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

STEPHEN CRAVEN

Interviewed by: Allan Mustard
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INTERVIEW

Q: It's February 12th, 2026. We are at the residence of Steve Craven in Honolulu, Hawaii. And Steve, could you please tell me where you are originally from and what your childhood and educational background are?

CRAVEN: I hope you've got a while. I was born in Morganton, North Carolina, that's out in the western part of the state, just before you get to the mountains. My father was a lawyer and a judge on the 4th Circuit; my mother had been an x-ray tech and a disc jockey for a local radio station. My family had been in Morganton for several generations, but my own upbringing was peripatetic. My parents divorced when I was young, I think I was only four. My mother remarried when I was 8 to a U.S. Naval officer, so we started moving with his assignments. The upshot was that I attended 10 schools in 12 years. And until I retired from the Foreign Service, I never lived anywhere longer than four years. I've been here in Hawaii for 22 years and I'm quite astounded I was able to do that.

Q: So you went to a number of different schools all the way through grade school then, if you were moving that often with your father?

CRAVEN: Oh, yeah. We lived in North Carolina, Virginia, South Carolina, Florida, Nebraska, even a few months in Scotland. My stepfather was the executive officer of a submarine tender, *Simon Lake*, at the Polaris base in Holy Loch. That was a good experience, I got to spend a few months living with a Scottish family.

Q: Is that what got you interested in living abroad and joining the Foreign Service, ultimately?

CRAVEN: Actually, I think the first thing was when I was eight years old, my mother was getting ready to get married again. She decided she would take me and my older brother Jim on a trip to Europe before the wedding. We crossed over on the *Île de France*. We came back on the *Queen Mary*, which was a last minute change. We had originally been booked on what turned out to be the last voyage of the *Andrea Doria*. When, of course, she had her collision with the *Stockholm* and went to the bottom. That was a near miss. But during the trip, we went to Paris, London, Rome, Zurich on something of a

Grand Tour. It was a really formative experience for me. I was a child, you know, so parts of it are pretty vague, but other parts are quite vivid.

Q: So what were the vivid parts?

CRAVEN: Well, things like when we were in London and saw in 1956, there were still whole blocks covered with rubble. From the Blitz. We could still see war damage in Rome. I'll never forget flying in a DC-3 from Zurich to Rome, looking up at the Alps. I'd love to be able to repeat that, but modern aircraft go too damned high. All that initially got me interested in international things.

Q: So after your childhood, peripatetic childhood, going from school to school and living in different states, you went off to college. What was the process of deciding where to go to college?

CRAVEN: Well, it was fairly simple. Again, I had my interest in international affairs at that point, which actually was strengthened a little earlier during the Cuban Missile Crisis, as my stepfather had been a submarine commander in Key West and had actually been shot at by the Cubans. And his next assignment was to Strategic Air Command headquarters at Offutt Air Force Base in Nebraska. That's when the Cuban Missile Crisis hit, and we knew we were a target. He was safe, umpteen stories down in SAC headquarters. But we were on the surface, and we knew Offutt would be one of the primary targets. So, yeah, that gets your attention. The old drills of hiding under your desk at school. Even kids knew those weren't going to work.

Q: I grew up about 100 miles from Seattle, and we went through the same drills of hiding your head under your desk because, of course, the Puget Sound area had Boeing, Fort Lewis, McChord Air Force Base, the submarine base on Puget Sound. We had the Bremerton Naval Shipyard, so we knew that we were going to be one of the places attacked, and we all knew that we were not going to survive any sort of a nuclear attack.

CRAVEN: I got to high school and I was thinking about colleges, and the one that attracted my attention in particular was Georgetown because of the School of Foreign Service. I applied, and I believe that year I was the only new student they accepted from South Carolina. Georgetown overwhelmingly attracted kids from New York, Massachusetts, Connecticut, Pennsylvania, New Jersey. But they had to take in a few of us from elsewhere, and I was a beneficiary of that.

Q: So you were a diversity candidate?

CRAVEN: I think I was.

Q: And what was the curriculum like at the School of Foreign Service in 1970, early 1970s?

CRAVEN: This would have been 1966 through 1970. I'm sure the curriculum has changed a bit. You know, there were things that I loved. Like, we had a wonderful two-semester course on comparative religions, taught by a woman named Claire Zarur, who was one of the best professors I've ever had for anything. We had Carol Quigley's class on history and international relations. I think his most famous student was Ayn Rand, who he often mentioned in his classes. But we also had things like a requirement that I take a theology class. Well, there I was, a non-Catholic, raised mostly as Episcopalian, partially Methodist. And I got thrown immediately into a class where it was assumed that I knew Thomas Aquinas intimately. I'd never heard of the gent. So I did not do well in that class, which led me to summer school following freshman year. And that's where I met my wife-to-be, so it worked out. I don't bear a grudge against Aquinas.

Q: OK.

CRAVEN: The curriculum was quite good. Some of the courses I particularly enjoyed were after I switched into the international trade major. And the guy who was teaching most of those courses, Harold Heck, was formerly at the Commerce Department. He was an expert on trade statistics, really getting into the nitty-gritty. Had another course on economic development in Africa, which was taught by Adhemar Byl, a Belgian at the World Bank. Teaching was a side gig, but he actually had us working on cases that he was doing at the World Bank, helping him do the research. And that was a fascinating experience. Also told us a lot about his experiences as a Belgian soldier in the Congo, which were not always pleasant. But yeah, you get those sorts of people at Georgetown.

I almost immediately joined the International Relations Club. The IRC, entirely undergraduates, ran a high school Model UN, which at the time, I think, had been going for about six years. We expanded it, and it became the National Invitational Model UN, and then the North American Invitational, NAIMUN. I looked it up the other day. They're still operating. And they're now doing model UNs as far afield as China. They've done one in the former Balkan states. It's just grown by leaps and bounds. We attracted hundreds of high school students from around the country. There was also a circuit of college model UNs. And our teams from Georgetown, more often than not, were the winners, named the champions, which usually meant that our lead delegation represented the United States and we'd represent other countries as a way of training up new competitors. That experience led me to work with an international relations professor at Georgetown, Nick Onuf, and together with his students we simulated the 18-nation disarmament talks in Geneva, and came out with an agreement remarkably close to what the real negotiators achieved. I repeated this later at the University of Hawaii with a class simulating the UN Security Council.

Q: Great. From Georgetown, you went on to get two master's degrees. You weren't satisfied with only one. What was behind that?

CRAVEN: Well, the first one was an MBA in international business at George Washington. And that followed naturally from my international trade major at Georgetown. But it was so easy to do. I could just walk over to class from the Commerce

Department in the evening. And I did almost all of my studying on the bus, on the commute to and from Northern Virginia. I earned my MBA on the bus out to Annandale and Burke.

Q: So you were already working full-time at Commerce?

CRAVEN: Yes. GW is a good school, it's a good MBA. The head of the MBA program encouraged me to go for a DBA, which I decided against. I wanted to do more in economics. I was fascinated with economics. It did a lot of explaining to me of why people, organizations, countries, do the things they do. That's what led me to the University of Hawaii, where I was an ABD, all but dissertation, because the things I wanted to write a dissertation about were all classified and I got offered a good job. So I never got around to doing one, even though I had the opportunity.

Q: So at that point, you were still working for Commerce, but you were here in Hawaii?

CRAVEN: No. I worked for Commerce for two years. First year in the Maritime Administration, which is now in Transportation, but then was still in Commerce. That got me involved in international negotiations, doing the background work in Washington, not actually going out and doing the negotiating, but getting more senior people ready for that. We negotiated agreements within the NATO structure. One was called Safety of Life at Sea, which dealt with all aspects of merchant marine safety. And we did another agreement that established the requirement that oil tankers have double bottoms, which has saved a lot in environmental damage in the decades since. I co-authored a book on maritime subsidies worldwide. And perhaps one of the more humorous things, although it wasn't humorous at the time, was I did a study to pick which South Vietnamese port to develop after we won the war. My choice was Vung Tau and I wasn’t surprised that it was the choice the Vietnamese made after they won the war.

My second year at Commerce, I transferred over to the Africa Division in what is now the International Trade Administration. I learned about trade restrictions and actually wrote a short publication on Ethiopia’s trade regime. Then I became desk officer for Southern Africa, which got me into things like drafting papers for the National Security Council on trade restrictions on South Africa, which still suffered from apartheid. I also met with Congressional reps about the uselessness of U.S. trade embargoes on Rhodesia. They didn’t like it when I explained that embargoes only work when you actually control the products, and that they were merely creating markets for countries that weren’t doing embargoes.

That was also when I had my initial experience with the intelligence community. Commerce’s CIA liaison called me up to his secure office to have me look at a highly classified intelligence report that I wasn’t cleared to see. As I began to read, I realized that the language was very familiar. It was an unclassified, openly published report I had done on how to do business in South Africa, one of Commerce’s Overseas Business Report series. The CIA guys had removed all mention of Commerce (or me as the author) and put it out as their own classified report. I guess they were impressed with it.

Q: So at that point you were with Commerce and you now have two master's degrees, an MBA from GW and an MA in economics from the University of Hawaii. It's 1974. And you go to the Office of Trade Policy at Commerce. What were you doing?

CRAVEN: Well, it was roundabout. I got a call from my old boss at the Maritime Administration while I was at the University of Hawaii. And he wanted me to be the U.S. rep at the International Maritime Consultative Organization in London. So I...

Q: Tough duty.

CRAVEN: Tough duty. I said YES!. Well, by the time I got back to Washington, a political appointee had grabbed that one off. And the best they could offer was to run the MARAD office in Cleveland. So I started looking around, and ended up at the Office of International Trade Policy at Commerce run by characters some might remember: Forrest Abbuhl and then Fred Montgomery. What we were doing in the first year was writing the position papers to get the United States ready for the Tokyo Round talks (also known then as the Multilateral Trade Negotiations or MTN). But we had no negotiating authority. We had to wait for that from Congress and finally got it in the Trade Act of '74.

We spent a year preparing position papers. And then twiddling our thumbs, just waiting for Congress. I got really good at ping-pong. Sandy Kristoff and I shared an office and discovered a ping-pong table up in the attic of the Commerce Department. So we were up there. After we finally got our negotiating authority, things got exciting. My work initially was on negotiating a GATT code on export subsidies and countervailing duties, which also led me to anti-dumping duties, and increasingly with the GATT itself: the General Agreement on Tariffs and Trade. The GATT was negotiated in 1947, and it was really meant to be a stopgap for an international trade organization that would have been parallel to the World Bank or the IMF. Didn't happen, stopped by a U.S. Senate that was afraid that we were giving up too much sovereignty over trade policy. A fear they still have.

Q: Yeah, it was going to be called the International Trade Organization.

CRAVEN: Yep, exactly. So there we were with this document called the GATT. And the original signatories, they were called contracting parties, which is important for a later story, started implementing it. The GATT had rules on all the subjects I've mentioned before, but also trade measures you can take if you're facing balance payments problems, an escape clause if you had a sudden surge of imports in a particular item, rules on customs valuation, import licensing, use of import quotas, also special rules on negotiating free trade areas, like the European Coal and Steel Community was the first one. How do you reconcile having a special deal for a set of countries with the GATT's requirement for most-favored-nation treatment? How do you then compensate other countries that you've made concessions to on other things? It's pretty complex stuff.

So the GATT gradually became its own international organization based in Geneva. Very small, quite efficient. Rarely more than a couple hundred people in the secretariat, which for an international organization is tiny. And became known mostly for reducing tariffs, round after round reducing tariffs. One was the Annecy round. There were at least a couple of Geneva rounds. The ones people are aware of might be the Dillon Round and definitely the Kennedy Round, which was the last of the big tariff negotiations. When we got to the Tokyo Round, tariffs among developed countries were quite low. Certain sectors, like textiles, still had high tariffs. But customs duties played a minimal role in trade policy at that point. Developing countries still had higher tariffs, but even some of those were beginning to be lowered. So the focus of the Tokyo Round was on non-tariff measures.

Q: What we used to call NTBs, non-tariff barriers.

