much. On the one hand Trudeau cracked down on the Quebecers and on the other he rewarded them and in the process took away the radicals’ political base and undermined all their political arguments. Absolutely brilliant.

Q: Who was our ambassador?

BUCK: Ambassador Adolph Schmidt, appointed by Richard Nixon [Ed: serving from September 1969 to January 1974]. He was a political appointee, an heir to the Mellon fortune, and from Pittsburgh. He really didn’t run the Embassy very much. The Deputy Chief of Mission’s name was Rufus Smith, who had the rank of Minister, and who ran the Embassy and conducted most relations.

Q: Did you find yourself chaffing at the bit in a large embassy?

BUCK: No, it’s not a very big embassy.

Q: What sort of role did the consulates perform, we have quite a few consulates in Canada.

BUCK: We did and their role was to handle everything in their consular districts. They did all the consular work, they did all the reporting too from their districts, so Ottawa only handled its district plus the Canadian Government.

One of my jobs was to cover Parliament. When it was in session, I usually went there every day for the question period and would write up a cable about anything that came up that involved the United States.

Q: What was your impression of the parliament and how they handled issues?

BUCK: It was especially fascinating to see and hear Trudeau, an absolute master at the game. The parliamentary system requires the government leader to be very, very fast on his feet, quick thinking, and totally prepared. It's a lot tougher than holding a press conference because the opposition fields very sharp, well informed questions, and always the most embarrassing questions possible.

Q: Was it sort of the best game in town?

BUCK: No, but in those days the Embassy was right across the street from the Parliament. It is no longer, but we had no difficulty going there and making contact with Canadian politicians was pretty easy.

Trudeau was quite a character. They had a big demonstration once in front of Parliament. He went outside and grabbed a megaphone and climbed up on an automobile and started screaming at them. He was screaming, "mange merde" which means "eat shit."

Q: You were there for how long?

BUCK: I was there for two and a half years during which we had a visit by President Nixon, a State visit, in April of 1972 [Ed: April 13-15]. Of course, I was heavily involved in that. One of my jobs was to figure out what to do with, and to deliver, the gifts, because you have to exchange gifts. We decided to display them at the Governor General's residence, which was where the President was staying. I had to make arrangements for getting them over there and to find someone to set them up. I went over there about 5 am because the idea was they would be put on a table as the party came down the stairs or something and they would pass by these gifts. OK. So I went over there early that morning and I had to be transported in by the Royal Canadian Mounted Police (RCMP) in their car. So we were driving down the driveway inside the compound and I saw some guy in a grey suit walking around out there in the yard by himself. He was walking very briskly and purposely. Suddenly we realized it was Richard Nixon, out for his morning stroll at 5 am. No one was with him at all. The RCMP guys looked around and couldn't believe their eyes. Finally, one of them went over and walked with him. I thought it was so funny, a little strange too.

There was another incident too which was also kind of funny.

Henry Kissinger was there and he was single and so they decided to set him up with a date with a local woman. I know about this because actually I knew the girl who was his date. She was the sister of the girl Pierre Trudeau was dating. She was a local television personality. Anyway, she took Kissinger back to her apartment late at night. When they went in, just opened the door and went in, it was embarrassing because her boyfriend was in there waiting for her in bed totally stark naked. She was laughing about it when she was telling me this.

Q: After two and a half, this would be about 1972 or 1973? When you left, where did you go?

BUCK: After that, I went to Washington and to INR (Bureau of Intelligence and Research). The assignment process was a mystery to me. I didn't really have very much input to it. Somebody looked at my background in Vietnam they decided they needed me in INR. That turned out to be a very good assignment because I arrived in January of 1973, just in time for implementation of the Paris Peace Agreement to end the war in Vietnam. I was in the East Asia Office of INR between 1973 and 1975.

Q: When you arrived in INR, you and the other people you were dealing with, how did you view the peace accords? Was it a real positive peace proposal? Was this just a decent interval? What was it?

BUCK: I think it would be better for me to talk about what we were doing, but as far as the peace agreement is concerned, I think it was as reasonable as you could come up with at that time. It was obviously something which Henry Kissinger had been forced to agree to, I think, largely to get our POWs (prisoners of war) back. Also, there were the circumstances of what was going on in the United States, including the Watergate incident.

INR may have had a certain involvement of sorts in the peace negotiations. The U.S. intelligence community had sort of figured out that Kissinger and the North Vietnamese were engaged in secret talks, but in any event, let me talk about INR.

INR has a long history in the State Department. The Department has always had some sort of intelligence organization. It used to be the primary intelligence agency of the United States Government. This was true during World War II, when the Department ran political intelligence operations, for example, headed by Allen Dulles in Geneva. After the OSS (Office of Strategic Services) was abolished at the end of World War II, the entire analysis section of OSS was transferred to the State Department and became INR.

After the CIA was established, some of those people did go to CIA, but many did not and stayed with State. INR had some very, very good people who were right at the top of the American intelligence establishment, especially on the analytical side, the people who handled Southeast Asia especially. Evelyn Colbert and Dottie Avery were among those that I remember. Colbert has been described as "first generation American intelligence" (she was a Japan analyst in WWII, among other things).

Q: I had a long interview with her [which is posted on the ADST website].

BUCK: I served under Colbert. She was head of the Southeast Asia office in INR. Over the years INR had provided a steady stream of intelligence analyses, reports of all types, concerning both the political and military situation in Vietnam, Laos, and Cambodia. The National Security Archive at George Washington University has a lot of material on its web site about the role of INR.

Q: It's called <u>The Mouse that Roared: State Department Intelligence in the Vietnam War</u>.

BUCK: It's a very laudatory article. It says that INR was probably the most cost effective intelligence agency in the U.S. government. Some incidents were historically significant. I knew something about one of them myself. In 1963, Roger Hilsman was the head of INR. He was a personal friend and advisor to President Kennedy, which annoyed some people. In any event, INR's lead South Vietnam analyst, Louis Sarris, did a study using data that had been provided by the Defense Department. He produced a classified report distributed in Washington right after a visit by Defense Secretary Robert McNamara to Saigon. McNamara came back and told the press in his classic McNamara style "By every statistical measure, we are winning this war".

The problem is, the INR report proved, using DOD's own data, that "by every statistical measure we are losing this war". The Pentagon was enraged. I heard the Joint Chiefs of Staff held a special meeting just to discuss this outrageous interference by the State Department. McNamara got on the phone to Dean Rusk. Rusk agreed to instruct INR not to issue any reports concerning the military aspect of the war in Vietnam without coordinating with the Defense Department.

I found out that Sarris still worked in INR. So I asked him about this and he said, yes it was true, and he had a framed copy of the memorandum from Dean Rusk to Robert McNamara hanging on the wall of his house. I said, "Well, I've got the original in my safe" and I got it and showed it to him with Dean Rusk's original signature.

By the time I was there, under the Nixon Administration, apparently any such prohibition had been lifted and we were able to do analyses on what was going on militarily as well as politically. We had four officers in the division. One handled Cambodia, one handled North Vietnam, one handled the Saigon political scene, and I handled pacification and just about everything else.

Shortly after the peace agreement went into effect, we decided to do a report on how things stood in Vietnam. As part of this, I prepared a map which showed the areas in South Vietnam which were held by Communist forces at the time of the ceasefire in January of 1973. I based this upon reporting from CIA and the Defense Department. In many cases we had exact map coordinates. There was a front line in the northern part of the country where the two sides were facing each other. In other areas there was some back and forth but we knew pretty well from many sources where the contested areas

were. So I prepared this map and I put it into an intelligence report. By the way, the map has been published. Frank Snepp included it in his book called *Decent Interval,* and I know that because I recognized it in the book and also because I gave it to him. I did not give it to him after he was out of the government. He came over to INR and he was still in CIA and I gave him a copy of the report. I was also instructed to brief selected reporters, including from *Newsweek,* in general terms (without giving them the map however).

Q: What was the map showing at that time?

BUCK: The map caused an uproar in Saigon. Ambassador Graham Martin was not pleased, to put it mildly. He was furious because his view was that we should not be conceding an inch anywhere. As far as he was concerned, the Communist forces didn't control anything. He argued no U.S. government report, even classified top secret, should ever say that.

Q: What was the strategy? You were supposed to be analyzing and you have an ambassador who is denying the obvious. You know, it doesn't have to be, one side is losing but you've got to know who's got what and doing what in order to make a realistic appraisal. This must have been skewing things all over the place, wasn't it?

BUCK: Well, it certainly was in Saigon. That is all covered extensively in various books, including the one by Snepp. It had some effect in Washington also.

Q: Would you talk more about that? In other words, if you have an ambassador with a skewed view of the situation, were you aware of what was really happening, you and others? Was this being fed to the right people?

BUCK: Yes. The U.S. Government didn't have many intelligence sources that were really reliable about North Vietnam. We did have a few useful sources in South Vietnam. One source in particular gave some insights but there was a debate in the intelligence community about the reliability and the correct interpretation. We were able to get Communist Party resolutions and things like that which were disseminated to provincial party committees and were briefed to cadre.

Another good source was Americans working for the CIA. The CIA employed a former U.S. Army officer who went all over the country getting briefings from South Vietnamese officers. They would give him a full military briefing on the situation in their sector. He then wrote it up, including military map coordinates, so that is where we got a lot of information.

In addition, the Defense Attaché Office in Saigon, although prohibited by Martin from reporting directly, was sneaking stuff out.

Q: Was this sort of letters home? I mean letters back?

BUCK: No, they were unofficial reports hand carried back to Washington.

Q: This is the thing. If somebody is trying to sit on something, the system won't stand for it, the people in the system.

BUCK: Yes, it leaks out. It eventually does. Ambassador Martin was trying to restrict it as much as he could because many times things were not going the South Vietnamese way, but there was no way of censoring the whole thing completely. It was just too obvious.

In the early months of 1973 the NVA (North Vietnamese Army) sort of stood down. They had agreed with Kissinger to withdraw some of their forces. One of my tasks was to brief Bill Sullivan, the Deputy Assistant Secretary in EAP responsible for Southeast Asia. I gave the INR briefing in the morning to Sullivan and the Office Director and desk officers who handled Vietnam in the East Asia Bureau. It was useful for us as well because we could pick up tidbits of information. Sullivan, after all, was the lead negotiator of the Paris Agreement under Kissinger's direction. He told us some details about the troop withdrawals which the North Vietnamese had agreed to. He was very interested that we monitor the North Vietnamese forces and we could do that because of U.S. communications intelligence. We did have very good information on the disposition of their forces. We monitored infiltration into the south, and we had maps which showed this, I think with a high degree of accuracy.

Let me say some more about the Intel. I ran across this recently in something I read. Many American officers didn't have full information because of the classification, so there were a lot of guys who served in Vietnam at different times who never really knew or understood what they were up against. They were never really shown the true order of battle, even when we knew it. The North Vietnamese had several elite reserve divisions that were available for intervention in the south when the time came. We also knew there was no unit in the South Vietnamese army that could deal with these heavy, Soviet-style armored divisions with tanks, armored personnel carriers, long range artillery, and their own mobile anti-aircraft weapons. All of the South Vietnamese strategic reserve was fully deployed and already tied down. The NVA even planned to provide close air support with their air force if needed. So this was going to open up an entirely new phase of the war when it actually happened. Much of our intelligence effort was focused on what was happening with these units, which were in North Vietnam, some stationed in Laos.

Q: Essentially, a lot of this business was done through communications intelligence. In other words, we're eavesdropping and intercepting messages and with these, you can put this all together and come up with a quite accurate picture of what's going on. I remember during the Korean War, I'd been trained in Russian and we used to listen to the Soviet air force along the DMZ, which was fighting our air force. We knew what we were up against. Word of this really didn't get out to the general public or to many of our people who were fighting because it was top secret/codeword. In a way, it is almost counterproductive.

BUCK: It is, in a way, sometimes counterproductive because of the security restrictions. Senior commanders are supposed to know this but what if they don't tell their subordinate commanders? It's kind of up to them to do it.

At any rate, the South Vietnamese took advantage of the ceasefire and started what the other side referred to as a "land grab" campaign. The South Vietnamese had some success. They were able to retake many areas the PRG, the Provisional Revolutionary Government, had occupied on the eve of the cease fire. They re-took over 300 hamlets in a number of areas. Incidentally, there was a battle of flags. When the ceasefire went into effect, suddenly a lot of Viet Cong flags had appeared.

This gradually turned into numerous escalating conflicts. We put into our analyses that the South Vietnamese were doing this and we had to be careful what we said about it, but it was our view that this wasn't the brightest thing in the world for the South Vietnamese to do. We believed South Vietnam was in an inherently strategically, extremely vulnerable situation, that they really couldn't defend the border areas, they couldn't defend the Central Highlands, and if we cut back support (and the U.S. Congress was cutting back support), they were going to be in very serious trouble.

The peace agreement actually called for the formation of a tripartite government at some point. So what was going on here was South Vietnam was trying to consolidate as much as it could but what was to be the next step? That was the question mark.

The North Vietnamese forces, as I said, had pulled back for rest and refitting. They were training for the next phase. They were kind of holding off the South Vietnamese with their third string but gradually the level of fighting got worse. At the same time, the North Vietnamese were building roads. They made the decision to do this in 1973 and because of the end of our bombing they were expanding the Ho Chi Minh Trail dramatically. It was no longer a trail; it was a network of roads through Laos, Cambodia and Vietnam. These roads were upgraded into actual highways. By 1974 they had 10,000 kilometers of roads going into the south.

I remember aerial reconnaissance photographs in which analysts had counted 10,000 North Vietnamese trucks on these roads. They were literally lined bumper to bumper from Hanoi all the way down to the outskirts of Saigon. It was unbelievable, really.

In addition, South Vietnam's economic problems were getting extremely serious. This was partly because of the drop in U.S. aid. The fact is South Vietnam at this point didn't have anything to stand on economically, except U.S. assistance. I don't think they had any exports. They certainly had agriculture but they had no real source of revenue, so with the amount of assistance we were giving them, it was simply not enough to maintain an army of a million men.

Another big thing a lot of people don't realize, although I have talked with Vietnamese who were there who brought this up, is the impact of the Arab oil embargo in 1973. The

resulting price rise was a disaster. The farmers had learned to rely upon on these little one cylinder pumps that were pumping water for their rice fields and which we encouraged. Suddenly, the price of fuel went up and it was no longer economic and viable to do this and they had to start abandoning these things. Rice production fell. It just devastated the economy.

I mentioned reporting from the DAO, the Defense Attaché Office in Saigon. The DAO did a survey which showed that a South Vietnamese sergeant's income was not sufficient to buy rice for himself for a month, let alone provide it for his family. The Vietnamese were losing equipment. Desertions were increasing. Manpower was dropping and many units were under strength. Morale was just plummeting. Some of the soldiers were having to sell their equipment in order to get enough money to live on.

I believed the North Vietnamese had concluded that the South Vietnamese army, the ARVN, could fight small and medium battles but really could not contain a major offensive on its own. They came to this conclusion as a result of two events (we put this into our reports). One was the incursion of South Vietnamese forces into Laos (Operation Lam Son 719) and the second one was the 1972 offensive. The ARVN operation in Laos was a total disaster that displayed clearly the weaknesses of the South Vietnamese Army. Although the South Vietnamese were able to blunt the 1972 offensive, they relied on massive U.S. airpower.

As I mentioned, we were tracking the infiltration from the north. About 100,000 NVA troop replacements went south during 1973. They did have some problems transporting heavy munitions along the Ho Chi Minh trail. They had a shortage of ammunition for large caliber artillery.

Nevertheless, their heavy artillery turned out to be an important factor in the offensive of 1975. They were equipped with Soviet 130 and 122 millimeter field guns which significantly outranged the South Vietnamese artillery but they were worried about the amount of ammunition on hand. I didn't know this at the time. Accounts from North Vietnam in recent years indicate there was a shortage even back in North Vietnam. This was because the Soviets and the Chinese were reducing their aid. That was something we had a little bit of an inkling of but I don't think we fully understood the significance of it, especially with respect to the Chinese.

Q: You were the analyst dealing with this; I mean, you were a civilian. You were in the State Department. I would think this would be the province of our military.

BUCK: Well, that's what I was alluding to before. That doesn't mean a civilian can't do it. After all, the analysts in the Defense Intelligence Agency are civilians.

Q: I understand that. Were you at this stage running into people saying, "You can't do that. That's my province."?

BUCK: No, actually, we were not. INR and DOD wound up on the same side on a lot of

these things. As far as my own ability to do this, I had picked up a lot of knowledge in Vietnam. All the American civilian people, AID, State Department, CIA, who served in South Vietnam had to serve right next to the military. There was really no alternative. In the province I had been in, there was a move to phase out military advisers and one of our districts became the first in the country where military advisers were withdrawn and one civilian was left who still had to advise the South Vietnamese on security matters. Incidentally, the New York Times did a story on that civilian at the time.

We knew the North Vietnamese were planning something because the situation was getting much more acrimonious. The level of the conflict was increasing and we did have some intelligence about them working on plans for an offensive. At that time someone in the White House decided they wanted an NIE, a National Intelligence Estimate, on this. A National Intelligence Estimate is a coordinated intelligence community product to address an important issue. It is a formal assessment of what we think is going to happen. I don't think it was something Graham Martin in Saigon wanted. In the spring/summer of 1974 the National Security Council Staff requested an NIE on the likelihood of a North Vietnamese offensive.

The topic of this one was whether there would be a North Vietnamese offensive against South Vietnam, when it would take place, and what might be the outcome.

I was the representative chosen to negotiate and help draft this estimate on behalf of the State Department. I spent about one month working at CIA with CIA and DIA analysts. Well, CIA took the position that there was not going to be a big offensive and even if there were, the South Vietnamese could contain it. It wouldn't be a disaster, in other words.

I did not agree with that and the Defense Department also did not agree. So State and DOD prepared a dissent. Now, this is an interesting question; how is it that the CIA always gets to be the majority opinion, even if it is in the minority? CIA would write the "majority opinion" and then we would write a dissenting footnote. I drafted the footnote for the State Department.

Well, one day I was called into the office of the Assistant Secretary, the Director of INR who was Bill Hyland. He was highly perturbed. "What the hell is this? What are you doing? Where did you get all this?" It seems Secretary Kissinger had found out what we were doing and raised hell with Hyland. Hyland said, "I want to see the proof of all this." So I went back to my office, got about 20 or 30 choice reports, took them up to him, with key passages underlined. Well, he didn't want to look at that, so he took a red pencil, drew a big "X" over the wording I had come up with and said, "OK, we are changing our position on this. This was not a coordinated position of the State Department." Of course, my superiors in INR had approved all of it but he claimed not to know about it.

Then I had to go back over to CIA to recant. I thought that was going to be very embarrassing and I thought people were really going to roast me over it. No, absolutely not. When I told them what had happened they said, "Ralph, there is not a person in this

room that this hasn't happened to at least once before. They said, "That's OK. We'll fix it up." We finished up the whole thing. The State Department joined the CIA's position. The Defense Department inserted its dissent and that was it. We broke out some beer and we had a little party. Finally one of the CIA guys spoke up and said, "Now that this is all done, this is totally off the record, but I just want to know is there anybody here, one person here who really believes one single word of what we just wrote?" And not one person raised their hand.

Why do I mention this? Well, first of all, I knew what was going on. I knew that Henry Kissinger (and others) did not want to provide Richard Nixon or his successor Gerald Ford with an excuse for re-intervening in Vietnam. So that's why he wanted this whole thing just tamped down. But I also thought it was pretty bad when you write intelligence assessments where in effect we are lying to the President of the United States. That's what we were doing. I don't think that's a good idea in any situation at all.

Q: Was there any talk or slippage, there must have been people saying, "To hell with this. This is wrong. People at the top should know it's wrong." Was this one of these things where as we have seen in Iraq where the president didn't want to hear anything bad either?

BUCK: I don't know. President Ford was in the hot seat, but how much he didn't want to know is a question. He was in a conflict with the Congress over the whole issue of aid to South Vietnam. I think some people were looking to manipulate history, trying to say, "Oh, we didn't know this because nobody told us. How could we possibly have known?"

Q: Robert McNamara was renowned for his sort of "nobody told me about the bad news in the Vietnam War" when it was absolutely, patently false. He was getting reports particularly from the State Department about things but he didn't want to hear it.

BUCK: That's right.

Q: It also points out the career you might say INR being closely connected to policy. The people in the field and the people in INR are a pretty close connection and talk to each other as compared to the military where you want to make the military discipline because you have to give the right word. This often distorts the intelligence evaluation.

BUCK: This is why INR was in kind of a unique position in the intelligence community. Precisely because INR was sort of ignored, its analysts could get away with saying things that other people couldn't. (Actually, sometimes CIA analysts would privately encourage INR analysts to put in something that they couldn't say). Unless something might come to the attention of Congress or the public, INR could get away with an awful lot. And of course getting to the public would be rare, because of the high classification on almost everything.

Let me point out one other thing that I learned during this time about the 1973 Arab-Israeli war.

Q: That was the Yom Kippur War?

BUCK: Yes. After that war, an inter-agency committee was set up to investigate the performance of intelligence agencies, both before and during the war. It was headed by a Marine Corps Colonel, who interviewed me and many others. He said they had been quite impressed by the work INR had done, considering the resources available. INR did divert practically everybody they could spare to cover that war. He thought much of INR's output was better than that of CIA and DIA. There was something else too. I believe in August of 1973, INR wrote an intelligence report that said that the Egyptians and Syrians were planning an attack on Israel. I don't know exactly what it said but it gave enough detail that it should have been considered a credible report. It was totally ignored.

Along with this there was something else that I found quite strange. There were investigations in Israel after the war that seemed to touch on this, but I can only tell you about my own experience. One of my tasks at times was to attend the weekly Watch Committee meeting. This is a meeting held in the most secure room at the Pentagon, the purpose of which is to review any intelligence concerning possible military threats to the United States or to any friendly country. Most of the meetings were incredibly boring. The military went on and on about such things as emplacement of mortars close to the Guantanamo Base in Cuba and stuff like that. The day after the 1973 war began, I went to the record we maintained on these meetings. I was just curious about what had happened at the Watch Committee meeting the previous day. I can tell you that on the eve of the attack, there was absolutely nothing, not one word was mentioned about any impending action.

But it is not true there was no intelligence. We and the Israelis both had been tracking the buildup of Egyptian forces for months. The Egyptians were massing troops on the border. It wasn't even all that secret. I believe the Israelis decided for some reason that they were going to downplay this and they communicated this to the CIA and CIA backed them up on it. So here again, we see a deliberate effort to manipulate intelligence to suit some political purpose. They wanted to be able to say they didn't know about it.

Q: This is a real problem. You've got wheels within wheels, within wheels. This is straight forward. This is intelligence but does the intelligence do what certain parties want it to do? They want to manipulate it.

BUCK: Well, this is the thing. It's highly political and it's often difficult to figure out, even for those of us working on the issue. It is often difficult to figure exactly what the political wheels are and what is going on behind the scenes. You can kind of guess but intelligence analysts themselves often don't really know what is in the minds of our own leaders.

I do believe intelligence officers have a responsibility to tell the truth and call it as they see it, instead of trying to please their superiors by telling them something they want to

hear but which they know isn't true.

Q: You were with INR until when?

BUCK: I would like to finish up this subject by talking about what finally happened. The North Vietnamese military command drew up a plan for victory in the south. We know now it was presented to the Politburo in September of 1974. At the time, we had reporting that indicated something like this was in the works. We didn't have a copy of the plan, but we had some derivative briefing materials which talked about two stages: the first to change the balance of forces in their favor, to control more land area in case some coalition government was set up. Then the second stage would intensify the fight.

I think they didn't really plan for the general offensive to take place until 1976. They were under some pressure, but in early 1974 they weren't really thinking of a knockout blow in 1975.

What happened was the South Vietnamese just began weakening to such an extent that they had to advance the timetable.

One thing I didn't know then, but have found out since, is that the North Vietnamese had excellent strategic intelligence from a source in South Vietnam. Of course, we now know who this was: Pham Xuan An, the top Vietnamese employee of Time Magazine in Saigon. After the end of the war he was promoted to Colonel in the North Vietnamese Army and given the country's highest medal. The information he provided must have been extremely valuable. He gave his masters in Hanoi a report about the same time we were writing and finishing up our NIE. This report, from the South Vietnamese General Staff, said if U.S. aid was cut to 900 million dollars they would lose all the first military region, or Hue and parts north. If they only got 750 million, they would lose both the first and second regions. The report said SVN had been forced to ground over a thousand aircraft because of lack of fuel and spares. The army strength had fallen by 200,000 troops and they were being forced to withdraw 25 to 30% of their outposts. That information was absolutely critical. It encouraged Hanoi to advance its plans.

They changed the plan to speed up the launching of an offensive in the Central Highlands in the period of March to June of 1975, which would be followed by increased military operations on the northern front, but they still expected the final offensive in 1976.

INR wrote its own analysis about this time. This was prepared shortly after I left the office in January, 1975. My successor wrote it and said there would be a large NVA offensive, starting in the Central Highlands in the spring of 1975.

Eventually, the assault began at Ban Me Thuot in the Central Highlands.

Q: Did you have any feel for the role of Congress which was just basically cutting off supplies? Was INR, was this information you were getting, getting to Congress or was it considered the enemy or wasn't interested. Just forget the whole thing. Had they written

South Vietnam off?

BUCK: As I recall, I don't think Congress had written SVN off completely but they had cut back on the amount of aid and I cannot swear on this, but I think we gave them $700 million or that was the budgeted amount for 1974. That was below what the South Vietnamese said they needed and probably did need.

We had transferred a tremendous amount of military equipment to South Vietnam by the time the peace agreement went into effect. We left much of our equipment behind and we brought in some more equipment and supplies. I don't think the South Vietnamese had a big shortage of some things but I think one of the problems was we had equipped them for an anti-insurgency, anti-guerrilla type war. We really didn't anticipate at that time a large scale, conventional war. The South Vietnamese wound up with almost no tanks, certainly none that could do battle with a Soviet T-55, artillery with inadequate range, and they had no anti-aircraft weapons at all. They evidently did not have enough anti-tank weapons. The NVA just drove their tanks straight down Highway 1 on the coast. It took them a while to get there. That's one of the reasons the end didn't come quite so quickly in Saigon as some people had thought.

It's kind of funny; in the beginning we had to re-train the South Vietnamese how to fight a guerrilla war and then in the end when we pulled out, suddenly they were back to fighting a conventional war. Both ways it worked against the South Vietnamese.

However, I think the cut in economic as well as military assistance was decisive.

Q: You left INR in 1975? When, January? What was your feeling when you left? Wither South Vietnam? Did you see the end or what?

BUCK: Absolutely. They were going under. They were dead.

Q: Were you aware of any plans to save our Vietnamese friends and all?

BUCK: Well, I certainly know that some of the Foreign Service people went back there and desperately tried to get their friends and counterparts out.

Q: Was there anybody you know of making real plans, rather than sort of doing it on their own?

BUCK: No, Ambassador Martin had largely stopped that. He did not want any advance planning for an evacuation.

Q: I am trying to go back to the time. Were you all seeing Martin, at least from an American point of view, as part of the problem and not of the solution?

BUCK: I knew Graham Martin. When he came back to Washington several times I was his briefer. I met with him at least two or three times, just one-on-one. He was very

gracious, he had a southern charm, but he was also one of these people that made you very uncomfortable because you had the feeling this guy would stab you in the back. He was a real operator. He played his cards very close so you couldn't figure out what he was thinking.

I do remember at one time, he said, "Well, you think the North Vietnamese are ten feet tall, don't you?" And I said, "No, I don't think that." I told him that most NVA troops that are sent to the South have an average of two months training. Many of them had never even fired their rifle or maybe they've fired three rounds. Most were not very well trained, but the North Vietnamese did have some elite forces in reserve that were very good, very professional. The ones they sent to the South on a daily basis took most of the casualties and were not great soldiers but they obeyed orders. The thing is, I said, "South Vietnam is facing an almost impossible strategic situation. They are outdone at the highest level and in many, many other ways." He didn't disagree with this.

Q: Where did you go in January of 1975?

BUCK: I went to economic training, the six month economics course at the Foreign Service Institute.

Q: How did you find that, after dealing with the major problem of the day?

BUCK: I knew that South Vietnam was lost and I just basically wanted out of this so I decided to become an economist, an economic officer. I liked the training.

Q: How did you avoid not being hauled back when the peace treaty was signed in 1973, being assigned to our consulates general? The Department sent everybody who could speak Vietnamese.

BUCK: Yes, but because I was in INR and working on the war and everything, they didn't want to send me back there. They wanted to keep me in INR.

Q: After the Econ course in July 1975, how did you view being an economic specialist?

BUCK: Much of the rest of my career was in economic issues and policy, so, yes, I can say that I enjoyed that. I was one of the few in our class who graduated from the economics training with a grade of "distinction" or "A" equivalent. I found that I could do the mathematics easily enough and I had some aptitude for it.

Q: As you were going through the training and all, did you find any particular facet of economics that particularly grabbed you?

BUCK: I was interested mainly in issues of economic development; macroeconomics, stabilization, and international finance.

Q: While you were doing this, were you casting your eye on any particular part of the

world?

BUCK: After the training I was recruited by EB, the Bureau of Economic and Business Affairs, which sounds reasonable, to go from economics training to EB. The office I worked in was called Special Bilateral Affairs, which was an office set up to coordinate the work of joint economic commissions. Joint economic commissions were intended to coordinate and discuss a wide range of issues at a high level directly between U.S. departments and ministries of other countries, the purpose being to find solutions to various problems that were inhibiting trade and investment. I believe it was an initiative undertaken under Dr. Kissinger, although I do not know just how he saw this, or what would come out of it.

The problem was that most of these commissions wound up becoming moribund. Our office wound up recommending its own dissolution and was abolished while I was there.

I did organize several bilateral economic meetings. I managed one with Indonesia and one with Egypt.

Q: You were doing this sort of within the bounds of EB; was Frances Wilson [Ed: served as Director of the Office of Executive Director, EB/EX] still in power when you were there?

BUCK: Tom Enders was EB Assistant Secretary from July 1975 to December 1975, followed by Joe Greenwald, February to September 1976, and then Jules Katz became Assistant Secretary in September 1976.

Q: Frances was a civil servant in personnel for many years and may have been gone by the time you were there. She was a real power. She had her boys and she really looked after the Economic Bureau as far as getting the right people and seeing their careers prosper and all that. She really had done wonders from a rather humdrum position.

BUCK: I didn't have any dealings with her. I must say EB didn't do a thing for me.

Q: How long were you doing this joint commission thing?

BUCK: I was there a little over a year. While in EB, I took courses on my own at Georgetown, and then I got an assignment to university training. I earned a master's degree in economics at Georgetown University.

Q: Any particular type of Economics?

BUCK: International trade and international finance, but of course I took all the theory and other courses required for the degree.

Q: Did you find the approach there overly academic compared with somebody in the field? Or was it fairly straight forward?

BUCK: The core courses were strictly academic theory, in macro and micro economics, plus trade theory and monetary theory. I took two courses in statistics and econometrics. Then they had some that could also be taken by undergraduates, often taught by prominent people outside academia. One was on the economics of the Middle East given by an Egyptian economist and one was on agricultural economics given by a former Assistant Secretary of Agriculture. There was some interesting stuff.

Q: Where did you go? What happened after that?

BUCK: In March of 1978 they assigned me to Tehran, Iran, to be the joint commission officer in the economic section.

Q: You couldn't have been there too long.

BUCK: I think eleven months.

Q: What was the situation when you got out there?

BUCK: A couple of interesting things happened before I arrived there. I took an area studies course on the Middle East at the Foreign Service Institute because I really hadn't had much experience in the Middle East. I did not have language instruction in Farsi at FSI. I took Farsi classes at the embassy but I didn't have any Farsi before going.

A strange thing happened at FSI. A well-known professor came to talk to our class about Iran. I have forgotten who, maybe it was Marvin Zonis or James Bill. He was an Iran specialist. A number of people who were not part of the course came in to hear his lecture. But I was quite disappointed. This guy spent the entire time talking about someone named Khomeini. This was in December 1977 or early 1978. Basically, he said this Ayatollah Khomeini living in Iraq was going to return to Iran soon and he was going to overthrow the Shah. Everybody thought this was absolutely nuts.

I mention this because, clearly, this professor was extremely well plugged in. How he knew all this, I do not know, but he definitely knew things were being planned. He somehow had advance knowledge that something big was being orchestrated.

The other thing is the Iranian students here in Washington were very active and were agitating quite openly against the Shah. They had signs posted all over town about meetings. They were organized and had been mobilizing to oppose the Shah. Almost all these people were here on Iranian Government scholarships.

Q: At the time you went out there, was anybody telling you or were you feeling we are on the brink of revolution and the Shah would not be around very long?

BUCK: As soon as I got to Tehran, I met with the head of the political section at the embassy and told him all of this. I told him what was going on with the Iranian students

in the U.S. and he just dismissed it. He said, no, the Shah has it all under control. Don't worry about it. They're just kids blowing off steam. They can't do a thing to the Shah. His military is strong and very loyal. No one is going to be able to depose him.

Q: What about other people you were talking to? Did they realize they were on the brink of a volcano? Were you getting that feeling?

BUCK: The short answer is, no, if you are talking about the embassy. Honestly, I don't really know what the political section was reporting at that time. I was assigned to the Economic Section, but as soon as I got there I found out the ambassador, who was William Sullivan, had himself abolished my position and assigned the joint commission work to his own staff aide. I was really angry. I was ticked off. I called personnel in Washington and said, "Look, you sent me over here for a job that doesn't exist?" And they said, "Well, yes. We know the ambassador did that but we don't agree with him." I said, "You can't disagree with an ambassador on something like this. It's impossible." So they said, "Well, you know, the only job we have right now is a position in Saudi Arabia. You could go over there if you want to." I said, "I don't want to go to Saudi Arabia. I don't know any Arabic and I don't know anything about the country."

People at the embassy then scurried around and said, "Don't cause waves, you know, we'll give you a job." I didn't want to have to move to another post. I had all my household effects over there already or in transit, including my car.

I thought, well, I would just move into the Economic Section and do whatever work there was. I have to say that was, even looking back on it now, I think the strangest embassy I have ever been in. Every other officer in the Economic Section, besides the Counselor (head of section), had the title of "Attaché". They all said they worked for other agencies and were under the direction of other agencies. We had a Financial Attaché; he was a State Department officer but he made it clear he worked for the Treasury Department. He did all the macro economic and financial reporting. We had the Commercial Attaché, who worked for the Commerce Department. We had an Agriculture Attaché. There were other attachés.

The Economic Counselor [Ed: Roger Brewin?] had almost no one under his control. And believe me, this came up. At staff meetings the Counselor would say, "You know, we have a requirement on this, a required report on that." One of the required reports was on minerals, long overdue, and he couldn't find anybody to do it. One officer had been assigned the task, and the Counselor would say, "How's the mineral report coming?" He would reply "Oh, the minerals are still there in the ground." "Well, when are you going to do the report?" "I don't know" was the answer. And that was it. It was never done.

Q: What did they do with you?

BUCK: They said "We've got a position for you. The Foreign Service Officer position at the Trade Center is opening up and we want to move you into it."

After some consideration, I met with the Ambassador and he and others talked me into it. So I went over there and worked at the U.S. Trade Center run by the Commerce Department for about four months. I was actually given the task of organizing and promoting two exhibitions of U.S. products by U.S. businessmen. We had to ensure good promotion, advertising, and invitations to the right people, to get good turnout and sales. In addition, the Ambassador and DCM (Deputy Chief of Mission) wanted me to revise and update something called the Iran Sectoral Survey, which had originally been done by a contracted market research firm. The Embassy (or Commerce Department) did not have money to hire an expensive consulting firm to carry out this rather formidable task and the document was useful but out of date in rapidly changing Iran. It was a detailed survey of sectors of the Iranian economy for the purpose of identifying best prospects for American export sales and investment. This would involve traveling around the country and interviewing business people and collecting and presenting data to prepare reports on each sector, like "textiles," "telecommunications," "electric power," etc. There would be a chapter on each sector.

I starting working on the survey in the summer of 1978. This is important because my very first trip coincided with the start of the Islamic revolution. I went to Isfahan, the second largest city in Iran, and that's where it started. I was right in the middle of it, literally.

Q: How did it go? What did you experience?

BUCK: I was across the street from the largest hotel when suddenly a mob came down the street. I ran along with the mob for a while because I couldn't go against them. It was a hoard of men of all ages carrying clubs and other things. I found this doorway and the shopkeeper motioned me inside to take shelter. The mob stopped and immediately began smashing windows and throwing Molotov cocktails through the windows to set the hotel on fire. Just as quickly as they had appeared, they suddenly disappeared. No police, no military came. Just silence and flames coming out the windows. I left and walked back to my hotel.

The next day the Governor of Isfahan declared martial law and put tanks into the streets. I had the feeling there was more to this than just an isolated incident. Why did it take a half an hour or more before the police showed up?

Then I went on to Shiraz and met with our Consul General and other people. There was no problem in Shiraz, but the CG had been doing some reporting from his post about growing general opposition to the Shah.

Q: Who was he?

BUCK: Victor Tomseth. He later was made Counselor for Political Affairs at the embassy and was one of those held captive at the Foreign Ministry in 1979. He was kept in Iran and transferred to the embassy because he had developed some good contacts and had done valuable political reporting from Shiraz about the developing crisis.

Let me describe the overall situation in the country.

As I said I was talking with business people and I discovered there was a huge problem with corruption, which had reached levels extraordinary even for developing countries. Not only was there corruption in the government, but it extended into the private sector. One of the companies I visited was a textile company that had been taken over by the national bank. The bank had contracted with an American firm to provide management and try to get the firm back into the black. The Americans were now running this company, although it was an Iranian company. They told me the owner, who was a high-ranking military officer, had gotten low interest loans from the bank which he had not paid back. He had gone off to Switzerland, had bought all kinds of expensive textile equipment, then raked off a third or more of it for himself. He drove the company into the ground. That sort of thing was going on all over the country. Everybody was furious about it and blamed the crowd around the Shah. People felt something had to be done because the Shah's family and friends and top military officers were robbing the country. Many of these people did not even live in Iran, but were living in Germany or Switzerland because they had made millions of dollars and shifted it abroad.

When I got back to Tehran, the revolution had already started there as well. It was not as intense as what I had seen in Isfahan but groups had gone around torching movie theaters, and restaurants and bars where alcohol was served.

At this point, I moved back from the trade center to the embassy and started doing economic reporting. What I did was to call up business people, contacts I had made and ask them what was going on. What was the situation in their company, what were they observing? I tracked the strikes and demonstrations that were spreading throughout the country and were paralyzing the country because almost everything was being shut down. Strikes were taking place in almost every government ministry. The customs people were on strike, the airport people were on strike. Private companies could barely operate. I was calling my business contacts daily to get the latest news and was filing a cable almost every day about this.

