

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

JUDITH FERGIN

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INTERVIEW

Q: Today is the 14th of September 2018, with Judith Fergin. And to begin with, let's start, when and where were you born and where did your parents' families come from?

FERGIN: I was born in Portland, Maine, in 1951.

My father's family was basically Scottish, English and Irish, and my mother's family was basically English. Everybody got to the United States at different times, but since the beginning, there has been New England focus to where the family was from and how we thought of ourselves.

Q: So, anyway, what do you know about your father's life? What did he do?

FERGIN: Well, my father was born in New York City -- his father was one of the first actuaries in the United States and the insurance industry in that day was in New York City, but his mother was from Maine. They eventually moved to Maine when he was young. He graduated from Bowdoin College in 1938, joined the army, and served with the OSS (Office of Strategic Services) in the war. After the war, he worked in New York for a while and encountered my mother, whom he had known somewhat distantly in high school. They got married in Portland, Maine in 1942 and after the war moved back to Maine.

Q: That's fine. And what do you know about your mother's life?

FERGIN: My mother he was born in Savannah, Georgia, because my grandfather was from there, but they too, in the 1920s, moved back to Maine where they had always been summer people. She graduated from Deering High School and then went to Wells College, which was also my grandmother's alma mater, and graduated Phi Beta Kappa. She then went to New York to work, re-met my father, got married and moved to Maine, and here we are. When people ask me how I got interested in the Foreign Service, I point to my mother, who sang French lullabies to us, which made foreign languages seem quite normal!

Q: What town did you grow up in?

FERGIN: I grew up in Falmouth, Maine, in fact, at the very same address I am living at now. This had been a summer colony in the 1890s, and we finally tore down the old (fortunately winterized) cottage and built the house we are now living in a couple of years ago.

Q: Talk a bit about being a kid growing up in Falmouth.

FERGIN: It was fantastic. This was a small town. We were right on the ocean. There were lots of kids my age in the neighborhood. I remember spending my entire life either reading books or being outside and being called home for dinner. It was a wonderful, free existence with a great school system and inspirational teachers and good friends.

Q: As a young kid what sort of books did you find particularly interesting?

FERGIN: We had a set of what was called the Harvard Classics in a bookcase downstairs, and so, I made a noble effort to make it through them. I made it through “Pilgrim’s Progress” and a few others but fear I never read them all.

Q: Did you find biography, history or novels or any particular genre particularly interested you?

FERGIN: No, I pretty much read everything. Nancy Drew, Tom Swift, anything by Robert Lewis Stevenson. Later on, I binge-read everything by this author or that such as Fitzgerald or Hemingway or Agatha Christie.

Q: Where did you go to kindergarten?

FERGIN: I didn’t go to kindergarten. The Maine school system started with something called sub-primary, which was when you were five; that was a year before first grade, so that’s when I started school.

Q: How did you take to school?

FERGIN: Loved it. Had a wonderful time. We walked up the street to the school; all my friends were there; the teachers were encouraging. It was great.

Q: What school, grammar school did you go to?

FERGIN: I went all the way through the Falmouth, Maine, school system.

Q: Well now, let’s take in elementary school, what subjects particularly appealed to you and what ones really didn’t? Or were there any?

FERGIN: I would have to say that I have a lifelong preference for subjects like English, foreign languages, spelling, grammar, that sort of thing, and would gravitate to those rather than to math or science.

Q: Did you have any particular teacher in elementary school that you can remember who stands out?

FERGIN: Oh, yes. Her name was Mrs. O’Neal; Charlotte O’Neal, my third grade teacher. And I don’t know why she stood out; she just stood out. She read to us a lot.

Q: Well, it sounds like you came away from elementary school with a very positive feeling towards it.

FERGIN: Oh, absolutely.

Q: What about high school? You went to what high school now?

FERGIN: Falmouth High School in Falmouth, Maine.

Q: What was it like?

FERGIN: We had a graduating class of 92 so we all knew each other, we'd all pretty much known each other forever, and had some wonderful teachers. Mr. Randolph Quint taught fearsome subjects like "Greek and Latin Roots" and made us love it. Miss Roberta Rogers taught us all to type and to accept nothing but your best. She was the faculty advisor for our yearbook that won New England-wide awards year after year, and all of us editors benefitted from her tutelage for years to come.

Q: Did you concentrate in any particular area in high school?

FERGIN: No. We had distribution requirements, so it was English and Latin and French and math and whatever the science of the year was. I did take shop one year where I learned how to draft.

Q: How was family life constructed as far as were there family occasions- did you talk about what was happening in the world around the dinner table?