CRAVEN: NTBs, then they became NTMs. And at one point, we even had, let's see, NTMs-NDWM, which was "non-tariff measures not dealt with multilaterally".

Q: That just rolls off your tongue, Steve.

CRAVEN: Doesn't it? So in the course of learning all of this, I became the Commerce Department's expert on GATT law. Very few lawyers knew this stuff. And we found it easier to find an economist or somebody with business experience, or at least somebody who loved to solve puzzles, and have them learn the GATT law, because it wasn't being taught in many law schools. The University of Washington was one of the exceptions. The leading lawyer on GATT was John Jackson, who is still famous in the trade policy world. I've got his book upstairs. It's a couple inches thick, and I have read it word for word and annotated it. Jackson's the guide. And even these days, the GATT still exists and is the basic law behind the WTO. The WTO is just kind of added on top of the GATT. But the Tokyo Round marked a change. That's when we looked at things other than tariffs.

Q: And what were the major things that, first of all, that you were working on in the Tokyo Round? And you've talked about how it was the shift from tariff barriers to non-tariff barriers, the non-tariff measures. What specifically did the United States want and what were the obstacles to achieving what the United States wanted?

CRAVEN: We wanted a lot. Actually, it took us a while to figure out what we wanted, but it was essentially improving the GATT rules and going into more detail than the GATT did. For instance, in an area such as government procurement, we had long and lengthy negotiations about the circumstances under which you had to treat a foreign bidder the same as a national bidder. Because most countries had buy-national policies, such as our own Buy American rules. We knew we couldn't get rid of Buy American. That was not politically salable.

But we could limit it on many things. And we ended up allowing foreign bidders on most civilian procurements in the United States. And, though there have been very few cases,

the GATT procurement code applies down at the state and local level. There was one early case in which the state of Mississippi had a law saying they would not accept bids from Japanese companies. Under the procurement agreement, that got tossed out. You can accomplish things in other ways, but you can't specifically say, we're not going to buy from this country just because we don't like them these days. We got into other things you wouldn't really think of. Like, I was one of the negotiators of the agreement establishing free trade in civil aircraft. There was another one I wasn't involved in, but your colleagues were, an agreement on trade in bovine meat.

But we were experimenting. And one of our big interests was in improving the dispute settlement system within the GATT. The GATT operated on a consensus basis. And if you didn't have a consensus, you couldn't do anything. And in a dispute, the party that's ruled against is rarely going to consent. So the GATT had an appeals mechanism, cooling off periods, and requirements to consult with the other parties. But the GATT itself has no enforcement mechanism. The closest it comes to enforcement is to authorize the aggrieved party to retaliate in similar fashion against the country who's done them dirty. So if, for instance, we had negotiated tariffs with the EU, and suddenly we raised those tariffs, ignoring the agreements we had made, eventually, after attempts at arbitration and consultation, if there was still a deadlock, the GATT appeals body, or the GATT as a whole, could approve the EU taking trade measures against the United States of equivalent value. So if we put tariffs up on European wines or pasta, they could apply similar tariffs to American chicken, automobiles, whatever. But they had to be roughly equivalent.

Q: In value.

CRAVEN: But there's nothing in the GATT that says, if you don't obey our rulings, we're sending troops. No, we've got nothing like that. It's a fascinating organization. And frankly, it worked better than most any other international organization of which I'm aware.

Q: Well, until recently, anyway. So you did that from '74 to about 1982. And is there anything else you want to say about your time as a GATT negotiator? Were there any particular accomplishments or any particular incidents that stand out in your mind that are illustrative of the challenges you faced or victories that you may have had?

CRAVEN: Several. One was how to use trade rules to assist developing countries, especially the least developed. There was ready agreement that such countries could not immediately shoulder the full responsibilities of GATT membership, so how could we construct a tiered system of responsibilities? Out of that was born the concept of “Special and Differential Treatment”. The thorniest piece of this was to design a system that would “graduate” a developing country to full developed status with all GATT rules applying to their trade. We failed, utterly. The best we could come up with was self-selection, which has worked surprisingly well. A number of countries such as Singapore, South Korea and more have voluntarily graduated themselves. There was a hilarious session in Geneva,

about 1978, when Bangladesh argued that India should be immediately graduated to full developed status.

One lesson of the Tokyo Round was the importance of understanding your opponent's position, if possible, better than they understood it. During that year we were waiting for the Congress, that's exactly what we were doing, studying up on our erstwhile negotiating partners' positions. And one of the things we did, which was formally established under the Trade Act of '74, although we had started it informally, was set up the industry consultations program (Industry Sector Advisory Committees). You had a parallel agricultural consultations program. Labor had one for labor unions. But the one for industries was run by Commerce, and for about a year I ran it. We generally had about 24 committees, each one for a different industrial sector. So, ISAC 1 was the aircraft industry, and it went from there. We had, you know, chemicals, metal bending industries, what have you. Each industry was to select its own chair, but occasionally couldn't agree. I actually chaired the aircraft committee for about a year while the industry sorted itself out.

The ISACs reviewed our negotiating positions, which were classified, so all the committee members had to have clearances. Our negotiators explained what was going on, got their feedback on it, made changes. But we also talked to them quite a bit about what they were hearing from their customers or competitors in the countries with which we would be negotiating. Once we actually started negotiations, it became apparent that we knew more about what European industry wanted than the EU negotiators knew. We would tell them things, and they would go back to Brussels and check. And they'd say, my god, you were right. OK, we're changing our position on this. It gave us a fantastic advantage in the Tokyo Round. Now, for later rounds, the EU and others have their own equivalents to an industry consultations program. But that is key to success in negotiations, knowing what your opponent has to have. If they don't get that, you don't have an agreement.

Another thing I noticed was in our recruitment of negotiators. There weren't a whole lot of experienced negotiators available. And a lot of those were veterans of previous tariff negotiations, which weren't as vital in the Tokyo Round. So we brought in a lot of people straight out of college or with minimal experience. When I was director of the Trade Negotiations Division at Commerce, I believe there were 16 of us, 14 were female. These women were superstars. The private sector talked a good game about hiring women, but they were not yet putting women in positions of real responsibility. We were. So even though we paid less than the private sector, we had no trouble recruiting women as negotiators, and they were top-notch. I still keep in touch with some of them, and they're fabulous. Contrary to that, we had a devil of a time recruiting blacks. I'll never forget going out to Howard University, speaking to an international business class about what we were doing and the sorts of people we were looking for. No interest at all. The private sector was hiring them, and they were going for the money. We couldn't compete. Yeah, most of our negotiators were white folks, some Asian-Americans. But I thought that was an interesting dynamic.

It also led -- during the latter part of the Tokyo Round, the last couple of years, when I had moved up and was running the trade negotiations division — I made fewer trips to Geneva because I had good people working for me. And they would be focused on one or two of the agreements. As director, I had to know all of the agreements. But one of us wouldn't be doing our job if I knew as much as they did about the agreements they specialized in.

Q: Sure.

CRAVEN: So I sent my negotiators to Geneva or wherever. Some meetings were elsewhere. They weren't in Tokyo.

Q: Which begs the question, why was it called the Tokyo Round?

CRAVEN: Because the first meeting of trade ministers that launched the round was in Tokyo. It's the only reason. Almost everything happened in Geneva. So I had all these female negotiators going to Geneva. And every so often, every month or two, I'd get a call from one of them saying, Steve, I need you in Geneva, stat. This person I'm trying to negotiate with is just a complete chauvinist and will not give me the time of day. And so I'd get on the next flight, my female negotiator would tell me what to say, and we'd get the negotiation done. But it was kind of bizarre in that respect.

Q: Was there any particular pattern to the countries that had chauvinistic negotiators?

CRAVEN: Yeah. India was one of the top ones. Egypt was another. Other than Egypt, there weren't very many Middle Eastern countries involved. Some of the Latin Americans occasionally got uppity that way. But the worst, I'd say, were Egypt and India. And occasionally, you'd see it elsewhere, just attitudes. Yeah.

Q: Other anecdotes from the Tokyo round?

CRAVEN: It's where I first began to appreciate different negotiating styles. I worked with some of the best negotiators in the world. We had Bill Kelly for the United States, Rod Gray, who was Canada's representative at the GATT, Bob Strauss was the U.S. Trade Rep, previously chairman of the Democratic National Committee. Fantastic negotiators, all of them. There were many others.

One of the things that struck me is how they used different styles with different countries. For instance, one of our negotiators, a guy named Bob Hammerschlag, dealt with Canada. A negotiation with the Canadians is usually pretty quick. Let's get to the subject. Here's what we think. What do you think? We're together on much of this stuff. Let's solve the rest of it and then go for lunch. Very straightforward. Until one day, the Canadians made their presentation. And Bob went Japanese. He just sucked in his breath, stayed silent, whispered to us next to him. The Canadians cracked, gave us everything we wanted. They would have expected that from a Japanese negotiator, but not from an

American. They didn't know how to handle it. I think that was the only time Bob pulled that, you can't use that trick twice.

Another time I was with Bob Strauss. I forget who we were dealing with, but actually it may have been the Japanese. Most negotiators try never to reveal anger. It's just not a good thing, usually revealing a weakness on your part if it isn't intentional. Strauss occasionally used anger. And this time he got mad at the Japanese, which was totally outside of their experience with him. And again, he got everything he wanted that day. But he very deliberately and consciously blew up at them.

You need to be conscious of national attitudes, too. And as a gross generalization, I always found that the Japanese, and I did many negotiations with them, you could rely on them to live up to the letter of the agreement, but not necessarily to the spirit. They're two different things. If it's written down, the Japanese would do it, no question. The Chinese were more concerned with the spirit of the agreement than they were with the letter. I mean, the agreement is a general guideline to behavior, that's about it. Then there were the French, and they often didn't pay much attention to either one. I had a lot of problems with the French.

Q: How did that manifest itself, that they weren't paying attention to either the spirit of the agreement or the letter of the agreement that you were negotiating?

CRAVEN: Well, we had a lot of trade disagreements with the French in those days. Remember these were the years just after Servan-Schreiber wrote *The American Challenge*. As I discovered in later assignments, the French were often our main competitor on major projects. But during the Tokyo Round, they were the only delegation where we found it necessary to back-translate an agreement under negotiation. We'd begin in English, we would have a translator move it into French, and then we would have a different translator bring it back to English and we would then compare the two English versions. It gave us some idea of where the French could possibly misinterpret the agreement.

Q: So a little deliberate obfuscation going on in terms of how to tweak the language in order to create ambiguity.

CRAVEN: Yes. Happens all the time on Capitol Hill.

Q: Oh, sure. It happened with the Russians, too. We were negotiating with the Russians. They would try to inject ambiguity.

CRAVEN: And they still do.

Q: They may have learned it from the French.

CRAVEN: Well, I learned it from the French. I'm sure there are other things I'm missing, but those would be the main ones.

Q: Okay, well, if anything else occurs to you, we can take a side trip into that. So you did that until 1982, and what did you do after that?

CRAVEN: The Tokyo Round ended in '79. It actually ended with the Trade Act of 1980, passed overwhelmingly, which means we gave away too much to the Congress. After that, we were kind of in the trade policy equivalent of peacetime, and it was boring. I had to deal more and more with political appointees who looked down on us because we were career. I'm sure you've seen that syndrome.

Q: From both parties.

CRAVEN: I decided to get out of Washington. The commercial service has a domestic component, unlike most other foreign service organizations, and at that point had close to 100 offices around the country, helping small companies get ready to go exporting.

I went up to Commercial Service personnel, and I knew the woman who was running it. And I told her it's time for me to get out of Washington. I've been here too long. What do you have that's open? She says, well, there are several openings. Where would you most like to go? I said, Honolulu. Her jaw dropped. She'd received the resignation and retirement from the director in Honolulu that morning. By that afternoon, I had my application in. And I think I must have convinced somebody that I spoke the language or something. But I got the job as director of the district office-- they're now known as U.S. Export Assistance Centers -- in Honolulu. And so we moved back to Hawaii for four years.