Q: Well, in a way you say you were filing cables but where you under the impression not to report bad things about Iran. You were reporting really bad things. Did you feel any pressure?

BUCK: No, I didn't. Everything I reported went straight through. I don't know if any restrictions, whatever they were, were loosened a little bit or whether just because it was economic, I was able to get away with it. No, there was no censorship or restriction on what I was reporting.

Q: Were people at the embassy talking about the collapse?

BUCK: Yes, they weren't so much talking about the collapse of the Shah as they were very, very concerned about what was going on concerning our own physical safety and

that of other Americans in the country. A lot of people thought the Shah might have to leave the country, but I think many people were thinking, well, maybe we could establish friendly relations with the new government, whatever new government does take over here.

At this point, the revolution in Iran did not appear to have an anti-American tinge to it. You did occasionally see something like that but for the most part, no. As you know, there were increasingly large demonstrations, hundreds of thousands, even millions, of people in the streets on occasions like the Shia holidays. It was obviously way beyond the ability of the government to control. I would say that I don't think the embassy had very good contacts with the kinds of people who were leading this thing. They had contact with opposition figures, some of the old line leftists and socialists, but those people really weren't part of it.

Q: Was there concern about too many Americans working for Bell Helicopter or other companies? I mean, just working class Americans, mechanics and others who were a bit rowdy, not the greatest representatives. Was this a problem?

BUCK: You have probably heard about this, and yes, it was a problem. Bell Helicopter people had a bad reputation and there was resentment against other companies too. There were incidents. There was a red light district in Tehran staffed mostly by Asian women. Somehow the old Saigon scene had been transported to Tehran. Most of the guys at Bell Helicopter had been military, had been in Vietnam. There was a case of guys driving motorcycles through a mosque. There were any number of things.

Q: What was life like for you?

BUCK: For a while there it was very good. There was a lively expatriate community and we had a little organization of expats that took field trips. It was not bad.

Q: What was the end game for you?

BUCK: Can I read something I wrote? I don't even remember exactly when I wrote this. Every document I had was lost in the embassy but I found this piece of paper which is an outline, handwritten right after I left Iran.

I. Elements/forces behind the revolution

A. Terrorists
1. Mujaheddin e Khalq
2. Fedayeen e Khalq

B. Liberals – National Front?
1. Karim Sanjabi spurned by Khomeini
2. Students in Iran and abroad

C. Bazaar Merchants

D. Shiite Clergy

1. No strong line between religion and politics. History of martyrdom and struggle. Each holiday of mourning (on 3rd, 7th, and 40th days) an occasion for more demonstrations and new martyrs. Soon almost every day.

2. Who is an ayatollah? One with the greatest popular following.

3. But not all clergy joined in. Some poorly educated ones from rural areas and representative of lower classes were very radical. Others like Shahriat-Madari and Shirazi were more moderate.

4. Khomeini untainted by compromise. In 1960s he opposed immunity for U.S. forces in the Status of Forces Agreement.

E. Intellectuals

1. Anti-western for a long time. All sorts of conspiracy theories. Abol Hassan Bani-Sadr, for example.

2. Ali Shahriati most important. PhD, Paris, Algeria. Blended Marxism and Islam. His books are everywhere in Iran. Wanted to liberate the people from the material West (also to reform Islam).

F. Almost everyone else. Even middle class people with much to lose opposed the Shah.

1. Anti-western, end to foreign domination
2. Economic reasons – inflation, social ills, delays in development projects
3. Corruption
4. Foreign policy – Shah providing aid to Israel

G. Shah began liberalizing – people no longer so afraid to speak out

II. Revolution began in Qom, January 8, 1978, touched off by an article attacking Khomeini.

A. Martial law, Isfahan, August 1978
B. Shah did not crack down immediately – US influence?
C. Huge marches in Tehran
D. Sept. 8, Bloody Sunday in Jaleh Square
E. Nov. 4, Burning Sunday
F. Dec. 10, Ashura. Millions of people marching
G. Late Dec. Shahpour Bakhtiar accepts Prime Ministership
G. Jan. 16, 1979, Shah leaves Iran
H. Feb. 1, 1979, Khomeini returns to Iran
I. Feb. 14, 1979, first attack on the embassy

J. Violence spreads
K. Second attack on the embassy in November and hostages taken

III. Could we have foreseen it?

I need to explain some things on this outline.

The Mujaheddin e Khalq or MEK is a terrorist organization that had no connection to Ayatollah Khomeini or to the Shiite leadership. In fact, they are today very much in opposition. But these were the people causing us the most trouble. They murdered six Americans connected to the embassy or to the U.S. military during the 1970s. This had an effect upon the embassy's operations.

The Bazaar merchants. The Shah's government was planning to build a freeway in downtown Tehran that would go right thorough the main bazaar. Most of the land in the bazaar was owned by the Shiite clergy and was a major source of income for them. This income would be lost when the land was confiscated for the right of way.

A meeting between bazaar merchants and members of the clergy and the government to discuss this went badly. The clergy and merchants felt they were ignored and insulted. This provided further impetus for the movement against the Shah.

Not all the clergy joined in. Some were very radical but others were much more moderate. Unlike many others, Khomeini was untainted by compromise and had been forced into exile in the 1960s.

Another issue was widespread corruption. The rapid development of the country was exacerbating all sorts of social issues. Rising prices put pressure on low-income people. You asked me about the reaction to foreign influence. I will get to that in a minute.

The Shah began liberalizing a bit and I don't think people knew at the time what the real reason was. I believe he knew he had cancer and he was going to die from it. He knew he had to do something to arrange a transition. He wanted to transfer power to his son but figured he couldn't do it except through some kind of democratic means, so he was trying to lay the foundation for that. But it meant people were no longer afraid to speak out.

The revolution began slowly and built momentum. There were enormous marches in Tehran. The Shah did not crack down immediately and I think the United States did advise him against that. I was in a meeting with Ambassador Sullivan when he gave instructions that nobody in Bell Helicopter was to have anything to do with or provide any kind of assistance to the Shah's military forces in putting down demonstrations. They were not to support any helicopters used in such operations and they certainly weren't to ride on them.

The end came when elements of the Air Force (which was U.S. trained) sided with the revolution. Air Force men got into a fight with the Shah's Imperial Guard. Then they

broke into an armory and started handing out weapons. This was about February 9 or 10. Then we had all these kids running around with G-3 automatic rifles and everyone was afraid they were going to get shot by accident.

By this time the embassy had been closed for over a week and almost everyone was at home. The electric power was cut off every night at exactly the same time and the whole city was plunged into darkness. People were going up on rooftops and shouting "marg bar Shah", which means 'death to the Shah" and sometimes "marg bar Amrika", "death to America". This was going on all over town and even right next to my own house every evening. Occasionally there was sporadic gunfire. I made a tape recording of all the gunfire and screaming. This went on for days, and then weeks, and then they shut down the television and radio. They took over the U.S. Armed Forces Radio station in Tehran and started playing all sorts of embarrassing things over our own radio station to try to embarrass the United States. They played records with dirty little songs and jokes. Strange people would call up on my home telephone, including women who insinuated things.

Q: What was happening to you all? Were you saying, "This is the end. Let's get out of here?"

BUCK: The revolution finally did take place as the Government fell. It didn't seem like anybody was in charge. Khomeini issued an order saying that unauthorized possession of weapons was forbidden. That was the headline in the newspaper. They were trying to gain some control but clearly clashes were still going on. In fact, I heard an enormous gun battle take place. I don't know who was fighting whom. The situation was chaotic. Khomeini had already appointed a new government, headed by Mehdi Bazargan. We thought we could have acceptable relations with him. There was some contact. But anyway, during that period, which was about two weeks, between February 1st and February 14th, 1979, I was able to get around a little bit. My neighbor next door gave me a hat, one of those little pull down hats the Iranians wear, and I had grown a beard by that time, so I didn't stand out very much. Someone even loaned me their Iranian manufactured Paykan automobile instead of my American car. In fact, I had driven my American car down to the embassy and parked it there in order to safeguard it. Also, the embassy had already packed up most of our household effects and shipped it out. All dependents had left. All of us in the embassy had been working day and night for the last two months evacuating American citizens from Iran. It was hard to do, because the airport radar was shut down and airlines had ceased flying to Tehran. We had almost gotten everyone out but there were hundreds, maybe a few thousand, Americans still in the country.

On February 14th, I was downtown. The pastor of my church, a Christian missionary, called me and wanted to talk to find out if I knew any more about what was going on, so he and I met for lunch at a restaurant. After lunch we went to somebody's house, and while we were there someone came in and said "we just lost the embassy". I called the embassy switchboard and got no answer. So we knew that something was going on. A mob had attacked the embassy and after about a two hour battle had managed to break in.

Everyone in the embassy was taken prisoner and was lined up face against the wall. They feared the worst but later that day everyone was released.

Q: Where were you?

BUCK: By that time I was in somebody's house.

Q: What was the word? Did somebody get a hold of you and say?

BUCK: There was no one to pass any word. Anyway, everybody in the embassy had retreated to the vault. The Ambassador gave the order not to shoot unless they really had to. The Marine Security Guard did not, as far as I know, shoot anybody, but I think a couple of DAO guys actually did. A lot of tear gas was used. There was one casualty. No American was hurt but one local employee was killed, shot in the embassy restaurant when he tried to shield one of the Americans.

Finally, the Americans were released when the Prime Minister intervened. Deputy Prime Minister Ibrahim Yazdi finally came to the embassy while people were still being held. There were several different groups there. They were arguing among each other as to what should be done. Some people wanted to take the Americans and hold them captive. Eventually the higher ranking people came and talked them out of it. So everybody was released, but only after a few hours.

I went home and got the word (someone by that time started working the phones) that we were to gather at the embassy, leave all our belongings, and just go to the embassy with one suitcase. No transportation was provided. About 7 pm, I went there in a taxi that let me off in the street. I went in and the Marines were there at the entrance but they had no weapons and they were saying, "Quick, quick. Get in. You know, people are still shooting at us." All the lights were off. Everything was dark. We couldn't go into the embassy building because it was still filled with tear gas and there was broken glass everywhere and it had been trashed. So we went to the embassy restaurant and we stayed up all night at the restaurant, just sitting there talking. Early the next morning about 8:00 am the Iranians took us out in a fleet of brand new Mercedes Benz buses. Armed Iranian Air Force guys with heavy beards got on all the buses. They cocked their weapons and said, "We hope nothing happens, but we are going to try to get you out of here."

So we went out in a convoy to the airport. At the airport, we had to go through at least three sets of interrogations and searches from different groups and my interrogator was some young guy whose big complaint was he had been going to school at Dade County Junior College and his father had cut him off because he was partying too much and he was really ticked off. He had been working illegally and INS had picked him up and deported him. He wanted to know how he could get back into the U.S.

Then he accused me of having secret documents that were instructing the Shah's troops on how to kill Iranians and I said, "You know that's baloney." He finally came off it. The interrogations and inspections took about twelve hours, as I remember. It was pretty

disorganized.

The other thing was someone spread the rumor that anybody who had their visa stapled into their passport was a CIA agent and the upshot of all this was when they started boarding the airplane, all the CIA people got up and went on the airplane first, and then they held back all the others, including the female secretaries, who weren't CIA, and took them aside and accused them of being CIA.

Finally, we were on the airplane. Then some armed soldiers came on board at the last minute and checked everybody's passport one last time. It looked to me like they were looking for someone in particular. Maybe it was those people Ross Perot had sprung from prison but, anyway, we finally got airborne, and everybody let out a cheer when we cleared Iranian air space.

Q: We'll pick this up again when you cleared Iranian airspace on February 15th, 1979. So after the attack on the embassy what did you do? Did you go back to the embassy?

BUCK: Not immediately. As I said earlier, I got there about 7 pm at night with my one suitcase. We were urged to get inside as quickly as possible in case people were still shooting at us.

One Iranian employee was killed when he tried to shield one of the Americans. There was a lot of gunfire but most of it did not hit anybody in the embassy because everyone was on the floor taking cover. The Ambassador gave the order to surrender after they finally found a way to break in. The Marine guards spread teargas inside the embassy, which caused a lot of trouble for everyone.

We were urged not to go into the embassy building because of the tear gas, so I did not even try to go in there. I lost everything I had in the embassy, including all my personal papers. The Americans had been forced to open all the safes, including in the CIA station. A great many documents were taken. Now, whether all the documents were removed at that time, I don't know. Later on, in the November attack on the embassy, which resulted in hostages, allegedly more documents were taken. But this is a big question mark in my mind as to exactly when those documents were removed. This is important, because the total amount of documents taken from the American Embassy was in fact enormous. From the published accounts I have seen, we are talking about more than 10,000 documents.

The embassy had been trying to shred some documents but the volume was way, way beyond anything they could handle in the short time available. And of, course, most employees were not at the embassy but had been sent home. So there were not that many people available to do any shredding.

There's more to this story as well, because there was an NSA station at the embassy in Tehran.

Q: NSA - National Security Agency.

BUCK: I knew it was there because I had seen the antennas, a special kind of antenna. If you happen to know about this business, that is the only place you would ever see a huge antenna of this type.

Q: An antenna field. I worked for the air force security service back in the Korean War.

BUCK: Occasionally, I would run into someone at the embassy and asked them where they worked and they said the warehouse. I figured there was something going on at the warehouse but I knew not to talk about it.

On the morning they took us out, I strolled past the warehouse and it was an embassy warehouse all right but there was a basement underneath it. The doors were wide open. That was the NSA intercept station. I am sure all the safes were open, and all the secret equipment had been tampered with or removed. Circuit boards, top secret cryptographic equipment and so on was left out in the open. I don't know what happened to it but I am sure the Iranians took it and probably sold it to someone. All our personnel had been disarmed and there were no security guards at the embassy. The Iranians had free access to the whole place.

Q: Did you when you got back, did you tell anybody that this had been compromised?

BUCK: No. I believe we and the Iranians and everybody concerned did our best to cover this up. I'm sure the U.S. intelligence knew about it, of course, but this is not one of those things that anyone wanted to talk about. There must have been an enormous loss of highly classified material.

I know this because the Iranians have published the documents. A publishing house in Tehran has been going through this material. Some of it has been translated into Farsi and other languages. You can actually buy the volumes. There's some kind of book store in the United States that will sell them. There's a website that deals with this.

Q: Did you ever run into any reference to this?

BUCK: No, I haven't.

Q: I haven't seen it. The only thing I have seen are the tales of the revolutionary guard sitting around the embassy for months trying to piece the shredded stuff together.

BUCK: I believe they had it already. I think that part about pasting the documents together is a made-up story. Maybe a few documents were pieced together. I have seen photos that suggest this, but as you know, the kind of shredders we have at embassies are not of that type. We had pulverizing shredders which totally destroy everything. There was no way you could put something back together. Whether somebody had a small shredder which in desperation they were trying to use, you know, that's possible. But a

small shredder like that could not have destroyed very many documents.

As a result of this experience, many if not most of our embassies were ordered to pare down their files tremendously, to have no more than one file drawer per office. Then later they started putting cables and other things on microfiche cards and we were given special chemicals that would destroy the cards in an emergency.

Today we have mostly electronics so it's less of a problem.

Q: What did you do? You got on a plane and what?

BUCK: I just want to mention a few other issues.

Concerning local contacts, I don't think we had very good contacts with the political opposition in Iran. We did have contact with the old line socialist and liberal political parties. We did not have much contact with the Muslim community in general.

Q: You are speaking of the Islamic, the religious community?

BUCK: Yes, the people who were supporting Ayatollah Khomeini and those around him. Actually, we did have a little bit of contact with some of the so-called moderates with him. In fact, it was our ability to contact those people that did result in the release of the Americans captured in February, 1979.

I would like to mention one somewhat humorous anecdote along these lines. During the period leading up to the fall of the Shah, some of the best political reporting was actually coming out of the same place where I had worked, which was the Trade Center run by the U.S. Commerce Department. This was done open channel by Telex. The Deputy at the Trade Center, whose name was Bob Culver, was sending Telex messages back to the Commerce Department in Washington with a running account on what was going on. I have never seen any of these messages, but when I came back to Washington, I was told these things were being handed around in Washington, and it was pretty hot stuff. Nothing like it was being done either by the Embassy Political Section or the CIA. I know the reason why and how. Culver had a contact in the Khomeini group. I knew the same person and worked with him at the Trade Center. So Culver was sitting around talking with this person and was being filled in with some inside poop that was just not available anywhere else. Culver was sending this in without the knowledge of the embassy or the ambassador.

Q: What happened to you once you departed Tehran?

BUCK: I spent a month in Germany and then went directly to Saudi Arabia.

There are some other things I want to talk about.

The big question is could all this have been avoided?

First of all, I think some of the supporters of the Shah and the monarchy and some Iranian exiles have tried to argue that the U.S. was undermining the Shah; that the Carter administration bore some of the responsibility for what happened. I would like to point out that the Shah was sick and we suspected he was. He was dying of cancer. He was trying to set the stage for transferring power to his son. I think he had no choice but to loosen up some of the controls.

Another question is why secularists and those with so much to lose mounted so little resistance to the Islamic revolution or to the Islamic government? I think part of the answer is they didn't know what was going to happen and there was enormous confusion and chaos. In fact, this continued afterwards, all through 1979 and 1980, and of course, the record on that is well known. There was almost continuous conflict and struggle. Even when I was there, there were gun battles between rival groups. They were opposing the Shah but fighting among themselves.

At the same time, many people in the government and private sector, secularists we might say, had their own grievances with the foreign community. This was true even if they were not in opposition to the Shah or his government. I will give some examples.

I know about these things because of my business contacts. A group of American employees of AT&T were my next door neighbors. AT&T had a contract with the Government of Iran to revise and upgrade the telecommunications system. The AT&T managers and engineers often talked with me about the terrible conflict they were having with their Iranian counterparts, to the point that they were unable to function. They were going to get paid under the contract anyway, but they weren't accomplishing anything because the fellow they were supposed to be working with, a vice minister or director, was opposing them on everything they were trying to do. He was accusing them of being, in effect, salesmen for AT&T products and equipment. His position was that Iran had sufficient technology of its own and did not need AT&T. Telephone switchgear was already made in Iran under a license agreement with Siemens of Germany. The Iranian telephone system was a rotary system that used Siemens' equipment, which is pretty complicated. I visited the plant in Iran that produced this equipment and I can tell you it was a major investment. AT&T was at that very time pioneering in digital switches and was trying to advise the Iranians to move to a digital switching system which doesn't use moving parts. This was very new, and, of course, it would be changing the entire telecommunications system of the country. The AT&T advisers pointed out that digital was the wave of the future and Iran really should not saddle itself with obsolete technology. That was the substantive part of the conflict but much of it was quite personal.

Essentially, the Iranian technical, scientific and engineering people were very proud, very resentful, you might say, of the idea that foreigners could come in and tell them how to do things. They wanted to do it themselves and you still see this attitude in Iran today.

Also, I think the Shah and the modernizers probably tried to move too far too fast. This

generated a lot of outrage among traditional groups.

I could find almost no one who had anything good to say about the Shah. I had a meeting with a high ranking official, a Vice Minister, who told me he hoped the Shah would just leave. At one time he would have gotten into trouble for saying things like that. He had been educated in the United States and he was very pro-American. There was a lot of support for a democratic revolution but then the whole thing took a different turn.

Another example: I rented an apartment from a woman who quite evidently was in the upper reaches of Iranian society. She displayed photographs of her with the Shah. The house was a mansion in the most prestigious part of the northern suburbs of Tehran, up on the mountain side, not far from the Shah's palace. To reach my apartment, one had to cross over an arched bridge over her enormous swimming pool, and the whole compound was a rose garden (a "*gol-e-stan"* in Farsi). These were wealthy, well connected people. One day we were talking. I said something about the Shah, and her son interjected and said derisively, "We don't need a king."

I think the embassy was very limited in what it could do. We had extremely short hours. Most employees were picked up each morning at 6:30 am by an armored van with armed escort, guarded by agents of the SAVAK, the Shah's secret police. I am talking about even before the rebellion started. Then we had to leave the embassy by 3:30 pm. No one was allowed to stay at the embassy after that time unless they had some special way to get home.

There were several reasons for this. One was the traffic. If you tried to commute during the rush hours, you often ended up in gridlock. Even moving around downtown Tehran in the middle of the day was very difficult. They were trying to build more freeways to alleviate this problem. I mentioned that one of the issues that antagonized the Shiite clergy was the plan to build a freeway through the bazaar area.

Another reason was security. One embassy vehicle had been blown up right at the embassy back gate. People had been caught surveilling the embassy. Even I noticed one morning that we were being surveilled by somebody in a parked car. They flashed headlight signals to another car ahead of us as our vehicle turned the corner. This was the situation <u>before</u> the start of the Islamic revolution. The people believed to be doing this were members of the MEK (Mujaheddin e Khalq).

The MEK is one of the most vicious and effective terrorist organizations in the world. Of course, they deny this today and have mounted a public effort, supported by some members of the U.S. Congress, to get off the State Department's terrorism list. They really are more a cult than a political group and they had absolute discipline. Their followers, if they were about to be captured, would bite down on cyanide tablets and kill themselves. So the police very seldom got anything out of them. They had killed senior officials of the Shah's government. But they got more attention when they killed Americans.

This threat limited our ability to move outside the embassy and the short hours meant it was difficult to get our work done during such restricted hours. I think that had a negative effect on morale and on our work.

Q: The MEK attacked the car of Ambassador McArthur (in November 1970).

BUCK: They had attacked several times; had killed six American embassy or military contractors. The MEK were supported by Saddam Hussein in Iraq. He equipped an MEK army of three or four thousand people with tanks and artillery and used them in the war against Iran. He also used them against the Kurds in Iraq. This group today is guarded by the U.S. military at Camp Ashraf in Iraq.

The reason the State Department has resisted efforts to take these people off the terrorism list is people do remember what they did to us back in the 1970s.

The MEK participated in the attack on our embassy in 1979. They now claim they are not anti-American and are not terrorists and so on. But there is a long history to these things.

I also think the Shah's agents were monitoring what we were doing and if an American Embassy officer visited an opposition figure, I am sure it was immediately reported and there was probably some effort to stop it.

Q: I have heard that we had agreed with the Shah that we would not report on the opposition or something.

BUCK: Well, that's what I am talking about, exactly.

Q: In other words, it wasn't that we were under tight control. We were under our own tight control.

BUCK: Yes, but it was, I believe, because the Shah's people would complain every time somebody would try to make contact with opposition figures.

Q: This must have been very frustrating. You know, this is what Foreign Service people do. They report on the opposition.

BUCK: I wouldn't say there was no contact; there was some. I know the political officers did report on contacts mainly with the old leftist intellectual types. Those were not the people who eventually brought down the Shah's government.

Our Ambassador, William Sullivan, seemed to be curiously detached from all this. I wrote a speech for him, to address members of American Chamber of Commerce. I don't remember what I wrote, but he used none of it. He spoke about the coming of democracy to Iran. This was right at the time the Islamic revolution was building steam. I thought it was weird.

He did do many positive things but I don't think we got any benefit from it. He forbid U.S. personnel from doing anything that might be seen as aiding repression. He stopped the Bell Helicopter people from helping the Shah's army to put down demonstrations. We were still accused of doing that anyway.

Another thing that was quite noticeable was widespread disrespect for authority, including the police. I knew of cases where people had defied the police openly. Someone told me they had seen a fire truck with siren wailing, blocked by somebody's car. The firemen were screaming and yelling, trying to get the car to move. The driver got out of his car, came back and almost assaulted the firemen. He accused the firemen of insulting him.

Ultimately, the Shia Islamic religion and Iran's own national consciousness were just too much intertwined. No one could defy the Shia clerics for very long.

Q: Did you have the feeling you were on the brink of a revolution?

BUCK: I knew that before I even went there. As I mentioned, the professor that spoke to us here at FSI in December 1977 or early 1978 had predicted that Khomeini was going to come back and would start a revolution aimed at overthrowing the Shah.

Q: I remember when I was in Senior Seminar, this was 1974 to 1975 we had to write a thesis and so I wrote about during our Senior Seminar trips I interviewed former consuls in the United States and I remember talking to the Iranian consul general in Chicago and asked him what is your biggest problem? He said, "Oh, the Iranian students. They are always demonstrating. I really hadn't paid much attention to this." Apparently the Iranian consuls were having problems with the students.

BUCK: They certainly were. Almost all of them were here on scholarship or their families were paying their way. Most of them were sons and daughters of well-connected people but they really wanted a secular, democratic government and they did not believe the Pahlavi family, as they called themselves, were rightful, hereditary rulers of anything. After all, the Shah's father was a former soldier, in a Cossack army that occupied Iran, who had staged a coup in the 1920s. Most Iranians regarded this "dynasty" as a joke. The Shah's father was not even Iranian.

Q: We were talking about late February or March of 1979. What did you do?

BUCK: I went to Germany because that's where the aircraft that evacuated us landed. I was immediately offered an assignment to Saudi Arabia. I got a cable saying, "You have been assigned to Jeddah, Saudi Arabia."

Q: What position were you?

BUCK: I was assigned as the head of the Economic Section at the Liaison Office (USLO), which was a branch of the embassy. The embassy was still in Jeddah. This is

because the Saudi Government did not want foreign diplomats to have missions in the capital. They wanted to keep all the infidels down in Jeddah where they could quarantine them. But they had to make a few exceptions, and one exception was for the United States. They allowed us to have an office in Riyadh. It was similar to a consulate, you might say, except we did not have consular status. We were a branch of the embassy. The U.S. Treasury Department had a large advisory team in Riyadh, and the U.S. military was there, including the Army Corps of Engineers, so the State Department almost had to have an office to do a little coordination.

Q: Were you married at this time?

BUCK: No, I was not.

Q: So this made you a very easily moveable pawn.

BUCK: Yes. After I arrived, I found out this position had been vacant for about six or seven months. My predecessor had been highly regarded. He was a West Pont graduate, a former military officer. I learned he had resigned from the Foreign Service practically in protest because of all sorts of messes that were going on. I sort of fell into the same mess.

Q: Do you recall, just to get the flavor what the problems were?

BUCK: The basic problem was the State Department did not have sufficient resources to support the embassy office in Riyadh, or at least they spent the money elsewhere. The embassy was trying to support operations in Riyadh out of petty cash (there was no formal budget for Riyadh). Adding to the problem was we had a never-ending succession of high level visitors from Washington that we had to take care of. More than half the entire United States Senate visited Riyadh while I was there. We had cabinet members, everybody under the sun. Every week we had a visit and they all had to go to Riyadh, and they all had to have high level meetings with princes and the king and other people. It was just incredible. We lacked staff, vehicles, and office space.

Q: Saudi Arabia, meeting with princes and kings, there's not much in it for a congressman. Why were they doing this?

BUCK: Because of oil, because in 1973 we had the oil crisis. This was now 1979 and partly because of the events in Iran, the price of oil was going through the roof. At the same time, American companies were doing great business in Saudi Arabia and there was a huge flow of money, dollars from Saudi Arabia, back to the United States. Plus, there was some concern about political instability in Saudi Arabia. The whole thing was extremely high priority. You can't think of anything that would have been more important at that point to the U.S. Government or to the State Department than relations with Saudi Arabia.

Q: What was your impression of these congressional visits? Were they useful, do they let them understand what the situation was or was this sort of touching base or what?

BUCK: It was useful. It was mostly so they could say that they had been there, that they knew a little bit about the country. It was very, very difficult. The Saudis were not at all subservient in any way to the United States, even for members of Congress. Brzezinski came over [Ed: one visit was March 1979 in the aftermath of the Israeli-Egyptian peace treaty, another visit was February 1980 seeking support to oppose the Soviets who had just invaded Afghanistan.].

Q: He was the National Security Adviser.

BUCK: Yes, and they kept him waiting for two or three hours in the outer office at the Palace before they bothered to see him. Not only that, most of the time we wouldn't even know what the schedule would be until the arrival of the delegation because the Saudis wouldn't tell us. In fact, they wouldn't even confirm that there would be a visit. Their attitude was, you know, you don't invite yourself, we invite you. It was up to the embassy people in Riyadh to negotiate all this and we always pulled it off. They always came through and we had an adequate visit and any problems were resolved. The Saudis always wanted to make it clear that they were in charge.

Q: Were you able to sample what the ruling body of the central princes or what have you in Saudi Arabia? What they felt was happening in Iran?

BUCK: They were concerned about what was going on in Iran. That's true. This came to a head with the attack on the Mosque in Mecca in November of 1979. Our hostages were taken in Iran on November 4th. Just a few weeks later, on November 20, a heavily armed group attacked the most important mosque and shrine in the Islamic world in Mecca and captured it. These Islamic radicals were followers of a person who they thought was the "Mahdi", and they were acting out the prophecies. I was there during all of that and the Saudis were very, very worried. It took quite a while to get them out. I know the United States was involved. They did not allow U.S. military to go into the area of the mosque because you had to be a Muslim to go into Mecca in the first place, but we did have our advisers there trying to help them.

Q: Also the French were very much involved.

BUCK: What eventually happened was they brought in a group of French Special Forces who brought with them some kind of chemical or gas. The gas was used to overcome the ones who were holding out. They had to apply it several times. I don't know if the French ever admitted their role.

I understand it was almost happenstance that one of the princes happened to know the French had this thing and they contacted them. I did not know this at the time. The whole thing was shrouded in mystery and secrecy at the time.

Q: I have been told when I was interviewing someone who I think was in Dhahran at the time, saying it wasn't on the news or anything like that. [Ed: On November 21, 1979,

Pakistani students, enraged by a radio report claiming that the United States had bombed the Masjid al-Haram, Islam's holy site at Mecca, stormed the U.S. embassy in Islamabad, and burned it to the ground.]

BUCK: The Saudis were hushing it up as much as possible. In fact, they didn't talk with anybody about it. But I do know that American military personnel were out there on the outskirts of the mosque and were advisers.

Saudi Arabia in effect had two armies. They had the regular army, which was advised by a U.S. military team. Then they had the National Guard, which was their insurance against coups. It also was advised by U.S. military, but the Army personnel had to resign and became civilians, and then they would be assigned as advisers to the National Guard.

Q: When I was in Saudi Arabia back in the 1950s, they were called the white army. It was the National Guard. Essentially, it was known as the tribal force but it was insurance against the regular army.

BUCK: Exactly, and recruited from tribal groups that were loyal to the Saudi royal family.

Q: You were in Saudi Arabia from when to when?

BUCK: From March 1979 to July 1980.

Q: Was this an economic or political job?

BUCK: My position was economic. I went over there as an economic officer but while I was there I was transferred to the Commerce Department. This coincided with the formation of the Foreign Commercial Service -- the commercial function was taken away from the State Department and given to the Commerce Department. So I became the Commercial Attaché in Riyadh.

Q: Had you made the actual transfer? To the Commercial Service because you know, some FSOs were sort of, they didn't make the transfer but they were occupying commercial slots. Had you become a Department of Commerce officer?

BUCK: No, I did not transfer to the Commercial Service, but I was formally put on detail to Commerce and therefore I answered to the head of the Commercial Section in Jeddah and to the Commerce Department.

Q: I would assume that Commerce had a huge portfolio at that time, didn't it?

BUCK: They did but we were struggling. The Commerce Department people were struggling with this and let me talk a little bit about that because that's what I spent most of my time on.

Our function of course, was to do trade promotion and provide a full range of commercial services. I had a budget, and we were able to raise a little extra money by selling copies of the guide to American companies which we printed up. I also negotiated with a local company to get a word processor for our office. I think I made may have been the very first overseas Foreign Service office that actually had a word processor. We didn't pay for it. I talked the importer into letting us have it on the grounds it would be an exhibition tool or demonstration. The company that made it was owned by Exxon. We used it to print up mailing labels and prepare letters and other material. First, I had to find out how it worked, and then I had to train the local staff on how to use it. The State Department was just starting to install the Wang system. I think they had awarded the contract but we did not yet have the Wang equipment. We had a desperate need for something like this so it helped a lot. I also recruited additional staff and tried to build up the office in many ways.

Besides the usual services to the businessmen who came in looking for American products, we also had an ambitious program of exhibitions. We helped promote a big exhibition of construction equipment in Jeddah. In addition, I myself conceived of and organized two major exhibitions in Riyadh. I worked out a deal with the head of the Riyadh Chamber of Commerce, who agreed to let us use his exhibition hall for free.

Then I did the market research to decide what the theme should be, that is, to identify and quantify the specific opportunities. I had to sell all this to the Commerce Department in Washington. Commerce was enthusiastic and agreed to support it. That means they put it on their calendar, awarded a budget, recruited an exhibition staff, sent a team over to run the exhibition, and promoted the event to secure full and capable company participation. They got a great group of American companies to sign up. It was tremendously successful. We did over a hundred million dollars worth of business, which set some sort of Commerce Department record.

These were themed exhibits. There were two separate exhibitions. The first theme was household goods, household furnishings, carpets, lighting fixtures, bathroom fixtures, all kinds of things for upscale housing. That was tremendously successful and the second one was even more successful. It was on water resources equipment. This included such things as turbine pumps for deep wells which could be used for agricultural purposes and water purification systems.

The reason I got onto this was I visited the area they were developing in Saudi Arabia for the irrigation of wheat farms, around one of the cities in north central Saudi Arabia, the only place in the country where large-scale agriculture exists. It was all subsidized by the government, but clearly there was enormous investment going on. Eventually, the Saudis got into trouble with the European Union over subsidized wheat exports.

Q: Do you know what happened to the people they caught in the mosque?

BUCK: Oh, they beheaded many of them. But the bigger issue really was what connections they had outside and who in Saudi society was supporting them. That was a

more ticklish subject. Also, you were mentioning a book about this. I think one of the points the author makes is he says the Saudi royal family had to make some kind of agreement with the more conservative Islamic authorities in Mecca to allow them to go into the Mosque and take these people out. This is said to have been a factor in imposing more restrictions later on.

Q: I understand too that this included almost a complete turnover of the educational system to the religious authorities, which has created terrible problems for Saudi Arabia. They have something like four out of their eight universities turning out religiously educated males with no discernable skills other than a knowledge of the Koran.

BUCK: That may be, but actually all the Saudis I ran into were quite well educated. Many of them were educated in foreign countries, including the United States. The big problem was employing these people in a meaningful way. Many young men were effectively unemployed because there just wasn't very much they could do commensurate with their education and their status.

Let me comment about dealing with the Saudi Arabian government because it was surreal. Getting an appointment was difficult, and that's putting it mildly. That's what I spent much of my time doing, trying to make appointments for visitors, including people coming up from the embassy. All the people in the embassy would come up to Riyadh because they didn't have anything to do down there, especially with the government being in Riyadh, so they would come up to Riyadh to try to talk to people so they could do reporting or whatever they were supposed to do. Naturally, I had to make the appointments for them and usually I went with them. It was not easy.

The telephone was useless. You would only get a low level Egyptian or Pakistani who could do nothing. You would go over there to the office of the official concerned and hope he would show up some time. You would sit in the outer office. They always had two outer offices. There was the "outer outer" office where they had some male secretary. Since I was from the embassy, he would usually let me in. Then I would go into the "inner outer" office which would always be populated by an incredible collection of Bedouin sheiks carrying big knives and a flash of rifles. They would be sitting around the wall waiting for someone to hear their petition. In the middle was a carpet and everybody would kneel on the carpet and drink tea. This could go on for hours, until the minister or vice minister in the "inner inner" office finally decided he would let someone in to see him.

Q: I talked with somebody quite recently who said sometimes you would go in there with somebody from the embassy rather important and you would sit there at the desk while the minister of something is conducting business, often of a personal nature on the phone and you know, you just have to wait until he finished.

BUCK: Yes, I would finally get in. The official would motion me over to sit by his desk and I would politely try to find an opportunity to get a word in edgewise while he was talking on the telephone to somebody. Of course, he had all kinds of people waiting to

see him so he was pretty busy. He was always busy because he never came to the office until 10 am, and then at 12 noon he had to go to prayer for an hour, then he had to go to lunch and have a siesta after that. Well, they didn't even come back because all the ministries closed down at 2:30 pm. Maybe he would come back later and actually do some work at six or seven pm or so.

Q: You must have spent a great deal of your time basically sitting in outer outer and inner outer offices, didn't you?

BUCK: I did, but when I was promoting these exhibitions that was another matter. The Commerce Department sent over an officer who spoke Arabic to help me, specifically for promotion. That was very good. I got him, there was myself, and then we had two local employees we could use. We just started visiting people. We were really worried about this because, you see, you can't do advertising in Saudi Arabia. It was not allowed. So how are you going to promote the exhibition? Do you send a letter to people? The Saudis don't read letters. They throw them away. There is only one person in a Saudi company who can decide anything and he is not going to see your letter because it will be opened by some Pakistani or Egyptian who will just throw it into a pile.

So it was impossible. I figured this out. Therefore, we began to conduct personal visits. The only way you can do anything with the Saudis is through personal contact. We conducted what the Commerce Department refers to as "blue ribbon calls". Most of the time, when they promote an exhibition, the Commerce Department people will make 10, 15 blue ribbon calls. We made 1,500. This was the four of us together. I went out and literally walked the streets at 7 pm every night, walking up and down, going into offices with bundles of brochures and promotional material. (The top Saudis are night people – they do their business at night). It worked, because we got tremendous turnout. It's very important. You've got to get to the top guy, the very top guy, because he's the only one that counts.

Q: Did you find working on commercial things, we have this "no bribery" rule that was in place. But you are up against French, British, German, all sorts of other manufacturers, Japanese manufacturers, who particularly at that time weren't under the same set of rules. Did you find this a problem?

BUCK: I know it was a problem. Some American business people did complain or talk about it. They were constrained in this way and were trying to be very careful not to get crosswise of the U.S. law. But you must remember, there was in every case a Saudi representative. Most companies did business through a Saudi company, and there really wasn't any restriction on what they could do.

Q: Did you have any problems of the local government pressuring U.S. companies about a business deal? Back in the 1950sI had one man came from Pillsbury to Dhahran to do something and some merchant had a dispute with Pillsbury and got the Emir of the Eastern Province to forbid him from leaving until the dispute was settled. Did you get into this at all?

BUCK: Yes, many times. That was another task, to attempt to settle commercial disputes. I don't remember how many I worked on but at least five or six.

There were cases of people who had been either arrested or forbidden to leave the country. Everybody who worked in Saudi Arabia had to surrender their passport to their employer so they could not leave except with permission. Their employer had to be a Saudi. You could not get a visa for Saudi Arabia unless the application was made by a Saudi Arabian citizen. They controlled all their employees that way. Saudi Arabia did not issue visas for the purpose of tourism, except to Muslims for the purpose of visiting Mecca.