I loved it, working with small companies. Could have used more of a travel budget, like most federal agencies, because my territory was larger than the continental United States, albeit very wet. I had Hawaii with all of its islands, American Samoa, Guam, the Northern Marianas with Saipan and Tinian, and I had an informal role to play in the Trust Territory (which were becoming the Freely Associated States of Micronesia, the Marshall Islands, and Palau). I don't think Commerce ever paid for any of my travel to those areas. The Department of Interior often paid my way, as did various chambers of commerce, because they saw the value of having somebody out there who knew about international trade. And I also got to know a lot of the political personalities here in Hawaii. I knew all the governors, plus Dan Inouye, Sparky Matsunaga. Good people. Well worth working with.

I did experience one big problem in dealing with the State of Hawaii. Hawaii has been largely Democratic since the 442nd returned from World War 2, and many on the mainland think Hawaii is a one-party state. In fact, there are many factions and, when I was there for Commerce, they were the Dan Inouye faction and the George Ariyoshi faction. Ariyoshi was governor and Inouye, of course, was the famous Senator. Since I was sent from Washington, the state government, largely an Ariyoshi fief, assumed I must be an Inouye Democrat and I couldn’t get the time of day. My predecessors had been political and they assumed I must be, too. It was only when I announced my

departure for my next assignment that many finally believed I was a professional civil servant. Ironically, George and I got along quite well with each other.

I inadvertently got caught in a fight with my own agency. I had gotten to know Fred Zeder, a poker-playing buddy of George H. W. Bush who had become an entrepreneur in Honolulu, where he owned a sunset cruise company. Fred had been appointed by President Reagan as ambassador in charge of negotiating the compacts of free association with the former Trust Territory countries of the Marshall Islands, Micronesia and Palau. He concocted an idea for what may be the strangest trade or investment mission the United States has ever carried out. The idea was to take logs from tribal lands in the Pacific Northwest, lash them together and tow them out to Truk (now Chuuk) in Micronesia, where they would be processed into plywood for onward sale to Chinese furniture makers. Fred put together a mission of Native American tribal representatives from Washington and Oregon, with some American businesspeople, bound for Micronesia (we visited Pohnpei and Truk) and then on to Beijing and other places in China. He wanted a Commerce rep on the mission and decided it must be me because I had experience in the Pacific. Only instead of letting me know that, Fred called up his old poker buddy who happened to be the Vice President by then. Suddenly, FCS headquarters got a call from the White House directing them to send this guy Craven on the mission. That did not go down well and my headquarters assumed I was the source of the political pressure. At the end of the day, Zeder and Bush won, and I went on the mission. It was culturally fascinating, commercially meaningless, and the source of many more stories.

I kept my hand in on international trade negotiations. In the 1980s, we had hot and heavy talks between the U.S. and Japan. And there were times when neither side really wanted the press on their back while they were doing the negotiations. You can't negotiate in public. So my friends back at USTR asked if I could find a suitable place for talks in Hawaii. Hawaii has many advantages, aside from avoiding Washington or Tokyo in the winter. Neither side gets as jet lagged. They're both away from the office, and they can focus. And maybe I could protect them from the press, which was easy to do. There was one guy at the local newspaper who covered economic and financial matters, and I just never told him. They had several rounds of talks here. And kind of as a reward, I sat in on the talks and made suggestions.

We negotiated on things like Japan's restrictions on telecommunications equipment. They wouldn't allow American telephone headsets in, claiming they didn't fit Japanese skulls properly. They didn't want American rice. It just wasn't right for Japanese tummies. So those were the sorts of things we dealt with. With the organizational success of those talks, we started up — and this led to my next job — talks between the U.S. and Taiwan.

The U.S. had recognized China, and of course had unrecognized Taiwan. We couldn't have overt diplomatic representation in Taiwan, nor could they have it in Washington. So we set up the American Institute in Taiwan, which was officially private sector.

Q: Right. Created by Act of Congress.

CRAVEN: Created by Act of Congress, and it only had one client: the Department of State. AIT, of course, also had an office back in Arlington, and their top commercial guy in Arlington was a guy named Joe Kyle, previously Foreign Service. Joe called me up and said, Steve, I've heard about the talks you arranged between the U.S. and Japan. Can you do it for us with Taiwan? I did and they had several rounds of talks here. No press. Sometimes I hid them at resorts way out on Oahu or on other islands. But sometimes we did it right down at the Hilton Hawaiian Village in Waikiki. Nobody noticed. (Actually, somebody at USTR mentioned it to the Canadians, who eventually did talks in Hawaii with Japan, Taiwan and Australia.)

One day, Joe was in Honolulu, getting ready for talks. And unbeknownst to me, he was looking for a new head of the commercial unit at AIT in Taipei. Well, he and I were walking from my office in the federal building, going to a meeting several blocks away downtown. It was one of those days when I ran into person after person who knew me. Joe was convinced I knew everybody in business in Honolulu and that made a favorable impression.

They had a problem in Taipei. The head of AIT's commercial unit had to be medevaced and one of the two other commercial officers retired a year earlier than expected. Suddenly, 2/3 of the officers in the commercial unit were gone. Joe called me up and asked if I would be interested in the senior job. I talked to Donna [Craven, Steve's wife]. We were worried because our daughter suffered from asthma and we knew about the air pollution in Taipei. But we finally decided — we actually went out and visited Taipei first — to do it. Well, Commerce objected because, by that point, they had FCS in existence and wanted a full FCS officer in Taipei. Not some guy from a domestic office who had gone on that zany mission with Fred Zeder.

Q: Right. FCS was created with the 1980 Foreign Service Act.

CRAVEN: AIT was still organized in the old style where the commercial unit was part of the econ section and reported to the econ director. Commerce wanted it to be set up like everywhere else, with a separate FCS section. But AIT had not selected an FCS officer. So Commerce was mad at me. I went to Taipei under a cloud with my own department.

The negotiation for bringing FCS to Taiwan turned out to be the easiest talks I've ever done. Even though they had objected to me going to Taipei, after a while, Commerce got used to it and saw I was doing a decent job. And they figured, oh, Craven's our boy, so we'll let him negotiate for us. Well, AIT knew they had lured me away from Commerce, and they figured, Aha! Craven's our boy! So I sat down and talked to myself. Easy, quick. We eventually set up an FCS-style commercial section in Taipei as part of AIT. During most of the time I was there, we were still under the old structure. And this was back when there was still a lot of hate and discontent about FCS, the commercial function, being taken out of State. There was still metaphorical blood on the ground in certain embassies.

Q: Could you talk about that a bit, please?

CRAVEN: Well, it was very difficult. I was not directly involved, even though within Commerce I was known to have opposed creation of the FCS. But that had nothing to do with the State Department. My opposition was because I realized Commerce had no experience running an organization overseas. And I didn't see any way they were going to gain sufficient experience to do it well.

Q: Yeah, they hadn't done it since 1939. And all the institutional memory was gone.

CRAVEN: That's right. And it still took them two or three decades to get up to speed. They finally did it. They're pretty good now. I think in some respects, better than State because FCS is so much smaller and can take care of its people on a personal level. So I had that in my background. But I also ran into things in Washington, like a State officer, very good officer, great negotiator. But after one interagency meeting, he accused me of representing American industry too well. And I told him that's what I'm paid to do.

When I got to Taipei, our econ section chief and my new boss was Phil Lincoln, fabulous fellow and we worked well together. Phil was the senior section chief. Between travel by the AIT director and the DCM, Phil spent about a third of his time as acting DCM. I was the next most senior in the Econ section. So I spent about a third of my time telling the econ folks what to do. And some of them actually were quite pleased with that because we had super coordination between econ and commercial. But there was one State officer who, until my arrival, had been next most senior to Phil. And she didn't like it. First, this interloper from Commerce was her boss part of the time. And secondly, she fancied herself as the top trade negotiator at AIT. But I had more negotiating experience than she did, so I was competition. Working closely with USTR, we were doing some very complicated negotiations with Taiwan. The Assistant USTR for Asia was my old friend and former office mate, Sandra Kristoff. And this State econ officer would get all kinds of huffy because Sandy kept asking me for my opinion on the Taiwanese positions and things like that. But Sandy knew me and trusted my judgement. Sandy didn't know the State officer.

Q: Yeah.

CRAVEN: One of our negotiations was on opening the Taiwanese market to foreign cigarettes. You looked at the U.S. side of the table, about a dozen of us, and there was only one smoker. She was the head of the delegation and a chain smoker. Sandy made up for all the rest of us. All of us had health and morality qualms about opening Taiwan up for more cigarettes - until we had a U.S. lab analyze Taiwan's leading cigarette, ironically called *Long Life*. The lab results said that *Long Life* was far less healthy than anything the Marlboro man ever sold. After that we had no trouble pushing Taiwan to open up the market. It improved their health. Another negotiation dealt with bringing in foreign beers and wines. And the Taiwanese side had an interesting argument to restrict the market to Taiwan Beer, a government monopoly. Taiwan Beer’s marketing pitch was that it was a good thing that every batch tasted different. I guess they were promoting variety, instead of the consistency sold by foreign brands.

Q: Right, variety is the spice of life.

CRAVEN: We eventually got by that, and we got American beer, we got American wine, and we had to run special seminars at AIT's Trade Center to teach people how to serve and drink wine, how to use a corkscrew, that sort of thing. It was very, very basic. But the Chinese persisted in chug-a-lugging fine California wines like their own rice wine. I kept telling California, stop bringing us the really good stuff. Bring us 2-buck Chuck. But they wouldn't stop. Buy an Opus One and chug it. Nice profits.

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Transcript

Q: So, Steve, you're in Taipei and you're in the middle of negotiations with the Taiwanese. What else were you negotiating with them over?

CRAVEN: Well, I'm not sure I'd call it a negotiation, but it was definitely a trade dispute. I call it the "Great Turkey Ball War". There were a lot of Taiwanese who had moved to the United States, particularly Monterey Park in California. Somebody in California discovered the size of turkey testicles and knew they would be a hit in Taiwan to be eaten as an aid to virility. So they would buy turkey carcasses and fill them up with turkey testicles and ship them off to Taiwan.

Taiwanese chicken farmers got mad because they saw the turkey meat from the leftover carcasses as competition. The farmers didn't give a damn about the turkey balls. You see, the importers would take the balls out of the turkeys and sell them at a high price, and then sell off the turkey carcasses at rock bottom prices on the local poultry market. Now it was illegal to bring in edible offals under Taiwan's customs rules. So the turkey balls were illegal while the whole turkeys were not. But the Taiwanese customs people were not catching the turkey balls. The sensible thing to do, responding to the protests of the chicken farmers (a political necessity since the Taiwan authorities had set up many of the chicken farmers in business as a retirement program for former Nationalist troops), would have been to beef up their own customs inspections. Instead, Taiwan wanted us to put export restrictions on American turkeys, which, of course, we had no reason to do.

Turkey meat, now being cheap and plentiful, was becoming popular in Taiwan. I usually spent part of my day at Main AIT, but our commercial unit was in a Trade Center across town near the old domestic airport. Land O' Lakes was coming into the Trade Center to do cooking classes for Taiwanese restaurant and hotel chefs. Our Trade Center was on the street floor with large plate glass windows. And at the time Land O' Lakes was there, Taiwanese chicken farmers were demonstrating outside of Main AIT, throwing rocks and even a live turkey over the wall. (Our admin chief caught the turkey and put it in his yard as a defense against poisonous snakes.) We were scared to death that the farmers were going to find out about Land O' Lakes at our glass-walled trade center, but they never did. To my knowledge, we never resolved the turkey ball dispute. I suspect the Taiwan authorities made some payments to the chicken farmers and got them to relax a bit.

Q: And the smuggling still is going on or what? Are they still bringing them in?

CRAVEN: I don't know. We had a lively gray market going in U.S. automobiles. Again, it was entrepreneurial Taiwanese living in California who ran it. The U.S. automakers were upset because they were supplying Taiwan from subsidiaries in Asia or Australia that did not produce the U.S. models that Taiwanese craved. One day a U.S. executive was in my office complaining that AIT wouldn't crack down on the gray market cars. I told him that the Supreme Court had ruled that gray markets were legal and suggested that his

company begin bringing in U.S.-made vehicles. The gray market operators had proven demand was there. He despaired that he would have to find qualified dealers, so I gave him a list of gray market dealers and told him to go pick out the best ones. And that's what his company ended up doing.

We had some non-official experiences, too. My wife had a run in with a Taiwan brown cobra. You see, we were living on Yangmingshan, a scenic mountain north of Taipei. Before World War 2, when Taiwan was a Japanese colony, the Japanese had a research center on poisonous snakes on Yangmingshan, bringing in lethal snakes from all over the world. When the war ended and Americans were on their way to the island, the Japanese released all the snakes. To this day, Yangmingshan likely has the world's most diverse population of poisonous snakes. One day, Donna was reading on the couch in our living room when she felt bumping under the couch. She figured one of our cats was playing. Our calico cat was under there, but she was trying to fight an intruder. The bumping was the cobra trying to raise its head to strike. Our maid saw the cobra and screamed. Then she called the neighborhood security guards, who killed the snake.

After I left the Tokyo Round, all of my promotions came from my work on major projects, helping U.S. companies get contracts. My usual approach was to work with U.S. firms going after the engineering contracts, because I knew American engineers were more likely to specify American equipment for the project, whatever it was. We had some significant projects in Taiwan. They were just beginning design work on the Taipei subway system. They wanted to build one heavy rail line that was mostly underground. And five lighter above-ground lines that included overhead sections. There were six contracts up, and our major competitor for each of them were French, primarily Matra. We ended up winning all of the light rail lines, losing the heavy rail line to Matra. I am convinced the French won the heavy rail by promising Taiwan Matra's technology to produce their own jet fighters, which, of course, is not kosher under the GATT or anything else I know of. I visited Taipei years later and saw the railway lines in action and spoke to old friends. Turns out that the one French line has many more problems than the U.S.-built lines. Justice.

Another project caught my imagination. Taiwan was just beginning to get serious about air pollution which was incredibly bad. I had a visitor come in from Mexico City who said she never thought she'd be shocked by air pollution again until she got to Taipei. And it was so thick that even though we lived up on the mountainside of Yangmingshan, going down in the morning, you couldn't tell there was a city there. You just went down into this brown layer.

Q: Yeah.

CRAVEN: I knew Americans who lived down in Taipei itself who weren't aware there were mountains around the city. The city is in the caldera of a super volcano, but the air was so polluted they didn't see the mountains. So one of the most satisfying projects I ever did was working with U.S. environmental companies to build Taiwan's first island-wide air pollution monitoring system. You heard about the reports from Embassy

Beijing and our consulates in China reporting on air pollution. This had the same impact in Taiwan. It really, really got people's attention, and started them to cleaning up. I've been back to Taipei, and it's a much cleaner city than it used to be. Much cleaner.

Q: That's great.

CRAVEN: That was very satisfying. At the time I was in Taipei, high level U.S. federal officials could not visit Taiwan because Beijing would have a hissy fit. So Taiwan invited every governor in the United States, paying for some of their visits. Now almost any time a governor goes overseas, they call it a trade mission or an investment mission. So guess who got to be the control officer? The head of the commercial unit. At one point, I knew two-thirds of the governors of the United States. Most of them were nice people, good to work with. A few I won't name were not.

I will mention one governor who had a bad reputation in the United States. Evan Mecham was governor of Arizona, and was later impeached and removed from office. But he did well in Taiwan. The Taiwanese entertained him with a traditional dinner at the home of Taiwan's finance minister. They set him up. Mecham wasn't all that experienced with Chinese food. And for dessert, they served a tapioca soup. Fine, that's normal. Except they told Mecham that it was a special soup made from the throat glands of a local species of frog. And they almost dared him to drink it. He not only downed his bowl, he asked for another. He knew exactly what was going on. So I was very proud of him.

The last Taiwan story I'll tell is about Vincent Siew, a good friend. I had first met him at a conference here in Honolulu about U.S.-Taiwan trade. Vincent was pretty high up in the Board of Foreign Trade at the time. By the time I got to Taipei, he was Director of the Board of Foreign Trade. But Vincent moved even further up. He became Economics Minister and eventually vice president of Taiwan. Once I arrived in Taipei, Vincent and I often got together. One evening we were enjoying beers, I believe, at the bar of the Taipei Hilton, and we got to talking about the GATT. He said wistfully that he wished Taiwan could be part of GATT, but China would never let it happen. And almost nobody else recognizes Taiwan as a country. (Nationalist China had been one of the original contracting parties to the GATT, but once the communists came in, China’s membership lapsed.) I looked at Vincent that night, and I told him there's no reason Taiwan can't be part of the GATT. The GATT doesn’t refer to countries. It refers to “contracting parties”, which was a deliberate formulation so that Hong Kong, a British colony in 1947, could be one of the GATT’s founding members. Vincent’s eyes lit up! And I believe that was the moment Taiwan started looking into what eventually led to WTO membership. Small things can lead to big results.

Q: Well, that was probably done deliberately in 1947. The contracting parties, not countries, because of Hong Kong and because of Macau and other anomalous entities that are not countries.

CRAVEN: Yeah. But Vincent had read the GATT, he'd studied it. He really wanted Taiwan to be subject to those rules. And he'd never realized that you don't have to be a country.

While I was in Taipei, I was not yet part of the Foreign Commercial Service.

Q: Right.

CRAVEN: And I took the tests, the assessment center. They ran a special assessment center in Hong Kong. And so I had an easy flight over from Taipei. All the people assessing me were fellow commercial officers from Asia who already knew me. They had scheduled assessments over two days with different groups of candidates. I was on the first day, but I spent that evening in Hong Kong. Early the next morning, I got a call saying, Steve, can you do the assessment again? It was because one of the candidates for the second day didn't show up! They needed at least four candidates to do some of the exercises in the assessment. So they pulled me in. I went through the assessment twice, and they still took me.

I was mildly concerned when my name was forwarded to the Senate for appointment as an FSO. I was listed as being from North Carolina, and I thought somebody from Senator Jesse Helms' office would flag my name. You see, my father had been a federal judge who decided several cases about desegregation in North Carolina that Helms had strongly disagreed with when he was a newspaper editor. In one editorial, Helms even said that somebody should burn a cross in Judge Craven's yard. But his people apparently didn't notice me.

After that, I wound up in German training at FSI [Foreign Service Institute].

Q: So after you left Taipei, you came back and did German language at FSI?

CRAVEN: Yep. I eventually learned German. They told me it would take six months. It took me nine to reach a 3/3. I am not one of the genius language people of the Foreign Service. So it was a lot of work for me. There was one guy in my class who already spoke five or six languages, and he went through like in four months, just soaked it up. I can't do that.

One thing I would recommend to anybody taking language training is when I was studying at home at night, I had a shortwave radio. I was listening to German radio stations while I was studying. I wasn't really listening to them, but you get the cadence and pick up some vocabulary.

Q: Languages are music. Most people don't realize that, but languages are music, and there's not just a cadence, but there's also a musicality to it. There's a melodic quality that we as Americans in particular, we Americans tend to speak in monotones.

CRAVEN: Yeah.

Q: Whereas most foreign languages are quite much more melodic than American English is.

CRAVEN: Yes.

Q: I mean, even the Brits have more melody to their version of English than we do as Americans.

CRAVEN: They've also got better insults than we do, too.

Q: Yeah, that's true also.

CRAVEN: I eventually got the 3/3. But the teachers at FSI commented that my listening comprehension was far better than it should have been. Listening to Deutschewelle paid off.

Q: Now you can do it with streaming audio and streaming video. You can watch German movies on YouTube.

CRAVEN: Yeah, you don't have to use shortwave radio.

What I did find at that point, this was like late '88, early '89. At that point, the German teachers - and I'm sure none of them are there now - were all older women, some of whom had come over before World War II. And they spoke an older, very polite version of German, *sehr höflich*. And that's what they were teaching me. It was as if they were teaching everybody to discuss philosophy with the chancellor at a reception. But I needed street German as a commercial officer. I needed to be able to get down and talk to the companies at their own level. I got none of that. For me, that's a downside of FSI.

Linked to that, the instructors' vocabulary was often antiquated. I studied documents from the West German economics ministry, trying to learn the vocabulary the ministry was using currently. And my instructors would tell me, oh, no, you can't say that. You have to say it this way. Well, that was how the economics ministry said it 20 years earlier. And I'd bring in the documents and I'd show them. One of the teachers, Frau Paulsen, realized the problem and decided to develop a special part of the German course on the terminology for environmental issues. I hope FSI has continued that. When I got to Germany, a good deal of my work was on environmental projects, so Frau Paulsen's work helped.

I went to Bonn as the FCS deputy for West Germany. I'd had the experience of being a senior commercial officer in Taiwan. So as a deputy, I was fairly experienced. But the guy who was the commercial minister was famous in both the Foreign Service and in Commerce, Jack Bligh. Jack actually was a descendant of the famous Captain Bligh.

Q: Oh, really?

CRAVEN: And he convinced me that management style could be genetic. Jack was a wonderful commercial officer, but he was always picking fights. Nobody knew the German economy better than Jack, even some of the Germans. I discovered that if I had the same information Jack had, he and I would usually make the same decision. But as I went through my briefings in Washington before going out - I had never heard of this guy before those briefings - I had, I think, 21 meetings. And in the first 20, every person I talked to went out of their way to warn me about this guy Bligh.

My final meeting in Washington was with Sue Schwab, who was the Commercial Service Director General. and an old friend from when she worked for Senator Danforth. I went into Sue's office, told her about everybody warning me about Jack and asked: why did you assign me to Bonn? She said: Steve, I want somebody there who can minimize the problems Jack raises for everybody. Sue even gave me her home phone to reach her directly if I needed. I never used it. As I said, when Jack and I had the same information, we made the same decision.

But I made a point of getting into the office early every day. That was back when we read physical cables. And I'd quickly go through the cables, spot the things that were likely to set Jack off and put things in motion to do something about it before he ever got to the office. It worked beautifully. But Jack had an interesting management style. Any officer who came to Germany was on Jack's list sometime in their first year. I would tell them all, look, this is going to happen. There's nothing you can do to prevent it. It's going to happen. When it happens or at any other time, call me up and, as his deputy, I will see what I can do about it. And that worked. He could be a difficult guy, but nobody knew Germany better than Jack.

Q: Such people exist who know everything there is to know about everything.

CRAVEN: Oh, yeah.

Q: What became of him?

CRAVEN: Jack was reluctantly sent to an assignment as Commercial Minister at our delegation to the EU. And then kicking and screaming, he was dragged down to Australia, where he was Commercial Minister in Sydney. Ended up loving the place. Jack passed away last year. Good guy, but you had to know how to deal with him.

Q: Well, managing up is one of the skills you have to learn in the Foreign Service.

CRAVEN: Yes, it is, most definitely. And sometimes you had to manage up more than one chain of command.

Q: That's right. Well, as commercial officers and as agricultural officers, we always answered to at least two masters. You had the ambassador, and then you also had your

own cabinet department you had to answer to. And as a regional officer, I found that I was often answering to multiple ambassadors, as well as back to USDA.

CRAVEN: I didn't have that experience, I only had one dual assignment, which we'll come to.

Q: Okay. So what issues were you working in Bonn? What was the substance like at that point? Because you were there during reunification, too.

CRAVEN: Yeah. I got to Bonn in the summer of 1989. The wall went down in November 1989. I attended at least half of the country team meetings, and we had usually two or three country teams a week. Vernon Walters was our ambassador. Business people loved meeting him, the man who had been interpreter for at least six presidents. They'd come to Bonn just because they wanted to meet Walters. And he told wonderful stories. Most of the business people didn't get any business done as a result, but they could say they had met Vernon Walters.

But during the summer and fall of 1989, he was saying that the Berlin Wall was going to come down. Half his country team thought he'd gone around the bend. Jim Baker was Secretary of State and was talking to the White House about recalling Walters to Washington. And then it happened. He had the feel for the country.