There was one case I remember in particular. An American lawyer came in to seek our help in securing his fee from a Saudi businessman. His complaint was he had done all this work, including hosting this businessman in the United States. They had traveled all around the U.S. trying to drum up business deals. Well, eventually nothing came of it and the Saudi didn't pay him anything. I talked with both of them. The Saudi in effect told me, "I am not going to pay this guy anything because he didn't get any business for me. The deal was if we could work out something and make some money, OK, we would share it. I am not going to pay him billable time because he was in this as an entrepreneur, the same as me."

Frankly, I didn't have a lot of sympathy for the lawyer. I looked over his claim and, among other things, he was billing the Saudi for the gift that he had purchased at the airport and given the Saudi. I thought that was pretty insulting. The Saudi in effect told him, "If you don't get out of the country, I am going to have you arrested."

Q: So he left the country?

BUCK: Yes, he did.

Q: How did you find life in Riyadh at that time?

BUCK: Life was pretty dreary. Everyone lived in compounds. The whole city was under construction, it was dusty, and it was hot. The temperature was over 120 degrees F in the summer. There was no insulation in homes. The inside wall of my house was so hot it would almost burn your hand with the air conditioner going full blast. You had to clean the dust every day and still everything was covered in grit. I employed some Thai guy to clean the house. All the people who did work were foreigners. Almost all the FSNs (Foreign Service Nationals, i.e., non-American Embassy employees) were foreigners, although we at USLO had one young Saudi Arabian FSN assistant. He loved to drive his Ford Bronco with a 450 horsepower engine at insane speeds. My chief local was a Pakistani who had been there for several years. He was good.

Q: When one looks at it, the whole area including the Emirates is relying on oil revenue to buy people to work for them. Did you ever get any real discussion with the Saudi

businessmen about concerns about wither Saudi Arabia? The country was based on oil revenue and so we don't have to worry?

BUCK: No, no. They were quite concerned. I talked with young Saudis who insisted they had to develop other industries. They recognized they had to have foreigners here but they all felt that eventually a lot of those people would be going back or should go back and there should be more work done by Saudi Arabians. Usually, they were thinking about managerial type occupations. The typical Saudi doesn't think of himself as a menial work3er. About the only menial job you ever see Saudis doing is driving trucks, because that was viewed as an honorable profession. Many occupations were seen as unacceptable for any Saudi to do.

Q: The Saudis have this peculiar thing where basically women are excluded from the workforce. Saudi males want to be managers and that population is growing. These are managers that I gather don't have to put in too much time.

BUCK: Well, some of them do. Some of the business people really do work but other people, it's kind of up to them, because a lot of people live off of government handouts, including the Bedouin tribes. I knew they got allowances for buying vehicles, getting married, and so on. If you went out into the desert, the Toyota pickup was everywhere.

Let me talk a bit about the royal family. I had one particularly interesting experience. That was when Chip Carter, President Carter's son, visited. We set him up with dinner at the palace, hosted by five young princes. I went with Chip Carter and Fred Gerlach, who was head of the USLO office. So the three of us had dinner that evening with five princes around the swimming pool. The star of that show was Prince Bandar, who later became Ambassador to the United States. He is quite a character. The whole evening was spent with him showing off and exchanging jokes and outrageous stories with his brothers and half-brothers. They broke out the cigars and the Scotch whiskey. It was quite an evening. His favorite story was about when he flew his F-15 fighter jet upside down just inching up over his other brother, who was piloting another F-15. His brother looked up and saw Bandar's face, upside down, about two feet from his cockpit making faces at him.

Let me say something else though. I did go to lavish parties, including some where there were women. In fact, we had women come to events at our houses, too, accompanied by their Saudi husbands. But these, of course, were people who had been mostly educated abroad. When you went to a party at a Saudi house, there was no way the women would mingle with the men. The women would peel off, go their separate way. At that time, they were not always completely separate. I remember going to one home and was met at the door by the lady of the house who was absolutely beautiful and was wearing a gown that came straight out of Paris, I am sure. She welcomed me and the others and the women then went off to another place where they supervised preparation of the food. Then the rest of us came in at the appropriate time (about 12 midnight) to eat, of course, Saudi style, using our fingers, from a big table laden with all sorts of delicacies.

Their houses are enormous and are set up with all kinds of entertainment facilities. They

had television rooms, music rooms, game rooms, bowling alleys, swimming pools, and theaters, so they were able to entertain themselves at home. All the entertainment in Saudi Arabia is private and often they did have forbidden alcohol available. We were under constant surveillance by the Saudi Arabian police and the secret police, who would occasionally arrest an American or other businessman for having alcohol. The penalty was usually flogging, which sounds pretty bad although actually there are different levels of flogging. Most of the time it was symbolic. It makes a difference whether the sentence is "with or without a Koran". If you have to flog a person with a Koran held under your arm, you can't hit as hard.

Q: What was your impression of Americans doing business in Saudi Arabia at the time?

BUCK: They were very eager to make as much money as they possibly could and they were willing to do whatever they had to do. Most of the foreigners who worked for a company lived in special company compounds, except us. We pretty much lived in houses near other wealthy Saudis.

Q: Did you feel you were in competition with Germans, Spanish, French, and British?

BUCK: Oh, sure, tremendous competition.

Q: How did we do?

BUCK: We did all right. It was just a competition. American companies were strong in certain fields, and the Europeans were in other things. I think everybody carved out their area, their niche, and had their relationships with different Saudi companies. The biggest Saudi company was Bin Laden who were in construction and had the Chevrolet dealership in Jeddah.

Q: I lived in a Bin Laden house in Dhahran back in the 1950s.

BUCK: I also visited Dhahran, the Consulate General there, and I was given the Aramco tour, including the flyover of the oil production and loading facilities. I was impressed by their scale. I remember flying over seven enormous pipelines, running parallel, each of them carrying more oil than our Alaskan North Slope pipeline at its peak.

Q: Who was the ambassador there then?

BUCK: The ambassador was John West, former Governor of South Carolina [Ed: who served from June 29, 1977 to March 21, 1981].

Q: Did you have any feel for his style of operation?

BUCK: He had good political skills and he put them to good use but he was like everybody else; isolated down in Jeddah, so he would come up once in a while and meet with somebody, usually on the occasion of some high level visit.

Q: Did our relations with Israel crop up while you were there?

BUCK: All the time, yes. The Saudis, especially when they were hosting American Congressmen, would harangue and rant against Israel. They told us they weren't going to tolerate it, weren't going to put up with it anymore and we had to do something. They pleaded with us to do something to solve the situation, and if we didn't, they would be destroyed, and we all would be destroyed. They were extremely insistent about this.

Q: Well, then you left there in 1980?

BUCK: I left there in July, 1980, came back to the United States and was assigned to Panama. I went through four months of Spanish language training to get my Spanish back, which was not that difficult because I had already knew some Spanish, and I got married that fall and we went to Panama.

Q: What was the background of your wife?

BUCK: She was born in Vietnam. Her name is Mai Xuan.

Q: Had you known her, how had she gotten out of Vietnam?

BUCK: She had come out of Vietnam in 1969, just about the time I was arriving there and she lived in Washington. She went to school in the U.S. and things like that. At the time I met her, she was working for the American Chemical Society; later she worked for the World Bank, for the International Finance Corporation. She had worked for the USAID Mission in Saigon, but I did not know her in Vietnam. I met her through one of the language teachers at the Foreign Service Institute, one of my former Vietnamese teachers.

Our two daughters, Christina and Melissa, were both born in Panama while we were stationed there. We also have another daughter, Julie, Mai's daughter by a previous marriage, who went with us to Panama.

Q: You are sort of boxing the compass here. A career built from many different regions. You're in Tehran, Riyadh and now off to Panama.

BUCK: I was in Panama from January, 1981 to January, 1985. I was the second ranking officer in the Economic Section. Omar Torrijos was in power in Panama. The new Panama Canal Treaty had been signed and was in the process of being implemented. One of my jobs was to participate in the committees that had to do with implementation. One of them was to find ways to help Panamanian companies to get more business with the Canal Company and the American military. We were trying to figure out how we could accommodate them a little bit there. The implementation was going pretty smoothly. We didn't have too many problems. Once in a while there was an incident involving the Panamanians and American military in the housing areas, but we had a system set up for

resolving those issues.

Q: Were the "Zonians," by this time, resigned to the situation or were they phasing out or what was happening?

BUCK: The Canal Zone had been abolished, but both the canal facilities and the Panama Canal Company were under American control. A number of military bases and housing areas had been transferred to Panama but others were to remain for a period of time. Our largest base was Howard Air Force Base and there were several other bases, including the headquarters of SOUTHCOM, the U.S. Southern Command. We had access to the PX and commissaries and recreational facilities. There were no big hardships.

Q: But I am talking about the people because there had been this sort of peculiar colonial group living in the Canal Zone who had been there for generations.

BUCK: They continued to work for the Panama Canal Company and they lived there, but there was no zone, there was no barrier of any kind. Anyone could go there.

Q: Was the canal by this time being run by Panamanians?

BUCK: No, it was run by the Panama Canal Company, a U.S. Government corporation.

Q: Your job again was economic?

BUCK: Yes, I did all the macro economic reporting, including the Economic Trends Report, and I handled the debt issue, which was an increasingly serious issue in all the Latin American countries, including Panama.

I did analysis and reporting on the debt situation because it was clear the Panamanian Government might not be able to support its increasing indebtedness. Panama is an offshore banking center and I had a lot of contact with bankers.

Q: You covered offshore banking, what were they doing? Were we concerned that they were fiddling around with the system to avoid taxes or what was going on?

BUCK: Yes, that was done. We had a resident IRS (Internal Revenue Service) officer there whose job was to conduct investigations and to meet with taxpayers to resolve their tax problems. Many companies in Panama provided "customized financial services". This often consisted of setting up an offshore paper company where you could hide income. Panama had banking secrecy so that governments could not get information from Panamanian banks about depositors.

Q: Were we working with the Panamanians to get rid of this secrecy thing?

BUCK: We were trying to negotiate an agreement on criminal cases whereby they would provide some information. But it had to be a specific case and you had to go through a

lengthy process to get any information.

Q: What was your impression of the Panamanian government?

BUCK: There was corruption at the top and at lower levels too, but they were reasonably capable considering their very limited resources.

One of my jobs was to support the formulation of their national accounts because a large portion of Panama's GDP, Gross Domestic Product, had to do with the canal and U.S. military expenditures. I would collect information from the Canal Company and from the U.S. military about how much they paid in wages to Panamanians and how much they were procuring in Panama and how much was being given to the Panamanian Government. I collected this data on a regular basis and provided it to the Panamanian National Bank or the people who prepared their national income accounts. I had to work directly with those people, who had been trained by the IMF. They had sent people to Washington for training but I still found some errors they were making and tried to get them to correct them. At least they were doing some accounting. Of course, Panama had agreements with the IMF, and IMF teams went to Panama to straighten out the numbers, to get the numbers to add up.

Q: The dollar was the currency, wasn't it?

BUCK: The U.S. dollar effectively is Panama's currency. They call it the "balboa" but they only issue balboas as fractional dollar coins. Their paper money is the dollar and all accounts are in U.S. dollars. They have an agreement with the U.S. Federal Reserve to exchange used dollar currency for new issue.

Q: Did Panama seem to fit within the American system or was it really more on its own? It was sort of involved with the United States, wasn't it?

BUCK: Yes, Panama did cooperate with the United States in many areas but still had its independence. They very much considered themselves to be part of the Central American group but they did have a special relationship with the United States and many Panamanians were proud of that. They expressed relief that they used the U.S. dollar as their currency so they didn't have a lot of the problems with inflation that other countries had. It meant their wages were somewhat higher in Panama and they weren't competitive in some exports. On the other hand, the people benefited from that. The canal employees got U.S. wages, or at least U.S. minimum wage.

Some Panamanians expressed their concern that with the turnover of the canal zone to Panama that things might go downhill. Even people like maids and others would complain, "Oh, they're not mowing the lawn over there. It's not as pretty as it used to be." Things like that.

My wife was impressed that they picked up the garbage twice a day, every day, and that everything was very clean. We discovered this was a legacy of Colonel Gorgas and the

construction of the Panama Canal. He is a hero to many in Panama because he destroyed yellow fever. There's a long, long story about how this happened and how he was almost court martialed. They were going to court martial him for disobedience, for disobeying the chain of command over this whole issue of mosquitoes and how Teddy Roosevelt intervened personally, promoted him, gave him a budget, and fired all the people who tried to court martial him. It's an incredible story.

Gorgas set up mosquito control teams and these teams were still operating while I was there. Originally, the U.S. military did this. Teams of people went around inspecting and could fine people if they weren't applying mosquito control procedures.

Another legacy was you can drink the water in Panama City. It is safe. In no other Central American country can you drink the water out of the tap but in Panama City, you can.

Q: How was the hand of the government there? Was the government's hand heavy on the people? I don't know if you call it dictatorship.

BUCK: It was a dictatorship but a very light one.

Omar Torrijos was killed in an airplane crash in 1981. His plane flew into a mountain in the northern part of the country. Of course, there have been conspiracy theories ever since that the plane was bombed and that he was assassinated. I don't think that was the case. I flew in light aircraft into those areas myself. It is very dangerous. Most pilots would refuse to fly in the afternoon at all because the clouds would come up over the mountains and you could not see a thing. Torrijos ordered the pilot to make one last chance to get through the cloud cover, find the base where they were to land, and they just went straight into a mountain. I think it was his fault. I don't think his pilot would have done this without being ordered to.

Q: Was Noriega a figure while you were there?

BUCK: Noriega was rising and everybody feared him. The embassy political section prepared a sixty page biographic report on Noriega. He had a very unsavory reputation. He had been accused of murdering people, including throwing a Catholic priest out of a helicopter, and raping a young girl and then threatening to kill her family if they said anything. I was visited by a delegation of CIA analysts from Washington, who were quite concerned. They told me that if Noriega ever succeeded in consolidating power, it would be an unmitigated foreign policy disaster for the United States. This was in 1983 or early 1984.

The presidential election of May, 1984, was a very significant event. This was the first election to be held in about sixteen years and the government candidate was Nicolas Barletta, who had formerly been a Vice President of the World Bank in Washington. He was well connected with Americans and with the business community. People thought highly of him but everyone knew he was just a stand-in for the Panamanian military. His

opponent was Arnulfo Arias, a long time conservative candidate for president and quite a firebrand. He was about 82 years old at the time.

The embassy monitored the election. We had observers at every polling station in Panama City. We also obtained the voter registrar, signed by representatives of each of the political parties, from virtually every polling station in the whole country. We knew exactly what happened. There was no doubt that Arias had won. Perhaps not by a huge margin, but considering all the intimidation and everything that was going on, the fact that he won at all was amazing.

They stopped the vote count, and when I say they, I mean thugs went into the place where the ballots were being counted and they actually beat people up with baseball bats.

I was really quite upset that the embassy didn't do anything about this. But the policy came out of Washington.

Q: Who was our ambassador?

BUCK: Everett Briggs. I guess he had his instructions. [Ed: Brigs, a career Foreign Service Officer, served from October 1982 to February 1986].

Let me quote from the State Department's briefing to the press:

Q: "Is it true that a U.S. diplomat in Panama has briefed the press on alleged election fraud and thereby has interfered in Panamanian internal affairs?"

State Department spokesman: "At a background briefing yesterday for American correspondents, an uninvited foreign correspondent grossly distorted what was said by the embassy spokesman. The embassy spokesman noted that allegations of fraud had been made but in no way expressed an opinion as to their veracity. We continue to adhere to our long standing position of impartiality among candidates and avoidance of any interference in internal Panamanian affairs." Unquote

I think that is absolutely outrageous, especially in light of what happened subsequently in Panama. If we had come out at that moment and called for an honest, fair and free election and for the counting of ballots to proceed, things would have turned out different. We could have said "We call for the vote count to go ahead and the process to be honored." I guarantee you this would have made a difference.

Q: This was at the height of the Nicaraguan Sandinistas. Did that intrude?

BUCK: Absolutely, yes, but the canal and our bases were the major factor. Howard Air Force Base was the major support point for our assistance to the contras in Nicaragua and also for carrying out intelligence over flights over Nicaragua, El Salvador and elsewhere. This was in support of anti-insurgency efforts. So yes, the priority was to protect this operation and our military presence in Panama.

Q: How did this play with the officers at the embassy?

BUCK: The number two officer in the embassy political section was doing the reporting on the election fraud, but the ambassador called me and some others in and said, “Our first priority must be to protect Jim because he had previously been PNGd (declared persona non grata) out of Uruguay for reporting against the government there. He said, “You know, if Jim gets PNGd again, it’s going to be bad for his career.” We were told we were going to have to cool it. We would be in a lot of trouble if the stuff we had leaked back in Washington, and there might be reprisals here in Panama against us. [Ed: FSO James Cason, who later made Ambassador to Paraguay (2005) was the Chief of the Political Section in Montevideo, Uruguay, who was PNGd in 1982 and went to Panama for his next assignment. His oral history is at the ADST website, as is the oral history of his DCM in Uruguay, Richard Melton.]

Q: Did you get any feel for the importance of the Canal because I am told we can switch ships back and forth and the old Canal was designed for battleships but the new ships, I mean the big carriers, no longer can go back and forth. Was there a feeling the Canal was diminishing militarily and commercially?

BUCK: It was and is still very important. It is true that larger ships could not go through, but there were plans for widening or improving the canal or even building a new one. A treaty implementation committee dealt with that. It was finally decided that a sea level canal is not feasible. The canal is being widened now. While I was there, the canal volume was steadily increasing.

We also had the big oil pipeline built across Panama whereby oil brought down in tankers from Valdez in Alaska to the terminal in Panama was sent across the isthmus in a pipeline. On the other side it was loaded into big tankers and taken to U.S. ports. That was also a major source of income for Panama. The U.S. Congress had passed a law saying this oil had to be used in the United States.

I think we could have prevented the rise of Noriega. People knew he was trouble. They knew he was anti-American, that he collaborated with Fidel Castro, and that he was engaged in drug trafficking. He captured two American employees of the National Security Agency and berated or tortured them and then gave the information to Fidel Castro.

One of my first experiences when I arrived in Panama is people at some social function came up to me and said, “What in the hell is the United States doing supporting this Communist plot, this Cuban plot in Panama called the education reform program?” There had been protest demonstrations of thousands of people in Panama City, organized by the Catholic Church, to oppose a USAID-supported project. USAID had financed the purchasing of new textbooks that were written and printed in Havana. They contained all sorts of hostile attacks on the Catholic Church as well as on the United States. The Panamanians said, “Are you crazy?” Others would say, “This must be some CIA plot.

There's something going on here."

Q: How did this happen?

BUCK: Nobody was paying attention. USAID just blindly did whatever the Panamanians asked them to do.

Panama was a kind of R&R center where everybody got along. There were revolutionaries, terrorists we would call them today, living in Panama City. The government gave them safe haven, provided they never did anything in Panama. Also the Communist Party operated quite openly. At one of the first embassy functions I went to, I was introduced to one of the leaders of the Panamanian Communist Party and we had a cordial conversation. He complimented my Spanish and said, "If you go to Santos, they'll think you're a Panamanian down there" (settlers from Spain founded Santos). The occasion was a film shown by USIS, and these guys would show up for every single function given by the U.S. Embassy. They were real politicians, real go getters and back slappers. Plus, a section of the governing party, known as "Tendencia" (tendency), was made up of pro-Cuban Communists. The Panamanian government was thoroughly shot through with sympathizers of Fidel Castro and Cuba.

Q: After Panama where did you go?

BUCK: Then I came back to Washington and worked in the Regional Economic Policy Office in the Bureau of Inter-American Affairs (ARA/ECP) from October 1986 to July 1988. I worked on the Latin American debt crisis for about a year. Then I was assigned to be the Economic Counselor and also the Commercial Attaché representing the Commerce Department in La Paz, Bolivia. It was a step up. There was one other economic officer and a local economic assistant (who was highly qualified and an expert on mining) and I also ran the Commercial Section with two professionals and a secretary.

Q: What was the political and economic situation in Bolivia?

BUCK: There was a lot going on. The country was in the midst of hyper-inflation. Bolivia was a major source of cocaine flooding into the Unite States. Political instability had been acute for many years. It was an interesting time and a very critical time.

Let me describe the background to the situation.

What had happened was in July 1980 there had been a military coup led by an officer by the name of Luis Garcia Meza (Tejada). He was responsible for many human rights abuses and he formed an open alliance with narcotics traffickers. He was overthrown in August 1981 and finally Hernán Siles Zuazo came in as President in October 1982. He had been selected by the legislature but there was more economic mismanagement, weak leadership, and he was forced to call for early elections. Then in August 1985 elections were held for the first time in a good many years. General Hugo Banzer won a plurality, but not a majority, and under the Bolivian Constitution, the Congress had to decide who

would become president. So the parties negotiated a deal and Banzer didn't get the job. The other two parties made an alliance and Victor Paz Estenssoro became the president. He had been president back in the 1950s and led the revolution of 1952 (which among other things nationalized the tin mines). It was the fourth time he had been president. But he faced an economic crisis.

When we got off the airplane my wife was fond of saying that we were instant millionaires because the most common currency was a one million peso note which was worth less than a dollar. Hyperinflation reached 24,000 percent. I think it is said to be the seventh largest hyperinflation in world history. There were strikes, unemployment was at least 20 percent, and widespread shortages. Before we got there, the U.S. Embassy had to start flying in food for embassy employees. You could not buy eggs or milk in the market, nothing was being produced. The currency was completely worthless. The only thing that existed was maybe some kind of barter and use of the U.S. dollar for those who had it. It was chaos.

Q: The thing I don't understand is when you reach a certain point in inflation, I mean, I have seen a half a trillion dollar bill that came out of Zimbabwe not too long ago, but at a certain point this is so almost ludicrous. You are an economist, what can a country do? I mean, there must be a tipping point when they cut the whole thing and start all over again or do something.

BUCK: Well, as far as the currency, yes. That's sometimes done. Later when I was in Brazil, the Brazilians would issue a new currency every now and then and knock off either three or even as much as six zeros. This was also some kind of shock treatment or program. Most of these didn't work very well. But in the case of Bolivia, they did have an effective stabilization which began right about the time I arrived there.

Your question is a good one; what do you do in a situation like that? The major political parties which were composed of the elite, you might say, of La Paz got together and formed something called "A Pact for Democracy." As it was explained to me, they realized that they either were going to cooperate to stabilize the situation, to restore some degree of order or they were going to wind up all of them having to move to Miami and just flee the country. They saw clearly there was no way out of it.

They were headed for a social revolution, mobs coming down the street and burning down people's houses, stuff like that. There was a lot of social unrest. There were constant strikes and, of course, the average person was suffering because of the instability of the currency. Wages, obviously, didn't keep up and the middle class was being squeezed badly. Poverty was incredible.

Shortly after we were there, we decided to make a trip to a provincial city which was a little bit lower altitude, down the valley from La Paz. La Paz is about 12,000 foot altitude. The altitude at the airport is 14,000 feet so it was quite a bit of adjustment. It takes about two weeks for your body to adjust to this. Some people don't adjust very well. Anyway, we decided to make a trip and my wife said, "We first have to go to the bakery to buy

some bread." By this time you could buy things but we drove there. She bought over 100 little buns of bread and I said, "What in the world is this all for?" Anyway, I found out. She had done her homework.

Driving on the road, we came especially up into the area of the mountains where the road was sort of all torn up. We had a four wheel drive vehicle but it was pretty rough going. Anyway, what would happen was children would come out and lay down in the road and, literally, dare you to run over them. They would not get out of the road until you gave them little loaves of bread because these people were starving. They literally were starving and you could sometimes see the parents in the background hovering nearby. This is how they were living. They weren't asking for money or anything, just little buns of bread like that.

Q: It's hard to imagine. In the first place, Bolivia when you add it all up, it has some very fertile areas.

BUCK: Well, they do. The valleys are very nice. They did develop a very good market for cut flowers that they produce and there are some other things too but, nevertheless, the country has many, many conflicts, ethnic divisions. Half the country is quite wealthy; the lowland area around Santa Cruz is a very wealthy area. Of course, that's also populated by people mostly from Europe, European immigrants, and they profit from the drug trafficking trade to a considerable effect. As a matter of fact, they built a new airport in Santa Cruz. When you fly into La Paz; it's like going to one of the poorest third world countries in the world. The airport is kind of run down, you've got surly officials, everything is rather inefficient. It's kind of what you would expect.

Going to Santa Cruz is like going to Miami; the airport is the same quality level as the United States or a European country. It's really astonishing.

One of the things that really provoked all of this was the collapse of tin prices which occurred in 1985. You had these big tin mines that had employed tens of thousands of miners, had been keeping them alive for years with government subsidy and it finally got to the point it was bankrupting the country. So part of the stabilization was to close these mines and discharge over 25,000 miners which they paid off and put on the street. Then, of course, you started having all the demonstrations by the miners, including against the American Embassy. There was an incident where they threw dynamite at the embassy and so on.

Q: This is a basic economic question. Why did tin prices or any type of commodity collapse?

BUCK: Well, during the 1980s the Latin American countries, all of them, had this problem of low commodity prices. I cannot tell you exactly why tin prices fell but it was among other commodities as well. The whole period was one of decline in commodity prices and that lay at the root of much of the Latin American debt crisis during the 1980s.

Among some other things that they did was they closed down the schools. I mentioned they closed down the mines. The schools were a source of political agitation, many of the school teachers were Marxists and they would organize strikes. The government came in and closed every public school in the entire country and kept them closed for more than a year.

It was to break the teachers and besides they figured the schools were so woeful that it really didn't do any harm to the students anyway.

Q: The teachers were using them as political instruments?

BUCK: Yes, they were. Exactly.

That's another thing too. The central bank was penetrated by members of the Communist Party and at one point they had literally imprisoned the IMF team that had come there. They had kept them prisoner inside the elevator just to harass them. The head of the Central Bank Workers' Union was taking money out of the central bank and sending it to foreign countries.

There were also all sorts of exchange rate manipulation going on. In fact, even some people in the embassy were doing this. You could, for example, go down and buy an airline ticket at the official exchange rate for peanuts and then later out of the country or something sell the ticket back to the airline or you could get a free trip. Many businessmen were doing this. They were getting money at the official exchange rate and then converting it on the black market, selling dollars. People were making money off of this. It was bankrupting the economy of the country. It was sending all of the foreign exchange reserves of the country abroad and, in addition, the whole structure of the economy was coming down. There was no money available. When there is no money supply, nothing, nobody can buy anything. Banks were technically all bankrupt.

The government couldn't borrow money anyhow. Nobody would loan them money so they were just printing the money. That's why the super high inflation. It's a spiral which goes up and up. The other thing was tax collection dropped off to near zero so there was no revenue coming into the government and yet they had this huge structure of social welfare which had been built up over many years and couldn't pay for it. They had too many government employees; there was corruption throughout the whole government.

So the new government, in 1985, its stabilization consisted of a decree law which took them three weeks to formulate it but only one week to write it all up. It was called Decree 2160 which they still refer to today. This closed down the state mines, fired the miners, and restructured the oil company. They put down the strike in the oil company. I heard a little bit later that they actually flew in oil workers from Texas to replace the striking oil workers. They froze public sector wages, kept them frozen for six months.

They imposed strict spending controls. The finance minister told me how they did this. They literally, every single day, would bring in the list of expenditures, their highest

priority expenditures, things that were needed to be paid that day. He would just go down a list with his red pencil, check it off what they would spend for that day. When they got to the point where they had used up the available cash, he just drew a red line and everything below that wasn't paid.

Q: Well, you are the economic officer in a country that's going through a horrendous economic problem. The United States has always been a major player in Bolivia. What were you supposed to do?

BUCK: We were at least trying to provide moral support to the government. They were doing the right thing at this point so, basically, I was reporting and writing up what they were doing. Just keeping Washington informed of the pace of events and policies that they were implementing. It was something that we were in agreement with because although Paz Estenssoro had been a leftist, the key people behind his economic policy were let's say, conventionally trained economists. The foremost was Gonzalo Sánchez de Lozada who had been president of the senate, he was by the time I knew him, minister of planning. Another person who was brought in was the U.S. economist, Jeffrey Sachs out of Harvard and although Sachs did not formulate the plan, he did encourage them to stay the course with it. I met with Sachs on several occasions; we talked about what was happening. This was a pretty dramatic program.

Let me tell you some other things they did: they abolished over 400 taxes. That was contained in this decree and they created just a few new ones. Also they completely abolished the entire tax collection agency. They fired everybody in the entire government service that had anything to do with taxes. They got rid of the income tax and virtually all other taxes. They replaced it with a net wealth tax, the payment of which was entirely voluntary. They forbid the use of any tax forms of any kind and they forbid any government official having any contact with any taxpayer or to do any kind of investigation or argue with any taxpayer. This was to prevent corruption.

Each day you would see lines of people outside banks, other places, guys set up on the street corner with a typewriter and they would be typing up somebody's tax return. It was entirely up to the individual what format you used or how you phrased it or what you said on it. It was entirely up to the individual how much money you declared or how much taxes you paid.

The incredible thing was the tax revenue went up, it went up fantastically. People said it was a patriotic duty to pay taxes and they did. The tax was on net wealth. You put in one column your assets, in one column your liabilities and you pay tax of about point one percent of the net assets.

They also fired all the employees of the customs ministry and replaced the customs with a Swiss company which collected the customs revenue. They restructured the central bank and fired all the employees at the central bank and they hired new employees. The only qualification was you could not have had previously worked for the central bank.

I remember the day they did that. The biggest building in town in La Paz was the central bank, which is a skyscraper building in the center of town. The employees started throwing all of the government records out of windows. So we had a blizzard of paper littering the street and floating down. It was loan documents and everything under the sun. They destroyed all the files in retaliation.

Q: What about people outside like the drug lords? They were living well?

BUCK: It didn't affect you if you went down to Santa Cruz, none of this had any effect down there because the people in Santa Cruz used the dollar exclusively. All of the prices in the stores were denominated in dollars and only the dollar was accepted into circulation.

Q: I take it there were goods and things of that nature?

BUCK: Yes, you could buy stuff down there. And people were working there but you know, that was a different world, just a different part of the country.

It was a very extensive shock treatment based on what you would call neo liberal reforms and it worked.

What happened later politically was that of course, there were elections shortly after I left in 1989 and Gonzalo Sánchez de Lozada, whose nickname is "Goni", won but again, no majority so the congress again negotiated the presidency and so on. They formed a coalition of Hugo Banzer and Jaime Paz Zamora. Jaime Paz Zamora took office.

Finally, Gonzalo Sánchez de Lozada became president in 1993; he was again president in 2002 and of course, he was finally forced out of office, I think in 2003 after riots, demonstrations and violence.

What were the elements of the hyperinflation? Well, deficit financing, printing of money, the burden of the unprofitable tin mines which was costing the government hundreds of millions of dollars that they couldn't afford. It's a classic case of how hyperinflation develops but also what it takes to cure it.

Q: Was there any conflict of economists saying you should do this and or not that and so forth?

BUCK: Most foreign economists thought that Bolivia's plan was pretty good except they thought it was extremely radical and most people were surprised to see how far they had gone with the thing and were amazed they could get away with it.

Q: How about social unrest?

BUCK: There was plenty. But actually the situation did improve. Middle class people were very much in favor of what was happening because it was stabilizing the currency

and people could at least do business and their bank accounts weren't worthless anymore. There are a lot of small, self employed business people in La Paz, a lot of women, indigenous women selling goods. They would go to the border and buy things and sell them on the street. Stabilization helped improve their standard of living.

The miners were the people most upset. They staged repeated demonstrations. My wife was in a taxi when the police bounced a tear gas canister off the roof of her taxi while she was caught in a demonstration. They threw a stick of dynamite which hit the window just below my office. The dynamite went off with a boom that shook us up some. Actually, there was a crowd marching past the embassy. Someone threw a dynamite stick and one of the security guys at the embassy (I didn't know this at the time but he told me about it later) kicked the stick back into the crowd. It went off and injured a few people in the crowd. Then they said the Americans were seen throwing a stick of dynamite down into the crowd and that was what was printed in the newspaper. That's not quite what happened. It wasn't real violent; nobody got killed but there were lots of things going on.

Q: What happens then? You know, you talk about the kids in the road starving. How did they survive?

BUCK: Well, you have to understand that the highest region of Bolivia has an extremely harsh climate. It is very difficult to grow anything so people are in a state of near starvation normally anyway. We found this out the hard way. We wound up having five domestic employees at our house. We had a guard and a driver, a maid and a maid's helper, and nurse, and so somehow we wound up with five of them. While the salary we paid them wasn't much, we finally had to start getting rid of some of them because they were eating us out of the house. I mean, it was just incredible. My wife was finally to the point she was spending most of her time shopping for food for these people. She was buying a hundred pounds of food a week. They can eat an enormous amount.

Q: Who was the ambassador when you were there?

BUCK: Ed Rowell was the ambassador [Ed: A career FSO, Rowell served in Bolivia from August 20, 1985-January 19, 1988. His oral history is at ADST.com]. He was a good man.

Q: At one point he was the president of the Association for Diplomatic Studies and Training.

BUCK: Right.

The Bolivian Central Bank had a huge supply of gold in its basement and it was all gold that had been produced in Bolivia's own gold mines. None of it had ever been purified or assayed so they wanted to borrow money using this gold as collateral but they couldn't do it because it was just raw, unrefined gold and nobody knew how much it was worth. So they decided maybe we can ship it out of the country, have it assayed, and maybe even store it somewhere with our name on it. They got in touch with me and I arranged

for the U.S. Mint to fly the gold out of the country and store it at the U.S. Mint or in New York at the Federal Reserve. The U.S. Air Force was asked to fly in an armored semi truck with guards so that we could transport it to the airport. We had a whole plan worked out. It was incredible. We were going to have to do this in the middle of the night. I went over there and I looked at their gold and estimated how much of it there was and we got pretty far along but they finally decided, no. You don't really move gold. It is just too expensive to do it. They wound up not doing that.

Q: What about the politics? Who represents the indigenous population? How stood the indigenous population when you were there?

BUCK: Well, they were a big political factor then and they are even more so today but they had usually been pretty much frozen out of party politics in Bolivia, even from the Communist Party. Even though the Communists supposedly had an indigenous person as their presidential candidate or whatever, in reality the party was controlled by non-indigenous people. Most of the political parties were run by white, ethnic Spanish. In fact, there is a huge divide in Bolivia between the European origin people and the indigenous people. The ethnic makeup of the country is about 25 percent Aymara. Other indigenous people make up about another 25-30 percent.

Bolivia is a nation of enormous contrasts, both geographic and in terms of ethnic diversity. The Aymara are descendants of an ancient civilization around Lake Titicaca and are probably the majority of the population in La Paz.

Another large group speaks Quechua, the language of the Incas. They are probably about 30 percent of the population, and are dominant outside of La Paz and the Lake Titicaca region. Then you've got about 30 percent which is mixed, and the remainder is of European descent or origin.

There are however, probably more than 30 different ethnic groups in Bolivia. One of the most interesting things in Bolivia is the parades held at the time of carnival, especially in the city of Oruro. There the celebration goes on for days at a time. We went up there on the Altiplano to attend it. They have groups with their native costumes representing different groups of people across the country, and it just goes on forever. One group after another accompanied by music and dancing, wearing their indigenous costumes. There are lowland Indians wearing feathers, dancing and leaping. Some things are really quite astonishing. The people wear masks; we still have some of these horrible masks representing the devil spirits who growl and scream while doing their crazy sideways dance. I can't explain all of this but it has to do with their religion. Some portray the Incas, who are depicted as aloof and extremely cruel.

They also have people wearing masks who represent the Spaniards. They portray Spanish women as devils with horns coming out of their heads. They portray Spanish men as covered with sores from syphilis and with an evil looking face. And then they have parades of people made up with black paint on their skin and face and this represents the black slaves who were brought into Bolivia from the Caribbean at one time to work in the

mines because the Spaniards ran out of Indian slaves. These people wear Caribbean costumes, usually with grapes and pineapples hanging from them and they do a funny kind of walk or dance. Then they lay down on the ground and roll on the ground with chains on them and they have people coming up and whipping them while in the chains to symbolize the harsh treatment of the slaves. It is really an incredible pageant of the history of Bolivia and it goes on for an entire week.

Q: Who were your principle contacts there?

BUCK: Gonzalo Sánchez de Lozada was my principle contact on economic policy along with the finance minister and other ministers. I was also a member of the American Chamber of Commerce and I was on their board of directors, so I dealt with all the American companies. That was interesting too.

Q: Did we have anything in Cochabamba or in Santa Cruz?

BUCK: We didn't have a consulate but we had contract personnel working there on our narcotics program in those places.

Q: How was that going?

BUCK: Well, U.S. assistance had been increased for anti-narcotics and by this time we were financing the whole program, paying every single dime. There was an outfit called UMOPAR which is the rural mobile police, mainly operating in the Chapare region where most of the coca was grown. The State Department provided helicopters, the U.S. Army provided training for the helicopter pilots in the U.S., while training of the troops was done by the U.S. Army Special Forces. DEA (Drug Enforcement Agency) agents accompanied the Bolivian police on missions to raid drug laboratories. We paid for uniforms, radios, gasoline, rifles, ammunition, and gave them a salary supplement.

Q: What was the feeling about their operations?

BUCK: They raided coca processing plants and occasionally a cocaine laboratory. There always were accusations of corruption and foot dragging.

In every Bolivian administration there was some kind of narcotics related scandal. I will give you a list of some of them during this period: Hernán Siles Zuazo 1982 to 1985. He was accused of negotiations with Roberto Suárez who headed the biggest narcotics trafficking organization and there were accusations against the minister of interior for involvement with trafficking organizations. During the Victor Paz Estenssoro Administration (1985-89) there was the Huanchaca affair in which a famous Bolivian scientist named Noel Kempff Mercado was murdered because he got too close to a cocaine lab. There were accusations against civilian law enforcement officials and the commander of the police because they didn't do anything about this. There were accusations the American DEA knew about the cocaine lab and people said we hadn't done anything about it or we hadn't informed them or we had informed them and nothing

was properly investigated. Then later in 1989, under President Jaime Paz Zamora, came the so-called "narco-vinculos" scandal with accusations against the president and his party, the MIR, for receiving pay offs from a trafficking organization. The person who made that accusation was a man who had been arrested, named Chavarría, who said, "Yes, he paid them off." And on and on it went.

I believe some of the information in the newspapers was planted by the narcotics traffickers themselves.

Q: Were these Bolivian narcotic traffickers or did they have ties with their colleagues, particularly in Colombia?