I think it goes back to his days as interpreter for George Marshall at the end of the war. He and Marshall toured American-occupied Germany and went to all kinds of cities and villages, *Dorfs* that had been absolutely destroyed. Walters told me once - he told this story to many people - that one day he was chatting with Marshall, and they had just come out of a German home. It was a hovel. And Marshall said, these people are going to come back, and they're going to come back quickly and well. And Walters asked him, how could you possibly say that? They have nothing left. And Marshall said, didn't you notice? They cared enough that they had flowers on their one table. And that to him was enough to tell him the Germans were coming back.

Q: Yeah.

CRAVEN: That love of beauty.

Q: There's a lot of truth to that. And again, it underscores the value of having people overseas in place. You cannot conduct diplomacy, you cannot conduct analysis by remote control or over the internet. You need to have people on the ground who are observing. And furthermore, you need people who are not only observant, but who actually have experience in that region and can interpret what they're seeing and hearing.

CRAVEN: Yes.

Q: Which is an issue that I've had with the Foreign Service over the years of not valuing regional and country expertise the way I think it should be.

CRAVEN: I couldn't agree more.

Q: So, in Bonn, what else?

CRAVEN: Well, of course, you know, the wall's down. I'd been assigned to West Germany, so yeah, I'd been working the trade shows and how to sell in West Germany. Suddenly we had a developing country on our hands with no commercial representation in it, still communist in many attitudes and institutions. I spent much of my time in Germany helping to get us set up in the East. We quickly moved a commercial officer, Lee Boam, from Frankfurt to Berlin. Lee was fabulous. He was eventually replaced by Jim Joy, who had been in Hamburg, and we moved him to Berlin. The Joys had an interesting experience, among the first Americans to be housed in the old East Berlin diplomatic quarter. The house they were assigned had been the Stasi house for spying on the diplomats. Our contractors pulled miles of wiring out of that house and found small rooms that didn't appear on the blueprints. I saw some of that. Jim told me his new neighbors harbored suspicions that he was still able to spy on them.

I was one of the players in setting up the US consulate in Leipzig. I spent a lot of time over there, hired a local woman who had trained in international business at an East German university, but had never been able to go anywhere and practice what she'd been trained for. So I hired her as our commercial FSN in Leipzig, and she stayed with us for, oh, at least 20 years, maybe longer. Turned out to be one of my best hires anywhere. But I was also doing things like looking for a site for the consulate itself. And we finally found one that was suitable. A beautiful old building and once restored, it would have been magnificent. I haven't been back.

But we were also looking for housing and a place for the consulate to be housed temporarily while the building was renovated. We ended up in some Soviet-style apartments. We noticed cracks in the walls of the apartments— all identical. They were in the same places, even in different buildings. I finally asked a local architect about it. And he said, yeah, those damned Russians made us use their plans even though we told them they weren't going to work. That's a little bit of introspection on the Soviet way of doing things.

I dealt with the Treuhand, which was the organization set up to manage the sale of East German companies. We had some difficult fights with the Treuhand. At the beginning, it was really mostly an accounting venture. But they eventually got into putting fingers on the scale as to who got to buy what companies. And we had some things that happened that John le Carré could have used in some of his books over selling the coal fields in Saxony. These were some of the largest coal fields in the world. And the German power companies wanted them in the worst way, especially the premier power company at the time, RWE. They spread the word that American power companies were only interested because they wanted to come in and then shut the mines down because of their competition. Well, that made no sense at all. German coal doesn't compete with American coal.

Q: No, it's brown coal.

CRAVEN: Yeah. But that got put out there. And a lot of people believed it. And the Treuhand was using the same line. American toy companies wanted to buy some of those exquisite wooden toy makers in Eastern Germany. And again, they said the same thing. Oh, if you let the Americans buy them, they'll just shut you down. It didn't happen ever, to my knowledge. Although Western German companies did such things.

The competition for the coal mines went on and on, and eventually grew to include the Saxon power plants in the package. We had about six different U.S. power companies interested in bidding. And whenever the German power companies figured that one of those six had an edge, that company became the propaganda target. Jack and I both had meetings with the U.S. companies. We could have violated antitrust law because sometimes we pulled them in together to talk strategy. I well remember one foggy night, we met in a *Weinstube* on the banks of the Rhine across from Bonn. Le Carré would have loved the scene. And we told these guys, look, right now, NRG, you're the target. Just get used to that. Within a month or two, the target will be one of these other guys here at the table. It's going to happen. We'll defend you as best we can.

Q: Don't rise to the bait.

CRAVEN: Yeah, don't rise to the bait. And they went with that. Whether or not they cooperated with each other on their bids, I have no idea. We scrupulously stayed away from that. We couldn't favor one company over another. There were many times I wished I could have. One of the companies even had a suitcase full of their plans stolen from a hotel room in Madrid. Again, I wanted to sell this plot to le Carré. It would have made a good novel. But eventually NRG defeated the Germans and bought the Saxon power generators, as well as the coal fields. And we started the cleanup.

Actually, we started the cleanup beforehand. I led the first U.S. environmental mission into Eastern Europe. We went to a Saxon town called Bitterfeld. I forget whether it was Time, Newsweek, maybe both of them, the cover photo was of Bitterfeld with the caption “the most polluted place on the planet”. I led a mission of American environmental remediation companies to Bitterfeld, along with one of our senior FSNs, Volcker Wirsdorf. Despite my environmental vocabulary from FSI, and Volcker’s native knowledge of the language, neither of us really knew all the latest environmental jargon in German or English. But we learned enough working with the American experts and East German engineers. It fascinated both of us, traveling with these environmental cleanup companies, that we'd go to a site and every puddle would be a different color. They were all - the business guys were all excited about this. Oh, this is such-and-such, we can clean that up, and went on and on. Volcker and I established contact with German environmental companies and put the two sides together, essentially doing the translation between the two, figuring out the environmental technical terms. That part of the mission was fun.

But I will never, ever forget visiting the *Silbersee*, the Silver Lake in Bitterfeld. Silver because of the layer of mercury on top, and it was this thick [indicates about four inches with his hands].

Q: Floating on the lake.

CRAVEN: Floating on the lake. That's why it had the name, Silver Lake, *Silbersee*. The Saxons decided to wait on cleaning up the *Silbersee*. They had enough else on their plates and they waited because the world price of mercury was low. When it went up, they cleaned the *Silbersee*, skimming the mercury off and selling it. I don't know what it's called now. Probably couldn't find it. But that was an eye-opener of a trade mission. We had some other eye openers too.

Q: So four inches of mercury floating on a lake.

CRAVEN: Yeah.

Q: My goodness.

CRAVEN: We worked with some U.S. companies that specialized in cleaning up airports. Under any airport anywhere, the cocktail can be better or worse, but there's a wicked cocktail of jet fuel, de-icing fluid, whatever else, I don't know.

Q: Firefighting foam.

CRAVEN: Yeah. But as the Soviets pulled out of their East German bases, they just left them. Did nothing. We took our companies in there, and they found what they considered to be the worst chemical cocktails they had ever seen anywhere. And they had cleaned up U.S. Air Force bases, and you would think it would be similar. But apparently, the Soviets just poured stuff into the ground. They're probably still cleaning up some of those sites. Similarly, we worked with U.S. companies who had the expertise for cleaning up all the armaments, all the explosives that the Soviets left behind. That was a field I knew nothing about. I figured, okay, you take them out in a field, you set them off. But the companies brought in huge equipment where they can safely drill a hole in the nose cone of an artillery shell and drain all the explosives out of it so that the artillery shell just became scrap metal. They would process that and sell it. They used other chemical processes to break down the explosives. Huge, huge contracts. I assume that's all done by now.

Q: Yeah, you would think so. After 30 odd years.

CRAVEN: At the time the wall went down, there were three landline phone lines between East and West Germany. Three.

Q: Three.

CRAVEN: We're talking, at that point, probably 60 million people. Three phone lines. The Germans had a communications satellite ready, but no launch capability. So, again, we had a bitter competition with the French. It was what's now Ariane Space bidding to launch the satellite versus McDonnell Douglas on a Delta II. And we knew that President Mitterrand was calling Chancellor Kohl about it. I had the lead for the United States, and I didn't carry the same rank as Mitterand, so I couldn't just call up Chancellor Kohl. This was not my first bad experience with U.S. intelligence agencies. But I went to them and asked: anything you can tell me about what Miitterand is telling Kohl, I would appreciate. I don't need to know the dates. You can keep out all kinds of information. But I want to know what I'm up against. What are the French offering to get this contract? Never heard a word. Crickets. No cooperation whatsoever. McDonnell Douglas won the contract anyway. And I have a model of a Delta II upstairs in my office. That was my reward.

Once the satellite was up, we worked with a small company in Florida that modified vans to use as mobile offices with satellite dishes on the roof. Small company, small business. Probably had at most 100 workers. They did a land office business selling those vans to West German companies who were sending people east. It was wonderful, just wonderful.

There was a lot else. It wasn't just East Germany. We had the big German trade shows, the Anuga food show in Cologne that I think you're familiar with. The Frankfurt Book Fair, Nuremberg Toy Show. That's a fun one. The Nuremberg Gun Show is less fun. There's little more boring than walking down an aisle of shotgun barrels. We had, uh, this one sounds like fun, there was Igedo-Dessous, which is a lingerie and swimwear show. I mean, you could see the garments, but not the fashion shows, you had to be a recognized buyer. The publicly open part of the show was about as exciting as looking at the racks at a Ross. We had Drupa. which is the world's premier show for printing presses. That sounds boring, but they were printing wonderful posters on the spot and giving them away.

Q: Oh, really?

CRAVEN: Our job was to help out the U.S. companies exhibiting at the shows, sometimes organizing American pavilions to get that done. The payoffs from the big German trade shows were immense and global, since these shows attract buyers from around the world.

The biggest of all was CeBIT, up in Hanover, the largest computer electronics show in the world. CeBIT dwarfs the CES show in Vegas. Just dwarfs it. There was an American journalist in the 90s, John Dvorak, who often commented that the Las Vegas show was too large and crowded to do good business.

Q: He wrote for PC Mag or something like that.

CRAVEN: Yeah, that's him. I got in touch with Dvorak and I said, Look, come on over to CeBIT. We do 3/4 of a billion dollars in sales of American products off the floor at this

show, dwarfing anything Vegas has ever done. And the resulting sales during the following year, before the next show, was generally in the range of $4 billion. For the early 1990s, we're talking folding money. CeBIT was amazing. I'm not aware that he ever came to see for himself. If not, he missed the launch of the Lara Croft Tomb Raider games with appropriately clad actresses and models strutting through CeBIT.

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CRAVEN: During the time I was in Bonn, Bob Mosbacher was Secretary of Commerce. And he and his wife frequently flew through Germany because of her cosmetics business in Switzerland. They'd fly to Frankfurt. One trip coincided with the CeBIT computer show in Hanover. We arranged for Mosbacher to be helicoptered to the trade show. He really didn't want to do it. He had been to some trade shows in the U.S. and thought they were kind of rinky-dink. The German shows were a whole order of magnitude different. We had told him about the size and importance of the big German shows, it didn't sink in until we flew over the fairgrounds. The Hanover Fairgrounds had 24 exhibit halls each larger than the New York Coliseum. Mosbacher saw that from the air, saw the crowds and he is just, oh my God. He never objected again when we suggested he go to a German trade show.

Q: It wasn't just Germany, it was all of Europe.

CRAVEN: Yeah.

Q: That was the thing, was that Hanover draws people from all over Europe, not just in Germany.

CRAVEN: Europe, Asia, Africa. You're marketing to most of the world when you're at one of those big trade shows.

During one Frankfurt Auto Show, I had a chance to meet with several board members of Mercedes-Benz, mostly about their search for a place to put a factory in the United States. But we also talked about competition from Japanese automakers, who at that point had blitzed the American market. I warned the Mercedes board that they were going to do the same thing to Germany. And they just laughed. They thought that was the funniest thing they'd ever heard. A few years later, the Japanese had done it. They'd been producing cars, same or better quality than the German producers, and they were taking market share. But the board members saw no way that could ever happen.

Many U.S. states, about 20 of them, were competing to attract the new Mercedes factory, some making absurd offers to capture that plant. Almost like my time in Taiwan, we had so many governor's missions going down to Stuttgart that for a while, that was all our Stuttgart office could do, take care of those missions. Alabama finally won.

We had a few fights inside the embassy while I was in Bonn. You remember ICASS?

Q: Mm-hmm. Yeah. ICASS came in about that time.

CRAVEN: That's right. I was on the embassy's ICASS committee, representing Commerce of course. And we had all kinds of arguments. State's admin people really were hyperventilating to extract funds from the other agencies.

Q: Yeah. I can remember ICASS came in about when Jim Grueff was in Bonn as the Agricultural Minister Counselor.

CRAVEN: Yeah, I was just before him. I left Bonn in '93.

Q: Yeah. So that's about the time we transitioned from FAAS to ICASS. That's right.

CRAVEN: Of course, the State admin people were pushing the other agencies to cough up as much as possible until one day Harry Geisel, the State management counselor, was really pushing us hard. I intervened and said, you know, for all those contracts that State admin signs with German companies, the Commercial Service provides you with free credit checks on each and every one of those contractors. Perhaps we should think about charging the State Department for our services. Sort of a reverse ICASS.

We never had another ICASS meeting. But the attempts by State to get money out of other agencies continued and played a role in my subsequent posts. There was always pressure to move commercial operations inside the main embassy so we could be charged more (though State usually tried to wrap that up in a security argument). I found early on, because of my experience in Taipei with a separate trade center, that it was much easier to get local business people or even local officials to come to the commercial section if it was outside the main embassy. In Singapore, we were designing and building a new embassy, and State insisted that we move our offices inside the embassy. I lost that battle, but it didn't happen until after I left. This wasn't really an issue in Germany because Bonn did not have that much of a private sector. But it did become a problem elsewhere, like Singapore. Being outside the main chancery building was one reason I loved my Vienna assignment. I'm getting out of the timeline here. But our office in Vienna was separate from the embassy. We were only next door, but it was not obviously a U.S. government building. And we had a much easier time working with local business as a result. Something that State and Commerce might want to consider elsewhere.

Q: Yeah.

CRAVEN: After Germany, I was assigned to Singapore as senior commercial officer. It was a fascinating assignment. Not least because Singapore is a wonderful place from which to visit the rest of Southeast Asia. I'd done previous trips during the Tokyo Round to Kuala Lumpur and Jakarta, and enjoyed the region.

But this was the period of Asian values. I don't know if you remember the Asian values debate. But it was people like Lee Kuan Yew, who I met several times, and others talking about the superiority of Asian values over Western values, and that they had to do

everything the Asian way. Couldn't copy the West on anything. And we had people like Kishore Mahbubani, who had been Singapore's ambassador in Washington, as well as to the UN, and who was really the theorist behind the Asian values concept, and how Asian societies are superior to other societies. We have some who say the same thing in the opposite direction. But I liked Kishore.

During the middle of this debate -- and it colored a lot of what we did with Singapore -- we had the Michael Fay Affair. Remember the American teenager who was caned for vandalism of cars? It was a very revealing incident, both for Singapore and for the United States. There were actually about a dozen kids involved and, yes, they spray painted cars. They didn't scratch them up. It was spray paint, which could be taken off and was taken off. But they chose the wrong neighborhood and one of the cars was the wrong car. It belonged to the Chief Justice of Singapore's Supreme Court. The Singaporeans did not react well. Now, the parents of the other kids knew Singapore better than Faye's parents, actually, his stepfather and his mother. Most got their kids out of the country. As soon as the parents knew what had happened, the kids left. I think only one other kid, not an American, went to trial.

The Fays did not get Michael out. His stepfather was the Southeast Asia chief for FedEx (and I worked to keep the company out of the news). And Lee Kuan Yew overreacted, having an American in custody. Part of it, I am convinced, was because he wanted to prove that Asia was superior to the West. The law that Fay should have been charged under was the “Malicious Mischief Law”, which is equivalent to a juvenile delinquency law in the United States. Malicious mischief carried a fine and jail time. No caning. But Lee Kuan Yew decided that Fay should be charged under the “Vandalism Law” which is not vandalism as it's defined anywhere else in the world. It was a law that was written by Lee Kuan Yew himself in Singapore's early days, designed for use against communist agitators who spray-painted slogans on buildings, particularly government buildings. Well, this happened to be a car. There were no slogans. The only thing in common was spray paint. But the law included caning as a punishment.

Michael Fay was not a good kid. Our son knew him slightly from going to the same school. He was one of the bad kids, no question. And he deserved punishment. But there was no call for caning him. Now, in the United States, people heard about caning and they thought, oh, they're going to spank him with a switch or something. Seems appropriate for a juvenile delinquent. Most Americans never realized that caning is done with a bamboo rod several feet long, soaked probably in water, some say in horse piss, doesn't matter. So it's extra heavy and extra strong, and it's wielded by a martial arts guy. If you survive three strokes of the cane and remain conscious, you've done very, very well. Fay survived six strokes of the cane in one session. Strong kid. With permanent scars.

The six strokes came despite President Clinton making a special plea to Lee Kuan Yew, not to void the fine, not to void the jail time, but to at least reduce the caning. And Harry Lee did reduce it, but I think it was down from nine strokes to six strokes.

Normally when people get six strokes of the cane, they have to do it over two or three days with medical care in between. Michael Fay took it all in one day. So in that respect, he did us proud. But few Americans or Singaporeans ever really understood what was happening. One afternoon, I was coming out of the old embassy in downtown Singapore, when a Singaporean woman stopped me and asked if I would give some books from her to Michael Fay. I told her that I wasn't in the consular section, and they were the ones visiting him, and I pointed out the door to the consular section. She said, no, you don't understand, I can't do that. And she proceeded to point out, and I knew where they were because I'd been briefed, she pointed out every Singaporean security camera with a view of the embassy entrances. She didn't say anything, but it was clear that she was not going to be seen carrying books into the American embassy. I took the books. It was an extraordinary affair.

Q: Whatever became of Michael Fay?

CRAVEN: He came back to the United States. At one point, he was working, I think, at Disneyland. But I totally lost track of him. Definitely a bad kid, but he didn't deserve what he got.

Singapore commercially was fascinating. Like in Germany, you had big trade shows which drew buyers from all over Asia. You had Food and Hotel Asia. You had the Asian Aerospace Show. We even got the Air Force to fly in a B-1 once for the air show. I was standing next to the British trade commissioner when the B-1 flew over. This was just after the British Red Arrows aerobatics team had done their thing. He said, Steve, I've got to admit it, you topped us on this one. But huge shows.

We had a lot of major projects. One of them—and I shouldn't go into all the details—was Singapore Airlines was doing a major buy for new aircraft. And of course, the competition was the French. Airbus versus Boeing. Singapore Airlines bought 77 Boeing 777s. At the time, that was the largest commercial aviation purchase in history. I got another promotion after that. Not sure if they were related, but the Boeing sale couldn't have hurt.

Another big project, which again pitted us against the French, was Singapore was beginning to build its subway, and they started intelligently with light rail systems to connect their huge housing estates, which are very well done, to the planned subway stations. Similar to the Taipei rail competition, we had a consortium of U.S. and Canadian companies versus Matra. The French started doing the same old thing, offering things that they really should not have been offering under the GATT Code on Government Procurement (which both France and Singapore had signed). Again, technology for building your own fighters, stuff like that. Exactly the same as they had done on the Taipei subway system. Only this time, we were in straight-laced Singapore. I went to the guy in charge of the rail project for Singapore, and I simply said to him, look, I'm not going to write you letters that you're going to have to answer and all that. I know you're busy. But here's what the French did on the Taipei project. And I told him who to talk to about it in Taiwan. Lo and behold, within a couple of weeks, Matra had been thrown out

of the Singapore project. Singapore was very serious about upholding the GATT. Sometimes being straight-laced stands you in good stead.

In a sense, my job in Singapore was also a regional assignment. Lots of coordination with other posts on projects. Plus, I was commercial officer for Brunei and occasionally got over there. My deputy did the same with our embassy in Sri Lanka.

I was the first American commercial officer to visit Vietnam after Clinton ended our trade embargo in 1994. I never served in Vietnam, but traveled in and out from Singapore until we had a commercial officer in place in Hanoi. I did things like the initial meet and greet with Vietnamese ministries, and locating options for where we should place a commercial office in Hanoi. At that point, we only had a small American interest section in Hanoi. There was a State econ officer I worked with, Scot Marciel, who until then had only been able to work on POW/MIA issues. Scot was delighted to join me to finally meet the Economics Ministry, the Commerce Ministry, Transport Ministry. Scot and I traveled down to Saigon, Ho Chi Minh City. Went to Vung Tau that I had recommended for port development back when I was with MARAD. Scot later served as ambassador to Myanmar, Indonesia and ASEAN.

Vietnam, of course, was still communist. They have a communist inclination today, but it's much more open, worldly. But at that point, if you talked to a Vietnamese cadre, they wanted American companies to come in. But for any given sector, they only wanted one company. Now, they loved Caterpillar because they were so impressed with the Caterpillar equipment the American forces had left in the South, and how it stood up. They were eager to get Caterpillar back in. American Express was golden, because before the trade embargo ever ended, American Express was in there financing a restoration of the Confucian Temple in Hanoi. They're probably still strong in Vietnam. And the cadres liked Coca-Cola and Pepsi. Again, there could only be one, but they wanted them both. So they split the country. I think - I may have it backwards - I think Pepsi got northern Vietnam and Coca-Cola got the south. There were crazy things like that all the time.

There were some touching moments as I talked to American business people, both in Hanoi and in Saigon. Very often the Americans had fought in our Vietnam War, and they had gone back more or less for closure. I'll never forget this one American and his Vietnamese partner that I met in Hanoi, talking to them at a bar. Before they formed a business partnership, they discovered that they had been in opposing units in the Central Highlands. They had probably fired at each other, and each of them knew what the other one had gone through. That bound them together. This was a band of brothers kind of thing. And they ended up doing business together. I hope they're still doing it, but it was extraordinary. Yeah, I would advise any American who was in that war to go back. Most of the population wasn't born yet when we were there. They're not at fault for anything that may have happened to you.

As the first commercial officer going in, I briefed a number of U.S. politicians and business people who were going, including several times with John McCain, who was a wonderful guy to work with. I once sat next to Nancy Pelosi on a flight, and struck up a

conversation. This was before she was ever speaker or anything like that. She had a lot of Vietnam veterans in her district in California, and she really wanted nothing to do with the Vietnamese. She just flat out refused. We have less of that attitude today and I would be surprised if she has it anymore. But I do recommend people go back and see the place. The first time I flew into Hanoi, driving into town, we could see all the shops were open front and lit by bare light bulbs hanging by a wire from the ceiling. Next time I went, they were all glistening, lit by fluorescent bulbs and real mountings on the ceiling. Development was happening that quickly. Really quite an experience. If you ever get a chance, go.

Q: Ann wants to go. It's on the list.

CRAVEN: I'm supposed to be telling you about Singapore. There are these two islands off Singapore. They're Indonesian-owned islands called Batam and Bintan. But Indonesia rents them to Singapore, and Singapore has developed them as new industrial parks. There are small resorts out there, too, on those islands. When the industrial parks were first opened, Singapore set up a trip for the commercial officers and trade commissioners at all the embassies in town to go out and see. They told us that even though these islands are part of Indonesia, Singapore is in charge. There were a couple of Brits sitting in front of me. I broke out laughing when one said to the other, well, Lee Kuan Yew has finally got what he wants. Singapore is a colonial power.

One more story about Batam and Bintan. Jesse Jackson visited Singapore in 1995 and went over to meet with companies on Batam and Bintan. His staff had picked up complaints about how American companies were treating their employees in the industrial parks. Jackson visited some of the American factories and immediately saw that the air-conditioning was turned off in the plants and in the employees' dormitories. He also complained about the child-size furniture in some of the dormitories. I introduced him to some of the employees, islanders from neighboring Indonesian islands where subsistence fishing and agriculture were still the way of life. They were all small from childhood malnutrition and they had never experienced air-conditioning before they came to work for the Americans. They didn't like A/C and turned it off. Jackson then had a meeting with non-American factory owners (mostly Singaporean) who, yes, complained about the Americans. Their complaint was that U.S. firms treated their employees too well and that the others had to spend more money to keep up with the U.S. competition for labor. Jackson didn't like this at all. No headlines from American companies being good citizens overseas.