BUCK: Oh, sure, definitely. That's who they were linked in with. But the actual traffickers in Bolivia had originally been ranchers who owned airplanes and were pilots because in the northern part of Bolivia, east of the Andes Mountains, the entire area is under water during most of the year. I had been up there. We went to a ranch where they raise cattle and the cattle were in water up to their bellies most of the time. They feed on grass but the whole area is flooded. The only way you can get the meat out is by aircraft All these ranchers had air strips. They found out that transporting cocaine or cocaine paste was a lot more valuable than transporting meat so most of them became traffickers and they would fly the cocaine from Bolivia to Colombia. They were Bolivians and they were originally businessmen; they ran it as a business.

I traveled to the Chapare region in a valley east of the Andes to investigate the economics of coca production and I did a report on this. I went there with my wife and we were transported everywhere by the Bolivian police. She was amused. Before we got really into the area, they stopped the jeep in the middle of the road and got out and switched the license plates. They would periodically change the license plates to confuse whoever was watching what we were doing. I don't know what good that did.

We inspected the coca fields. People would harvest the coca by laying it out on the ground or on the highway so it would dry. So the highways were covered with coca leaves. And then we looked at coca maceration pits where they squash the coca, usually with their feet, and mixed it with some solvent such as kerosene to make it into a paste. The coca pits were everywhere. They just dig a ditch in the ground and line it with plastic so these things can be set up and taken down in one night. I interviewed people in the local community. I collected information from our INL people who worked there and others and I wrote a report trying to figure out how much income Bolivia got from coca and also who was benefiting from it.

Our conclusion was that most of the profit is higher up in the chain. The farmer doesn't really get all that much but probably more income than he could get from other crops. USAID had an alternative development program that I was interested in which later really did become quite successful. At one point Bolivia almost ceased production of coca due to enforcement actions and incentives provided by American aid to move into other crops.

Q: Was there a really viable alternative to growing coca?

BUCK: Yes, the most valuable crop was pineapples and also cocoa, not coca but cocoa, the brown stuff. There were things like this that you could do pretty profitably if you had the facilities to do it. In the 1990s, forced eradication combined with alternative development had an effect, plus perhaps most importantly the shutdown of the air bridge between Peru and Colombia.

I later worked in INL in the 1990s and was in charge of managing the South American program, with a number of country program managers under my supervision.

Obviously, the trade was very large and profitable but most of the benefit went to traffickers. The farmers got enough to make it worthwhile, certainly. I wouldn't say it was totally hopeless as long as you would have a government that would be willing to suppress the coca trade.

Many apologists for the coca business will say this is a traditional crop and that we are interfering with farmers' income which they have relied on for a long time. That's not quite true because the Chapare region was never really a region where coca was grown. Actually, the Chapare, which is a valley in the eastern Andes, was opened up by American aid in the 1960s; prior to that it had been unpopulated. Furthermore, the farmers who worked in Chapare were mostly ex-miners. They were people who had never worked in agriculture in their life and really had very few agricultural skills. Coca is a bush or tree. It's really pretty easy to grow and it doesn't take a lot of effort to raise.

Q: They're producing a paste which is not the traditional use: leaves.

BUCK: Oh, they chew the leaf, exactly. You chew the leaf in a ball and it's mixed in with lime in your mouth as well. And it is made into tea. Coca tea is served everywhere because coca tea will not make you high or anything but it is a stimulant and it is very effective in reducing hunger pangs. It's supposed to help against altitude sickness. Coca tea is legal in Bolivia. Almost everybody drinks it.

Coca use was expanded by the Spanish. The Incas had developed it, but the Spanish expanded it greatly because it was used as a means to control the workers. As I said, it reduces hunger. They were able to feed people less.

Q: They were able to feed people less and have people work up where the mines were. Keep the miners going, I guess.

BUCK: Potosi was the largest city in South America in the 1500s, 1600s, and one of the largest in the world.

Q: What was it like in your time? Did you go up there?

BUCK: Near there, I went to Sucre and other places around there. Potosi is a mountain which was originally an entire mountain of silver. Almost all of the silver produced in the Americas for Spain came out of Potosi. Of course, there were different booms. There was a first boom, the easy silver. Then they invented new methods of refining it and they went back and there was another silver boom after they discovered you could use cyanide. They actually mined some of the tailings. When the silver played out, then you had the tin boom which is in the same deposit and you had tin barons like Patiño, I went to his house. In the 1890s Patiño became one of the richest men in the world. He was actually of quite lower class origin. He was never accepted in Bolivian society because of that. He finally wound up moving to Switzerland because of his rejection in his home country. His house is beautiful and ornate but he never lived there. He owned steamship lines and railroads. Probably the richest and most successful Bolivian in history. His foundation in Switzerland provides scholarships to Bolivian children and I have met some of those people.

Q: Did we have the equivalent of what Chile had of the Chicago boys or American economic advisors at the time you were there of people who were looking at how we were going to turn things around?

BUCK: Well, I mentioned Jeffrey Sachs who was an economist at Harvard. He did not really play a role in designing the program. The program was designed by Bolivians like Gonzalo Sánchez de Lozada who was educated at the University of Chicago. People laugh because he speaks Spanish with a heavy North American accent. He knows Spanish very well but his pronunciation is terrible. He's a native speaker of English. He didn't study economics at Chicago, but philosophy, and he got a first rate education. He's a very well educated, intelligent person.

Some others in the Bolivian government were educated in the U.S. too, and these people knew what they were doing. Sachs was there as sort of moral support. Sachs also was an important consultant in Poland and some other places where he helped devise recovery programs.

Q: What were our interests in Bolivia?

BUCK: Our interests in Bolivia were, well, stabilization and democracy, followed by reduction of coca cultivation. That pretty much sums it up. We put a lot of money into Bolivia. AID put more than a billion dollars into Bolivia over the years and it paid off, but things are a little bit different today.

It is a land of contrasts. The Aymara around La Paz are a rather proud, aloof people. You have to remember they have their own distinctive culture; they have their own language. They even have books and newspapers published in their language that you can buy on the street corners. I don't know Evo Morales' ethnicity. I think he is Aymara, but I am not sure.

Actually, Morales is the first head of government that is an indigenous person although

previously one of Bolivia's vice presidents was indigenous.

While I was there the archaeologists were just starting to make extensive studies of the Tiwanaku area near Lake Titicaca and they have discovered over the years that this area was at one time far richer than it is today. You can see vestiges of this. You can see the terraces, the old rock terraces on the sides of the mountains but it is still a mystery how they were able to do this. Maybe the climate was different? We don't know exactly because the temperature on the Altiplano goes below freezing almost every day of the year at night even though it is not that far from the equator. It is just due to the high altitude. It gets cold, and when the sun isn't shining it is freezing. With the sun shining, it's warm. The air is so thin up there, it is hard to start a fire. Even down in La Paz, we had a heck of a time starting a fire in the fireplace because there is not enough oxygen to support combustion. In any event, almost nothing will grow up there except potatoes and, of course, Bolivia is the origin of the potato. They have over three hundred varieties, and that's where the potato scientists get their seed, original seed material, even today. They send a mission every year to collect seeds which go into a potato bank in Iowa.

Q: That's to keep the seed stock from disappearing.

BUCK: Well, it is for breeding purposes because you want to go back and get the most original possible of the different varieties of potatoes.

There are many ethnic groups: Europeans down in Santa Cruz, a colony of Canadians, Koreans, all kinds of people.

Strong regionalism. I would describe Bolivia as a failed state with very little national identity. Maybe there is some among Bolivians outside of the country. But inside Bolivia there is little. I went to Cochabamba for a big fair and exhibition (my Embassy Commercial Section set up an exhibit at the fair) , and listened to all the speeches made by prominent people. Never once did they use the word Bolivia. It was all Cochabamba this, Cochabamba that, how wonderful Cochabamba was and so on. They never used the word Bolivia.

That's true throughout the country. The people down in Santa Cruz are now trying to secede from Bolivia because they don't like the Evo Morales government and also Santa Cruz is where all the oil and gas is. Except in La Paz itself, there is very little nationalist sentiment as far as I can tell.

The country is incredibly diverse. The scenery is snow capped mountains down to tropical valleys and jungle. Much of the land is very rugged and a lot of it is under populated. Ultimately, it still is the poorest country in South America.

Q: From your economic perspective, was there much contact with the countries surrounding it?

BUCK: They have had terrific conflict with Chile and they have a lot of contact with

Brazil. The eastern part of the country has strong relations with Brazil. They produce gas in Santa Cruz and ship it by pipeline to Sao Paulo. They have some connections with Peru, of course. Peru and Bolivia are separated by Lake Titicaca but people up there go back and forth and frequently don't go through any checkpoints. The Aymara people live on both sides of the border.

But Chile is the big problem because of the War of the Pacific back in the nineteenth century in which Bolivia lost its access to the sea. When I was there, I met sometimes with the minister of transportation about their road construction projects. They had plans to build roads to different places. They were building roads with help from the World Bank and the Inter American Development Bank, but they were absolutely determined they were not going to improve the road which went across the Altiplano to Chile, despite the fact that's where all their imports come from. They have a railroad which goes across Chile that they can use but the road is impassible much of the time. It is strictly by four wheel drive vehicle and you have to go in convoy. You've got to carry blankets, food, water, shovels, everything with you in case you get stuck up there. They won't improve the road because they say that that will make it easier for the Chileans to invade us.

And then there was this whole business under Gonzalo Sánchez de Lozada who wanted to export the gas via a port in Chile. He had this big plan to do that and that is what ultimately led to his overthrow. Evo Morales and others organized demonstrations against him, against the gas export plan. They said that they are going to be looting the country and taking our gas away from us, selling the gas at too low a price, ripping us off and so on, and this is just another plot to steal the heritage of the indigenous people.

This is a very serious issue though. I had Bolivian friends who owned a gold mine and they had the legal right to it. I don't remember why I was dealing with them. They wanted me to help them in some way. I also knew them socially. In any event, they couldn't even go there because the people would threaten to kill them if they even went to their gold mine and tried to do anything with it. It just stayed there and nobody did anything with it.

There was a gold mine that I visited run by an American company. It used a heap leaching process which, of course, is terribly destructive. It involves digging out the ore, piling it in a great big pile on top of plastic sheets, a pile fifty feet high and a few hundred yards long. Then you'd put up sprinklers and spray cyanide on it and collect it as it drains thorough the ore; it leaches out gold and silver. Then you process the resulting liquid and turn that into a black powder which is rich in gold.

The problem is the cyanide collects in a holding pond and is totally poisonous. You could be killed just by being near there.

Q: What was sort of social life for you at the embassy with the Bolivians? Was there much?

BUCK: Yes, there was social life with many Bolivians. They were very friendly to

Americans.

Q: Were the Bolivians, those with money, where did they send their kids?

BUCK: Well, they all sent them to private schools, if possible to a foreign country, including to the United States. There were some decent private schools locally.

Q: Was the church a factor, the Catholic Church?

BUCK: Yes, but not really very active politically as I remember.

Q: I was wondering. Sometimes like the Marina Fathers or something would be taking the side of the indigenous peoples and all.

BUCK: I don't think so, not in Bolivia. I've never seen that. The Bolivians are Catholic, but the Aymara people have their own religion, as do the other ethnic people which they still follow, very definitely. There are many villages where they don't allow foreigners in, especially people from the Catholic Church. These people do not speak Spanish and they claim they are Catholic but they really aren't.

I was friends with Johann Reinhardt. He is a world famous archeologist. He is the one who discovered the Ice Maiden in Peru, the mummified, frozen corpse and carried her down the mountain. His specialty is high altitude archeology. His girlfriend was my secretary, an American secretary. So we socialized together a fair amount. He told me all about the culture of the peoples and explained the significance of what's usually referred to as the Nazca Lines in Peru. Those are the lines, the diagrams, the drawings that can be seen from the air and people allege that extra terrestrials must have helped in making them. These were supposedly offerings to the gods of the extra terrestrial beings and this and that. Anyway, he explained to me what the lines are all about. He says this is totally known and if you want to know about it, all you do is go to Bolivia because in Bolivia they are still making them. Every family has their own patron saint mountain and they are responsible for constructing their line which is a row of little stones and things they construct on a sight line which goes to the mountain. Every year they have to walk the line as they stage a procession which goes along the line until they reach the top of the hill or mountain that's theirs where they make offerings to the gods. This is all fundamental to their religion.

Q: You left there when?

BUCK: I left there in 1988.

Q: How did you feel, wither Bolivia when you left?

BUCK: Bolivia was looking up in the 1990s at various times and the economy did improve. I was back there in 2000 for the Export Import Bank and I thought they were doing pretty well at that time. The growth rate wasn't quite that of some other countries

but still it wasn't bad for Bolivia. The situation then deteriorated. I don't know what's going on in their economy now but I can't imagine it is doing very well. But I was fairly optimistic about Bolivia.

The big problems in Bolivia are political and ethnic. The problems are huge regional disparities, lack of consensus on what they should be doing, or even whether they should be one country.

Q: Did you get any high level attention while you were in Bolivia?

BUCK: I would say, mercifully, somewhat less than in some other places, less than in Sao Paulo, for example. Obviously, we did but I don't remember any particular visit. We occasionally had some CODEL come through, mainly interested in the narcotics issue, but other than that I don't recall anything much.

Q: After Bolivia where did you go?

BUCK: From there I went to Brazil, to Sao Paulo as the head of economic section at the American Consulate General in Sao Paulo. I was there from 1988 to 1991. I arrived in Sao Paulo in October, 1988. Before that I went back to Washington for some Portuguese language training at FSI. So I got there in October of 1988 and departed in September of 1991.

Q: That's a huge operation, isn't it? Isn't Sao Paulo the largest consulate in South America?

BUCK: It was the largest in Brazil although I don't know if it's the largest in South America. It could be.

Q: Who was the consul general while you were there?

BUCK: In the summer rotation cycle of 1990 Jim Creagan replaced Myles Frechette during my tour.

Q: What was sort of the state of things in Brazil at the time and the relations with the United States?

BUCK: I went there as the chief of the economic section in the consulate general. Sao Paulo is the seat of the business and industrial center of Brazil. We had particular responsibility for keeping up with what was going on in the economy of Brazil, generally, and in the industrial or other sectors. I did or supervised reporting on that and supported the Embassy in Brasilia. I had two other economic officers and one local professional under me.

Let me tell you about what the situation was when my wife and I got there.

The Brazilian economy had grown 3.6 percent in 1987 but dropped down to zero in 1988. Then it was back up to 3.6 percent in 1989 and then dropped 4 percent in 1990 so you had a real rollercoaster going on during that period and, of course, there were tremendous bouts of inflation and many other things. There was a lot of economic consternation. Inflation was over 900 percent in 1988. It was 1,675 percent in 1989 and 1,650 percent in 1990. This is according to Economic Trends and other reports that we contributed to at that time.

Unemployment was not too bad; it was only around the 3 or 4 percent range although it did rise very sharply in 1990. The trade balance remained strongly positive throughout this period. Partly they had to export to service their huge debt and also imports were constrained. This was in the context of a widespread Latin American debt crisis in the 1980s. That had been sparked partly by the rise in U.S. interest rates and tight money policy in the U.S., which tended to pull in money from other countries, including Brazil. High oil prices, I think, was a major factor in this as well, along with low prices for Latin American commodity exports.

In Brazil's case also you can add that they had a booming public sector and inability to do anything politically about that, including at the state level. One of the big problems was many of the states, such as Rio de Janeiro and others, had huge deficits which were often financed by the central bank and in effect were passed on to the central government.

Although they had huge debt, I should clarify that most of the debt was public sector debt unlike the United States where we have a lot of private sector debt.

Sao Paulo was and still is an industrial powerhouse. The state of Sao Paulo accounted for 40 percent of Brazil's GDP with about 20 or 25 percent of the population, 60 percent of its industry and 20 percent of its agricultural production. It really dominated the country. Sao Paulo had 120,000 factories, with about 60,000 or 70,000 factories in the city of Sao Paulo itself. Incredible. I had never seen anything like this before. As far as I can tell, this exceeds anything that we ever had in Chicago. Not all these were huge necessarily, but, still, that's an astonishing manufacturing base.

Metropolitan Sao Paulo had a population of 16 million people which was the largest in South America and the fifth largest in the world. There was simultaneous growth in pollution, congestion and crime, but it was a very nice place in many respects and we enjoyed our tour there.

Q: What was the government in Brazil like at the time and also in the city of Sao Paulo?

BUCK: Let me talk about what had happened politically.

In Brazil generally, the economic strength of Brazil was evident for all their problems. They were the largest producer of orange juice, coffee, sugar cane, alcohol and tin in the world, the largest exporters of that, and they were second in soy beans and iron ore in the world. That's in addition to the manufacturing exports. Sao Paulo was producing a

million automobiles a year at that time.

This whole problem with inflation and economic instability had plagued successive governments. They hadn't been able to control inflation because of the public sector deficit, the high expenditures, low tax collection and weak, ineffective monetary policy. In addition, under successive military governments since the 1960s, their trade policy had been and still at that time was, extremely protectionist. They had embraced a policy of import substitution as an institution, keeping out foreign imports and stimulating domestic production. That started even before World War II and accelerated during World War II when they couldn't import lots of things. Many of their major companies were founded at that time. Later they began to stimulate and even subsidize exports and provide export incentives. This was a constant irritant in U.S.-Brazil relations.

The oil shocks in the 1970s and 1980s had led to massive foreign borrowing to finance the continuation of large projects. They were also financing industrial inputs, imports of industrial equipment and so on. For example, Brazil relied entirely on truck transportation internally. They had almost no railroads or internal waterways, so unlike the United States, for example, almost everything had to be transported by truck. That's one of the reasons they were so vulnerable to rising oil prices. That's also why they began to expand sugar cane production and develop the alcohol production technology for cane which they still do today, and, eventually, they were able to develop offshore oil deposits.

They had tried various stabilization plans such as the Cruzado Plan of 1986, for example. That included a wage price exchange rate freeze and monetary policies. It didn't work. It was followed by another so called plan. That failed and then they had various short lived austerity programs which were not sustained.

The indexation practices made life more bearable for the people because they would adjust the wages monthly to keep up with inflation. It didn't quite keep up but at least it made things a little bit better. This avoided wiping out people. People often asked how the country could have such huge inflation rates without absolute chaos, but one of the reasons was they had indexation. People would invest their money in what is known as the overnight market where they would get an interest rate that more or less kept up with inflation. You couldn't hold onto cash. We would go to the supermarket and were impressed. They had enormous supermarkets, hypermarkets, much bigger than in the United States. At least two of them had over a hundred checkout counters, in operation almost all the time. The stock boys raced around on roller skates to change prices or to stock the shelves. People would take their entire paycheck and spend the whole paycheck immediately, the same day they got it. They would line up at the checkout counter with four or five baskets loaded down with commodities of all types. An incredible experience, but it actually seemed to work, sort of.

Even though you had indexation there was still a transfer to the government, or a transfer of money and wealth away from people due to inflation. This indexation made it a lot more difficult to get inflation under control.

What had happened was the military had been in power ever since the 1960s. They were gradually loosening up and so in 1985 Tancredo Neves was elected president by an electoral college; it was kind of an indirect election. But then he suddenly died. He got sick the day of the inauguration and they operated on him about ten times and he wound up dying. I don't think the doctors botched the operation, but I think he caught an infection in the hospital and they couldn't kill it.

So Vice President José Sarney took office and then he was the president when we got there. In many respects he was kind of a caretaker, although he had had this so-called Cruzado Plan and a lesser plan after that.

Then in 1989 they had the first real presidential election with full suffrage in, I think, 30 years, something like that, and a young fellow from a northern state, a small northern state, Fernando Collor de Mello, won the election kind of surprisingly and was inaugurated in March of 1990. He immediately launched his Collor Plan which was to try to defeat inflation and stabilize the economy. He was fond of saying that inflation was a tiger and he only had one bullet in his gun so he had to kill it with one bullet.

Well, it was pretty dramatic. His finance minister was his previous adviser, Zélia Cardoso de Mello, a young woman, and she was highly controversial. Indeed, it turned out she probably was not really quite up to the task but she nevertheless sold him on a quite dramatic program.

The first thing they did was to freeze the bank accounts. We arrived there in September. Suddenly in March, we woke up one day and found out we couldn't get any money from any bank. No one could withdraw money except in small amounts. I couldn't exchange any money. We would normally write a check in dollars, take it down to Citibank and they would change it into Brazilian currency. Well, we suddenly couldn't do that. For about two weeks we survived by borrowing money from Brazilian friends who had been hoarding cash. It was implemented all over the country. They froze all the bank accounts, put limits on how much you could withdraw and only gradually were going to give it back to the people with so-called monetary correction. They created a new currency called the cruzeiro and, of course, they knocked off, as I remember six zeros. Then they had an exchange rate between the old currency and the new one and monetary correction turned out to mean not giving you back as much money as you had before.

The banks had to deposit uncollected balances in the central bank and this money could only be refunded under certain conditions. In addition, they had a price freeze and they announced they were going to punish economic crimes which involved gouging or price fixing. They adjusted salaries of course, but this was to be a one time salary adjustment, and the new salary level was to be frozen for at least a few months.

They did announce some reductions in government expenditures and efforts to raise tax revenues. This included a tax on financial operations such as loans. They sort of devalued the currency but not enough, they kind of floated the currency but that was another problem. It was still overvalued and they were trying to reduce subsidies. This was a sort

of leftist policy which many people thought might cause even more problems. If you are suffering from high inflation, it is not exactly the right policy to try to stimulate the economy even more. Collor instituted privatization of a few state enterprises, announced they would liberalize prices on export products, and they began some trade liberalization (as we were pressing them to do).

The result, as you can expect, was absolute chaos in the financial sector. It did stop inflation for a few months, drastically reducing liquidity, and they began some positive trends like trade liberalization, but at very high cost. The cost was recession. Unemployment jumped to 12% and business confidence plummeted. Collor was accused of confiscating private property. There was capital flight (to the United States) and falling asset prices.

Q: What was the American government position? Could you pretty well guess what would happen?

BUCK: To some extent in some countries like in Brazil, the balance of payments has an entry called errors and omissions which sometimes tabulates capital flight. Other than that, it's pretty much anecdotal as far as I can tell. Banks and financial experts know when people are moving money out of the country. If there is some kind of capital controls, then the government has some information on that. There's a lot of informal means that people can use to transfer money. In Brazil, they had experts who were really extremely innovative and had all kinds of means whereby people could transfer money even when there were some restrictions in effect. But actually they started liberalizing the financial sector and some previous capital restrictions were being removed gradually.

One of the things that was interesting about Brazil is their financial advisers are very good. Everybody has a financial adviser, and they are far more sophisticated than in the States.

I used to know some of the mechanisms that existed but right now I couldn't explain to you exactly how they did it.

Let me mention another couple of things that Collor did. I mentioned his economic policies. He also ended Brazil's nuclear weapons program. The Brazilians had gone so far as to dig underground chambers for nuclear weapons tests. Soon after taking office, Collor was briefed on this and he cancelled the whole program. There were still some issues with Brazil on nuclear non-proliferation, but I think that is one of the positive things he did.

Also another thing that most people don't remember is that he proposed expansion of the United Nations Security Council and creation of new permanent regional members. Brazil would represent Latin American, India would represent South Asia and there would have to be a third one to represent the Middle East and Africa or maybe two. Along with that, Germany and Japan would come in as permanent members of the Security Council. This proposal is still out there and is still current, but the United States

and some other countries have never fully gotten behind it. I think that's a big mistake and I think Collor was right about this. I just point this out, that he was the originator of the plan to expand the Security Council permanent membership. The existing five permanent members would keep their veto and there would be five (or six) additional permanent members without veto.

Q: Who was your consul general?

BUCK: Myles Frechette was the consul general. He was a Latin American hand. I think he was born in Chile.

Q: His father was an engineer.

BUCK: Myles spoke Portuguese. He had lived in Rio de Janeiro previously but his Portuguese was street level. He well knew that and he was always apologizing to people for insulting them by the way he talked. In any event, he was quite fluent in Portuguese.

Q: How did you find the staff at the consulate general?

BUCK: The staff was quite good. We had a small staff. I had two officers working under me and then we had one local employee who was originally Pakistani. He mostly did commercial type activities, did some of the commercial legwork. We had Commerce Department people there also but there were some things that the State Department still did.

Q: How did you find the business community there?

BUCK: There obviously was a very large business community, especially the American companies that I dealt with. I was a member of the American Chamber of Commerce, AMCHAM, attended all their meetings, sometimes gave them briefings and I had excellent relations and cooperation with the business community. One of my jobs was to maintain contact with American companies and to represent their concerns both to Washington and sometimes intercede on their behalf with the Brazilian government. We got a tremendous amount of information and cooperation out of them as well as out of Brazilian business people, so the sources of information were pretty good.

You asked about U.S.-Brazil relations, especially trade and economic issues. The first and foremost issue was Brazil's trade restrictions. I had once before participated in trade talks with Brazil before I went there. They sometimes were acrimonious. I remember that visit we made to Brazil several years before in the 1980s. The head negotiator of our delegation was John Rosenbaum of USTR (United State Trade Representative) and he had actually lived in Rio de Janeiro at one time. While we were there, the main newspaper in Rio de Janeiro, printed his name on the front page in bold headline and said, "Public Enemy Number 1, John Rosenbaum". He was taken aback by that. He thought the Brazilians were friends of his.

Brazil had import licensing, for example. They had a prohibited list of things that could not be imported. They had what is known as the Law of Similars and I found out how they administered that. Basically, if a business wanted to import something, they had to apply for an import license. Although the application was to the Ministry of Trade, what they actually did was to send the application to FIESP, which is the Federacao das Industrias do Estado de Sao Paulo, the Federation of Industries of the State of Sao Paulo, which occupies an enormous building in downtown Sao Paulo. There the staff would distribute it to the membership and ask if they could produce that product. If there was any Brazilian company that could produce that product, then they would invoke what they called the Law of Similars and deny the import license. So you couldn't import anything if there was any Brazilian who said he could make it.

Then there were market reserves, on what they called informatics, which is computer technology, and also on telecommunications. That meant no foreign companies or investors were allowed access to the Brazilian market. There were limits on trade financing, compulsory offshore financing on minimum terms, restrictive government procurement practices, restrictions on services and all kinds of arbitrary, non transparent administration of all of the above.

Q: Well, if you don't allow imports, it sounds like you'd end up with mostly second rate products, because in the real marketplace, top quality would be coming from Japan or Korea or something like that.

BUCK: That frequently was the case. There are many good things made in Brazil, and where they really had to have something, they would import it. But the fact is Brazil had a lower rate of imports per capita, per GDP, than did Communist China at that time. It was the lowest in the world. Everything was made in Brazil, everything. You could not find anything in the store that wasn't made in Brazil.

Q: What about patents, trademarks and that sort of stuff?

BUCK: They'd license it, yes. They'd sign licensing agreements; in many cases they forced licensing with foreign companies.

Q: How did they do that?

BUCK: Well, they'd tell the foreign company the only way you're getting in here is licensing a Brazilian firm. They had started that even in World War II. For example, the Otis Elevator Company had a licensee in Brazil that was established in the 1940s. Otis elevators were made in Brazil by this Brazilian company, and actually they were probably exporting them to the United States.

Q: Looking as the American representative and the objective, how did you feel this worked for the Brazilians?

BUCK: It was definitely pros and cons. At that point it started to get mostly cons. We

were pressing them to liberalize, to relax these restrictions and gradually even Brazilian industry was starting to come around on that.

Let me talk about the informatics policy. They copied the French. The French passed a law back in the 1970s, which said only French companies would be favored in computer technology and this involved government procurement and all sorts of other things besides. They passed a series of laws which provided rather serious restrictions. It's far beyond just bringing in the product. This was instituted by the Brazilian military, incidentally. It was absolutely done by the military back in the 1970s and was enhanced as a result of the Falklands War. The Brazilian military decided that for national security reasons they had to have their own high tech computer industry which could use Brazilian technology; therefore, they could not be cut off from any kind of foreign technology.

What had happened was Argentina had used the Exocet missile with great success against English ships but then they ran out of missiles. The Brazilian military wanted to avoid that circumstance.

Q: This was a French anti-ship missile.

BUCK: Yes. We put pressure and cut them off. The Brazilians took a lesson from that and said we are going to build our own. To do that, we have to have our own scientists and engineers. So in the case of informatics, even the technology could not be imported but had to be home grown. You couldn't license, period. They told the Brazilians, you have to develop it all from scratch and so the software for Brazilian computers was not Microsoft. It was something developed by a Brazilian company, and all Brazilian computers ran on this Brazilian operating system which, of course, many people suspected was actually a pirated rip-off of Microsoft's disc operating system. I met and talked with a Brazilian computer engineer, trained at MIT, very, very capable who was one of the founders of the Brazilian computer industry and a backer of that policy.

Well, eventually this got to be so much that they were losing out in other areas because they couldn't get the latest technology and it was inhibiting growth. Computers were very expensive. At the time, a computer that would sell for maybe $2,000 in the United States would cost you $15,000 in Brazil.

The United States launched a 301 investigation on Brazil's informatics policy.

Q: 301 being?

BUCK: That's what it is called under U.S. trade law, Section 301, Trade Act of 1974. When you launch a 301, USTR conducts an investigation, getting all the information and then they call for negotiations with the foreign government. If the negotiations don't go anywhere, it can eventually lead to retaliation, but it very seldom does. We had already had a "Super 301" investigation in 1989 on their import restrictions in general. In 1990 I think there was another one on informatics policy, but we entered into negotiations and

got some benefits. It resulted in copyright protection for software and they agreed to allow for the first time the importation of software.

They had export subsidies and incentives for exporters. They were opposing us in the multilateral trade negotiations. There were investment issues in petroleum, mining, health care, telecommunications, local content requirements, royalty payment problems, and intellectual property protections. The U.S. pharmaceutical industry was fighting this tooth and nail. Patent and trademark protection was nonexistent, for pharmaceuticals especially. Piracy was permitted. And then there were motion picture distribution issues. I had a lot to do to keep Washington informed about the latest twists and turn and to provide badly needed factual information about what was going on.

But Brazil also had some complaints about U.S. trade rules and this included our vigorous application of anti-dumping and countervailing duty, which was to compensate or oppose the Brazilian subsidies. They felt that we were unfair on that.

We disputed the sugar quotas in the U.S., also our restrictions on ethanol imports. Other Brazilian issues with us were our steel voluntary restraint agreements and the small quotas we gave to Brazil on that, textile import restrictions and quotas, and our agriculture export subsidies and the export enhancement program, which we actually set up to oppose the Europeans but it affected the Brazilians.

Then there was the nuclear proliferation issue. Brazil had not signed the non proliferation treaty, and we were concerned about that.

Q: Had the Argentine-Brazilian competition pretty well stopped by this time? In nuclear arms.

BUCK: I don't think they were trying to build nuclear arms at this time but Brazil was insisting they reserved the right to, as they put it, master the fuel cycle in engaging in uranium enrichment if they wanted to do so. That wasn't a huge issue but it was certainly something we talked with them about.

Another was the missile technology control regime. They were exporting missiles and technology to Iraq, among other people.

The most frequent issue that came up in this regard, however, was U.S. export licenses for super computers which they wanted to import. That was the thing that we were not always willing to export to Brazil because of concerns about how they were using them.

External debt was an issue because Brazil was at odds with U.S. banks in negotiations. They were making demands on the banks so at times there was a standoff there.

There were some positive things; we at that time had launched something called the Enterprise for the Americas initiative. Part of that included provisions for modifying the terms of U.S. government debt and so I don't remember how much Brazil qualified for,

but it was possible they could qualify for some debt reduction.

Another issue was environmental; the destruction of the Amazon forest, the burning that was going on and the clearing there. That was a constant issue back here in the United States and we would take it up and talk to them about it. I remember there were several high level, U.S. delegations that came down; Congressional delegations and environmentalists. I set up their meetings and briefings went with them.

Let me mention also I was there during the Gulf War with Iraq in 1991. Brazilian newspapers had been absolutely filled with articles alleging that various Brazilian companies were involved in assisting Saddam Hussein building fantastic military installations in Iraq. They had lurid accounts of underground bunkers and secret weapons and placements and all sorts of things going on. There were allegations that two Brazilian contractors had assisted Saddam Hussein to increase the range of his Scud Missiles and that some of the work had been done at a Brazilian government owned aircraft company, Embraer, which is near Sao Paulo.

One fellow in particular figured in these stories. Frankly, I think these stories were way exaggerated but one person's name kept coming up. He was a Brazilian air force general, retired, who had founded the company and had taken a group of engineer scientists to Iraq where they had worked for over a year on a supposedly billion dollar contract to assist in missile development.

Washington asked if I could arrange a meeting with this person. I called him up and told him there was some issue concerning his U.S. visa, asked him if he could come in and talk with us at the American Consulate. So he duly came in, met in my office. We just wanted to make contact with him and we had a conversation. He was pretty cagey about what he would admit to.

He did say their project was to help Iraq develop an air-to-air missile that was to be the equivalent of the American sidewinder. He didn't quite admit they had done anything on the Scud Missiles. Whether they had or not, I still don't know. They had allegedly helped them increase the range of the missile. Then again, I think a lot of the reporting on this was exaggerated as we subsequently learned. Maybe the capabilities of the Iraqis weren't all that great after all, but Brazilians were making money off of this, definitely, with contractors working in Iraq.

When the Gulf War started, there was an economic loss to Brazil because they were selling automobiles to Iraq and their business contracts were cancelled. Other than that we got cooperation from the Brazilian government on the Iraq war.

Q: How would you say the mood of business community was? Pro-American, anti American?

BUCK: Strongly pro-American, always in the business community. No, you would never encounter any problems. I was quite amazed when I went to small meetings held at our

Commercial Attaché's office in Sao Paulo at the level of people that would come. Early on I was sitting next to this middle aged or slightly older gentleman, very nice and he was always there, talking. I found out he was the founder and president of Metal Leve, which is one of the biggest companies in Brazil. Metal Leve is an investor in the United States. They had just opened a manufacturing plant in the United States where they make piston rings and he is the inventor of the bimetal piston ring which still is the primary selling point of Caterpillar diesel engines. If you look at Caterpillar advertisements, they are always talking about the bimetal piston ring, which is actually a Brazilian invention.

Another businessman who would come to some of these meetings was the founder of a company called Cofap, which was then the world's largest manufacturer of shock absorbers. All Mercedes Benz and Porsche automobiles run on Cofap shock absorbers or at least they did at that time. They are one of the principal inventors of gas filled shock absorber technology. So Brazil was very, very advanced in many technologies. These business people were billionaires, but they were very down to earth and very approachable and strongly supportive of any connection with the United States.

Q: How did you report? Did you report directly or through Brasilia?

BUCK: We reported directly. Everything was direct. We worked closely with Brasilia. I was on the phone with the economic counselor, Gordon Jones, almost daily but we reported directly.

Q: What about problems I have heard at least recently, of the real concern of wealthy business people being kidnapped and all. They go from place to place in helicopters and all that. Was that a problem while you were there?

BUCK: Not too much kidnapping but, yes, they did use helicopters and I flew on some of them.

I flew on the helicopter owned by the Pirelli Company. The big bank, Banco Itaú, was famous for this. Their senior managers commuted from their home to the bank by helicopter every day. They had a helicopter pad on top of the bank building.

Q: How was life there?

BUCK: It was actually pretty good. The consulate is in one of the nicer areas of Sao Paulo with a lot of restaurants and shops. We lived in the Morumbi suburb. We lived in a completely gated community, with 14 apartment buildings and our own club. We had three swimming pools, a restaurant, and the whole thing was several acres in extent, surrounded by a wall with armed guards at the entrance, and only one entrance or exit. All of the apartment buildings, even if they didn't have big grounds, had security. Everybody had guards. It was needed because criminal gangs would attack places. It was much worse in Rio, but there was danger in Sao Paulo too.

While we were there, a group actually attacked and robbed the American school while

our children were at the school and they had a complete lockdown. The kids had to duck and cover and I think the crooks were in the main office trying to rob the place. That was of some concern to everybody.

Once some Americans going to the embassy staff meeting were robbed while they were at the stoplight in their car. A motorcycle came up beside them with guys with guns who told them "Give us your wallet." Things like this could happen.

Q: This sort of must have been a disincentive for Americans to set up shop there, wasn't it?

BUCK: No, it wasn't. Everybody just accepted that. Everybody lived in a guarded community of some kind or a guarded apartment building. We did not live in private houses. Some Brazilians I know lived in private hoses. They were robbed. Many of them were robbed four or five times. That was the accepted thing. You just hoped it wouldn't be too violent, that's all.

You asked about relations with the Brazilians. I want to recount to you one incident, a speech by Myles Frechette in 1989, which I wrote for him. This was a talk before a group of business people, mainly in the trans-shipment business, and the arrangement was made that there would be a supplement in the newspaper that would print his speech, word for word, the whole speech. They did, and we didn't pay anything for it. This was part of a supplement financed by the local business people. You've seen these things before. They are inserts. So in there was the full text of the speech by the American Consul General, Myles Frechette.

Well, the Brazilian foreign ministry just absolutely tore Myles apart over that because he dared to say something in there that I thought was incredibly mild but the speech said something that could be implied as a criticism of the foreign ministry. So they let him have it. The Brazilian foreign ministry is the most powerful ministry in Brazil. They run the presidential household, they are the presidential staff, they run all trade negotiations and any other negotiations, and they run Brazil's intelligence service. They are a powerhouse. They are very capable.

Q: They have that reputation.

BUCK: Yes, they have and they will go after you. They are not like some other countries including our State Department which sometimes tries to be helpful toward foreign countries. They see it the opposite; they see their job as defending Brazilian sovereignty against everybody else and especially the United States. If you want to find people who are critical, yes, go to the foreign ministry.

They put their views in the newspapers. I mean they put it in through columnists and other people that they have influence with so we started seeing op-ed pieces saying it's such a terrible shame the United States sends tenth rate diplomats like Myles Frechette to Brazil. They claimed he had made this speech in which he had just displayed totally

unprofessional conduct and on and on.

Q: I was listening to the radio today as we were speaking, we are going through a tremendous worldwide financial collapse and a man who I am pretty sure is a Brazilian diplomat here but was ticking off point after point about why the United States was responsible for everything that happened. It was terrible that the price of soy beans has collapsed.

BUCK: They will not cut us any slack.

Q: You were there how long?

BUCK: Three years.

Let me finish this up about Mr. Collor, the president. I left while he was still president but in the same year that I left, his own brother accused him of corruption and a huge scandal erupted. In 1991 he was formally impeached by the Senate but he resigned in 1992. Later the Supreme Court threw out his conviction and he was supposedly exonerated. He is still around. He is a senator from his home state now. That was another comedy, you might say.