Well, I guess that's probably it about Singapore. Except the food is wonderful.

Q: At that point, you started using your German again.

CRAVEN: Yes. I had to go back to Washington for briefings, and I wanted a refresher. FSI wasn't really doing refresher courses, so Commerce sent me to a private language company. I spent probably less than a month, but my German started coming back. Then

I was flying off to Vienna, where I had a dual assignment. I worked in Austria about four days a week, and in Slovakia usually once a week.

Q: You were sent out there to succeed Steve Kaminski. Why don't you talk a little bit about that and the impact that that had?

CRAVEN: Yeah, it was a huge impact. You may remember Ron Brown was Secretary of Commerce.

Q: Right. I was at FSI when the plane went down, and I remember watching the TV reports at FSI about it.

CRAVEN: Everybody on the plane died.

Q: Yes.

CRAVEN: I have my suspicions as to why that plane was still flying in that area in those conditions. It was extremely stormy conditions.

Q: Well, it was below minimums and the omni transmitter at the Dubrovnik airport was not directional. So the pilot had no way of knowing if he was on the correct flight path to touch down.

CRAVEN: I'm told the pilot recommended that they abort the flight.

Q: Well, the pilot recommended they not even take off.

CRAVEN: Yes.

Q: And Ron Brown got angry, called the White House, because of course he was friends with Bill Clinton, and the White House called the Pentagon and a brigadier general of the Air Force in the Pentagon called the pilot and said you're making a career decision here. Ron Brown wants to go to Dubrovnik so get him there.

CRAVEN: Brown saw a press opportunity in his future and so they took off. And they crashed. One of the passengers was Steve Kaminski, who was the commercial counselor in Vienna, the senior commercial officer. I had known Steve pretty well because he had worked in trade policy at Commerce when I was there.

Commerce needed to get a German speaker into Vienna quickly. I was too highly ranked for the Vienna job. But I'd been in Singapore three years, with one year to go. Washington knew I had a first-class deputy, Dave Fulton, who could take over. Dave was later commercial counselor in Warsaw. So they pulled me out of Singapore on short notice to send me to Vienna. The ambassador in Vienna, Swanee Hunt, actually called me up in Singapore to interview me for the job, an experience I had not had with any of my other assignments. I remember we discussed that I knew Steve and how people in

Germanic cultures respond to grief (very privately). The first thing I had to do was work with a local staff in Vienna (and Bratislava) that was just totally bereft. They had loved Steve and his family. They were devastated. So I spent an awful lot of time working with them individually. They had even set up a shrine in the office.

Q: Yeah, I saw that. I remember that.

CRAVEN: Yeah, kept a candle lit. I think it was there my entire four years in Vienna. You have to understand the building we were in, as well as the Austrian way of death. As I mentioned earlier, it was not a U.S. government building. It had no signs about the U.S. government on it. The building was owned by the Hungarian Catholic Church. You remember the Revolution of 1956 in Hungary. Cardinal József Mindszenty had been imprisoned for years in Hungary, was released in 1956 when he took refuge in Embassy Budapest. He spent his later years in Vienna. Living in this church-owned building. What became the FCS offices, rented from the Church, was part of Mindszenty's living quarters. We actually had a chapel outside our office. I used to joke with companies that if their business wasn't going well, they could always go to Mindszenty's chapel and pray about it. There was a strong religious influence in that building, so I never tried to take the shrine to Steve Kaminski down. Gradually, things came back to normal. I got very close to my FSNs and I am still in regular touch with almost all of them a quarter of a century later.

Swanee tried to make a public thing about Steve's death. Exactly the opposite of how Austrians handle it. She had a big service for Steve, memorializing him in one of the huge cathedrals in Vienna, the Votivkirche. I did my best to shelter my staff from all of that, from the journalists, everything. And largely succeeded. That colored my first several months in Vienna. But we had a lot of other interesting stuff going on.

Q: Yeah, talk about that.

CRAVEN: We didn't have major projects work like there had been in Germany, Singapore or Taiwan. And Austria doesn't have much in the way of trade shows, so I didn't do that. But there was one very important government procurement competition. One winter there were terrible avalanches up in the Alps. One of the higher ski resorts out in Tirol was totally cut off. The Austrians needed to get injured people out of there, followed by trapped tourists. They needed to get supplies up to this little town. The Austrian Air Force helicopters weren't up to the task. I mean, they were decent helicopters, but they couldn't handle that altitude with a maximum load. So they were bringing in stuff in or taking people out in ... dribs and drabs. Our defense attache, Colonel John Fairlamb, called in U.S. Army Blackhawk helicopters from Germany to help. The Blackhawks had no problem operating at altitude with maximum loads. The Austrians were very, very impressed.

So after that winter, they started a competition. The Austrian military wanted Blackhawks. At that point, Sikorsky had not been able to make a single Blackhawk sale to any European military. No European government would touch them since they were all

committed to buying European-built helicopters. A contract in Austria would be an important ice-breaker for Sikorsky. So John and I started to work. He worked the Defense Ministry. I worked on the Economics Ministry. Those ministries were fairly rapidly on board. The Defense Ministry specified high-altitude capable helicopters that could rapidly be restructured from military use with modern armaments to search and rescue, or air ambulance, configurations. Sikorsky was a prohibitive favorite in both ministries, but a third ministry had to be brought on board: the Finance Ministry, who would actually pay for everything. Finance didn't want to chop off on the Blackhawk purchase because we're talking a chunk of change here. A lot of money and potentially a commitment to buy more Blackhawks in the future.

Q: Spare parts.

CRAVEN: You've got all of those. There's a whole supply chain. Well, this is where the importance of our local employees comes in. Our FSNs, what are they calling them now?

Q: LES, Locally Employed Staff.

CRAVEN: Yes. Turns out that one of my FSNs, Inge Doblinger, who was following the aircraft sector as well as tourism and some others, had not only gone to school with the finance minister, she had dated him. Inge just called up the finance minister and asked can we get together for a chat? I met with him at one point, but the real key was that Inge had a private talk with the minister and, after a suitable lag, the finance ministry withdrew their objections to the deal.

Q: Wow.

CRAVEN: It didn't get done quickly, a few more avalanche seasons came and went. The first helicopters weren't signed and delivered until after both John Fairlamb and I had left Vienna, and everybody had forgotten our roles. But Sikorsky finally got their first European sale for the Blackhawk. That was probably my most important project during this assignment. We had smaller things in Austria.

Q: Yeah.

CRAVEN: One I remember with some pleasure. We were asked for help by a small American manufacturer from Oregon. They were making snow chains for car and truck tires. And they were using the latest and greatest alloys. I know nothing about metal alloys, but they had gone way beyond stainless steel. Much stronger, much lighter, easier to put on, take off. But the European standard, which the Austrians applied rigorously, was for stainless steel chains, which anybody who's used those old chains, I mean, those are heavy *******.

Q: Yeah, they are.

CRAVEN: We started by working with the Austrian standards people. And they just kept pointing to the EU rules and the Austrian rules, which were parallel, and saying, well, we can't do anything. We like these chains. You've given us samples. We like them. But we really can't do anything and it would take years to change the product standards to allow anything other than stainless steel. That's when we got innovative. Rather than dealing further with the Austrian government, we started a campaign with Austria's prolific automobile press. There were several popular magazines, newspapers too.

Q: You had two automobile associations, too.

CRAVEN: Yes, we worked with them. And made sure everybody had the word on these chains. The magazines started putting articles out about the chains, sometimes with the American alloy chains as their cover photo. They reviewed the chains and said how wonderful these things are. We showed the chains at local car shows. We generated such a positive public reaction that the Austrian government eventually told Brussels, we're revising our standard so that we can buy these new alloy chains. They correctly didn't specify the American chains, but told the EU they wanted options broader than just stainless steel. Eventually, the EU even came around, recognizing Austria's immense Alpine experience with tire chains. It all started from a small sales opportunity for a small U.S. manufacturer.

Q: Yeah.

CRAVEN: I spent, normally, one day a week in Bratislava, driving back and forth, which was often an experience because our office vehicle was this huge Voyager van, which the Slovak Mafia always had their eye on. They were pushing stolen Voyagers further east into Ukraine and perhaps even Russia. because the mafias liked to use them as troop transports. I was always careful about where I parked. Our commercial office in Bratislava, separate from the small embassy, had its own locked lot, so the van was safe there. But sometimes by the embassy, I had to put it into a public garage. And this American van was so damned huge, and the spaces were so tiny that the parking attendants used to come watch me park. They were in awe that I could get it into these little tiny spaces. They sometimes comped my parking.

The Slovaks were renovating their oil refineries. And they were getting all their oil and gas from Russia. We (mostly my FSNs in Bratislava, another good bunch) succeeded in getting U.S. companies into the engineering contracts. That led eventually into some equipment contracts. And somewhat to my surprise, Ex-Im Bank funded some of the sales. But I distinctly remember talking to high-level Slovak officials and telling them, look, you've got to reduce your dependence on Russia as the source. And they just said there's no way they could do that. We've got the pipelines. We've got to use them. We don't have any other sources close by, which was largely true.

Q: Yeah.

CRAVEN: So that's just a little background on what we're seeing now.

Q: Yeah, with Fico now opposing Ukraine and loving Russia, you know.

CRAVEN: Yeah. Well, he was an up-and-coming politician when I was in Bratislava. And he's a populist.

Q: Yeah.

CRAVEN: But he's not as dyed in the wool pro-Russian or right wing as he's sometimes portrayed. Because at the time I was there, he was considered a populist, but even somewhat leftist. I think he'll go with whatever way the political winds are blowing. And a few of the things he has said about the war in Ukraine indicate that. He has pretty much stopped opposing the EU's efforts to support Ukraine, while Orban is not there yet. And Fico and Orban don't always see eye to eye. I think about 8% of the Slovak population is Hungarian, along the southern border with Hungary. Every now and then, Orban will get up on his hind legs and say we want this back for Hungary. And some of the Slovakian-Hungarians will mutter sympathetic things. Fico doesn't appreciate that. So he does whatever he can to convince them to be happy in Slovakia.

Q: Yeah. You don’t want to go to Hungary and move across the border.

CRAVEN: It's close. There are bridges across the Danube.

One issue we had with Slovakia was pharmaceutical licensing. Like many countries, the Slovaks required any pharmaceutical company to provide a lot of confidential information about the drugs they are seeking to sell in the market. Also like many, Slovakia wants to know the prices paid for a drug in other markets, generally decreeing a price in Slovakia as the average of the three lowest prices worldwide. That’s a problem the Big Pharma companies have almost everywhere. We made the usual arguments against that and met often with our Big Pharma firms.

But there was another more cynical aspect to Slovakia’s pharmaceutical requirements. The company confidential information they collected on each drug included the exact specs and instructions for how to manufacture the drug in question. And guess where the Slovaks kept all that priceless information? In a vault on the grounds of a state-owned pharmaceutical producer, whose prime focus was on producing generics. Of course, we never knew who had access to that vault.

Q: Sure.

CRAVEN: We eventually convinced them to move it out to a vault at a government agency, but that probably made no difference. The Slovak drug companies kept developing new drugs. It was amazing.

Q: With a very small research and development budget. Yes. Well, they're just very clever.

CRAVEN: Bratislava was another post at which language was an issue. I had no training in Slovak, nor should I have, only going over part-time. I learned enough to say hello and get a simple lunch. And to talk to my friends at the parking garage.

But my German was almost useless when I got to Vienna. My first public event, mere days after arrival, was the grand opening for a Steinway piano store on Vienna's Ringstrasse, a prestigious location, beautiful looking display, great pianos. The first three speakers at the opening (luckily I did not have a speaking role) all spoke in the local dialect, Wienerisch. I could hardly understand a word they said. I was really feeling down about my German. The fourth speaker was Steinway's vice president for Europe, based in Hamburg. He spoke high German, Hochdeutsch, and I understood every word he said. I felt better, but I never did learn to work in Wienerisch. Often I would have conversations where we'd start out in Hochdeutsch, and by the third sentence, they'd be in Wienerisch, and I'd be lost. Wienerisch actually is different from the broader Austrian dialect, Österreichisch. Wienerisch has more Slavic and Hungarian words. Vienna was the center of the Habsburg Empire, so they adopted words from everywhere.

I was fascinated at how much the Habsburg Empire still influences not only Austria and the rest of central Europe, but particularly Vienna and Salzburg. To my mind, both cities live in the past. The cities of the future are Graz and Linz. That's where industry is opening up. I mentioned this to Egon Winkler, a good friend and Secretary General of the Austrian Chamber of Commerce. (Chambers of Commerce in Austria are official agencies, not the private sector chambers we know stateside.) I mentioned this to him, that we have Vienna and Salzburg on one hand, and Linz and Graz on the other. And I said, I bet you will find that you have more diplomats, especially commercial officers, coming from Linz and Graz than from elsewhere. Egon said no, that’s not possible. But later in our lunch he said that he had been thinking about all the Austrian diplomats he knew. They're overwhelmingly from Graz and Linz!

Q: They're the ones who were thinking forward.

CRAVEN: I found that amusing and fascinating. I really got into Habsburg history while I was there.

Q: Well, obviously I did too, because I was basically covering the old Habsburg Empire.

CRAVEN: Yes, you were.

Q: About the only parts I didn't have, I didn't have Galicia, I didn't have Bukovina or Vojvodina. But I had virtually all the other territory that was part of the Habsburg Empire. And you're absolutely right. You could go anywhere, and you would get echoes of the Austro-Hungarian Empire. I was visiting Bosnia and I met a fellow who was very heavily involved in the agriculture sector. He spoke flawless Viennese-German not Wienerisch, but the Hochdeutsch that the educated Viennese speak. And I asked him, “How did you learn to speak German like this?” He says, “Well, this is what we spoke at home. My

father was a bureaucrat for the Austro-Hungarian Empire and was posted to Bosnia. My mother was a Slovene." But they spoke German at home, and they were both educated in the Austrian school system, so they spoke native German, basically. "I grew up speaking German. I'm a Bosnian citizen now, but German's one of my two languages, that, and Serbo-Croatian. Oh, yes, we're all products of the Austro-Hungarian Empire."

Until 1998, students from Bosnia could study at any of the universities in Vienna tuition-free, because in 1898, Kaiser Franz Josef, in honor of his Jubilee, offered free tuition in Austria's universities to students from Bosnia-Herzegovina, which had been made a protectorate of Austria. World War I came along, the Austro-Hungarian Empire collapsed, but the Austrians continued to honor that obligation from 1898 because he promised it for a century, he said for the next hundred years, and they honored it up until 1998.

CRAVEN: You're right about finding history everywhere in the country. The street Donna and I lived on in Grinzing, one of the northern districts of Vienna, was Untererschreiberweg. Not only could we walk into the Vienna woods, we had vineyards right across the street from us. That was the street where Beethoven lived when he composed the Ninth Symphony. That's history.

Q: Yeah, that's history.

CRAVEN: And the ridge we were on, the vineyards extended down the ridge on one side and went down the other side to the Heuriger (wine taverns) in Grinzing. That was the ridge the Poles charged down; did their famous cavalry charge to relieve the Turkish siege of Vienna in 1683. Jan Sobieski led them. Yeah. I mean, they came by our house. The house wasn't there yet, but still. I find that fascinating.

Q: Oh, it is. It is fascinating.

CRAVEN: So, after Vienna, headquarters had been talking to me about taking an assignment in India to be commercial minister in Delhi, which would fit my major projects background. But we needed to come back to the States. We'd been overseas for a lot of years, with the exception of time at FSI. Donna's parents needed help, both of them. And so I worked with FCS headquarters. which being smaller is a lot easier to work with than the big Foreign Service. I'm sure you had similar experience in FAS.

Q: Sure.

CRAVEN: I was too highly ranked to go to most of the domestic jobs available. But they sent me to Denver, where I was regional manager for the Commercial Service for all the Rocky Mountain states and the Southwest states, which meant I got to travel not only in Colorado, but up to Wyoming, over to Utah, Nevada, down to Arizona, New Mexico. We had offices in Phoenix, Santa Fe, Salt Lake City. And as regional manager, I went to all of them once in a while. It was like a whole different country and culture, and Donna and

I treated it like a foreign assignment, diving deeply into both culture and history. We'd been raised on the East Coast and the South. And this was just totally different.

Q: The West is different. It gives you a different concept of space.

CRAVEN: It does. They talk about the big sky. It's not just Montana. It's all over the West.

Q: Yes. And those hills that they call mountains, the Shenandoahs, the Appalachians. You get out in the West. You get out in the West and see real mountains.

CRAVEN: The East Coast mountains are like the Eiffel in Germany. They were big once, but not in human memory.

Q: No.

CRAVEN: We had to learn things like eating Rocky Mountain oysters. We went to rodeos, by God. We fell in love with Denver's two small bison herds.

Q: Yeah. Kind of stuff I grew up with.

CRAVEN: We thoroughly enjoyed it, and we still go back to the West. I was just visiting my sister who now has a condo in Santa Fe. So we have a place to stay.

Q: Beautiful city.

CRAVEN: Yeah, I love Santa Fe for the art, the history and the food. And if I ever had to leave Hawaii, I'd think about some place in the West, except I'm one of those that the lack of humidity just tears my sinuses apart.

Q: Is that right?

CRAVEN: I'd get bad nosebleeds continuously. I may have had high blood pressure at the time. I had a heart attack while we were in Denver, but I didn't realize it. It was revealed later in Hawaii when a doctor ordered some imaging of my heart and found the scar tissue from my heart attack. My Denver doctor told me some people just never get used to the lack of humidity despite using humidifiers, saline sprays, everything.

I did a fair amount with the Meat Export Federation.

Q: They're based in Denver. Was Thad Lively there then?

CRAVEN: The name is familiar, but I'm not sure.

Q: Thad Lively was former FAS and then he resigned and went to the Meat Export Federation.

CRAVEN: Might have been there. They put some of the Native American tribes from South Dakota in touch with me because they wanted to get into exporting bison. We ended up selling bison into Germany. And it was seemingly a big hit. They got more orders. I retired, so I never heard the end of the story.

Q: I'll have to talk to the MEF folks and get the story for you. And then you wrapped it up and retired out of Denver.

CRAVEN: Retired out of Denver. Initially, we thought about moving back to the DC area, because our son was in California and our daughter in the DC area, but we knew neither of them would stay and had no idea where they'd go. We knew that many Foreign Service people retire in the D.C. area. But we got a map of the United States and started sticking pins in where all our friends and relatives were. There was no pattern. No pattern at all. So we looked at each other, and this was a cold night in Denver, said we might as well go back to the place we love. And we're here now in Honolulu.

Q: And here you are, and you're in paradise. Yeah. Palm trees and warm weather.

CRAVEN: I've kept my hand in. First, I made the rookie retiree mistake. I got involved in too many non-profits. And after about a year, I found myself on seven boards.

Q: Oh, dear.

CRAVEN: And I was chairing three of them.

Q: Oh, no. That's more than a full-time job at that point.

CRAVEN: I was working harder than I ever worked at Commerce. Now I've cut it down to one board. That's the Hawaii Pacific Export Council, the District Export Council that's attached to the local Commerce office.

I had a talk show called “Business Beyond the Reef” on Hawaii Public Radio. I wasn't on the air that often. I was more or less producing, coming up with the stories, arranging the guests. It took about eight hours of work to set up a one-hour show. We had a former ambassador, Al Adams, as our primary host, so I would do talking points for Al. He had been ambassador to Djibouti, Haiti and Peru. He was the usual host because the station manager liked Al’s title. I was on the air occasionally. Sometimes as the host. Sometimes I was among the guests, because it was a subject in which I had expertise. We did some interesting stuff, primarily about Hawaii companies that had gone to other markets. And so we did shows like, we did a show about the global spread of outrigger paddling, featuring local canoe and paddle manufacturers who were also producing in Asia and Europe. Outrigger canoeing has spread worldwide. And of course, you know about surfing.

Q: Well, yeah, surfing has gone worldwide.

CRAVEN: Yeah. That was a fun show. We did one show remotely from the early morning Honolulu fish market on Pier 38, about how the just arrived catch was processed and sold, who the buyers were. Then it was mostly Japanese and mainland buyers competing with our local restaurants and fishmongers. We did a show with Matson Lines. They had a brand new ship, and we went out there and interviewed them all about the ship. But we also had our difficulties. We wanted to do a show about the Jones Act and its impact on Hawaii. It greatly raises our consumer prices.

Q: Well, not just here, but Puerto Rico, US Virgin Islands, Guam, American Samoa.

CRAVEN: Alaska, too. We were getting into all of that. But we were never able to air the show because of the unspoken rule in public radio that all sides must be represented. Well, neither Matson nor Pasha, who are the two Jones Act shippers into Hawaii, nor anybody else that was pro-Jones Act, would agree to come on the show.

Q: You couldn't get anybody from the Maritime Administration, even though you had worked there.

CRAVEN: No, my old Marad contacts were stale by then. And MARAD would stay neutral on the Jones Act. I never bothered to approach them. We had Ed Case lined up, currently one of our congressmen, because he has opposed the Jones Act consistently. But Matson has such influence here that most of the politicians won't go up against them. They have convinced almost all the politicians that if you end Jones Act shipments to Hawaii, no ships at all will come to Hawaii, which is not true.

Q: That's not true. You'll get lots of foreign ships coming to Hawaii and Puerto Rico and other places, too.

CRAVEN: Hawaii's bigger problem on attracting shipping is the expansion of the Panama Canal. Those new ships can't fit in the Port of Honolulu or any other port in Hawaii. They just physically cannot do it.

Q: No. Gotta go offshore and be lightened.

CRAVEN: Which isn't going to happen.

Q: Steve, is there anything you'd have done differently? I mean, when you were in college, are there things that you wish you had studied? In retrospect, if you had it to do over again, you would have studied to prepare yourself for a career like this.

CRAVEN: I probably would have focused more on developing language skills. As I've said, I wasn't one of the language masterminds in the Foreign Service. Vernon Walters gave me some good advice about learning languages. He spoke 15 languages, could work in 15 languages. German was his worst. His grammar was atrocious. Even I could tell that. And yet he could communicate. He told me, Steve, ignore the grammar. Focus on

the vocabulary. You don't need to make sure everything is in the proper tense. Mumble if you have to. Germans don't use der, die and das all the time. They don't remember which word requires which. And they mumble. It's perfectly acceptable. My formal lady instructors at FSI would have just, all of them would have had heart attacks on the spot.

Q: Yeah.

CRAVEN: I had one semester of German in high school, but it was taught by a Ukrainian, who had been a POW in one of the Nazi slave factories. So I learned a little German with a Ukrainian accent, which I later had to get rid of. Then I had French in college, which was absurd. Maybe we need more male language teachers. These were all women and they kept trying to teach me the vocabulary for cleaning the house. It's not what I wanted or needed. Nor could I get excited about learning the language.

Q: No, no.

CRAVEN: I needed vocabulary to get around the country and talk to people about all sorts of other stuff. I didn't need to know the proper word for vacuum cleaner.

Q: Exactly. Any final words of wisdom?

CRAVEN: I think I'm fresh out of wisdom. I used that up years ago. We still have some work to do educating the American public on the importance of international trade and how such things really work. Americans have gotten a tough lesson in how tariffs work or do not work. But almost nobody in the financial press (much less our politicians) has any concept of how complicated it is when you get into things like customs valuation, import licensing. product standards, all of that. They are immensely complicated. Each one is a field to itself.

Q: That's right. Thank you very much.

CRAVEN: Thank you. I enjoyed it.