Q: So often in a country like Brazil and some others in the western hemisphere, they don't feel they get enough respect from the United States.

BUCK: Well, yes and no. The relationship there is different from other countries. In many other countries where I have served, we have had kind of a client state relationship and if we want to have an appointment with a government official, usually it's not very difficult because, hey, this is the big United States and they are glad to meet with us. They want something from us. They want to have their handout or they want some kind of concession or they are looking for aid or rescheduled debt or they want to get more American investment or whatever. It could be any number of things.

Not the case in Brazil. In Brazil it's a standoff relationship. The American Embassy doesn't have any particular inside track with the government and if you request a meeting, they might give it to you and maybe they won't. They are pretty gracious. We were always able to get meetings at some level for our congressional delegations but they make it clear that they are in no way subservient to the United States and it is a relationship among equals. That is in fact what the foreign ministry is very much focused upon.

They don't accuse us of ignoring them very much; most of the time they just don't care. They are off in their own world. Most Brazilians certainly travel to the United States. While I was there, and later, the big vacation place was Orlando, Disney World, for anybody who had the money. Once when I was in Orlando they started at one of these dinner places asking how many people are from this country, from that country. They went through all this and finally they got down to the end. A little pause and finally the

emcee says in a slightly choked voice, "And how many are here from Brazil?" The whole place erupted. Everybody shouts and jumps up on tables and starts to dance and sing.

Q: By this time, where did Rio fit into the equation, economically?

BUCK: Rio had a lot of the banking industry. Other than that, tourism was the big thing in Rio. Manufacturing was in Sao Paulo. There has long been a friendly rivalry between Rio and Sao Paulo.

Q: How about Brasilia? Was at that time was there still Thursday or Friday exodus from Brasilia?

BUCK: To Rio, mainly, yes. There was still some of that because a lot of people who lived in Brasilia still had homes in Rio de Janeiro but not as much. I was in Brasilia several times, a strange place, the strangest city in the world. It was designed by Communists. All the buildings were designed to house the government employees in the same building where they worked. They built the apartments without kitchens because they expected everyone to eat in communal mess halls. They also designed the city without sidewalks because they assumed everyone would be transported to and from work by buses. The central part of the city, where the parliament and government buildings are, is almost impossible to walk around. There are no stop lights. Everything is accessed through four leaf clovers. This was all laid out in the 1960s.

It's of course changed since then. They've got more stores, more shops and a larger population. It used to be they had government employees and then they had this huge shanty town of poor people surrounding the place. That has changed.

Q: How did you find life there as far as you and your family?

BUCK: We have a lot of Brazilian friends and they invited us to their clubs, or to their beach houses, so we would go to different things on the weekend.

Q: Beach houses where?

BUCK: At Guaruja, about an hour drive to the coast.

Let me talk some more about some of the economic issues. Some of these might even have application or lessons for us today.

The problems really developed from government deficits in the period from 1973 through the 1980s. I mentioned oil shocks; external borrowing; misleading government accounts concealed the situation. There were a whole series of IMF programs. Even the IMF admitted the data in there was fabrication so you could never figure out what the real situation was in terms of the government deficit.

Inflationary finance took place when the borrowed funds ran out. Something called the

financial merry go round, a very sophisticated financial system, very highly developed with numerous possibilities for financial manipulation, inflationary expectations and indexation promoted more and more inflation. It took resources away from production and reduced efficiency. Tax evasion, the growth of the informal economy as well. That finally came to the end of the road for inflation as a means of financing the government. The Collor Plan which I mentioned to you ultimately failed. Inflation returned within just a few months, and then they had to have a second Collor Plan and so on. There was no effective control of the money supply, not enough control of public spending, the deficit was still large, and inflation was proven not to be just inertia; that is, it was not just due to the indexation.

The central bank was committed to buying debt paper from the banks to stop the banks form going under and also to allow the banks to take on more debt, including government debt. So, in effect, there were no limits on the ability of banks to extend credit or to buy government debt. This eventually accelerated inflation. Selling government debt is not always inflationary to finance a deficit but if everybody simultaneously begins to be reluctant to take on the debt, and as interest rates rise, inflation definitely can result. This I think is one of the lessons for us, for the United States now and maybe in the future.

The banks in Brazil did not suffer, unlike what we are seeing today in the United States, including the foreign banks. They raised their fees, charged for services, their loan activity actually increased, high real interest rates increased their profits. Financial consultancy services were in very high demand. What Brazilians did was a lot more elaborate and effective than what I have experienced anywhere else.

Everyone had a financial adviser and most people who had any money had it in savings. They spent the first hour each day of their workday on the telephone with their financial adviser, deciding what they were going to do with their money for that day. So every day you had to make a decision where you would place your money. The financial advisers would help you with innovative financing, like for companies who were seeking financing, they would help you with hedging against inflation, and they gave tax and legal advice. They weren't just selling some kind of product like a mutual fund; they were serious. If your financial adviser screwed up, you were in big trouble. These people had to perform and, by and large, for most of the time, I think they did because if you were smart, you could find ways to protect your capital.

Some other implications or lessons involved financial distortions. This means practices that tie up large amounts of money in other than productive investments. Financial investment, again something which we know about. Inflationary finance can be kind of a tax, with the government, in effect, printing money but there is a limit on how much you can do this.

You could take advantage of dual exchange rates to make money, and make speculative financial investments, but this may have a negative effect on growth over time. Also there are harmful effects of inflation. It distorted what companies did and it resulted in companies having a lot more employees frequently than they really needed. Although

that maintained employment, it didn't do anything for the efficiency of the company.

When I visited companies, I was always amazed at how many people were standing around doing little or nothing.

Income distribution worsens as real wages erode. Shorter time horizons, uncertainty affects all kinds of investments, capital flight to other currencies and an increase in informal activities like tax evasion. Some group asked me to present a paper on the informal economy in the United States. I had to research the extent to which we had an informal economy; that is one that is off the books. Of course, we do have; the largest one is the narcotics industry, but the informal economy was highly developed in Brazil, mainly for tax evasion purposes.

Also there is the role of the financial system itself. The system had been liberalized so that the banks could move money in and out of the country. This sophistication and efficiency actually increased the velocity of money and that's something we've learned about in recent years here in the United States.

Because of very high public deficits in the United States and the borrowing which is going to take place in these next few years, are we going to run into one of these situations, kind of like what Brazil is experiencing? There are big differences, yes, but I think there are some lessons to be learned or some analysis that would be useful.

There is only one more point I would make and that is a final note on corporatism, which most Americans have never heard of. I had never heard of it. Businessmen in Brazil would find out about it rather quickly. It is a governmental/political system, the system of Fascist government. It was developed by Fascist Italy, and by Spain under Franco. The Brazilians imported it in the 1930s and there are vestiges of it still in Brazil that are actually enshrined in the Brazilian constitution.

I mentioned the FIESP, which is an example of it. Under corporatism, society is divided into sectors and each sector is represented by a syndicate. The sectors are labor, business and government. The military are included in government. There's also sometimes a fourth sector which is the academic, artistic, writers, and media, but that usually falls apart.

In Brazil they have labor syndicates. All workers have to belong to a union and, no, you don't get to select which union you belong to and you pay your dues to the union and they are automatically deducted out of your wages. There's a whole union structure which reports up to the central.

Again, on the business side, the same thing. All industries have to belong to a syndicate and you pay your dues to the syndicate. By law, this is required. In Sao Paulo it is the Industrial Federation of Sao Paulo. Every industry belongs to their individual syndicate or group within FIESP. This has nothing to do with trade associations. Trade associations are voluntary organizations; this is not voluntary.

FIESP has a big building, a skyscraper in downtown Sao Paulo and I have had a lot of contact with people there, especially economists who work over there who write papers and collect data and so on. So what do they do?

What they do is they decide what peoples' wages are, they decide what the prices are going to be, they decide who can import what and who can manufacture what. All of this is done completely outside of the government and completely outside of the national legislature. Basically, they decide what they are going to do and they inform the government and then it is up to the national legislature to rubber stamp it. That is corporatism and it was developed as a way to bring order out of chaos, to stop wildcat strikes and to provide some kind of stabilization, or some kind of orderly procedure for adjusting the wages in a high inflation environment. It is a formal means of short-circuiting or circumventing the political system.

Just to give you an example of how this worked, General Motors at one point was facing a strike.

Ford and GM both have big plants in Brazil. Ford, GM, and Volkswagen are the largest producers in Brazil, although Ford and Volkswagen are merged into a single company, which is called AutoLatina. Anyway, this was some years ago. They were facing a possible strike and they wanted to negotiate with labor and actually give a wage increase to their workers. But that's illegal in Brazil, or at least it was then because you can't do that. The only people authorized to negotiate with labor is FIESP so you have to go through your federation and then the federation will sit down with labor. They will negotiate the wage which usually would be the lowest common denominator because they would provide the same wage throughout the entire industry and they would base it on the least competitive Brazilian company. A multinational therefore could not give a wage increase to its employees because that might require some small Brazilian company to have to pay higher wages.

Q: Something like that, I would think would stultify.

BUCK: It is, absolutely, it is. It was very, very anti-competitive. Well, it's a different world from what we are used to in the United States.

Q: Where did you go?

BUCK: After Brazil? I returned to Washington to the Economic and Business Affairs Bureau and from 1991 to 1993 worked in the Office of Development Finance (EB/IFD/ODF) as our liaison with the World Bank.

Q: How did you find that?

BUCK: It was nowhere near as interesting or as exciting as being overseas. My responsibility was to keep up with everything the World Bank was doing. I had to review

all their loans in conjunction with the Treasury Department people and attend meetings. I was a delegate to World Bank meetings, especially to the negotiation for replenishment of the International Development Fund which is the soft loan window of the World Bank. But our positions in the World bank are controlled by Treasury. It's a little bit frustrating because they don't like State Department people meeting separately with World Bank staff so we had to kind of dance around that at times. My job was to inform people at the State Department, especially if we were about to oppose a loan for some country which would predictably cause the foreign ministry to come in and raise hell about it.

I can't tell you there was a lot of excitement in that. There really wasn't. But, I learned a lot about the World Bank and how it operates.

Q: What was your impression of the staff, the personnel and the outlook at the World Bank and its impact?

BUCK: The World Bank has gone through some changes. They have cut back staff since those days but it's a good place to work. They had a lot of staff benefits and they had a pretty good staff. Of course, they make an effort to get people from different parts of the world to work there, many of them are former high ranking people in their own country. I worked rather extensively on matters involving other countries where I dealt with their country director and with their economists who were managing programs in the country concerned. I also dealt with them on the consultative group meetings where we coordinate economic assistance to developing countries. I think they are quite good, quite capable. They write an enormous amount of papers. It is hard to get through their papers; they are long. I think they are excessively bureaucratic.

One of the things World Bank has done is they decentralized a lot. Their country directors are now normally stationed in the countries concerned. They don't have as much heavy staff in Washington; at least that's my impression.

We were trying to get the World Bank to do certain things, especially in the environment area. We wanted them to be more strict with countries and with their own loans and we were occasionally opposing loans. I believe there was some kind of U.S. legislation which required us to review the loans for environmental effects especially on things like dam projects. Occasionally, we would recommend against a loan on that ground and then the U.S. executive director would speak against it in the board meeting. They usually always approved it anyway because the World Bank never disapproves a loan after they have gone all the way through the whole process of developing it and presenting it to the board.

On the environment side, I also worked with the adviser from the White House on the revitalization or reorganization of the Global Environment Facility which was set up under the World Bank or run by World Bank. I was helping her, advising her on how the World Bank functions. We had a number of meetings about this so that we could develop a U.S. position on this. The GEF was reformed. They had all sorts of projects in many countries, including in places like China and India. It's a separate fund from the other

parts of the World Bank.

Q: Where did you go after this Economic and Business Affairs Bureau job?

BUCK: After that I applied for and received a Pearson assignment. I worked for the U.S. Congress for a year. I worked for the Ways and Means Committee, the Trade Subcommittee.

Q: Explain what a Pearson assignment it.

BUCK: That's a detail to work with Congress as a fellow with a congressman. Many government agencies do that and, in fact, there are many offices in the congress that rely to a great extent on this. There are quite a number of people from the Defense Department who are fellows. You apply for the program and they may assign you to it. They have a certain number of slots and it depends on who else is also applying for it. I was able to get one of the slots. However, they do not help you in getting a job at Congress, so you have to go out and get that yourself. I literally had to go and visit congressional staffs and congressmen to find somebody who wanted me.

I wound up at the Ways and Means Committee, the trade subcommittee staff, the professional staff. I think most people who do the Pearson program probably work for an individual congressman, maybe their own congressman. I did not do that, I worked for a committee. I think I was about the only person who ever worked for that committee.

Q: Tell me, what does the committee do and what were you doing?

BUCK: This was summer 1993 to summer 1994. The Ways and Means Committee of the House of Representatives handles all revenue measures, which includes taxation; it includes anything that affects income, or revenue of the government. That's defined to include trade and I was on trade subcommittee staff. It involved international trade. This is a consequence of the U.S. Constitution which the staff reminded me of and which they are extremely defensive about. There's a provision in the constitution which says that all revenue measures have to originate in the House of Representatives. That is defined as trade because trade affects customs, customs affects revenue. Therefore, trade bills cannot be proposed in the U.S. Senate and, in fact, no revenue bill can be proposed in the Senate. It has to be something that has already been proposed, taken up in the House and either passed by the House or somehow sent over to the Senate. Then the Senate can amend it, but they cannot initiate it. The important thing politically speaking is it makes the Ways and Means Committee one of the most powerful committees in the Congress, perhaps second only to the Appropriations Committee because, like appropriations, it deals with money and lots of it.

The Trade Subcommittee handles everything related to trade legislation. When I was there, there were two important pieces of legislation that not only came up, but were passed; these were NAFTA, the NAFTA Trade Agreement, with Mexico and Canada (the North America Free Trade Agreement). The second was implementing legislation for the

World Trade Organization which also implemented our commitments under the multilateral trade negotiations.

I was given substantive responsibilities for a few areas: customs and tariffs, and I was the only person who worked on those during that year. What I found out was that the person in this position on the staff typically handled something called tariff suspensions.

Tariff suspensions were invented sometime in the 1970s by a wise guy lawyer in Washington and eventually turned into, so I understand, one of the largest generators of billable legal fees ever in the history of Washington law firms, which is saying quite a bit. How it works is this: a U.S. company hires a law firm in Washington that specializes in tariff legislation. They pay them approximately one million dollars or more and then these people draft up a bill which will suspend, that is eliminate, all tariffs on some product that that company is importing. They then go to the congressman who has that company located in his district. They write the thing and send it to the staff. That congressman doesn't look at it, he just drops it in the hopper for introducing a bill. At that point these bills come to the trade subcommittee where they are reviewed and often put together into a package. In this case, me, the person on the trade subcommittee staff tries to make sense of what this is all about and, with the law firms or the lobbyist who does know what it is about, then we pull them all together, hold hearings on them, notify the general public that this is going on. At the hearings people have the opportunity to object, and if anybody objects, they may be knocked out. Usually there is no objection because most people aren't paying attention. Then the whole thing is bundled up toward the end of the session and they pass them all at about 3 am on the last day of the session of Congress with no roll call vote.

What does this do? What it does is it modifies the tariff schedule of the United States. It makes it fantastically complicated; it adds a few hundred pages which the customs' officials have to try to interpret but these things are written very, very, very narrowly to affect only one product. It gives the company an advantage because they can lower the tariff, which may be 10% in some cases, of a critical component which their competitor can't get. That's what it is all about.

There's far more to it than that. I have described the actual process of how it worked but my role was that in some cases we had to straighten out some conflicts and problems where some errors had been made. We had to re-pass some things.

This formed the basis of the U.S. proposal on tariffs in the multilateral trade negotiations so the U.S. proposal which became accepted, which was accepted by other countries, our negotiating position was simply the sum totality of all the pending tariff suspensions. These are things on which we proposed to lower the tariffs to zero.

Q: Lowered everywhere?

BUCK: Yes, lowered everywhere, of course, but that's exactly what the industry wanted. It was a bit more than that also because the multinational companies wanted to regularize

or zero out the tariffs among countries on certain products because they wanted to specialize in production in one country and ship it to another country. This is particularly true in chemicals and pharmaceuticals.

Q: I can see two elements: one is the taxpayer who is getting revenue but the other one is that by lowering the tariff on a specific item will benefit this company in Plainfield, New Jersey but the company in Syracuse, New York is going to find it, now who tells the company in Syracuse, New York that they are getting screwed?

BUCK: If they are smart, they will be paying attention, they will hire somebody who will tell them about this. They will subscribe to some kind of newsletter, pay attention through their trade association, but it is basically up to them. This is the situation, you know. If you are going to be in business, you had better hire somebody or have somebody here in Washington to tell you what is going on on Capitol Hill; otherwise you can easily end up getting screwed.

Q: Were you serving several masters? I take it you weren't serving the U.S. taxpayer?

BUCK: Well, no, the amount of money involved is actually small so these tariffs are not that large. One of the things you do have to do is estimate the cost to the taxpayer but it really is not a lot of money.

Q: Were you serving, obviously you were serving a congressman who wants his constituent firm to do well but what about, were you informing sort of the other hens who want to peck away at this thing?

BUCK: That's the reason why hearings were held on this. The general public is notified and the list of all these pending suspensions is published and if people object to it, then it can be changed. However, in this particular case most of the ones I was working on had been proposed previously as the U.S. position in the MTN and USTR wasn't going to come off of that. They weren't going to modify it, really couldn't at that late date. Most of these things were pretty much set in concrete.

Q: They weren't going to be taken off, well, I mean the whole trend was to knock out tariffs anyway.

BUCK: That's right, but what most people don't realize, we weren't knocking off the tariffs on anything which would be of great consequence to U.S. firms. We were mostly eliminating tariffs on imported inputs, industrial inputs which in some cases could disadvantage another company, that's true, but largely it was on the inputs used by U.S. industry.

Q: I take it you weren't allowed to get close to agriculture?

BUCK: I don't think so, no.

Q: This is really where the rubber hits the road. That would be mainly agriculture? No, it wouldn't be agriculture. It would be your committee.

BUCK: It would be our committee but the agriculture people, agriculture committee would be heavily involved in it. I don't recall doing very much in agriculture.

Q: How did you find the dynamics?

BUCK: I discovered that most of the members of Congress really had little knowledge, they certainly didn't seem to have paid any attention to this sort of thing and, in fact, nobody paid any attention to it except me. What I found out was the people who do pay attention and know all about this are the lobbyists, the specialized lawyers, and the congressional staff people. Clearly, if this was something that affected a member who objected to something, it would be different, but I don't think the members were paying much attention. It's just not the kind of thing they were interested in.

I worked with other staff people, congressional, members' staffs on the NAFTA passage. I helped get that passed by writing position papers and briefing staff people from congressional offices so they could provide information to their members.

Q: What were some of the dynamics of NAFTA that you observed?

BUCK: The main thing was of course concern about environmental protections and labor working conditions, especially in Mexico. Many of the members were insistent that there be provisions for setting up some kind of commission and organizations that would monitor and also try to impose standards, particularly in Mexico. That was put into the legislation. That was a big deal and issue and condition for passage.

Q: Did you find there was much knowledge or interest in a Foreign Service Officer?

BUCK: Yes, there certainly was on the staff I was on. I also found out that the Foreign Service was held in extreme dislike by a great many members of Congress, even to the point of making insulting comments in my presence. Members of the staff were resentful. They basically thought we did a poor job in taking care of them when they traveled abroad which is of course the exact opposite of most of our Foreign Service impressions but it was that sort of thing.

Q: How did you like your time there?

BUCK: Actually, I did like it. The people did treat me quite well, but it was a completely different environment. It was not bureaucratic at all. Most of the time I was making decisions on my own. I responded to the head of the Trade Subcommittee Staff or the chief staffer to the Chairman of the Ways and Means Committee. I at times worked directly with Dan Rostenkowski, who was the Chairman. In fact, there were two chairmen while I was there: Dan Rostenkowski, and then later after he was removed due to scandal, Sam Gibbons of Florida.

I also wrote part of the legislation for the WTO implementation. I wrote the section on tariff and customs inspection. I worked directly with the Chief Counsel for the U.S. Customs Service to make sure we had the right language, that it would do exactly what we were trying to do in terms of facilitating electronic clearance and things like that.

Q: Did you find your skills as an economic officer overseas, being overseas and all played a role in how you did this?

BUCK: In terms of knowledge overseas, no, not really, because that just wasn't that sort of thing. Later on, actually, in another area I dealt with, yes, but in the terms I am talking about, not really. However, interpersonal skills and negotiating skills and dealing with high level people, yes, because the people I was generally dealing with in other agencies were at least at the deputy assistant secretary or the chief counsel level.

Almost all the other people in the Trade Subcommittee had previously worked with USTR and, in fact, USTR had virtually a revolving door with them, between that subcommittee and USTR, including holding the top position. Bruce Wilson, who headed up the subcommittee staff later was named head of the Customs Service. So these people often go into top positions. USTR worked very, very closely with the staff; they were there every day.

Q: Who was USTR during this period?

BUCK: Carla Hills.

Q: Did you get any feel about the Customs Service? At one point I was seconded to the immigration service, this was in the early 1980s and it was suffering badly from a lack of confidence in itself. It is an impossible job anyway. How about the customs people?

BUCK: I did work quite a bit with them. Honestly, I didn't get into those kinds of administrative issues. We were trying to facilitate and improve and streamline the customs clearance process by making provisions for the new agreements they were developing with customs brokers for electronic forms, exhibitions of electronics forms and things of that nature. So we had to provide the legal framework which would allow these things to be done properly.

I also worked to some extent with the Commerce Department on some of their concerns too. The Commerce Department people, by the way, were the only ones who knew anything about tariffs. USTR really doesn't deal with tariffs and on many of these things I talked with people in Commerce who had some knowledge of the industry. They kind of kept up with some of these tariff issues but, frankly, not that much. I quickly found out that I knew more about it than anybody else.

Q: By the time you got involved in that, I guess, tariffs were no longer of a real factor.

BUCK: That's because we lowered the tariffs to zero in so many areas but I can tell you the implications of that were pretty serious. It had a great deal of impact, particularly on imports from China because, for example, the tariffs on all toy products were lowered to zero and on a great many other classes as well. This allowed these things to come into the United States without paying any duty and was a huge benefit to importers.

Q: What was in it for letting this Chinese stuff in? Who was benefiting?

BUCK: Mattel and other U.S. toy companies. They were the ones behind it.

I wrote and got passed one stand alone bill. This was to provide for expedited customs clearance for the Soccer World Cup [Ed: from 17 June to 17 July 1994. The United States was chosen as the host on 4 July 1988] and the Atlanta Olympics [July 19 to August 4, 1996]. Then I put that together with a couple of other events, including the Special Olympics. This was absolutely critical; it had to be done because when the countries negotiate with the Olympic Committee, make their proposal to get the designation for the site where the Olympics will be held, one of the things they have to do is promise to expedite customs clearance and that means eliminating tariffs on imported equipment, sports equipment and expediting clearance of this equipment and the teams into the country. This can only be done with actual passage of a law. There is no way this can be done just administratively. You literally have to pass a law which does it. Now this is where the lobbyists came in. The World Cup people, who were the most active on this, had a Washington lobbying firm which worked to get this legislation passed and had managed to get Dan Rostenkowski to agree to submit the legislation but then it had to go to me. I had to work on the language of it. I worked along with the Customs Department people to make sure we were not doing something that could allow abuse, allow somebody to bring in things in an unauthorized manner.

Anyway, that was interesting because of two things; first of all, I did the whole thing. There was nobody else and that is typically the case in Congress. You have the staff person who simply shepherds the whole thing from start to finish. I went down and sat in the staff section behind Dan Rostenkowski on the floor of the Congress while he stood and introduced the legislation and secured its passage. It was also, I think, the only real stand alone bill that was passed by the U.S. Congress that session.

Q: What was involved?

BUCK: The biggest involvement is to get the thing on the schedule, try to figure out how they're going to take this up when they have time to do it. Also to try to do it in such a way that there won't be any opposition and that it will be passed by voice vote or by acclamation without actually having a vote on the thing. You've got to kind of wire the thing in advance with the other members so they know what is going on and that this is a good thing that they shouldn't oppose. The other thing is to make sure that it actually does what it is intended to do, that you've got the right language. The third thing was instead of having to pass a bill for all these different events, I put them together in one bill which I think was kind of wise. I got a nice letter from the head of the Olympics

Committee.

Q: Were there specific things you had to say, OK, we got to make sure we get an exception for this guy?

BUCK: No, it's not like that, but it suspends the tariffs and provides for duty free entry on goods which are imported, being brought in by delegation teams for this particular event. I don't remember the exact wording but we had to make sure that somebody else, some manufacturing firm, could not abuse this and start bringing in products without even examination, claiming that this was for the Olympics or something. It had to be done by the authorized teams' delegations themselves. It helps people not only with the equipment but also the individual athletes when going through customs.

I worked on the Export Administration Act which was initiated by the International Relations Committee. I took a look at it and saw it had all sorts of egregious things in there which I didn't like, calling for mandatory retaliation, trade retaliation against countries that might be violating the Non-Proliferation Treaty and things like this. I felt this was conceding too much power to the Congress and was taking away from the president's authority as well as possibly interfering with trade. That was the view of our committee as well.

I negotiated a lot with the staff of the Foreign Relations Committee. As I recall Nancy Pelosi was heavily involved in this issue. I reported to the staffer who worked for Dan Rostenkowski that we had this little problem there and she said, "Well, OK. Let's have a meeting on it and you can brief me on it." So I went into the meeting with her and all she asked was, "Are we at our bottom line?' And I said, "Yes, we are at the bottom line." She said, "OK, I'll take your word" and that was that. So basically she went over to the Foreign Relations Committee and told them that they didn't have any choice -- that they were going to pass it the way we wanted it because Ways and Means has a lot more power than Foreign Relations people have. She was telling them that our members would not support the language that they came up with, which was too sweeping. We had to give the President some administrative authority. I wrote the language.

I was just a year there but I really found out how we conduct trade policy, how we formulate trade policy and also some of how we conduct policy in a number of areas including foreign policy, and the enormous influence that congressional staff people have, as well as lobbyists. Also the fact that there are many staff people who really are the most well-informed and the most knowledgeable people in the government in a number of areas. Some of those people had been in position for ten or fifteen years, have served longer than anybody in the Executive Branch, and they know all of the legislative history, which practically no one else knows.

Q: Did you get involved with anybody on the committee, how do we get an answer from the State department or any of that relationship with the State department or was this not particularly your area?

BUCK: We didn't deal with the State Department. A couple of times I did. State, of course, has the Congressional Affairs Office and a few times I did talk with those people but normally there wasn't a lot of communication with the State Department. I found out that there's a big difference in the way agencies approach the Congress. Some people, like in USTR, do not go through any Congressional Affairs Office. It's a straight connection and the same is true with some others. Then you get into people like Customs or Commerce or even State Department where they insist that their lower level staff people or their bureaucracy not be dealing directly with Congress. That's a little bit frustrating on both sides, actually because sometimes you can't get very straight information out of them.

Q: In 1994 where did you go?

BUCK: In 1994 I went back to State and joined INC which was then the International Narcotics and Crime Bureau; now it's INL, Bureau of International Narcotics and Law Enforcement Affairs.

Q: Known as "thugs and drugs." How long were you there?

BUCK: I was there two years; from September of 1994 to July of 1996. I was Chief of the South American Division (INL/P), also Deputy Director of the Office of Program Management, in charge of the South American Division.

Q: Who was the Assistant Secretary of the Bureau?

BUCK: Robert Gelbard, and I worked a lot directly with him. Gelbard had a reputation of being quite difficult to work for. I got along with him OK. He never screamed at me too much but he was very demanding, no question about that.

Q: Let's talk about the narcotics and crime situation in Latin America. I am sure you had probably the most active hemisphere, didn't you?

BUCK: I had the most active part of INL. We had a budget of about fifty million dollars a year. My job was to supervise the program officers who directly backstopped the program in each of the countries in South America.

Mexico had its own group, and there was a Central American/Caribbean Division, but the South American Division was by far the largest.

I was the point person on what we called alternative development. Drawing upon my economic background and knowledge of the countries concerned, that's why I was, I think, selected for that position. I was responsible for the alternative development issue in INL which meant working with AID to influence the AID programs in these countries to support the anti-narcotics directive.

I also led the U.S. delegation in meetings with the Organization of American States

(OAS) and United Nations doing alternative development.

Q: I take it that alternative development meant moving away from coca producing and into grapefruit, or something like that?

BUCK: Right, exactly. But it is broader than just crop substitution; it's also includes infrastructure and education and health and other things which would support doing exactly that.

Q: Let's stick to that then. I take it your biggest programs were Colombia and Bolivia, weren't they?

BUCK: Three countries primarily: Colombia, Peru, and Bolivia. We also had programs in Ecuador and Brazil and Venezuela. The three largest programs were in Peru, Colombia and Bolivia where we had multimillion dollar programs and in particular where the State Department had an air operation. We also had an aviation office in State which is located at Patrick Air Force Base, but State Department got helicopters mostly from the Defense Department, fixed them up, and hired a contractor which is usually DynCorp to maintain them.

In the case of Colombia, we transferred them to Colombia and the Colombians maintain them. In the case of Peru and Bolivia, the State Department retained title and control. The Narcotics Affairs Officer in each of our embassies has to approve their operations and oversee what they are doing. We also have teams of mechanics to maintain them and then of course, INL pays for sending the pilots to Fort Rucker, Alabama to receive pilot training.

Q: Explain what they were doing.

BUCK: What they do is transport the anti-narcotics police forces to conduct raids on drug laboratories and things of that nature. When DEA had its Snowcap program they had DEA agents in the field working with the anti-narcotics police, and those guys were riding along on the helicopters.

Q: Let's take country by country, the major countries. What was the impression during this 1994 to 1996 period of what the challenges were and how we were meeting them?

BUCK: Let me take Bolivia first. Bolivia raised drugs in two places; the Yungas area which is mountain valleys near La Paz, a more traditional place and that's also where they produced the legal coca. There is a legal coca market because coca extract is used in drugs of a number of kinds and used to be in Coca Cola. Actually, they told me Coca Cola still has coca extract in it although it has the alkaloids, the narcotic part, removed.

The Chapare region, which is a lowland area east of the Andes was developed in the 1970s for raising coca. Chileans started the cocaine trade and then the Colombians got into it. The Colombians I think were the ones who started the drug trade in Bolivia and

developed coca strains that would grow in lowland areas. They were even helping farmers learn how to produce coca, how to grow it, which isn't very hard, and how to process it. In most cases, the coca paste would either be further refined in the cocaine lab in Bolivia or would be transported to Colombia, usually by airplane, where it would be made into cocaine. Then it would be shipped on further to the United States, at that time generally being sent through Mexico, also through the Caribbean, but increasingly through Mexico.

There were incidents in which we had detected Boeing 707/DC-8 type aircraft loaded full of cocaine being flown to Mexico, landing on remote desert strips and being offloaded, frequently under protection of somebody in Mexico. We, of course, tried to take that up with the Mexican government, with some varying success. That gives you an idea of the magnitude of the issue.

In the case of Bolivia, I visited the projects we had underway there in 1995. I was especially looking at the USAID development projects and there was some progress being made. Coca production was still increasing but there was some groundwork being laid for developing other products and, subsequently, production in the Chapare did go down and production of other crops went up.

I did the same thing in Peru, going into the Huallaga Valley and other valleys in Peru where USAID was negotiating agreements with the villages so that they would pledge not to grow coca. In return, we would pledge to provide funds for roads, bridges, schools, health stations and things of that nature. We wanted to try to get a commitment not to grow coca but AID would resist any direct linkages or conditions. One of the things I was trying to negotiate with AID here in Washington was to get language in their project papers which would say that the purpose of the project was to reduce coca cultivation. AID would not agree to that. They would admit that was a goal and objective but there was some semantics involved in this. They were being very bureaucratic about it but actually quite clever. They didn't want to be faced with accusations that the project had failed because they hadn't succeeded in reducing coca; so they insisted on stating the project objectives in more traditional development language, such as increase the number of schools, or increase crop production of this or that.

Some of the alternative crops that were being investigated and with some degree of success were cacao for cocoa. I visited a chocolate production plant in Peru, pineapple and citrus farms and so on. We were providing direct assistance, in some cases nurseries, seedlings and agricultural research. Also we were helping set up marketing systems, cooperative systems for marketing these products.

In Bolivia, the number of hectares of alternative crops did increase from say about 30,000 in the 1980s to about 50,000 in 1994. The problems were, well, first of all, this fellow, Evo Morales, who is now president of Bolivia, was actively opposing this and he was promoting the legalization of coca. He was head of the Coca Growers Federation. I was at a conference where he spoke and I spoke too. We had different views.

In both Bolivia and Peru there was poor transportation for legitimate crops and high costs of production. Basically they didn't have roads, or not very many, but cocaine, of course could be flown out or it could be sent out by boat and it was a high value product. So nothing could compete directly with coca production although the individual farmer didn't receive all that much income from it.

The government, especially Bolivia, was not really as committed as it should be, I would say, to reducing coca. Also I thought the leadership of the United Nations Drug Control Program (UNDCP was also financing these projects) were not as strong and motivated as they should be.

I did think Bolivian President Sánchez de Lozada was highly supportive and so were some other Bolivian officials.

Here are my notes from a conference on alternative development of the Chapare region of January, 1995.

Evo Morales spoke and among other things said, "Coca is not cocaine anymore than grapes are wine. Campesinos don't promote narcotics trafficking. Some accuse us of opposing alternative development; that's not true but we do oppose any assistance that has any conditions attached. In some cases, we had to plant coca in order to qualify for assistance by eliminating the coca. Any thought of implementing a zero option, that is eliminating production of coca, will lead to war. The United Nations understands this problem. We have suffered 13, 14 years of human rights violations by the DEA. Coca never hurt anyone, so why repress it?" Then he distributed pamphlets that described all the beneficial medicinal effects of coca products and described coca as excellent food and medicine, given by God to benefit mankind.

What I said was the objective of alternative development was the reduction and eventual elimination of drug crops. We didn't want any development with continued coca production at the same time. We should develop a strategy to reduce coca cultivation along with one for alternative development. There had to be disincentives for the cultivation of coca in order for the legitimate production to be successful. I mean it is a little bit unfair for legitimate farmers to try to compete with coca production, if there is no disincentive or no sanction against it.

Besides the alternative development we had interdiction. In all these countries we were supporting the DEA Snowcap program, and the kingpin strategy, which the DEA was pushing to identify the big narcotic traffickers and take action against them, to arrest them. One of the things done during this time was that the President invoked the IEEPA, that's the International Emergency Economic Powers Act, which gives the U.S. President sweeping decree powers. A lot of people don't know that the U.S. President has these emergency powers. President Clinton used them to set up a program that confiscates the property of a list of known narcotics traffickers.

Q: Our president can essentially issue a warrant against a drug trafficker in Bolivia?

BUCK: They can put the name of this person on the list, the IEEPA (International Emergency Economic Powers Enhancement Act) list, and that gives us the power to deny a visa and arrest them if we can get our hands on them if they come into the United States. We can also block their bank accounts and take other actions against them. This is done without any kind of trial or evidence or anything. In most cases, these are people that have been identified.

One other thing was eradication. We were trying to get the governments in each of these countries to proceed with cutting or eradicating the coca crops, preferably by spraying herbicide on it from the air (because spraying has been proven to be effective). Bolivia did a little bit of eradication by hand but they wouldn't allow spraying. What happened was a new government came to power in Colombia. Ernesto Samper was elected president in 1994 and shortly after that, his minister of defense came to Washington and met with Bob Gelbard in the State Department and I arranged that meeting. I went down to the entrance and took the him to the meeting. Gelbard started talking about the benefits of aerial spraying, and surprisingly, the minister agreed to do it. He said, "Yes, let's do it. Great idea." So at the end of this meeting we had a commitment from Colombia that they would allow us to set up an aerial spraying program, using glyphosate. Glyphosate is a Monsanto product, marketed by Monsanto as Roundup and it is a type of plant fertilizer or hormone. It is not a poison, so it is basically harmless to anything that is not a plant. It will cause the plant to exhaust itself by growing itself to death. When you spray it, it will kill the root all the way down, but it doesn't subsist in the soil and it's not really a poison and so is considered to be safe.

The State Department has specialized spray planes known as the 'super thrush' which is a crop-duster aircraft equipped with a more powerful engine and a big propeller. And it has a spray boom on it. The head of the INL aviation wing, who was a former F-4 fighter pilot, helped design the technology for doing this and it includes the ability to fly over a field to spray in such a way that the droplets pretty much drop straight down and this is a little bit different technology from what is used in agricultural spraying.

Anyway, we set that program up in Colombia and soon had a team of aircraft down there. I went down and observed all that and they gave me a ride on one of the spray planes which I did not much want to do since it is like riding a rollercoaster. But I survived our dive bomb attack only a little white in the face.

Then we also flew over a number of areas which were growing coca. We observed the coca fields. You could see down below there were whole towns, whole cities where main streets was the dirt runway for an airstrip. There were DC-3 aircraft that would be parked down there with crowds of people around them. These aircraft ran regular flights to the major cities in Colombia. Our people did not go down to places like this. The Colombian police frequently did have a little outpost there. My understanding is they were not allowed to go outside the walls of the compound without danger of getting shot or blown up. But there were newspapers stories written, very confident stories about what life was like in those places. It was a real Wild West environment with a whole string of

discotheques and houses of prostitution and bars and, actually, hordes of children and everything. All of it was directly supporting the growing of coca in these clearings, fields right out in the middle of the jungle, twenty miles from the nearest road.

Q: During this time did you have a feeling of who was winning?

BUCK: During that time, the narcotics traffickers were in full swing. This was their heyday and coca production was increasing. It wasn't decreasing. We were trying to fight against a formidable foe there and maybe making a little bit of progress in some areas but it was and is an uphill battle, very much so.

Also I went to Peru. I visited some of the same kinds of towns. We (USAID people mainly) would go and talk with some of the village leaders about what kind of development assistance they could use. They were interested in schools. They had all these children but no schools at all; absolutely nothing because this is completely outside the control of the government of the country. Maybe the government has a small police presence but nothing else. These towns would have large numbers of men and women, a very transient kind of existence, no permanent buildings, and just ramshackle, tin roofed buildings of different kinds. Most were young people and men working out in the fields or processing coca into paste and women generally working as prostitutes in the towns. Then children would result from this, and kids were growing up without even going to primary school.

Q: Was there anti aircraft fire or stuff like that?

BUCK: Yes, there was. When I flew on these planes, they had me wear a bulletproof vest. Machine guns often fired from the ground at the aircraft. We also had machine guns on the helicopter so they would fire back.

We not only flew over the coca area. In Colombia we flew into the mountains and did spraying from helicopters in the mountains against opium poppy which would be grown on the sides of the mountains. In Venezuela, there was a little bit different environment, more trafficking in Venezuela, but we flew over the border between Colombia and Venezuela. There is a mountain ridge there and you could just see the border. On the Colombian side, it had been heavily logged and the forest had been cut back. On the Venezuelan side, not nearly so much, but the Venezuelan military were very concerned that the Colombians were coming across the border. You could see the illegal roads that they had built into the Venezuelan side.

Q: What were they doing going across?

BUCK: Illegal logging, cutting down hardwood trees on the Venezuelan side and dragging them back into Colombia. They also were using these routes to smuggle drugs into Venezuela which would then be onward shipped to other places.

Q: Was INL at all involved in what was happening in the United States because the other

guys certainly were saying, "Hell, you're the people who consume it." I have been interviewing Ted McNamara and he was working on this problem during the Reagan administration and nobody was really talking about doing something here in the States, except Nancy Reagan who was at her, 'just say no' program and that was it.

BUCK: Well, that's true. However, as far as I can see, this was pretty much the highpoint of the U.S. effort against narcotics produced anywhere, especially in South America through the mid to late 1990s. Since then I think it has kind of taken a back seat to the war on terrorism. There was quite a bit of activity that was being done and we had many conferences with other countries, with the Italians among others and in the United Nations to get international support and coordinating support on anti-narcotics programs.

About the consumption side of it, yes. Certainly that is obviously the case and many people pointed that out, Evo Morales pointed that out, basically saying that you guys are demanding a product. We are just supplying it and you can't expect that is going to change.

One of the points I made and others did was that there is a cost to the countries concerned. There is a social cost which has certainly been evident in Colombia but other places too. Not only the corruption and crime that results, but also the local addiction which results. All these countries that produce narcotics had very low internal prices and most of the people who are connected with it wind up using the stuff themselves. There is a very high addiction rate in many of these countries. Consequently, they have a problem with treatment and attempted rehabilitation. Besides that, it is just a terribly corruptive thing in the government of any of the countries.

You asked me about production rates. In Peru coca production was declining at that time but the reason was there was a fungus, a plant fungus that was attacking the coca plant and had substantially reduced coca acreage. There were allegations that somehow the United States was behind that. This was supposedly biological warfare. No, as far as I know, we hadn't done that. This was strictly natural because in modern culture they had been growing these crops for a long time in the same place and the fungus went through and just wiped them out.

In Colombia, the police efforts really were pretty commendable. I visited the police commanders and local units and they were serious. They had taken a lot of casualties.

Coca and opium poppy were increasing in production there but at least they were allowing the aerial spraying and they were serious about it. This was being flown by Colombian pilots but we were providing the aircraft and the technical assistance. This was one of the first uses of GPS (Global Positioning System). They were using GPS coordinates to make sure that the plane would fly in straight lines and do strips. It facilitated keeping track of what had been sprayed and what had not been sprayed. This stuff will kill the coca plant when sprayed from an altitude.

The same defense minister who had agreed to this program was himself accused of taking

narcotics money for the election of 1994. Among other things, they had cassette tapes with him on the tape talking about talking the payoff money. So he was arrested in August 1995 and he sung like a bird and he accused President Samper of also being behind all this.

What happened then was Robert Gelbard decided that we would decertify Colombia, or decertify Samper's presidency because of this. Certification under the law is connected with the INCSR, the International Narcotics Control Strategy Report which our office among others has to put out, based on the information sent in by the field. Then we have to write the certification for each country. Gelbard dealt with somebody at the White House. Actually, I think Senator Helms played a role in this. He was calling for action against Colombia. In any event, Gelbard had his connections on the Hill too. They cooked it all up and decided we would punish Colombia, or at least punish Samper. By the way, decertification doesn't affect the anti-narcotics program but it does cut off other types of assistance and it has some trade implications.

So anyway, that was done. My subordinate, the program officer handling Colombia, working directly with Gelbard on this, got into a big dispute with the WHA Bureau over the language and the certification. The Colombia desk officer in WHA thought we were being too mean to Colombia. But you've got to justify what we were doing.

In the end, I had to settle this conflict by writing it myself and did come up with some acceptable language. I also had to negotiate a lot with the Office Director, in charge of the Colombia desk, in the Western Hemisphere Bureau. It was not a pleasant task but INL was in the driver's seat on this one, due to Congressional support.

Q: The INL's relations with the geographic bureaus must have been rather tricky?

BUCK: That's a good example. Normally we did not have too many problems but that was a real shouting contest between some people.

Q: Did a senior officer come up with a compromise?

BUCK: No, I came up with a compromise on language and talked them into it but Gelbard just made it clear he was going to do what he was going to do. He didn't really care what they did.

Gelbard seemed to have pulled rank on the WHA Bureau on that. He had some support at the White House and Congress.

Another thing was going on in Peru. This was also the same time the Peruvian Government was fighting the Shining Path, Sendero Luminoso. I remember visiting a detachment of Peruvian marines who had most of the Shining Path pretty well bottled up in a remote area of Peru. I was very impressed with them. The marines are of course, part of the navy and so these were naval officers and they made a point of stressing to me that the Peruvian navy has always been very pro-American, not so much the Peruvian army,

which is true. Peru at various times has received assistance from the Soviet Union. The Peruvian air force had Soviet equipment. The navy had gone so far as to refuse to accept any Soviet equipment and even set up factories to make their own firearms because they flatly refused to use anything that was provided by the Russians.

Anyway, these naval officers were determined and they did succeed in crushing the Shining Path, more so than any other unit in the Peruvian armed forces. They knew where they were and they were conducting operations against them almost daily. They had them surrounded. This was in a jungle area in the eastern part of Peru. I visited their forward headquarters and they told me what was going on. Eventually, in fact they did capture the head of Shining Path; he is still in prison.

Q: Was Fujimori in at that time?

BUCK: Fujimori was the president at that time, yes.

Fujimori was supporting the development efforts in these villages because that was one of his big deals. He liked to fly out to the villages and administrate himself, directly. He also was pushing the military on attacking Shining Path and I thought he was doing a pretty good job. Of course, he later got into a lot of trouble with accusations of corruption mostly centered on his head of intelligence, Montesinos was his name.

On this trip, I was traveling with the director of ONDCP, that's the Office of National Drug Control Policy, the so-called drug tsar who was Dr. Lee Brown. So we flew on the Coast Guard Commandant's airplane which is a corporate jet. We did a tour of four countries: Peru, Bolivia, Venezuela and Brazil. It was just a goodwill and inspection tour to encourage the troops. We had a lot of meetings with high officials, including some of the presidents and generated some publicity.

I found a memo I did which is dated January of 1996 which is entitled The Long Term Andean Region Counter Narcotics Strategy in which I laid out the whole thing that I thought we should be doing.

The next question you are going to ask is what came of all this?

I think some progress was made. The biggest breakthrough we had was in Peru with the air bridge interdiction. I worked on this. We were trying to get an agreement with Peru to permit this to be done. That is, to set up a system whereby narcotics aircraft would be intercepted and, if necessary, shot down over Peru before they could get to Colombia. That required agreement by the Peruvian government but, more importantly, it required the Clinton White House to agree to allow the thing to go forward. There were some lawyers in the White House that were very, very concerned there was going to be a mistake made, shoot down the wrong airplane, and loss of innocent life and so on. They insisted that we get very detailed assurances out of the Peruvians and a very organized procedure for making sure we had the right aircraft. That eventually was done; it took almost a year of working to come up with that agreement.

Q: A missionary plane was shot down. [April 20, 2001]

BUCK: It was. It happened exactly the way the lawyers said it would and that shut down the whole program for a couple of years or more. It was exactly what they were afraid of. They were even concerned about aircraft falling onto somebody's house on the ground and killing people on the ground.

After we got an agreement, we set up a forward control center in the interior of Peru, staffed by Peruvian air force and U.S. air force personnel which was an air combat center. It had communications and radar. There really were two programs to provide air support for this interdiction to the Peruvians. The most publicized operation was by the U.S. Customs Service which had a fleet of Cessna Citation jet aircraft which were supposed to be doing something. That program never really accomplished anything and cost a lot of money. They didn't have good communications skills. Most of the pilots couldn't speak Spanish, and even if they picked up somebody on their radar, they really didn't have a very good system, so I thought that program was a bust. It was withdrawn. That was publicized and pretty expensive because to deploy a whole fleet of twin jet, business type aircraft down to another country and support them with American pilots is not easy.

But there was another group that was different. They had a larger turbo prop aircraft, I don't remember exactly the type of plane. In the nose they had a very large military type radar. They would track suspicious aircraft taking off in Peru flying towards Colombia. They would then relay that information to a control center and a Peruvian air force aircraft would be scrambled to intercept it.

The Peruvian fighters were not what you think. They were not actual fighter aircraft; they were A-37 Dragonflies, which is about the smallest and slowest jet airplane you can come up with, also made by Cessna, I believe. These are usually used as training and ground attack aircraft. They are not for interception. I looked at them and inspected the aircraft. They had a single machine gun mounted in the nose which is only a 30 caliber gun although it is a so-called mini-gun that fires 2,000 rounds per minute, but they did not have real gun sights. They must have had some kind of cross hairs or something in the cockpit but no computing type gun sight. The technology of this was somewhat below what they had in World War II. This is sort of between World War I and World War II except for the machine gun type. On the other hand, they were flying against small airplanes which couldn't defend themselves. I remember seeing films of the dogfights that actually did take place. Some of them were quite dramatic. Anyway, aircraft were being shot down. A lot of times they would get on the radio and the pilot would agree to land but sometimes they didn't and were shot down.

As you mentioned, eventually this resulted in the American missionary being killed in one of these incidents. But while it was in operation it had a tremendous impact. Very quickly, few people were willing to risk their lives because it was very dangerous, it was very deadly.

The point I am making is we identified the choke point and with really very little effort, we were able to close the thing down.

Q: The Peruvians for a long time had sort of strained relations with the United States. How was it at that time?

BUCK: It was so strained that at one point the Peruvian Air Force actually shot down or force landed a C-130 aircraft that was flying intelligence flights over Peru with the permission of the Peruvian government, and it killed an American air force person on board the aircraft. That's probably the low point. Some elements of the Peruvian military were not very friendly.

While I was there, the Fujimori government was pretty supportive. There were limits on what they were going to do but President Fujimori, I thought, was trying to make a serious effort to reform the military.

Q: As to some things like the Shining Path and anti narcotics, he was on the right side of the ledger.

BUCK: Yes, in fact all three of these governments were supportive. Gonzalo Sanchez de Lozada in Bolivia (August 1993 to August 1997) later effectively lost his presidency because of this, because of his support for the anti-narcotics effort in Bolivia. And the Colombian government, despite its own internal corruption, nevertheless, was trying to fight drug lords and fight the FARC guerillas. They are the government that probably has made more progress in recent years.

Q: Did you get active support within the State Department?

BUCK: On the whole, I think so. This had a priority. That was the time when anti-narcotics was a priority for the U.S. government so, yes, I would say we had good support from the State Department and generally good support from the White House. There were some lawyers in the White House who were concerned about the legal ramifications of different things but those were the things that we had to look at and deal with.

After I left in 1996, all I can say is the production was still increasing the whole time I was there. However, after that I think it did go down. In addition to Peru, Bolivia at one point dropped its production considerably. There were a lot of things that happened in Bolivia, political issues and outright violence in Bolivia.

One of the things that did happen was when the production in Peru and Bolivia decreased, it went up in Colombia so I don't think that overall there was much diminution of supply to the U.S. market. But I have to say, I don't know exactly what the current situation is.

Q: When you are talking about your time there, what about Brazil?

BUCK: Brazil is interesting because we did have a program in Brazil; we were helping the Brazilian police, especially in the Amazon region. I did go there also and reviewed what we were doing in these programs. Not only were we helping them but there were some other governments that were providing some support to the Brazilians as well. The main support was to improve their river intervention capability on the Amazon River. So we looked at that.

The other thing too was the Brazilians had this plan to improve radar coverage over Brazil and to protect their airspace and we were promising to help them on that. Most of our efforts in Brazil were more traditional, police-to-police type technical assistance. We didn't have anything like as large a program as elsewhere.

Q: Did you have what you might say, cultural problems between the enforcement types, DEA and all, versus the diplomatic State Department. Were there problems there?

BUCK: Yes, there were, not in Washington particularly, but there were problems in the field. It depended on the individual who was the NAS, the Narcotics Affairs Section chief representing the State Department and the DEA chief of the country. Sometimes they got along very well and sometimes they really clashed. There was a clash in Peru and it was sometimes pretty sticky.

In Peru the NAS officer demanded to know more about the missions that the helicopters were going on and who they were going after and what they were trying to do. He was questioning the DEA people on whether some of these operations had really resulted in anything, because, after all, they cost money and we were paying for this and he wanted to make sure we were getting what we were paying for. I talked with the head of the DEA on this too and his attitude was "Why do you want to know that? Idle curiosity? You are questioning this?" And it comes down to, "Well, you are not a law enforcement officer, so you are not authorized to receive that information."

And that's very serious, by the way. That's what behind what came out during the investigation of the 9/11 terrorist attacks about the miscommunication between the FBI and CIA or other agencies. In a law enforcement agency, a law enforcement officer cannot share information with a civilian. That is violating the custody of evidence so, legally, you cannot do this. It could be used by the defense attorney to claim that there was diplomatic or political interference with the prosecution and therefore that evidence should be thrown out. That is the source of all this. It is drummed into law enforcement people that they cannot share information with someone who doesn't carry a badge. Sometimes there are ways people can get around it, but that is the root of the issue.

Q: There's always the problem that an action officer, a DEA type, might do something which makes perfect sense to an enforcement type, but might cause a diplomatic problem that could embarrass the whole program.

BUCK: There is that possibility and, of course, the ambassador has overall responsibility

for what goes on in the country so the ambassador wants to know what they are doing and why, who they are going after and exactly what's it all about. They also want to make sure that somebody isn't using a helicopter to fly into town to pick up a bag of groceries. That was a constant source of tension at some posts.

Q: One last question; how did you find the ambassadors in the embassies in the areas, particularly Bolivia and Colombia?

BUCK: The ambassador in Peru was Alvin Adams [Ed: December 1993 to August 1996]. He was very supportive and the NAS chief was Sherman Hinson. I met with Adams and Hinson several times and we were on the same track on all these things.

I had somewhat less contact in Bolivia; the chargé was Robert Perry, in 1996 the NAS chief was Richard Baca [Ed: Ambassador to Bolivia from November 1994 to November 1997 was Curt Kamman]. Jeffrey Davidow was in Venezuela [October 1993 to May 1996]. Colombia, it was Myles Frechette [July 1994 to November 1997] with whom I had worked for before.

Myles can be difficult. At one point we did have an issue with him and I said I would like to go down and talk with him about this and my boss and DAS in INL vetoed that. She said, "No way. You won't get to first base with him." She dealt with him directly.

Q: Who was she?

BUCK: I don't remember her name; she was the ranking or the PDAS in INL under Gelbard. She was quite active. I also worked with another DAS, her predecessor, who wanted me to get involved in the financial action taskforce and take on the anti-money laundering issue. That's mainly because they were trying to fire a guy in INL who was in charge of that but that never happened.

Q: In 1996, wither?

BUCK: Well, after 1996 I went to the Embassy in Hanoi, Vietnam and was there to 1999.

Q: How did this assignment come about and what were you up to?

BUCK: The assignment came about partly because I found out that this position, Economic Counselor in Hanoi, was available. I had already been slated for another position (in Honduras) but I felt this would be very interesting to go to because of my prior experience in Vietnam and because I had the language qualifications which they needed. I put in my bid for it and they gave me a language test at FSI. I did well enough on this test; I almost got a 3 (a ranking for reading equal to "professional" level/3 (a ranking for speaking equal to "professional" level) and so they realized I could go to post very quickly.

I did go into some Vietnamese language training brush-up for about two or three months,

and I was able to get my 3/3 rating in Vietnamese. I had previously had a 4 rating in Vietnamese.

I went out there in October of 1996 and became the Political-Economic Counselor. I was the first person assigned there at counselor rank. At the time I was there they had a chargé and a DCM and they had other people but I was the first person to really head that section.

Q: I can't remember. Were you married? Did your family go with you?

BUCK: Yes, my family went with me. My wife is Vietnamese. That was quite an interesting part of the assignment.

Q: How did she feel about going there?

BUCK: She was quite excited to go there. There was one complicating factor that she was an American citizen of Vietnamese nationality. In order to obtain diplomatic immunity, they wanted her to renounce her Vietnamese citizenship which she took the steps to do. That's very difficult. The papers have to be signed by the president of the country and it finally came through I think the same week we left Vietnam in 1999.

Q: Things haven't changed because I remember when I was consul general in Saigon back in 1970 and adoptions had to be signed by the President of South Vietnam. Things change but they don't change.

BUCK: What I would like to start off talking about is the process of normalization and other things as sort of a background to what was happening just before I got there.

In 1996-97, the chargé was Desaix Anderson [Ed: who arrived in July 1995, opened the mission, and has been interviewed for an ADST Oral History] and the DCM was James Hall. We also had two political officers, Brian Dalton and Ted Osius, and an economic officer, Richard Sacks. Later on we got some more. We got a couple more economic officers and we got a political counselor who took over the Political Section.

Q: How long have we had relations?

BUCK: Since July of 1995.

Later on the new ambassador came in, Ambassador Douglas "Pete" Peterson, who was appointed the first ambassador [serving from May 1997 to July 2001] and after Hall, his DCM was Dennis Harter [Ed: who has an Oral History interview on the ADST website].

Between 1975 and 1995, there were several backs and forths in Vietnamese government policies and relations with the rest of the world and with the United States. I am not going to review all that history, but a little bit of it is relevant.

One theme might be the hardliners in the Communist Party versus the pragmatists in the party and the legacy of Ho Chi Minh. Ho Chi Minh was on the pragmatic side. In fact if you go, as I did, to the museum of Ho Chi Minh in Hanoi, they will even tell you that he was not really even a communist, which comes as a surprise to a lot of people considering that he was a founding member, a co-founder of the French Communist Party, and the founder of the Indochinese Communist Party. He was also closely associated with Stalin and others. He was an interpreter for Bulganin and other Soviet leaders on and off for thirty years. But what they mean is that he never really stressed Communism in his own philosophy. When he came back to Vietnam in 1945, he even forbid the party flying the Communist hammer and cycle flag, although part of this was for tactical political reasons.

After the death of Ho Chi Minh (1969), in the 1980's, the general secretary of the party became Lê Duẩn who died in 1986. Lê Duẩn was much more of a hard line Communist theoretician and they were very uncompromising on unification. The veteran leaders of the party were true believers. A lot of these people were hard bitten revolutionaries and very hostile to the United States. Also they're rather arrogant, I would say. They attempted to establish state farms in South Vietnam in 1977-78 but they had to change and eventually they did. Some of the important developments were the 1979 war with China and the occupation of Cambodia, which was one of the factors which was holding up any kind of reconciliation with the United States.

Also they had forced out many of the best managers and technical people, many of whom had gone to the United States and elsewhere. The economy was in dire straits by the mid-1980s. This showed up even in photographs of people.

I was able to get my wife's family, her brother and mother, out of Vietnam in 1980 through the orderly departure program but they had sent us photographs which showed them almost skin and bone. Actually, they were doing pretty well; he had a lucrative business in Saigon but people were just malnourished in general.

Lê Duẩn died in 1986 and things did open up to other views as some younger people were coming along who were less ideological.

This issue was debated at the Sixth Party Congress in 1986. That's a famous party Congress because that's where they adopted the "doi moi" economic reform program. They agreed there would be some economic reforms, starting with a more mixed economy, opening things up a little bit. They would allow small scale private enterprise and would put off building a wholly socialist society. They would allow more Western influence and Western and other foreign imports.

At this point I am going to contribute some of my own knowledge of a few things about this.

One of the key figures, or at least he said so, was a man named Nguyen Xuan Oanh, who I doubt you have heard of. This is a fascinating story; I met with Oanh on many occasions

in Saigon and he was always a good person to talk with and had a lot of insights. He was educated in Japan, graduated from Kyoto University, got his Ph.D. in economics at Harvard, was an economist at the IMF, was the governor of the Central Bank in Saigon, deputy prime minister and acting prime minister of South Vietnam in 1965-66.

After the communists took over the country in 1975, he was, of course, like other officials, sent to a re-education camp, where he spent all of about two months. He told me about his experiences there. On release from re-education camp, he became immediately a top adviser, economic adviser, to the man who later became prime minister of Vietnam, Võ Văn Kiệt, who was in charge of the South at that time. He was also elected to the National Assembly.

At the time I knew him, he had a business as a consultant for foreign firms. He was chauffeured everywhere in a Mercedes limousine.

I asked, "How did you swing all of that?" He said, "Well, first of all, I took re-education seriously. Most of these other people didn't do it. Me, I decided to learn what they were talking about, so it was mostly a matter of picking up the language. You see, the communist leaders have a different language. They've got all this ideology and all these terms which other people don't know." And in fact, it is true; they did change the language to some extent when they came to power. A lot of administrative and other terminology and some technical terms were changed in the dictionary. So he said, "It was mostly just a matter of learning how to talk to them." But they also knew they were in deep trouble on economic matters so Oanh says he is actually the one who designed the economic reform program and explained economics to them, explained finance and how they could get Western foreign investment and then he became an adviser to the Vietnamese Government.

Q: He must have gone through ups and downs periods depending on whether the pragmatists or the Communists were in power.

BUCK: Yes, in 1988 to 1993 there was some backtracking, definitely. There was a slowdown. The hardliners, like Đỗ Mười became the Secretary General [1991-1997]. They were still around and they were resisting any criticism. What happened was the breakup of the Soviet Union and their concern about things happening elsewhere, like in China. There was the democracy movement in China and they became very frightened by all this. They decided they would have to clamp down on political dissent but they recognized they had to move ahead with some economic liberalization and had to find a way they could make these things compatible. Even before the breakup of the Soviet Union, they had lost large amounts of Soviet aid which is what they had been depending on, so they really had very little choice but to move to the West. They completely lost all foreign assistance. The Soviet Union had been pouring huge amounts of money into Vietnam; they had built most of their hydroelectric projects. The trucks I saw during the time I was there were mostly from the Soviet Union. They had been provided as aid projects. Plus all the top leaders, the younger generation who took over, were all educated in the Soviet Union. In fact, none of these people had served in the war because when

they were military age, guess what? They were all in school in Moscow.

Q: But during the Vietnam War, our war, it was really a Russian supported war rather than Chinese?

BUCK: No, they did get Chinese military equipment, but as far as influence is concerned, that's true. They kept the Chinese at arm's length. They did allow Russian military advisers in. The only Chinese presence I know of was that the Chinese built a road in Laos from the Chinese border. I don't think they had any Chinese military advisers. In 1979 they had an outright war with China. That's when they kicked out a lot of Sino-Vietnamese.

Q: I think they had anti-aircraft gunners up around the Chinese borders but that was it.

BUCK: That's well known. They actually kept the Russians at arm's length too. They didn't allow them to move around too freely and they were there mainly as technical people to help them with the anti-aircraft defenses.

Q: OK, we're up to the 1990s and the Soviet Union is breaking up?

BUCK: Yes. So they decided rather cautiously to open up more to the West, to keep the Party in power. They feared their own instability and breakup, if they did not.

Q: If you are opening to the West, I would have thought that the people in the Communist government were essentially Northerners and the people with the economic know how were all in the South.

BUCK: Well, yes, to a considerable extent that's true. Some of the people who did eventually rise to top positions in the government, and even now, were either born in the South or their families were in the South, such as the Secretary General.

Another thing that was going on was very rapid population growth, especially in the cities. They had to employ these people and the population growth in Vietnam has been pretty spectacular and so the country was changing rapidly from agricultural to more urban.

Q: Was there any attempt to move to a Chinese-like one child movement?

BUCK: They do have in Vietnam programs of that type but they are not as draconian as in China. There are certain benefits that you can get if you only have one child. They have applied it mainly to party officials and government officials. But, yes, you weren't supposed to have more than two children.

The Eighth Party Congress in 1996 resulted in more popular input and the national assembly began to play a larger role. They also frankly wanted an American presence, partly to balance Chinese influence if nothing else.

Some of the early steps: I think moves towards normalization were delayed by Vietnam's continued occupation of Cambodia and especially by U.S. public concerns and the whole issue concerning U.S. POW/MIAs, which became the major issue.

Let me give a little editorial comment here. There are two major fraudulent claims or hoaxes that are associated with Vietnam: one of them is POW/MIA (Prisoner of War/Missing in Action) and the other one is Agent Orange. Both of these issues spring from U.S. domestic politics; one from the right and one from the left, but neither one of them has a great deal of validity to it.

Q: To any rational person looking at this, seeing this POW/MIA flag, it seems incongruous to mix finding bodies with asserting there is a prison out there.

BUCK: This became a huge myth that was stoked by certain people. Some people did this for financial gain. Other people may have believed it. Others did it for political gain. The person who probably did the most to advance this in very early times was Ross Perot. Perot thought that he could ride the POW/MIA issue to the White House and other people were involved in it too. Many members of congress too, you remember the wearing of bracelets with the name of the POW on it and many other things. A lot of people were taking advantage and were even exploiting families; some people were taking money claiming they would go back and search for POWs.

Q: Wasn't one of the drivers, if the military declared a pilot or soldier MIA, the families could continue to receive military salaries, but if they were declared dead, that ended.

BUCK: That's one of the things that happened. A lot of these people had been declared KIA (killed in action) by the Defense Department but because of political influence and pressures, DOD was forced to re-declare all those people MIA because the bodies had not been found. This is pretty incredible. This is the first war in history where everybody whose body was not actually recovered and sent back to the United States was considered missing in action and continues to be. What is even more incredible about this is that there are actually cases of people who were declared MIA and which we know not only were they KIA, they were seen to be killed. Not only that, their dog tags were recovered and the body was recovered but the bodies were subsequently lost because they couldn't fit them on the helicopter. Therefore they couldn't repatriate the body and they were declared MIA.

In other cases the MIA figures were swelled by other things. For example, if a B-52 was shot down, and some number of parachutes were observed, they would then try to start to match up who the crew men may have been who bailed out. But if there were two aircraft shot down at the same time, they don't know who was which, so what that resulted in was the number of MIAs was multiplied by two because they couldn't match up who was who so they had names here and a number of parachutes over there. They couldn't straighten it out so they just put them all together and called them all MIA.

There was no evidence, even as of 1973, that there was even one person who had failed to come back that we didn't at least have a pretty good idea what had happened to him in captivity. Also I happen to know that the idea that people could have survived in the jungle, for example, for any extended length of time is in fact impossible. I know this because when I was in Hanoi I was visited by an American civilian, an AID officer [Ed: Douglas Ramsey]. He was captured by the Viet Cong in 1968, was held in the jungle for five years, finally was moved to Hanoi and was released in 1973. He told me that he almost died. He was in a coma for over a month and the reason was malaria.

Malaria killed huge numbers of Vietnamese. If malaria didn't get you, then dysentery would. In fact that's what happened to a lot of people who were captured by the Viet Cong. They just died from disease. In his case, through some miracle, he actually survived. He told me that most people did not.

When Ronald Reagan came in, he made normalization contingent on 'fullest possible accounting' for U. S. personnel listed as MIAs. Starting in 1987 Vietnam returned some sets of remains. I think some of these were eventually discovered not to be Caucasians but anyway, some good cooperation was achieved so, in effect, this whole thing was turned around from a negative to a positive because the Vietnamese recognized that this was a big issue in the U.S. It didn't cost them anything to provide some cooperation and they did do so.

Initially, the program was underfunded rather seriously so we established a small office in Hanoi, had some personnel over there, military personnel to recover remains and to do joint investigations with the Vietnamese. The person who played an important role in building up this program and funding it properly was Ambassador Pete Peterson, who previously was a member of Congress, and there was strong support from John McCain and John Kerry.

The U.S. laid out a detailed roadmap to lead to normalization in 1991. That's the year we opened up the POW/MIA office in Hanoi. When I got there in 1996 the office was still operating and still does, I guess. It is a separate office, not part of the embassy.

Also, the U.S. business community was one of the strongest forces for lifting the U.S. trade embargo and expanding trade and investment. Other people played important roles as well, including NGOs (nongovernmental organizations), humanitarian and educational groups, like Georgetown University which had a program for teaching business and economics in Hanoi. Then the Fulbright Program started a big program in Ho Chi Minh City run by Harvard University to train people in economics, business and finance.

In 1993, a high level U.S. delegation visited Hanoi to press for progress on POW/MIA and soon we began to station consular officials in Hanoi to work on the orderly departure program.

In January of 1995 we settled the property claims which mainly had to do with the respective embassies, Vietnamese properties in the United States and ours in Vietnam.

We opened diplomatic liaison offices in January of 1995. On August 6, 1995 Secretary of State Warren Christopher visited Vietnam and opened up the U.S. Embassy.

Vietnam also reached out to other countries. They became a member of ASEAN, the Association of Southeast Asian Nations, also in 1995.

Assistant Secretary for Far Eastern Affairs Winston Lord had actually made four trips to Vietnam between 1993 and 1995, leading U.S. delegations. The main focus was on full accounting, POW/MIA cooperation, and he cited this in his testimony as a good basis for normalization. That helped diffuse some of the political opposition in the U.S.

We lifted the trade embargo even before that in February of 1994 and by July of 1995 we could vote for loans for Vietnam in the World Bank and also for IMF programs.

There was a long list of procedural requirements for economic normalization because a lot of legislation had been passed over the years that restricted U.S. relations with communist-type countries. The biggest of these was the Jackson-Vanik amendment which prevents extension of most favored nation or normal trade relations unless the president can certify that the country provides freedom of emigration. This first had to do with emigration of Jewish people from the Soviet Union. The president can give a waiver if he says trade is in the U.S. interest. Also the president had to make a declaration that it is not a communist country. He had to declare that it was no longer essentially communist or something like that. That wasn't difficult procedurally because all it requires is a presidential declaration, but Jackson-Vanik was a big political issue. We had to go through this every single year in order to get a presidential waiver and to get the White House to do it and Congress to go along with it, even though Congress didn't get to vote on it.

There also had to be compliance on waivers on human rights, on labor practices, and so on. This was required for normal trade relations, GSP (General System of Preferences), Overseas Private Investment Corporation, Export Import Bank, Trade and Development Authority, AID assistance, any other assistance, PL-480, CCC (Commodity Credit Corporation) credit and so on. I mean every single thing that we do with certain other countries required either some kind of waiver or some kind of agreement negotiated.

That was a lot of what I was expected to push forward.

Q: Did you have the equivalent of an economic aide or congress staff member to help us with this responsibility?

BUCK: I will tell you who helped us with it. It was a group known as the U.S. – Vietnam Trade Council, which still exists, and the Trade Council is financed by American corporations who had the political connections. It ran interference for us. In fact, it got to the point that we referred to the Trade Council as the real Vietnam desk in the State Department. Our ambassador was on the telephone every single evening, practically until 4 am because of the time difference, with Virginia Foote who was head of the Trade

Council, especially when Jackson-Vanik time came up.

Ambassador Peterson was especially effective in that he could use his political connections in Congress to get the Congress to go along with these things. He instituted many initiatives (such as his campaign to get the Vietnamese to use motorcycle helmets) and he was a great Ambassador.

Q: When you arrived there, what was the atmosphere? Was it still sort of a sensitive relationship? How did you feel yourself received?

BUCK: The Vietnamese were very happy to see the Americans there. Shortly after I arrived I met at a reception a senior official of the party. He was a member of the national assembly and was a political wheel of some kind. He expressed greetings and welcome. He started talking about the very good relations that they had always had with the United States, especially in 1945, and about the close cooperation between the U.S. and Ho Chi Minh in 1945. He dismissed everything that had happened after that as an unfortunate misunderstanding.

By the way, there was a restaurant in downtown Hanoi called Café 1945, whose walls were covered with photos of American officers, military officers in uniform with various Viet Minh cadre and with Ho Chi Minh at the time, 1945.

Q: How did Hanoi strike you when you were out there?

BUCK: Unlike other Asian cities it hadn't changed all that much since 1954. There were still the old French colonial-type buildings painted in the yellowish French color which seemed to be used everywhere. There hadn't been considerable renovation yet. The major hotel had been renovated and was now a Sofitel hotel. They were working on the beautiful national opera building that was being restored and which was completed while I was there.

Of course, gradually more and more construction was taking place. They were building hotels and other things but, initially, it was kind of a sleepy place.

That's more in the center of the city. The outskirts of the city were growing and expanding.

Q: Did you have pretty free access, as Political-Economic Counselor to economic and political types?

BUCK: Oh, yes, we had very good access. I don't recall ever being turned down for a meeting request, I had a lot of contact with the Foreign Ministry of course, but also with the Prime Minister's office. We were able to get meetings with the Communist Party think tanks over at the party headquarters itself plus we could go anyplace, I think. We had to give advance notice where we were going and they would certainly follow us everywhere. We had minders. They had the observation post across from the embassy

with guys that would tail our vehicle every time we left the embassy. On trips to the provinces sometimes I think they had somebody follow us, but not 100%. They wouldn't have had the personnel to cover everybody all the time. In any event, they were trying to be as forthcoming as they could on most things.

Q: How about our military? Were we talking with their military through our attachés and all?

BUCK: Our attachés did have some very limited contact with their military. They were not able to go everywhere and visit military bases as much as they would like to but, yes, they did have a bit of contact. I am not sure what level of contact they had. They had some.

Let me say that this POW/MIA issue was a very big deal and so in addition to our military attachés, we also had the POW/MIA full accounting office and there were regular meetings, sessions with the respective committees under this framework. This occupied most of the time of the political officers at the embassy because covering all these meetings was time-consuming, there were delegations coming in all the time and it was just continuous. There was something going on constantly.

Q: When you think about it, finding bodies was to satisfy a domestic American need, but it had nothing to do with the reality of international relations.

BUCK: Right, but that's what we were doing and spending considerable time and resources, so they were identifying sites, particularly sites where aircraft had crashed and then they would go out to the sites. The U.S. team would have a mission go to the site, a whole team of people with earth moving equipment. It was like doing archeology. You would dig up the buckets of dirt, put it into screens and screen it to find fragments of anything that could be used to identify someone. This, of course, would be fragments of bone but also things like pieces of uniform, helmets, pieces of aircraft that could be identified from a certain aircraft and so on. All of this material would then be collected. Once they had identified some remains, then they would put them into caskets and then there would be a ceremony at the airport which I and others at the Embassy always attended. We would have a formal repatriation ceremony with the flags on the caskets loading them into the aircraft to be flown back to the United States.

Q: What was your evaluation of how communist Vietnam was?

BUCK: As far as real Marxism-Leninism is concerned, not all that much. In fact the party had to decree that everybody in university was required to take at least one course in Marxist Leninism. Young people I talked with said this was the first subject they ever had that they slept through. I was pretty well convinced most of these people knew less about Marxism-Leninism than I did.

Q: This is of course what happened in the Soviet Union. Marxism probably survived that era in our universities.

BUCK: That is true. They also had Ho Chi Minh-ism too. They were supposed to study the thought of Ho Chi Minh. People were very interested in learning more about Western business practice and they were interested in learning about free enterprise economics. As I said, we had the program in Ho Chi Minh City and smaller ones in Hanoi to train people in economics and business.

Q: How about, it was still USIS (U.S. Information Service), I guess?

BUCK: USIS sponsored the Georgetown program in Hanoi and through some complicated arrangement the one for the Fulbright Program in Saigon.

Q: English must have been quite popular?

BUCK: English was also very popular, absolutely, and so they wanted to get people to teach English in the university and elsewhere.

Q: Did we have Peace Corps while you were there?

BUCK: No we did not. Later we got Peace Corps, but our ambassador was pushing to try to get a Peace Corps program into Vietnam.

Q: How about the role of Japan in Vietnam?

BUCK: The Japanese had a big presence in Vietnam. The Australians probably had the largest embassy. I would say the Australian Embassy was the largest. Maybe the biggest embassy building was the old Russian embassy but it was very underutilized at that point. The Japanese were fairly large and the Koreans too.

Q: How about the Chinese?

BUCK: Yes, sure, of course.

Q: Did you have the feeling the Vietnamese were being rather wary of the Chinese?

BUCK: The Vietnamese were obsessed with the Chinese to a remarkable degree. That's one of the big differences between North Vietnam and South Vietnam. I noticed the people in South Vietnam, even government officials, don't seem to be terribly focused on China; they are more focused on Southeast Asian countries, you know, Thailand, Philippines, Malaysia and so on. In the North, certainly the party officials, the people that I would visit always wanted to talk about China. However we started out, the conversation would wind up on China. They watched China very closely. They never want to do anything that gets them too far out of line with the Chinese because they feel that China is a threat to Vietnam, but they have to avoid provoking them. I think they watch what happens politically in China and are influenced by that.

Q: In a way, they were probably following the Chinese model, weren't they?

BUCK: They will never admit that but that is often true.

My job was to negotiate a number of agreements necessary for normalization as well as do or supervise traditional reporting. I also had to recruit local staff and we did that. We recruited a couple of people for the political-economic section.

Our senior political assistant was very good. I could go to him and ask who was who and he would tell me not only the person's rank in the government; he would sometimes tell me his rank in the party, which could be more important.

One of the agreements we had to negotiate was one to reschedule the bilateral debt, including the old U.S. AID debt to South Vietnam.

Q: Is this going back to the war?

BUCK: Yes, going back to the war. Vietnam agreed to take over servicing some of the debt of the former South Vietnamese government, except they drew the line on things that might be related to the war like military assistance. We actually got them to take on some of the development assistance debt. This was necessary in order to resume any kind of aid to Vietnam.

We also had to negotiate an OPIC agreement and that was the same as in other countries. The country has to provide various kinds of assurances on nationalization compensation and so on and OPIC approved its first transaction in November of 1999 which was the local Caterpillar dealership.

There was an EXIM Bank agreement so that EXIM (Export-Import Bank) could guarantee loans. They announced they would open for business in April of 1998.

I had a little bit of a problem over that. Just to give you some flavor of the kind of things that went on: we received a cable from Washington which provided cleared talking points for the opening of the EXIM Bank program to be provided to the press. Except that everything was classified at the confidential level. I inquired if we could declassify this so it could be transmitted to our press office so they could be ready when the announcement was made. We had to go all the way back to Washington on this. The answer came back from the White House, absolutely not. Nothing in this cable could be declassified and we could not give it to the press office.

The ambassador was furious over this and was convinced this was some kind of plot to undermine him, which I think it was (there was in fact considerable political opposition to normalization). The press guidance in the cable included such things as "What is the Export Import Bank?" There was absolutely no justification for any classification on it except that they didn't want any advance word to be leaked before the announcement in Washington. But still it couldn't be declassified even after the announcement.

Q: Did you have the feeling, you and the ambassador that there was a significant element trying to undercut you?

BUCK: Absolutely.

Q: This would be right wing Republicans?

BUCK: No, there were people even in the White House who were opposed to normalization with Vietnam.

Q: Where were they coming from?

BUCK: Philosophically? I don't know exactly. I guess from a conservative viewpoint maybe, but more likely just hostility towards Vietnam or the Vietnamese Government, on human rights issues, religious freedom, and things like that.

Q: Did you get through with the guidance?

BUCK: I just wrote some guidance myself and gave it to the press officer. We issued our own press statement without any connection to the one sent from Washington.

Then we began trade talks in 1996, leading to a bilateral trade agreement which was finally signed in 2000.

Even before that we negotiated a copyright agreement to provide copyright protection for American products. There was and is a lot of pirating of everything; CDs, videotapes. That agreement was signed by Secretary of State Madeleine Albright herself. She visited in (June 26-29) 1997 and that was a big thing that we got her to sign on her inaugural visit.

I think I already mentioned that a precondition for most of this was the annual waiver of Jackson-Vanik. Clinton waived Jackson-Vanik the first time in March of 1998. That was a precondition for the trade agreement as it was also for the EXIM Bank and OPIC agreements.

Human rights were another big concern. Although we did press individual cases with some success, it did not impede the economic trade relations process.

Let me discuss some of my notes on human rights dissident cases, some of which I was involved in.

About the time I got there, there was an incident going on in Thai Binh Province, a province in North Vietnam. Someone had sent some letters naming corrupt local officials who had demanded high fees, local fees for different kinds of things. They were accused of illegally selling land, collecting commissions and so on, and this protest spread to

more than 130 villages. The Party got quite alarmed over this. They responded with an investigation. They held a self criticism round and removed some local officials. Of course, they all also sentenced the protest leaders to rather stiff prison terms.

A retired general named Tran Do, incidentally a native of Thai Binh Province, sent an open letter to the party leadership. He actually had a fairly illustrious career. He was former chief of ideology in the party and a top general in the army. This was in January of 1998. He accused the party officials of corruption and warned that they had to accept radical political reform or risk collapse. He said without political reforms, the economic reforms will hit dead end. He was expelled from the party but they, of course, couldn't do anything else to him.

I have copies of the letters he sent and they are quite long. Two or three of them were published internationally and circulated in some form in Vietnam.

Q: Had we had any contact with him?

BUCK: No, absolutely none.

Then there was the former Central Committee member, Hoang Huu Nhan, who accused the former Communist Party Secretary General, Đỗ Mười of impeding reforms by controlling all decision making and exercising monopoly of leadership through dictatorial powers. Lt. Gen Lê Khả Phiêu succeeded Đỗ Mười in December of 1997 although Phiêu was hardly any less of a hardliner than Đỗ Mười, but he may well have had reduced personal power.

The most highly publicized case at that time was that of Dr. Nguyen Dan Que and also Doan Viet Hoat, so we had Que and Hoat, who were the big dissident cases that we were constantly raising with the Vietnamese Government. This was a very big political issue back in the U.S. Que had been arrested in 1978, was jailed for ten years, then released but he wouldn't stay quiet and he was arrested again in 1998 and sentenced to 20 years of hard labor. We interceded on his behalf several times. We always made it a point with all our high level visitors to raise his case with the Vietnamese officials. He was finally released.

Hoat was released in 1998 and left Vietnam. His release was on condition that he would leave Vietnam.

Que is the brother of my doctor here in Arlington. Every time I would go to the doctor he would ask me what was going on with his brother, Que.

Then there was a fellow named Nguyen Thanh Giang, who was arrested in 1999. We became friends. I met with him and was over at his house several times. He was a geophysicist, a scientist, and his wife had been head of the Women's Union of the Communist Party of the whole country. I think she lost that position. He sent out letters about democracy and other things that were published abroad, especially in France, He

was arrested for this as he had just gone too far. John McCain and John Kerry sent letters about his case to the Vietnamese ambassador here in Washington. He was finally released.

I told him frankly, "You're going to have to tone it down a little bit if you want to stay out of prison." I did not want to discourage him but I was genuinely worried about his health and situation.

He was not arrested at first. They had a mob of people come down and surround his house and start throwing things at his house. They accused him of living in the house illegally because he was living in a section of Hanoi that was reserved for top party officials and senior army officers. They said he had acquired the house title illegally, or some such charge. In the midst of all this, he came out on the balcony waving a can of gasoline and said he was going to pour the gasoline on himself and set himself on fire if they didn't leave. They left. I don't know what has happened to him lately, but I don't think he is in prison.

That's another thing too; if you have some connections, you may be able to get away with a lot. If you are a nobody and you do something, you could disappear and get arrested and sentenced to, I don't know how many years, of hard labor. If you are somebody who has held a position in the party, it is viewed as maybe embarrassing but it is a little more difficult for the government. Personal relationships are involved in these things as well.

In addition, there were issues involving religious groups and religious leaders. We had cases of U.S. missionaries that were arrested. We would try to do something for them, to get them out of prison. They would invariably say they were being persecuted because of their religion. The real reason usually was because they were working with tribal people. What the government had against them was the fact that they had translated the Bible into some tribal language and this kind of thing was viewed as potentially explosive.

We had very little contact with the Buddhists. Their top leadership often was arrested, just as the South Vietnamese authorities had done in the 1960's, exactly the same.

In fact I went down to Hue and visited their little museum. There they have the exact same automobile that one of the Buddhist monks drove to his self immolation in 1963. That became a famous photograph known all over the world.

That Buddhist group, I think, is still not recognized as a legitimate religion. The Government recognizes a different group that is more compliant.

The only religious group that gets away with running their own things in Vietnam is the Catholic Church. The authorities have not been able to control the Catholic Church even though they try. But they are very solicitous of the Catholics and Christians in general. Every Christmas they make a big deal of sending a representative of the party to a big cathedral in a coastal province which was the origin of the Catholic Church in Vietnam.

They convey greetings of the government and the party to the Catholics of Vietnam.

The big holiday in Vietnam is New Years, it's called Tet. Christmas is widely observed, however.

Another case was of Nguyen Hoang Linh who was former editor of the business newspaper called Doanh Nghiep (Enterprise). He was arrested in 1997 and sentenced to three years because he ran an article about corruption on a patrol boat contract involving the military. He was then accused of revealing military secrets because he published details about the contract. Corruption was really big issue about which much more could be said.

Q: This series hasn't had much opportunity to interview someone on Vietnam during this period. It is an important era, so whatever else you've got to say, say it.

BUCK: I would like to talk a little bit about the Hòa Hảo Buddhist sect which was important in South Vietnam.

Q: At one point they basically drove out the Viet Cong down near the Mekong Delta.

BUCK: That's true. The Hòa Hảo were founded in 1939. In 1947 their founder, Huỳnh Phú Sổ, was assassinated by the Communists. They went on the warpath against the Communist Party and also even got into a war with the South Vietnamese government in the 1950s. They managed to settle that dispute after a change of government in Saigon, after the government agreed to allow them to essentially run their own province and integrated the regional forces with the Hòa Hảo forces. They did successfully rid much of the central part of the Mekong Delta of the considerable influence of the Communist Party. They were able to control that area which was strategically important because it was right in the middle of what otherwise would be a major infiltration route from Cambodia. This was mainly An Giang Province but also part of Châu Đốc and other surrounding provinces.

An Giang was the last province in Vietnam to surrender in 1975.

Our consulate in Ho Chi Minh City contacted Le Quang Liem in Saigon in 1999. Liem was a former ARVN (Army of Viet Nam) colonel. He'd refused the opportunity to flee to the United States in 1975 and he led the Hòa Hảo resistance in An Giang. He spent five years in re-education camps followed by several years of semi house arrest. In 1999 he was campaigning to get the government to give official recognition to the Hòa Hảo as an organized religion.

He was claiming 4,000,000 members. It was probably somewhat less than that. They were, and I think still are, denied official recognition. All the Hòa Hảo properties, including their home temple and their university in Can Tho were confiscated in 1975 and have not been returned.

The Cao Đài, another religious group with an anti-communist history was recognized in 1997 and fully operates their own headquarters and temple properties in Tay Ninh province, which my wife and I visited in 1998.

The local Communist Party authorities in An Giang province remain strongly opposed to any reconciliation with the old Hòa Hảo leadership. It is quite possible that some of them are actually offspring or sons of VC (Viet Cong) cadre who were killed by the Hòa Hảo. I think this might be true because of my own experience talking with these people during my two visits to An Giang.

Q: Where is An Giang?

BUCK: An Giang is on the Mekong River. After 1975 An Giang was merged into Châu Đốc Province so it borders Cambodia now. It's much bigger than it was under the South Vietnamese. They took one district out of An Giang to the east and then expanded An Giang to the west. Actually they reverted it to its original borders that existed before the South Vietnamese created Châu Đốc as a new province.

The Hòa Hảo definitely killed a lot of communist cadre. When I was in An Giang in 1969 I remember a case where local people had spotted a VC cadre on a boat in the river. They dragged him off the boat and strung him up in the market place.

Anyway, Liem claimed some success in getting the government to stop circulating anti-Hòa Hảo books and to pull a film that was anti-Hòa Hảo. He was still demanding recognition and return of property. At the time the Embassy officers were meeting with him, he was threatening to stage a hunger strike. I don't think this actually happened because outside of the Hòa Hảo, there wasn't much public interest in this. These were considered kind of old issues.

I myself met with another old Hòa Hảo leader at his home in Ho Chi Minh City. He had just been released after 12 years in prison. This was the second time he had been in prison. I felt sorry for him, and especially for his son because his son couldn't get any employment. One of the things they do to these people is they fix it so you can't get a job anywhere. His son basically was providing some kind of tour services to visiting Americans but that was about all he was able to do. The old fellow was still completely unreconstructed. He was still circulating his petitions and letters.

I also visited Hòa Hảo village, the actual home village of the Hòa Hảo sect and I did that unannounced. I met with the people there who claimed to be members of the original family of Huỳnh Phú Sổ. It was clear they were totally in league with the government and the party. They were put there for that reason. I didn't get an awful lot out of them really but they certainly had no contact with the old Hòa Hảo anti-communist leaders. They claimed there was no problem between them and the government.

I wrote cables and reports on all this.

What else can we talk about? What about liberalization and democratization? There were some moves towards, I would say, decentralization, just a little bit. The government agreed that localities could retain some tax revenue for local budgets. The National Assembly achieved greater prominence over time. I think that process is continuing. In general, I would say most of the emphasis was on reforming the party, that is controlling corruption and local party abuses, which were frequent. They saw this as mainly a problem of doing more public relations work to at least make it appear that they were doing something about it.

The party leaders are very good at self-criticism. I witnessed this myself. I attended the National Assembly open meetings. For example, speeches by the prime minister and others were quite frank. I would say more so than most Western political leaders would dare to do, but always in line with the idea that the party is always right in the end, that individuals make mistakes because they fail to heed the party's guidance and directions. They also admitted the party sometimes wasn't close enough to the people.

I talked to the party intellectuals. The Communist Party has think tanks, some of which are for the purpose of studying Americans and other Westerners, and I asked some of these people whether they thought they would ever allow free elections and, of course, I got no definite answer on that. The response was, well, maybe sometime, but not right now.

Let me give you a little digression on that. Most people don't realize the real reasons why a lot of these things are the way they are. It takes a little while to figure it out and most Vietnamese don't know the reasons. If you talk to any Vietnamese, around here, for example, or even in Vietnam, I think most of them would not know why the party and the government are very reluctant to move towards a more and freer democratic system, even though I think many individuals and many people are very much in favor of that.

I am convinced the real reason is very similar to what you see in China and it is more related to ethnic issues than anything else. That's the thing I think they don't want to talk about. Vietnam has 61 ethnic groups, only one of which is Vietnamese. Not only that, but more than half the provinces in the whole country have large minority populations. A district is a subdivision of a province. I have been in a district on the Laotian border in which the Vietnamese population was 2%. All of those were officials and some businessmen. There are a number of ethnic minorities. The Hmong spilling over from Laos, the Tài minorities and then you have all the people down in the Central Highlands and other peoples.

If you allow one person one vote, do you think any of those people are going to vote for a Vietnamese? Do you think they are even going to vote to stay in Vietnam? No, absolutely not. That is the thing. If you look at a map of Vietnam, and a population distribution map, the Vietnamese population lives only on the coast and in certain river valleys. They don't inhabit the interior of the country. If you were actually to allow those areas to become whatever they wanted to be, Vietnam would lose half its territory and that is the thing which they fear.

Q: It is something we really never seem to focus on.

BUCK: Well, they are very, very sensitive about this. When I visited the Central Highlands near Da Lat I went to the Montagnard villages, to the old headquarters that had been in fact FULRO (United Front for the Liberation of Oppressed Races). We supported them in the Vietnam War and all the people I talked with had been people we had supported during the war.

Q: They were sort of the darling of our special forces.

BUCK: I only got away with that because I got in with some tourist group or something. They were really reluctant to allow us in, in fact they didn't usually allow it. That was the one place they did try to deny our Consulate in Ho Chi Minh City from visiting.

Q: With the return of bilateral relations, I assume a number of Vietnamese-Americans were returning to Vietnam.

BUCK: There were quite a few Vietnamese who did come back and work for companies in Vietnam. I was very good friends with the Coca-Cola representative who was an overseas Vietnamese-American. He had a very good relationship, partly because it was Coca-Cola, but he had cultivated personal relationships with top level people. Just to give you an example: he got his finger torn off in an accident at the plant and they immediately took him to the military hospital where he was operated on to reattach the finger to his hand. The doctor who did this was the only doctor in Vietnam who could do microsurgery. He normally only treated senior military and party officials, but he did this for the Coca-Cola representative. I also talked to the doctor himself, who was kind of apologetic that he was not allowed to treat the general public.

Q: Did this American connection present them with any problems?

BUCK: In fact, we had lots of issues concerning American companies in general getting into trouble over something. One of my big jobs was to get people out of trouble or to resolve some dispute between a company and the government which I would usually do by going through the Prime Minister's office. In some cases, it did involve corruption of local officials.

Q: There are stories that corruption has gotten so bad in China that it is almost become 'warlordism' in provinces. Would you say that the corruption issue was probably less serious than it was in China?

BUCK: I would say it's probably about the same or a little bit worse. I can't say how serious it is in China, but I suspect that China is just a little bit better organized to control it than Vietnam is and the stakes are perhaps higher and with more attention being placed on it. The party maybe has more supervision at the local level but, yes. You mentioned 'warlordism'. Again, provincial leaders in Vietnam aren't warlords but they have a

considerable amount of independence, within their own little empire.

Q: How about the army? Did the army replicate the People's Liberation Army of China which owned its own factories?

BUCK: Yes, they do. They definitely do. The army in Vietnam has its own companies which are associated with the army, definitely, and they own properties and some of this money goes into the pockets of top officials.

Q: What did you say about the ethnic make-up of Vietnam?

BUCK: The total population is overwhelmingly Vietnamese. What I was talking about was admittedly true only in the lesser populated, less densely populated areas, but what I said is there are geographic areas where the majority is not Vietnamese. All the major population centers are Vietnamese.

Q: How about the role of our consulate general in, do people still call it Saigon?

BUCK: They do call it Saigon. Saigon is still a perfectly acceptable name. Ho Chi Minh City is the name of the greater metropolitan area. It consists of Saigon, Thủ Đức, Cholon, and some other places. Saigon is part of Ho Chi Minh City.

We had the old embassy building still standing when I was there and, of course, it was torn down eventually and we built a new consulate building which is much smaller but more appropriate for a consulate. They get along fine; they were very busy with all kinds of consular cases: visa cases - immigrant visas and visitor visas - and lots of issues involving Americans. They have business issues so they are a very busy consulate. They did some good political and econ reporting.

There are other subjects we should touch on. The party's Central Committee meetings and the party congresses did start moving away from a set script to involve what appears to have been more dialogue and internal discussion. I was told that there is quite a bit of internal politicking going on. That's always been true in the party but a lot of things don't come out in the open until after the fact, but more and more there seems to be a lot of internal discussion. Not everything is always wired in advance.

I think I mentioned before that while I was there Đỗ Mười, who was an old revolutionary, gave way to Lê Khả Phiêu. Phiêu was head of the political directorate in the army so he was actually an army man. It was the first time an army man became Secretary General of the party, but I don't think he had tremendous power. I met with him several times, generally with delegations, and he was pretty much a hardliner. I don't think he was a strong dictator. Đỗ Mười was more dictatorial. We did meet with Đỗ Mười. I think it was with the Secretary of the Treasury Robert Rubin delegation in April 1997. Đỗ Mười insisted on meeting with Rubin at the old presidential palace, Independence Palace in Saigon which has been preserved. Everything in it is straight out of the 1960s, which is curious. It's a museum now, more or less. That's where the meeting was held. They

thought there was some kind of irony in that, I guess.

When I started this assignment the Prime minister was Võ Văn Kiệt who was involved in a movement toward more openness and economic liberalization. He was replaced by Phan Văn Khải who had been deputy prime minister along pretty much the same lines. Nông Đức Mạnh was head of the national assembly. He is a member, at least partially, of the Tai ethnic minority. He later became Secretary General of the party and the first person of minority descent to become head of the party in Vietnam.

There was a young fellow named Nguyễn Tấn Dũng who was up and coming and he then became a permanent deputy prime minister in charge of economics and he's now the General Secretary. His family was from the south. They were one of the ones that repatriated from the south to Hanoi in 1954-55.

Q: In 1954-55?

BUCK: In 1955, yes. He spent all his early years in Soviet Russia in the university.

In June of 1997 in Hanoi there was something called the 'Missed Opportunities Conference.' This was led by Robert McNamara [Ed: former Secretary of Defense in the Kennedy-Johnson Administration] so I went to the conference. I didn't attend the whole thing. It certainly was quite interesting. McNamara had a whole delegation with him, some other people on the American side from the 1960s. And then, of course, the Vietnamese had their delegation of high level people from the same period. They were trying to compare the two sides' perceptions of what was going on at that critical time and could things have been different in some way. Why did each side do this and why did we do this? In particular, the American side was trying to get them to answer why they didn't respond to certain peace initiatives that we had extended to them and so on.

This was written up and published in the New York Times magazine. I have a copy of the magazine, the whole article. [Ed: see http://www.nytimes.com/1997/08/10/magazine/robert-mcnamara-and-the-ghosts-of-vietnam.html]

McNamara kept reiterating that Vietnam and the United States had to share responsibility for incremental decision making that caused the war's escalation. The Vietnamese response to that was that only applied to the U.S. side. It had nothing to do with the Vietnamese side. They kind of went on that way. There was some evident frustration on the U.S. side because of the Vietnamese refusal to accept some of their concepts.

The one thing I really remember out of this was that McNamara asked them why did they launch the mortar attack on Bien Hoa airbase. [Ed: Wikipedia reports on November 1, 1964, Viet Cong squads shelled the airfield at Bien Hoa with mortars. The attack began shortly after midnight at 12:26 a.m. for 15 to 20 minutes. It was estimated that there were 3 81mm mortars. The attack was effective as 27 aircraft were hit, including 20 B-57s (5 destroyed), 4 helicopters and 3 A-1H Skyraiders. A fourth Skyraider crashed trying to

take-off. 4 U.S. and 2 Vietnamese were killed, and 19 were wounded.] This had occurred at exactly the moment the American national security adviser was visiting Saigon to evaluate what was going on in the war. While he was there, there was this much publicized mortar attack on the airbase which killed Americans and destroyed some aircraft. What do you think the Vietnamese response to that was?

Q: It was just a routine attack or something.

BUCK: The first thing they asked was "What's a national security adviser?" Oh, OK, but we never heard of the guy and, in any event, we didn't know he was visiting Saigon. We didn't read the Saigon newspapers and even if we had known about it, you know, we wouldn't have done anything.

The second thing was we had absolutely no contact with our people in Saigon. How do you think we could have made contact with them? Do you think we had radio or telephone communication? We sent the guys down there with instructions to fight the South Vietnamese to the death and repel the Americans and those were standing orders. Our commander did whatever he wanted to do. But we didn't know anything about an American delegation in 1964.

Q: Well, in a way even the most sophisticated communications, we bombed the hell out of Haiphong when Kosygin was visiting Hanoi and I don't think there's any, I don't think the bombers were aware.

BUCK: That's right and that's their point and I believe it was true. Because of the intervening mountain range, between North and South Vietnam, radio communication was quite difficult. Besides they knew we monitored their radio so they were very careful about the communications they gave to their people by radio. The only other way they communicated was by messenger, by hand. It would take something like two or three months for a message to get from the North all the way down to the South so there was no way.

It is quite clear to me that McNamara and the whole U.S. side sort of misunderstood how the Vietnamese field operations were decentralized in that respect. We had a tendency throughout the war to ascribe things to Hanoi when I don't think they were really engaged at the level of thinking that we thought they were.

The Vietnamese position was that, that is, they said things like, there was a general agreement that the United States even now wants to play superpower and fails to step back and understand Vietnamese values, solidarity, culture and so on. They made other comments about how the U.S. didn't grasp the extent and depth or history of Vietnamese nationalism.

One of them did say that they had prepared the Tet offensive in part, as they put it, to capture the hearts and minds of the Americans.

If you want to get a Vietnamese view of the war with us, by far the best book on this subject is called The Sorrow of War written by Bảo Ninh, a North Vietnamese colonel. That book is available in English on the streets of Hanoi, they sell it on street corners. It was published in Vietnamese, although the book was banned in Vietnam.

Q: Why was it banned?

BUCK: This is an absolute blockbuster of a novel. It is an incredible (fictional but apparently realistic) account of the war as told by a soldier. I don't know if it will ever be made into a movie, but it almost reads like it was written with that in mind. There are things in there which you wouldn't believe. The book is rather cynical. It's an autobiographical account, although it's not totally autobiographical as it is fiction. It is about this young man who graduates from high school, goes into the army, and eventually is sent into the south. He is involved in terrific battles in the Central Highlands with the American gunships, goes back to Hanoi and becomes an officer, then participated in the liberation of Saigon in 1975. He said, when everybody said we would be greeted by open arms and flowers, "the only thing I remember liberating was the PX". Then he goes back to Hanoi. In the meantime, his wife has become a prostitute. He has a big conflict with her, eventually divorces, and becomes an alcoholic. He suffers post-traumatic stress disorder and goes downhill from there. He then begins writing this magnum opus, this book, which he works on at night for months and years. In the end, he throws the book in the fire, but it is rescued by a woman who is a deaf mute. She turns it over to somebody who might think it is pf some value and they publish it as a masterpiece. This is, in my opinion, the most powerful book that I have ever read on the Vietnam War.

He doesn't talk much about Americans, but there is an incident in the book that I will recount. This is when he is in the Central Highlands. He is in the company of this young girl who is a cadre. Their job was to try to get the wounded across the border into Cambodia, but she had screwed up and missed the turnoff on the trail. So they had gotten intercepted and lost some of the men. Then they had a second incident and she and he were just together, they were alone but they got intercepted by an American patrol. The Americans had a German shepherd dog. He describes the American soldiers as very professional, obviously knew what they were doing. They moved silently only giving hand signals. These two were hiding in tall grass, but the dog could smell them and the dog was coming toward them. He is pulling the pin on his hand grenade and the girl stands up in full view, walks over and shoots the dog with a pistol. She then turns to the American soldiers, turns the pistol around and hands the pistol to the American soldier. She just stands there and says, "Hm", like that. The Americans are so surprised; they don't know what to do about this. They are looking around for their dog and she starts off running. So they start off chasing her and they run and run. The girl was running fast but the Americans were athletes and they caught her. The last he saw one of the Americans was pulling down his pants. He was creeping closer, he had his hand grenade. He was going to throw the hand grenade on the Americans. Then he said to himself, "Why would she do that? Why did she sacrifice herself like that way?" And then it came to him she did it for him, to save him, so he put the pin back in the grenade and he sort of slunk off

and left. That's the kind of events that are in this book. It includes his account of the battle to take Saigon and what they did in Saigon and all kinds of other things.

There is a kind of companion book which is How We Won the South, also published in English, which is an account by North Vietnamese historians of the battle to take South Vietnam and their version of how they won the war and why, which puts a great deal of emphasis on the economic situation in 1973-74.

Another topic of interest is the relationship between the Vietnamese intelligence and police and the U.S. Embassy. One incident: my wife was concerned about the amount of money that was being paid by the embassy for renting the houses, the embassy houses that we lived in. One house contract in particular was really outrageous. Our own house rental was about $5,000 a month. Before the Embassy rented the house the wife of the Coca Cola manager told my wife they had also looked at the same house and the asking rental was $2,500 a month. She mentioned this to a group of other embassy wives and said she thought that one of the locals in the embassy must be in league with a local real estate contractor to inflate these contracts. This caused all hell to break loose and I was called into the Admin Counselor's office together with the RSO (Regional Security Officer), and basically told that if I didn't get my wife to shut up, they were going to send us home. I knew the RSO had the power to do that and he said he would do it. We had a rather tense confrontation over that.

Q: Was there any thought of looking at the contracts?

BUCK: Well, they seemed to know about it. They said one contract was negotiated personally by our boss and even if kickbacks were being paid that was just the price of doing business here. I can sort of see their argument on this but I was really steamed anyway.

The thing that frightened us both was one day when our maid was coming to work, she was intercepted by a very attractive young lady who got out of a taxi, smartly dressed, went over to her and said, "Do you work for Mai Buck?" The maid said, "Well, yes, I do." She said, "Well, I've got a message to pass on to you. The message is, "Tell Mrs. Buck to keep her mouth shut, otherwise her husband's career is going to suffer." And that was it. The maid came in and was absolutely white, shaken over this, because she knew the person talking to her was a member of the Vietnamese secret police. Now, you figure that one out.

So we shut up. What can you do in a case like that? I later told the Foreign Service Inspectors about this incident, but they declined to look into it.

Q: Were there any attempts to suborn or harass embassy people? You know, the Soviets did this to a fare-thee-well at different times.

BUCK: Yes and no. Not really to harass embassy people for no reason. One time I was negotiating to buy a car from a friend of mine at the embassy. He said, "Why don't you

come and drive the car?" So I went and got on his motorbike and we drove over to where he kept the car. I drove the car around the block a few times to test it and put it back. We then went back to the embassy. On the way back he said, "Oh, shit. I know what's going to happen. They think we are trying to fool them. They think we're trying to pull something on them and they are going to retaliate." And they did; when he came out that night, they had punctured all the tires on his motorbike. They thought we were trying to evade surveillance.

Most of the time we had a tail behind us somewhere but it was never very intrusive except this one incident I'm talking about where there was just a little warning.

My wife's family was well-known in Vietnam; they knew exactly who she was. She was born in Hanoi and her family lived in Hai Duong. They owned a bean cake factory in Hai Duong. Mung bean cake is a dessert eaten at Tet and at weddings and her family's company was the most famous and most widely known brand in Vietnam, called "Bao Hien Rong Vang", or Golden Dragon brand, named after a medal awarded by the Vietnamese emperor. They also made "moon cake" and cookies. We went back and visited her family and cousins and the old factory. In 1990 her cousins were given back the factory and were producing the product, although the methods of production had not changed since the early 20th century. It needed a lot of investment. The brand has been copied and pirated by others, even in other countries.

The bean cake is sold in ornate boxes, usually gold and red foil, and are given as presents during the Tet holiday and other special occasions. In the upper left hand corner of the box, there is a photograph of a woman and it says "the founder, 1922." Anyway, that woman is my wife's grandmother. Every time I met with some senior people, they would always ask me, *"Oh, how is your wife's family?"* My wife's grandmother committed suicide rather than endure humiliation after the Communists took over the North in 1954.

Despite the fact my wife's family was prominent and her father was assassinated by the Communists (he rented property to the French, among other things), her uncle eventually became the Deputy Chairman of the National Assembly and was the President of the National Bar Association of Vietnam while we were there. When we came back to the United States on home leave, we got a message from the State Department which said a cable had come in from our embassy in Hanoi forwarding a message. The cable read "Please inform Mr. and Mrs. Buck that your uncle had died in Hanoi." The Vietnamese Foreign Ministry had contacted our Embassy and asked them to send a message to us so we could send condolences. I had had one formal meeting with him shortly after arrival.

A cousin of hers was the Director of the National Cement Company, a large state-owned enterprise. She met with him shortly after we arrived in Hanoi, but he wouldn't meet with me because he was afraid of being seen. He said he would send a car to pick her up. She mentioned that we both would be coming. He said, "No, no, not your husband, just you." But she had lots of other family too and, we had delegations of extended family members coming in. The first thing they wanted was for us to invest in their company. They thought $50,000 would be good. The point of all of this is it shows that family

connections often are more important in Vietnam than political sympathies.

I was in a meeting with Võ Nguyên Giáp who was the architect of the victory of the communist forces at Dien Bien Phu, the former minister of defense. I didn't set it up; it was set up by Desaix Anderson, the chargé. It was his meeting and I went with him. I took notes and wrote a cable on it.

He greeted us in his full uniform at his home in central Hanoi. He was quite elderly, in his 80s, I think by then. Desaix Anderson asked him, "What is your personal philosophy? What kind of society do you think that ideally we should have?"

He said he really believed in democratic socialism but not dictatorial socialism. He thought something along the lines of maybe what they have in Sweden or some of the Scandinavian countries was about right. That was his answer.

Regarding Ambassador Peterson, one of the biggest social highlights of the year was his wedding in Hanoi. He married a Vietnamese woman who was Australian. She was head of the Australian commercial service in Hanoi. The wedding was spectacular, held in the main Catholic cathedral in Hanoi. It was covered by the press and I think it made the international news.

The residence they gave to us for the American ambassador was the former residence of a French viceroy in Vietnam. The U.S. government spent about three million dollars refurbishing it and it's a beautiful French colonial residence. Everything is as authentic as we could make it. My wife suggested to the ambassador that he contact Architectural Digest and he did. They sent a team and it made the front page of Architectural Digest.

We had many high level visitors. I mentioned Secretary Madeleine Albright came. Also Robert Rubin, I was his control officer.

Q: He was Secretary of the Treasury.

BUCK: Right. I made all the arrangements for that, all his meetings. The only problem we had was I had taken his advance team out to the ceramic village of Bat Trang on the outskirts of Hanoi which is a village that has been making ceramics for I think the past 1,000 years. So on the way to the airport they decided to visit there and, of course, his limousine was too big to fit through the narrow streets. It was a little bit of a disaster. I don't think he ever got out of the car.

I was also control officer for Senator John McCain, at least once, I think twice. I took him on his first visit back to the old prison where he had been held which has been made into a museum.

It was known to the prisoners as the Hanoi Hilton. They'd kept part of it, the old entrance to the prison. It's actually called the Hoa Lo prison which means like "The Gates of Hell" or "Fires of Hell" and they have exhibits in there including the old guillotine. In fact, they

have one room for exhibits on the American POWs. They gave McCain his old helmet back, his old pilot's helmet.

I also took him to the lake where he had been shot down and been rescued. They have a memorial there to him (which he did not even know about). The memorial was erected before he was elected to the Senate. It doesn't have his name on it but it was a memorial to an American pilot who was recovered and captured in this lake right in downtown Hanoi.

Also John Kerry and numerous other CODELS came; we had lots and lots of them.

I mentioned traveling around to many places in Vietnam. I tried to go as many places as possible, especially down to the Delta and South Vietnam and as well as to villages in the North. Everywhere we were well received. Ambassador. Peterson said the one place where he had gotten a frosty reception was Vinh. Vinh was the city that we absolutely leveled during the Vietnam War because it was a major transshipment and rail point. That was the one place where people were not friendly at all. But everywhere else they seemed very happy to see Americans.

The ambassador asked me to write something about what I thought Vietnam would be like ten years later so I still have it here. Actually, I was right about some things and I was really wrong on others. It is interesting to look back on it now.

Q: What were some of the major points?

BUCK: First of all, I'll mention my conclusions. I said one of two outcomes is likely, probably within the next ten years; one, the Communist Party is replaced either by another party or more likely with a faction within the party which favors greater openness. It may be too much to expect development of a multi-party democracy but the new government would implement more coherent and less restrictive economic policies that succeed in stimulating a high rate of economic growth. The private sector would play a much larger role and most of the state enterprises would be privatized.

I said that the other alternative was the party would not be replaced but would decline in influence and power and the military would become dominant within the party and impose more restrictive controls and the economy would be weaker and so on.

Essentially, I think the first point there is correct, except what I really thought was that there would be some kind of conflict between North and South Vietnam. It is difficult for me to understand how you can have a long, thin country like this with two major population areas and in fact, the South being stronger, being more populous and more advanced economically than the North and yet the North controls politically. I don't think this has played out yet.

But I underestimated the amount of economic growth Vietnam would experience. Even though I believed and told the Vietnamese that they would benefit greatly from the trade

agreement, actually I kind of underestimated what would really happen on this.

Q: How easy was it to figure out who was who and who was doing what to whom within the party? How transparent was power?

BUCK: It's totally non-transparent. It is deliberately opaque. They insist on opacity. So, yes, getting any information is a major preoccupation of many foreign observers in Vietnam. It's a topic of constant conversation. There is material in the newspapers, some of it does leak out, but it is all back and forth and nobody ever knows exactly what is going on.

Now let's talk about the economic situation in Vietnam and the role of the embassy in promoting trade and investment relations with Vietnam between 1996 and 2000, particularly the support for the negotiation of a bilateral trade agreement and numerous other agreements.

This is going to be rather long and involved so I hope that I can make some coherent sense out of it and not get diverted into too much detail.

You asked about what Hanoi was like in the early and mid 1990s and how it changed. I thought I would talk a little bit about that. Some changes I observed, say between 1991 through 1998-99. Actually, this was true even after 1991. Still I would say by 1994-95 or so Hanoi was a small quiet city with the old part of the city largely unchanged from the end of 1954. There were massive flows of bicycles, small, old houses and not all that many shops. The private sector was starting to develop some, beginning about 1990, but there were still a lot of restrictions up until the middle part of the decade.

By the mid to late 1990s, it had been completely transformed. The most obvious thing was rather than bicycles, they had hordes of motorbikes.

Q: Were they motorbikes or scooters?

BUCK: Motorbikes, a few scooters. The Honda started taking over, even in your era. It was in fact very difficult to cross the street. You just had to walk out in the middle of the street and then the waves would sort of pass by you as you walked through them.

There was also an explosion of small businesses, store fronts on the first floor with living areas on the second floor. Everybody who had a house on a main street seemed to be doing that. There was also a huge expansion in the outskirts, especially around the West Lake area where a lot of fine new houses were being built and some luxury homes and hotels. The city was busy all day long and much of the night. Numerous karaoke bars had sprung up, including one right across from our house. The karaoke bars are mainly for entertaining men, especially businessmen and there were other places of entertainment. Restaurants were mostly frequented by Vietnamese men gathering at night and drinking and talking. Some young couples were starting to appear, so it appeared something like dating might be going on. They built modern high rise hotels. First they had the

refurbished Metropole Hotel taken over by Sofitel, but it certainly was not limited to that. The Korean Daewoo company built an enormous hotel near the American Embassy.

Then also Hilton, the Spanish Melia chain, and numerous others came in, frequently with Malaysian, Indonesian, Taiwanese, and Thai investment, even Chinese.

There were new restaurants; Italian, Japanese, Korean, Chinese, French and American. One of them was owned by a top ranked chef from Chicago.

Strange architecture: the houses were built very tall, and very, very narrow because of the very small plots of land. It seemed like they would fall over. There were thousands of computer shops and small manufacturing shops spilling out onto the sidewalks, making almost anything you could name.

There was evident prosperity in the countryside as well. They continued the tradition of villages specializing in one product such as in furniture, ceramics, porcelain, lacquer ware and so on. So an entire village would be making one kind of product.

You could easily buy high quality imported goods such as Sony and Panasonic electronics. They had huge distribution and their products were sold at prices equal to or below those in the United States. More automobiles were appearing in showrooms and on the streets although motorbikes definitely predominated.

When we arrived, they didn't appear to have a supermarket in Hanoi. They only had small grocery stores selling mainly to foreigners and diplomats. That changed very quickly. Soon there was a Korean owned supermarket that came in and established itself right over the main central market. They sold everything; cheap housewares as well as prepared and packaged foods. Still, in Hanoi, most fresh food was sold in the open market although Ho Chi Minh City by that time had some larger Western style supermarkets.

Q: *What was the economy like or economic performance?*

BUCK: I mentioned before that they had started with economic reforms in the 1980s. That was accelerated some in the early 1990s, although the progress had actually been fairly slow. Nevertheless, the gross domestic product, that is the economy, had grown over 8% per year starting from implementation of these economic reforms. It dropped some in the period of 1998 to 2000 due to the 1997 Asia economic crisis but it still only dropped down to about the range of 5 to 6 % per year. So this was actually one of the highest growth rates in the world.

Also exports were growing steadily. This really took off after implementation of the trade agreement with the United States. Their largest export usually was petroleum, in fact I think it still is, but textiles replaced petroleum in 1997 for a while I guess because of low petroleum prices.

There was also a very strong growth in shoes, seafood, fish and shrimp, rice and coffee. Vietnam became the world's second largest exporter of rice, the second largest exporter of coffee after Brazil and one of the largest exporters of seafood.

Q: Coffee?

BUCK: Yes. In fact they exported so much coffee that they got into trouble with a lot of other countries. Countries accused them of exporting so much they actually drove down the world price of coffee.

Q: Coffee has been a cartel for a long time.

BUCK: Well, the Vietnamese upset that cartel.

There was foreign investment in a lot of this. Nike built a factory in Hanoi and had contractors selling to Nike that employed tens of thousands of people. Most of this economic boom was fueled by foreign direct investment.

Q: Were we looking at working conditions? As I recall during this period there was a cartoon which made quite a point about, it had been talking about the Viet Cong in the cartoon before during the war and now it was talking about the exploitation of the West of cheap labor and poor working conditions. What was the issue?

BUCK: We certainly looked into that extensively because of all the publicity. It was looked into by other organizations as well. Some of the people in fact that were making these accusations were invited to Vietnam and they had toured the factories. They generally didn't find anything much to buttress their argument.

Yes, there were some issues at one of the factories. Most of these factories were owned by foreign investors. They were joint ventures, but the investment came from elsewhere, particularly from Taiwan and Korea. Many of the firms were Korean but they typically would have a manager who was Chinese.

Q: Vietnamese Chinese?

BUCK: No, no. Out of Taiwan usually and that was an area of dispute because there was a cultural conflict between the Chinese managers and the Vietnamese. A lot of the working force was generally female. I remember one incident when a Chinese manager slapped some employees for not working hard enough and then they forced them to go outside and do laps around the building in the heat. I think things like this. It was just stricter working conditions for the Vietnamese people. Most of the workers were from the countryside. Actually, the working conditions, the physical conditions, the environmental and safety regulations with the foreign investment companies were substantially better than that of any local Vietnamese firm. Vietnamese firms would typically have no protections for workers at all and rather poor and dangerous conditions, sweatshop conditions. That's not true in any major foreign investor. They would make at least some

effort to provide ventilation when they were using toxic chemicals like glue such was used to glue shoes. Nevertheless, of course, the work was demanding and frequently paid on a piece work basis so people had to work very hard.

As far as actual exploitation of labor, as compared to what? That would be the big question. The wages people were making were certainly higher than they could get doing something else.

Despite the large amount of foreign investment in 1996 and 1997 the United States was in 7th place. I think Taiwan or Singapore was in first place. Incidentally, by 2001, the United States had dropped to 13th place. That mainly reflects I would say the U.S. economy. In fact more investment income was flowing into the United States than was going out and, of course, the other growing Asian economies and the fact that other Asian countries were investing, putting plants into Vietnam and using it as an export platform.

Development assistance overseas was very important too. That was running as much as four billion dollars a year. Foreign investment was typically around a billion dollars a year.

There was, however, a lot of concern about the slow pace of the economic reforms which was generally seen as inhibiting growth. Government officials generally agreed with the World Bank's list of economic reforms needed such as privatization of state owned enterprises, trade liberalization, elimination of subsidies, giving of national treatment to foreign direct investment or investors and restructuring banks.

Q: In these investments, you mentioned managers often being Taiwanese. Because of relations between Mainland China and Vietnam, was there a shying away from Chinese, Mainland Chinese investment?

BUCK: No, I don't think so. Mainland Chinese just were not at that time to the point where they were competitive with other countries. This grew over time but, no, I don't think there was any shying away from it.

The government economists at that time estimated that they needed 21 billion dollars in foreign investment and overseas development assistance for the five year period from 1996 to 2000. I don't think they got quite that much but it probably didn't come in too far below that.

Also the social conditions were improving. In education, for example, by 1997, 38 out of 60 cities had achieved universal primary education so they at least had primary education in the cities and were improving secondary education. I visited rural areas, including ethnic minority areas where they did have a secondary school at least in the district mainly for minority type children. They would have to come in and typically stay in a boarding arrangement. It would be like having a single high school in an American county.

There was a reduction of poverty. The World Bank said that poverty was cut from 50% in 1992-'93 to 30% in 1997. Poverty, by the way, was defined by living on less than one dollar a day. About 15% of children were still suffering from malnutrition. Population growth had also been reduced from over 2% to 1.2% by 2002.

The embassy's assessment was at times rather skeptical about the economic reform process, especially at such a slow pace. We were trying to encourage it and there was clearly a divergence of opinion in the government and in the Communist Party about exactly what to do and how fast to move on this. The reformers wanted to move faster but many party and government officials were worried about their own positions and they feared provoking unemployment and social instability.

In early 1998 the new Prime Minister, Phan Văn Khải, called for stimulating exports, less investment in wasteful projects and encouraging the private sector. At the same time he and the others insisted the state would remain the leading sector and privatization of state enterprises, which they called "equalization," would only proceed gradually. The government was trying to proceed by consensus on the lowest common denominator basis. This was frustrating to foreigners, to World Bank people, and to others who wanted to see them move faster.

They did do some very positive things. In early 1998 they held a series of meetings with private sector businessmen. Actually, we at the embassy helped set up some of these meetings with the help of the American Chamber of Commerce and their membership.

The largest meeting was in Ho Chi Minh City. Over 500 business people attended, including some Vietnamese business representatives. The government issued a new decree which it hoped would encourage more investment. They talked about gradually establishing a more level playing field and eventually creating a single investment law; that is, an investment law that applied both to domestic Vietnamese and to foreign business.

Interestingly we reported that a party resolution for the first time had mentioned capitalism in a positive light. "It is encouraged to develop and effectively manage the private capital sector." They usually used the word 'free enterprise' or 'private initiative' but the word 'capitalism' certainly does exist in Vietnamese.

We did a lot of reporting from the embassy on this and we covered, as best we could cover, what was going on internally in Vietnam, including the debates that were taking place within the government and within the party.

We talked about outside influences as well as internal influences. The outside influences were the IMF, the World Bank, and other donors. We had Consultative Group meetings, generally annually, among all the major donors chaired by the World Bank. And of course there was the pressure we were putting on them with our trade negotiations.

Internally, the government and party had economic advisers and think tanks. We had

pretty good relations with them. I met with them frequently and they often were very frank and forthcoming about what they thought was happening. There was also the role of the party cadre, especially at the local levels, the national assembly, and the government bureaucracy and the state enterprise managers, most of whom were probably not so eager to move ahead on these things.

Some of the problems were due to the state owned enterprises because originally the whole economy was state owned. By 1998 there was overcapacity in some sectors partly because of the Asian economic crisis of 1997 but also due to the fact that they were still building things like cement plants which they didn't need. The import substitution phase was playing out, but they still had major investments in steel, cement, sugar and other industries that were receiving subsidies. Most of these were produced at high cost. They were being subsidized by a variety of means such as low or forgiven taxes, free land and low cost loans.

Q: Why were costs for State enterprises higher, because they are paying more?

BUCK: Costs were high because they had too many employees, they had poor technology and machinery, weren't really competitive with world standards and with products being brought in from other countries. Certainly other Asian countries were extremely competitive, like the Chinese and others too.

Almost all foreign investors had to have a Vietnamese partner which usually was with a state owned enterprise who usually contributed the land and very little else. These joint ventures were growing much more rapidly than state owned enterprises were. Many state owned enterprise were losing money.

Privatization, that is selling off these little enterprises, was a stated goal but this proved to be very difficult to achieve in practice partly because of who would want to buy them. They called it "equalization" which can mean a number of things. It could mean selling off, could mean just attracting more capital or allowing foreign or private investment. By 1997 there were still about 6,000 of them. This number had been changed little since 1995.

Also the banking sector was a constant drag. It was dominated by state banks that loaned the majority of their funds to state enterprises or else they loaned only to so-called private firms that had the right connections with somebody of importance. There actually was very little real banking going on. The truth is there were only 50,000 people in the whole country who actually had a bank account out of a population of over 70 million people.

Q: In a way was this sort of at that time a blessing because they didn't get caught up in the Thai, Indonesian, Japanese economic crisis of the late 1990s?

BUCK: That was the way they were insulated. They were insulated from banking and currency crises that affected other countries for two reasons: one, because of the low rate of banking in Vietnam and, second, the Vietnam currency was not convertible and you

couldn’t speculate in it. But it also meant that it was very hard for private business to get capital from almost any source. There were lots and lots of small business; there were hoards of them, but very few if any large private companies.

I visited a few private Vietnamese firms in Ho Chi Minh City. I really couldn’t identify any in Hanoi. There were some fairly good sized businesses making various traditional or handicraft products, mostly located outside of Hanoi in different villages, but none of these would be large or have more than a few employees.

In Ho Chi Minh City I was able to identify several that were more real companies or corporations. For example, there was a shoe company which made an incredibly wide range of very nicely styled shoes of all different types. Then there was a pen manufacturer and an air conditioning services firm. Each of these had an interesting story about who had started it, how they had gotten going, where they gotten their management skills or technology from. I was not able to come up with very many at that time.

Another crucial area for reform was the law, or absence of law, rule of law in the legal environment. The same thing happened in Russia when they tried to change from socialism to capitalism. They suddenly realized there were no laws; anybody could do anything, whatever they wanted to. Anything goes and you really can’t develop a country that way. It turns out that capitalism actually requires a government, it requires a fairly responsible government to set the rules.

They did publish a new civil code in 1996 and that was followed by a new commercial code in 1998 and a new domestic investment law. Also, in 1997 there was a banking law but, even so, the country still had a patchwork of inconsistent laws subject to conflicting official interpretations and also the court system hardly functioned. There were very few lawyers or personnel with any kind of legal training. You virtually couldn’t bring a case or sue someone in court and even if you did, the person who would win might exchange some money between judges.

Q: This must have been caused foreign investment, I mean, was the system as corrupt as I take it in the Russian system? I mean people who went in there must have figured they could really milk the system.

BUCK: Some of them did. We had a case in one province which was just outrageous where there was a conflict between an American company and a Thai company over a golf course. The Thai company basically didn’t do the work they were contracted to do. They weren’t paid by the American company because they hadn’t done the work and then they got the local court to issue a judgment against the American company. It ended up with the court seizing all equipment of the golf course and the property. I was involved in trying to resolve this case for months.

Q: How did it come out?

BUCK: I was working with the prime minister’s office on this. We intervened in a

number of cases and I think Commerce Department reported these as “success stories” (i.e., where we had some success helping an American company). In any event, the prime minister’s office told me they had very little power over the province and they couldn’t do very much about this case. They couldn’t control the provincial government. They could send letters to the provincial authorities; they did send letters but that didn’t do any good.

In that province, however, eventually the province chief was arrested and charged with corruption. They tried to clean it up a little bit. I do not remember what happened with this particular case. I think the American investor wound up leaving because they had pretty much lost their investment anyway. There were a number of cases but that was one of the most egregious ones.

Medium sized private firms that had 25 to 100 employees were really scarce, as I mentioned. They accounted for less than 1% of domestic product, according to the World Bank. Even so this fledgling private sector was accounting for almost 100% of new employment in recent years. These were mostly small, family run businesses with a handful of employees, along with foreign invested firms. The labor force was very young; one half of the population was under 25 years old, relatively well educated with literacy at 90% and eager to work and to learn, so they certainly had some advantages.

By 1999 foreign observers were citing a long list of problems and deficiencies that were hampering economic growth and development. I mentioned corruption, favoritism, including to the state enterprises, especially at the provincial level because the provincial governments all had their own local companies. There was misallocation of state investment. One outrageous example was a cement company in Nghe An Province which they went ahead and built, even though cement was already over capacity. They built it right next door to a larger cement plant, financed by the Asian Development Bank in conjunction with the IFC, the International Finance Corporation.

They had a large trade deficit at that time, sluggish aid project prosecution, low domestic savings; only 10 or 20% in comparison with China which had over 30% savings. That by the way has since changed.

But nevertheless, there were some very positive factors. You mentioned the insulation from the 1997 Asian economic crisis. Of course, there was an effect; their exports to other countries in Asia went down but the local currency kind of insulated them. Besides that they had very low manufacturing labor cost. They had high costs in some other areas, perhaps, including infrastructure and electric power, but continued to receive high levels of foreign direct investment, including from other Asian countries. The prospect of achieving normal trade relations with the United States could open up a huge export market. Their budget deficits were being held in check. They had pretty good macro management. Inflation was controlled. Their external debt was low. They hadn’t borrowed very much and there was broad based agricultural sector development. We talked about coffee, there was also tea, rubber, sugarcane, nuts, fruit, aqua culture, the culturing of fish in the rivers and basically new techniques in mechanization which was

certainly impressive. Most of the agriculture was converted to modern techniques and they were starting to use tractors.

Q: Were they using the miracle rice?

BUCK: We had introduced that earlier in the Vietnam War and they were using it. I went back to the areas that I had worked in previously in 1969-70 and they had made considerable progress. There was clear evidence of prosperity. They had the mobile rice mills which the Japanese had introduced. They had the little farm tractors and the beginnings of paved roads.

Q: These were real tractors as opposed to the sort of like the gravity?

BUCK: They had both, the two wheel hand tractors and larger ones. They had more primitive ones in the North. A lot of them were locally made, in fact. In the South they had full sized tractors, ones that were imported or had special equipment for working in rice fields.

I mentioned some things about the rule of law problems. We tried to help on this. There were various aid projects and other projects to assist with legal reform. I was involved in this; I visited the justice ministry and put the advisers we had in touch with the right people in the ministries to work out a program for assistance in legal reform. There was a lack of transparency in economic statistics which was frustrating.

Foreign perception of political risk was high-- the possibility that you could get crosswise with the wrong people and wind up losing somehow. There were cases of this, people that would start making money and suddenly a case would be brought against them on some trumped up basis and they would be put out in favor of somebody else.

Generally, foreign ratings agencies had a rather negative view of Vietnam at that time. I'll give you some examples: the OECD risk level rated Vietnam one step up from the bottom. Moody's rated Vietnamese bonds as B-1, which means serious repayment problems. That's about the same as Argentina and Bolivia although it was above Indonesia. The Economist gave Vietnam a C rating, the same as India and China. Euro Money ranked Vietnam 98th out of 180 countries. Institutional Investor ranked Vietnam 88th out of 112. Transparency International which monitors corruption said Vietnam was the 75th most corrupt out of 99 countries rating about the same as Venezuela but better than Indonesia, which ranked 96th.

The biggest thing we were doing in the embassy was the negotiation of a bilateral trade agreement which was necessary in order to give Vietnam normal trade relations -- so they could have access to the U.S. market. People who don't know the background of this don't realize that Communist-ruled countries did not have access to the U.S. market. They had to pay much higher tariff rates because they did not get the benefit of what was called 'most favored nation' tariffs. In other words, they didn't get the benefit of what had been negotiated in terms of tariff reductions and other reductions of trade barriers

over the years since 1945.

Our big negotiating leverage with Vietnam was the fact that we wouldn't give them normal trade relations until they opened up their market and reduced their trade and investment barriers. They recognized that they would have to do this, and the U.S. pretty much led the way, not only for the American companies but of course, under the most favored nation principle, anything we negotiated would have to be given to other countries too. We in fact were doing the work for everybody else.

Vietnam also applied to join the World Trade Organization in 1995 but it was recognized that they would first have to do the U.S. negotiations and then comply with whatever other countries wanted and only then eventually join the WTO.

In May of 1996 the U.S. presented Vietnam with a blueprint for a trade agreement. That was really just an outline. By the way, the person who did the negotiations was Joseph Damond of USTR and the chief Vietnamese negotiator was Nguyen Dinh Luong who was the director of the Americas Department in the Ministry of Trade although he was upgraded to the rank of Assistant Minister for this purpose.

Damond would come to Hanoi with a team which also included people from Commerce Department and sometimes State Department and others. We at the embassy supported them by making all the arrangements and reporting on what was going on in- between sessions to convey information back and forth.

The first real round of negotiations was in September of 1996. That was still pretty much a get acquainted type of activity to outline how we would proceed with this. In April of 1997 the U.S. delivered a full draft agreement which really shocked the hell out of them because they had never seen anything like this before. It was based largely upon other agreements we had negotiated with other countries, including with other communist countries. It was immediately unacceptable to the Vietnamese side, but nevertheless, we started working on it.

This was followed by another two largely unproductive rounds. (There were a total of nine rounds of negotiations in all.) The fifth round was in May of 1998, still mostly a general overview. We discussed the requirements for WTO membership, which are much the same as for an agreement with the United States. Damond presented a non-paper draft after that session, which received a fairly positive response.

Then we went to the sixth round in November 1998. That's the first time I can remember we actually got down to serious discussions. We broke up into working groups so the way it worked is delegations would divide and then they would have individual sessions. Much of this was just explaining to the Vietnamese what was going on; what all these terms were, what it meant, why we had to use certain language. They would sometimes want to change the language. We would have to explain to them that, no, trade language is well developed. It is universally accepted. The terms have precise definitions and you have to use these exact terms.

Q: I would have thought that while the Vietnamese initial reaction was rejection, in the long run with WTO and other viable organizations and other modernizing states such as China showing the way Hanoi just had to accept the fact that they had to join the club.

BUCK: Exactly, and that was our line too. That is what we explained to them. We also explained that what they were going to have to do with us would be the same thing they would have to do with every other country. Therefore, the only issues were things like how soon do you do it? In other words, we were willing to give them some phase-in period and there could be some exceptions or there could be some protected areas but not everything.

Q: But by this time, had there been a cadre of people who had gone through the University of Chicago or Harvard Business School or the French equivalent or something like that?

BUCK: Unfortunately, no. The Ministry of Trade people were very well intentioned but, in reality, they knew almost nothing about it and so we realized much of what went on in the negotiations was educational. No, they had not gone to any of these universities and studied these kinds of things. Maybe some people had studied a little bit of economics, but trade negotiations or trade law is an incredibly sophisticated and highly specialized field. In fact, people in the West don't know anything about it unless you are a lawyer and you specialize in this field. This is true in the United States. The trade lawyers here in Washington make a lot of money because they understand the procedures and other people simply don't. Ordinary people don't know these things. It's not really taught very much at the university either, at least in economics classes. It is a sub study, a specialized area of law, of international trade law.

One of the things we ended up doing was hiring and paying for a team of technical advisers to educate the Vietnamese trade negotiators. Actually, the US-Vietnam Trade Council paid for this and for a lot of other things. They hired a former USTR lawyer who would work very closely with the Vietnamese and even to help them to craft their own response. This continued throughout the entire period of the negotiations.

Q: Did the Vietnamese, particularly those you dealt with, understand this was the reality; that you really have to come up to these standards. There isn't an awfully lot of give on this because everyone is demanding the same thing. Did they really understand that or did they think you were trying to pull something?

BUCK: They understood it. The problem was they couldn't explain this to their own people. They couldn't explain this to the party officials, to the state enterprise officials, what all this meant. As time went on and they realized they were really going to have to do things, to change things, and it sunk in, then the push back really started.

In the sixth round which was in September, 1998, they introduced for the first time, I think, the investment part which was a whole separate chapter. That, by the way, is

unusual because I don't think USTR had done this before. Normally, they negotiated a bilateral investment treaty which is a separate treaty from the trade agreement. In this case they decided to put them both together. An investment agreement would require giving national treatment to U.S. investors in most areas, that means treating them the same as Vietnamese companies.

The Vietnamese, of course, thought the U.S. requirements were way too high, especially that the timeframes were too short and they wanted more reservations for certain industries. Besides that, we also had problems with their regime of trading rights, that is, we insisted on getting rid of requiring licenses for trade, for imports, and there were many issues in services and intellectual property and so on.

When we went to the seventh round in March 1999, we presented a new, more comprehensive U. S. proposal. We identified and deepened the key issues. These were the same issues as before. We still had no tariff offer at all from the Vietnamese side. We made a tariff request. We wanted more treatment of services and investment.

A few months later the eighth round took place in June of 1999. Charlene Barshefsky was the U.S. Trade Representative by then. She said that significant progress had been made in a public statement, but that some key market access issues remained. We had almost finished the intellectual property part and we were close on that. Some progress was made on investment, but that was still not concluded. Actually, none of the chapters were concluded. The phase-in dates were still up in the air. Services, telecommunications and banking were still big issues. At least we started talking about tariffs a little bit.

Q: What about tariffs?

BUCK: The Vietnamese didn't come up with anything so we came up with a list of things we wanted, where we wanted reduced tariffs, and this came, of course, from U.S. industry. That wasn't too big of a problem but we had difficulty even getting them to focus on it. Then they realized they were going to have to go and tell somebody in their government that they might have to do this.

We made some progress on the schedules for phasing out the trading rights, that is, the licensing regime.

The Vietnamese wanted reservations on national treatment in some sectors such as media, which is OK, as well as housing, automobiles, paper, cement and a few things like that. We were going to give them some of that.

The next step was to invite someone higher level from USTR to come to Hanoi and that happened.

We referred to the ninth round as the final round, which was in June of 1999. USTR Ambassador Richard Fisher came to Hanoi and the two sides agreed in principle. You might say we initialed. It's not clear whether we really initialed or what actually

happened, but we agreed in principle on an agreement with the Vietnamese trade negotiator and that's where it stood for over a year.

There was then a big delay while the Vietnamese went back and tried to convince their people that they had to sign this.

Q: Were there any neighbors, were the Chinese, I am trying to think of any other sort of communist countries with which they had relations to say, yes, well, that's what we all had to do. Or were they essentially on their own?

BUCK: No, but the World Bank was telling them they had to conclude this agreement with the United Sates. What other countries said I don't know, but I believe that certainly European countries were supporting it because they would get the benefit from it too. There's no way they would have told them to go slow on this.

Q: How about something like the EU? Was there anybody else in the game?

BUCK: Not yet, not at that point. Actually, I think there may have been some. I do believe it is correct there were some discussions with the other countries. They started having meetings with parties between 1998 and 2006 but negotiations didn't start until between 2002 to 2006. That's on the WTO accession. That's with the other countries. The WTO package was adopted in November of 2006. So, yes, we were way ahead of the WTO you might say.

Eventually, in July of 2000 USTR Charlene Barshefsky and the Vietnam trade minister, Vũ Khoan, signed the agreement in Washington. It was in July of 2000 and President Clinton announced it.

President Clinton then visited Vietnam right at the end of his presidency on November 16, 2000, along with a big delegation including Senator Kerry and others. On our side both the trade agreement and the national treatment legislation went to the U.S. Congress in June of 2001. It passed the House and Senate in September and October of 2001 and President Bush signed it on October 16, 2001.

I might add that probably the 9/11 attacks had something to do with reducing the controversy that otherwise there might have been

Q: When you got involved with this thing, did you realize what a problem it was going to be?

BUCK: Yes, I knew it was going to be a big problem. I knew it was going to take up a lot of time. The truth is I went back and forth as to whether we were going to get it done or not. I really did believe we probably would get something.

Q: We had to get it. In a way the world is the world and at a certain point, no country is going to sit outside and not be able to enjoy trading, not just with the United States but

trade at a general level.

BUCK: That's true, but at the time this was done this was the most comprehensive and elaborate trade agreement that had ever been negotiated by the United States with any country. Because, as I said, investment is not normally put in there so this was really everything and it reflected the views of the American business community. USTR, as they always do, had consulted with the business community and we also got input from the American Chamber of Commerce in Hanoi.

Q: The Russians, had they already reached an agreement? The equivalent?

BUCK: Yes, we had an agreement with Russia. This was partially based on other things and that was one of the problems because some of the things USTR put in there in the first draft were relevant to Russia but not really to Vietnam. The Vietnamese had to point that out and change it.

We also began promoting the trade agreement with the public in Vietnam. I was greatly involved in this and, in fact, coordinated and ran that in the embassy. For example, we printed up a brochure in Vietnamese and English, entitled <u>The Bilateral Trade Agreement, Who Benefits?</u> This was signed by Ambassador Pete Peterson, with his introductory letter. It explained why the trade agreement was needed. Under U.S. law we could not extend trade relations without the trade agreement and then we talked about the WTO. It posed questions like: Is Vietnam facing unusually high standards? Are we asking more of Vietnam than WTO requires? And we said, "Absolutely not." It explained why it will be good for Vietnam's economic growth, for jobs, training and education, foreign technology, and rural development. It explained how trade boosts economic growth in general.

What I did for my part was to organize a series of trips and visits for embassy officers to promote the trade agreement all over the country. We took with us people from each of the sections in the embassy to describe what they did and how they contributed to mutual objectives. We met with local officials, with party leaders, and with just about anybody that we could meet with.

Also I did public speaking along with the ambassador, of course. I managed to get one of my speeches published in the local newspaper. I took advantage of the fact that I could deliver the speech in Vietnamese.

This speech discussed further ways to develop U.S-Vietnam trade ties and the paper quoted me on identifying the potential prospects for economic cooperation. They published a complete summary of all the progress, which was a positive thing.

We went around and talked to everybody we could, including all kinds of organizations. I wrote speeches for the ambassador. Here's one he addressed to a seminar organized by the USA Friendship Association of Hanoi. Also his remarks for the Pacific Based Economic Council, PBEC, that was in 1999.

Some of the talking points were: we pointed out the trade agreement would benefit Vietnam, giving access to the world's largest market and this would also attract other investors to Vietnam and would send a signal to the world that Vietnam is looking outward to be a player on the world stage. It would stimulate creation of new industries they hadn't even thought about. We said that Vietnam was in danger of losing ground to other Asian countries if it didn't implement the full range of economic reforms. It was in competition with other countries for trade and investment and if Vietnam was the last reformer in the region, it was going to be the last to recover. We were providing technical experts to help in many areas and also Vietnam should encourage its own private sector and we were able to help that along. Many, many things were going on.

Q: Were we encouraging Vietnam to get people to Harvard Business School or to Chicago or Wharton?

BUCK: A lot of Vietnamese were going to these places. They were getting scholarships and, yes, many were. Some people were starting to come back from their education in the U.S. They did play somewhat of a role but I don't think all that much because all the people that I dealt with were educated in the Soviet Union, virtually 100%. They all had degrees from universities in Moscow.

Q: I remember back in the 1960s dealing with Ethiopians that bailed out of the Soviet Union because of race discrimination. But they'd learned Soviet accounting methods which were of no value at all.

BUCK: Right, well, in fact that's true and legal concepts were quite different. Not only the accounting but the calculation of economic statistics, the gross national product and so on, the method for accounting was different in the Soviet Union than in other countries.

The U.S. was providing humanitarian assistance for rehabilitation of handicapped persons and displaced persons and orphans. That was one of the first activities. We provided disaster assistance; we contributed relief for droughts and floods. We were also discussing a bilateral science and technology cooperation agreement. The Center for Disease Control in Atlanta, Georgia, established an office in Hanoi. Part of this is because there are a lot of diseases in Vietnam which could spread.

Q: We have one in Egypt and we have one in other places.

BUCK: We were supporting a project to help assess the HIV/AIDS problem and implement prevention activities. The United States Asia Environmental Partnership which is USAEP initiated activities in Vietnam. We were starting some possible military to military cooperation. We had a visit from the U.S. commander of the Pacific Fleet, CINCPAC, and that was with the Vietnamese military.

We were negotiating a bilateral, anti-narcotics cooperation agreement to establish an anti-

narcotics program in Vietnam. DEA opened an office at the embassy and assigned an agent to it to work out of Bangkok to come and visit. Unfortunately, we were not able to get that agreement. I worked on that agreement for a year with the Foreign Ministry and we could not overcome certain hurdles. INL in the State Department insisted on full diplomatic immunity for any personnel they would send to the country, including contractors, and the Vietnamese couldn't swallow that. Actually, I think INL seldom got that anywhere.

Q: That strikes me as being a little bit beyond the pale.

BUCK: This was beyond the pale. We eventually did establish an anti-narcotics program in Vietnam but I think only after INL came off of that. I did all the negotiations on this with a high level foreign ministry person, and we got everything else. They wanted to have a program, they wanted to have help for the police.

FAA, the Federal Aviation Administration, was in there working on airport security management. We had educational exchanges which you mentioned, supporting the Fulbright program center in Ho Chi Minh City run by Harvard University.

The U.S. private sector and nongovernmental organizations were active in Vietnam.

One thing I will mention is what we called success stories, that is, embassy support for U.S. business in Vietnam. For example, pharmaceutical trademark infringement in the Panadol case. Local companies were infringing on the Panadol brand which is an American company's brand. Unilever was using a similar name. Also there were fake drugs on the market. We were doing everything we could to try to get the Ministry of Health to stop this sort of thing. Finally, the fake brands began to disappear from the market. We sponsored a seminar on trademark and other issues. Proctor and Gamble requested restructuring of its Vietnamese joint venture which began operations in 1995 because they were losing sales. The Vietnamese joint partner was unable to provide its share. Vietnamese policy opposed 100% foreign ownership so they were facing the prospect of having to withdraw from the country. Finally we got a deal whereby they were able to work out something.

Coca-Cola requested embassy support for its efforts to buy out its joint venture partner. The Ministry of Planning eventually gave them permission to do that. That was unusual but Coca-Cola had a very good relationship. They had a very good Vietnamese-American country manager there.

Colgate Palmolive was trying to increase its capital and product line. To do anything a company had to get permission and months would go by before they could get any kind of answer on these kinds of things. We helped speed up a favorable conclusion.

The Caterpillar dealer had problems too. They had currency and warehousing problems, couldn't get things in like spare parts. They faced all sorts of restrictions and ultimately their property leasing license was revoked.

Abbott Laboratories faced a 100% tax on consignments of medical products. Cases like this just went on and on. I mentioned the Phan Thiet golf course case. That went on for years. We intervened on it constantly. Other cases involved Warner Lambert, Chase Manhattan, City Bank, Mobil Oil, the Oshkosh Truck Corporation, and Cargill. Cargill was trying to get licenses to export coffee from Vietnam.

Enron's case was unusual because they were trying to build a power plant in Vietnam. I looked at their proposal and I am absolutely convinced it was completely uneconomic. The Vietnamese were not impressed either. Enron assumed they would have low cost natural gas available. In the meantime, they were going to run on diesel and I just couldn't figure out how they were going to make a profit on this. I am not surprised that the company eventually went under if this was an example of the work they were doing.

The embassy was heavily involved in all these cases. Hertz, the rental car company, got its investment license after we intervened.

The embassy and the commercial section were dealing with these things constantly. We had some impact because, you know, at least we could get in to see government officials and talk with them about it.

What happened in Vietnam? What was the outcome to date?

I will review very briefly where Vietnam started, that is, its transition from a socialist or subsidized economy to a market economy. They made progress on this because Vietnam's economy tripled in size during the 1990s. Poverty was cut in half from 70% to 35%. The savings rate rose to 28% of GDP. Exports were increasing an average of 25% a year. Economic growth was over 8% a year. It dropped to 5 or 6% but then went back to about 6 or 8% and has stayed there. Since I left, there has been high growth as the private sector surged even more. Poverty continued to decline. Once we got this trade agreement into effect, U.S. trade with Vietnam and Vietnam's exports to the United States really took off. That was definitely an effect of the bilateral trade agreement, so much so the Vietnamese ran into trade issues. Seafood exports quadrupled in the late 1990s to more than 2 billion dollars. That provoked anti-dumping complaints in the United States against so-called catfish from Vietnam which is actually a cultured fish. It really isn't a catfish; it's called basa. The U.S. imposed anti-dumping tariffs on "catfish" from Vietnam.

Perceptions of Vietnam's success, nevertheless, fell worldwide between 2003 and 2005 due to continued government ineffectiveness and corruption but, even so, by 2003 the private sector accounted for about a quarter of all industrial output. During this period, Vietnam was the world's second fastest growing economy.

Q: What about political oppression while you were there? How did we view that?

BUCK: Political repression was always in the background because the Vietnamese

Constitution says the Communist Party is the only institution in the country that is allowed to do anything politically. No other political parties are permitted and a meeting with more than four or five people requires a permit from the police. People cannot issue public statements; a private company cannot issue a press release without getting it cleared in advance, things like that.

Q: What about jails for political opponents?

BUCK: That was another issue. It was constantly happening because there were and are dissidents in Vietnam and some of these people get arrested. In some cases they had connections with the United States, and relatives in the U.S. would intercede for them and then we would make representations. The embassy and U.S. high officials would make representations. Sometimes we would be able to help. How many political prisoners are there in Vietnam? I don't know. It depends on how you define it, but I would estimate there are at least a few hundred.

Q: Was this a major factor in our relations?

BUCK: We decided not to make it into something to inhibit or stop the trade negotiation process. It was a factor, definitely, but it was something we kind of put into another category.

Q: What was the thinking? Was the thinking that OK, we are going to go through this interim period where the economy is moving into, you might say, basically a freer economy and politically things are bound to change?

BUCK: I thought that things would change more. I thought the party would have to loosen up more and I don't think they have done that. There is a little bit of movement in that direction. I can't say I know exactly what it is like today, but I don't think there has been a major political change in the country. They are determined, very much like the Chinese, to allow more economic freedom but not political freedom.

Q: In a way the Chinese problem is so immense as far as loosening up, it looks like the Vietnamese could loosen up without causing political repercussions, but they could, and it's manageable. In China it sounds like it's unmanageable.

BUCK: Maybe it would be a little more manageable in Vietnam. I agree, possibly more, but the perception among the intellectual elite in Hanoi is that they don't want to take the risk. Anyway, they just don't want to lose power.

Q: Were there any Communists left in Vietnam at this time?

BUCK: Not those that really believed in communism. Official policy was open to reform to permit market economic activity but within a socialist framework. That's the line they use.

Q: Which means?

BUCK: Which means absolutely nothing and nobody can explain to you what that means.

Q: It just means they've got a set of rules which keeps the people in power, in power, doesn't it?

BUCK: It means they want to maintain control. It's ultimately economic control, political control they want to keep their finger on in such a way that they do not lose their position or lose their ability to control whatever happens in the country.

There has been tremendous success in the country, in every area. There has been some steady growth and change in the composition of the economy. I've got some figures here: state enterprises garnered 48% of total industrial output in 1997. Non state was 52% but that has increased; non state has gone from 52 to 60% by 2002, and the state sector from 48 down to 40%. So there are these kinds of changes.

Some other indicators: the poverty rate continued to decline from 58% in 1993 to 29% in 2002. It went from below average with comparable countries to above average, according to the World Bank. Actually the World Bank says that Vietnam's success with poverty reduction is one of the greatest success stories in world economic development.

After they passed the new enterprise law in January of 2000, the number of legally established enterprises doubled from 30,000 to 60,000. The share of formal credit going to the non state sector rose to 60%. The total number of non-state enterprises were estimated at an incredible 682,000 versus 1,500 state owned enterprises. That's in 2001.

The current political leadership has endorsed the private sector more than before. They started to assist more small and medium enterprises but still the goal is transition to a market economy with a socialist orientation.

One of the reasons for the poverty reduction and economic success was agricultural land was distributed to family households. That was done fairly early on. 70% of rural people now sell their output for cash. Agriculture diversified away from just rice. The formal private sector now accounts for 2.5 million jobs which is more than the state sector and the private sector employs even more informally. Vietnam's labor participation rate is one of the highest in the world. Only China and at times Ireland have had faster economic growth. They also had good macroeconomic management and stable prices although at times the inflation rate has increased. But the country still does not have entirely free enterprise. State enterprises were not divested as rapidly as promised. They did cut the number from 6,000 in 1992 to about 2,700 but they are still a burden.

We mentioned all the various problems they have. Right now I would say they've got more poverty than some of the other countries in Asia but may well have less poverty than in Latin America and some other areas. As of 2002–2003, they were estimated to have less poverty than China.

Q: You left there when?

BUCK: I left Vietnam in July of 1999 and then went to work for the Export Import Bank on loan.

Q: How long did you do that?

BUCK: A year. Then I retired from the Foreign Service.

Q: Briefly, what were you up to at the Export Import Bank?

BUCK: At EXIM Bank I handled the country risk analysis for several Latin American countries as well as Vietnam. I designed my own model to predict five years in advance the external accounts of the each of these countries, also keeping up with political-economic conditions. We had to write a summary of each country before every loan came before the board and attend the board meetings prepared to answer questions about what's happening in the country. I was assigned there as a senior economist. The economists at EXIM do the country risk analysis for the entire U.S. government and provide the framework and information that goes into the calculation of the risk premium that is charged on all U.S. government loans. This involved traveling to countries like Venezuela, Colombia, Bolivia, and others.

Q: In Latin America, how did you feel things were going?

BUCK: Things were going pretty well. All of the countries were doing better than they had been. This was in 2000 and I was impressed with the progress that had been made virtually in all the countries, especially in Brazil. Brazil was doing better than it had been when I was there before and the economy was really modernized in many areas. There was computer internet access, it was taking off and exports were doing well. The macro management was improved.

I also went to Venezuela. President Chavez was in power in Venezuela by that time. I met with a pretty extensive range of people in the business community, most of whom didn't like him at all. I did find a couple of people who were willing to make a few charitable remarks. I met with the oil company, Petroleos De Venezuela, and got a full briefing from them on their plans for expansion and their oil reserves and what they would be able to do in the future. A lot of that has changed because Chavez had a big conflict with the oil company. They went on strike in protest at one point. A lot of people were kicked out and I think most of those plans have been shelved. Venezuela does have additional oil resources that could be developed if they really wanted to do it.

Q: Since you retired, just briefly, what have you been involved in?

BUCK: I went to Afghanistan in 2005, working for INL, the International Narcotics and Law Enforcement Bureau. I worked on the anti-narcotics program there and was helping

design the substitution program or the poppy elimination program connected with the eradication effort. I wrote the statement of work for contractors to implement that.

Also we had a team of administration of justice advisers, nine of them as I recall, all highly experienced lawyers and prosecutors who were assigned to work as directly as they could with the Afghan Ministry of Justice and other ministries on improving the legal system and helping the prosecutors. Particularly, we had a program to improve the management and operations of the major prison which was outside of town. Part of this was related to a White House initiative to try to move people out of Guantanamo to Afghanistan. That never happened and fell through.

Q: What was your impression of our efforts in Afghanistan?

BUCK: On the development assistance side there were actually two major operations. We had AID there but we also had a special unit composed of former U.S. business executives set up by the American ambassador. They ran high priority projects in conjunction with AID. I thought there were a lot of coordination problems. Another thing I worked on was trying to develop the country plan for narcotics and related activities. Some of this also involved a public media campaign against narcotics and that's where I worked with some of the people in the special assistance unit. A particular individual was a former advertising executive who knew about media efforts. A lot of money was being expended but, frankly, I think that the level of management coordination and oversight, including in Washington, was way below what it should be for the amount of money we were investing.

Q: As you say, I can't help thinking that here we are putting high priced experts and all in a 14th century country.

BUCK: That's right. The Administration of Justice Project cost, as I recall, 9 million dollars so each U.S. adviser was costing roughly a million dollars a year.

Q: We tend to do this and that type of effort is not usually very successful.

BUCK: Well, yes, but I don't know what else we could have done at this point. Part of the purpose was to find out exactly what was needed so we could devise some kind of better assistance effort. The U.S. military was involved in it as well. One of the members of this team was a professional prison administrator from the U.S. We also had a U.S. army officer, National Guard, who actually was a prison administrator in the United States as a civilian, so we had some qualified people there. We had some operational funding, especially through the military, though not very much. A lot of this was giving money to advisers and contractors. As you mentioned, it was an enormous expense with very little money actually reaching the ground. That's a big issue and it's one that I think that they are trying to address now.

There's also the bigger question in Afghanistan of what is going to be done, what the possibilities are, really, on narcotics control, that is, eradication or reduction of poppy

cultivation. The estimate is that more than 60% of the gross domestic product of this country actually comes from export of these illicit drug products. What else do they really have? It's an enormous can of worms.

About the only institution in the country that conducted real, anti-narcotic raids was the British Special Forces. They conducted a raid on one province and seized 10 tons of opium, which was being stored in the office of the governor of the province. He had a rather lame excuse as to why he had 10 tons of it in his office. He said that, well, he had seized this and he was trying to figure out what to do with it. The fact is these people were all involved in it.

Q: Thank you very much.

End of interview