FERGIN: Yes, we did. Family is fairly embracing concept for us on both sides. On my father's side, we had a ton of cousins and aunts and uncles around, so we often got together with them, with many happy memories of being out on Casco Bay. On my mother's side there were regular get-togethers in Staunton, Virginia, Stowe, Vermont, at my grandmother's up in Boothbay, Maine. At home around the dinner table, conversation was a pretty fair mix of what happened on your day and what happened in the world today. I think the discussions got more world-focused when the Vietnam War came along. We all watched the Huntley-Brinkley nightly news broadcasts together.

Q: Where did the, on the Vietnam War where did sort of the family come out on it?

FERGIN: I think my father was fairly neutral; my mother, had I been a boy, would have sent me to Canada.

Q: Yes. Was Maine sort of a liberal hotbed or at least Portland?

FERGIN: I wouldn't say it was a hotbed back in those days. It certainly turned into a very thoughtful, externally oriented and welcoming community in the last 30 or 40 years.

Q: Where did your family fall politically?

FERGIN: Everybody in Maine was a Republican but Republicans in those days were Margaret Chase Smith Republicans.

Q: Oh, yes. She was a very- _____ sort of an oddball Republican at the time, but very outstanding senator from Maine. My wife had tremendous respect for her.

Q: Well then, you graduated from high school when and where did you go next?

FERGIN: I graduated in 1969 and then I went to Smith College.

Q: How was Smith at that particular time? This was '69.

FERGIN: It was pretty much a mix. It got more and more politicized as the Vietnam years went on. The Cambodia invasion was a fish-or-cut-bait moment for everyone my senior year.

Q: During your time at Smith, what was your major?

FERGIN: I majored in government and I minored in French. "Government" was the Smith term for what other schools called political science -- it encompassed international relations, comparative government, American government, etc. I had a bias toward international affairs and was lucky enough to spend my junior year abroad in Geneva.

Q: Tell me about Geneva. What experience did you have there?

FERGIN: It was fabulous. We got to take courses at wonderful institutions such as the University of Geneva and L'Institut de Hautes Etudes Internationales (IHEID). We perfected our French, or at least we thought we perfected our French. In those days, we had Eurail and student passes and hitchhiking and so, when we weren't in school, we were seeing as much of Europe as we could. It was an eye-opening, phenomenal year. My roommate's father was the DCM (Deputy Chief of Mission) in Stockholm and that's when it began to dawn on me that I could make a living doing something I like.

Q: That's interesting. Had you thought about the Foreign Service before your roommate's father appeared on the scene?

FERGIN: No, I hadn't really thought much about a career yet. I've done my life one assignment at a time; I have never really had a roadmap, and I've been lucky that possibilities become clear when they need to.

Q: Well then, when you came back from Geneva, were you thinking seriously about a Foreign Service career?

FERGIN: Well, I was, but turned out the Foreign Service wasn't thinking seriously about me. My senior year of college I took the written and I passed. I traveled from Northampton to Boston where I took the oral and I gloriously flunked. So, then I thought well, time for Plan B, and I applied to graduate school.

Q: So, where'd you go to graduate school?

FERGIN: The University of Virginia, the Woodrow Wilson School.

Q: Were you getting a full-fledged exposure to the academic side of foreign affairs there?

FERGIN: Absolutely.

I concentrated on Soviet and Eastern European studies, and served as a teacher's assistant for political philosophy and international relations courses. My master's thesis was on seabed mining of manganese nodules. Professor Inis Claude had written the book "Swords into Plowshares." I wanted him to be my advisor, so I found a topic that would fit for him.

Q: So, what's the- what were sort of the foreign policy aspects of this particular ____?

FERGIN: The nodules are valuable and the technology to mine them was developing rapidly. The questions were how to delineate the seabed, who has the rights to the resources there, what are the pros and cons of mining in the first place.

Q: Was this a period when the negotiations were going along heavily about the seabed?

FERGIN: UNCLOS (the United Nations Convention on the Law of the Sea) was under negotiation, but not yet concluded.

Q: After you received your Masters, what came next?

FERGIN: I continued to study for a doctorate. I made it through the orals, but will forever remain ABD ("all but dissertation"). By the end of four years in graduate school, I realized I didn't want to be an academic, I was never going to finish that PhD dissertation, which was on the institutionalization of Canadian federalism, a subject that is very important, but I was not going to bring any new insights into it. I had continued to take the Foreign Service exam and, much to my joy, right before I had to decide whether to renew the lease on my apartment in Charlottesville, Virginia, I got a call from the Foreign Service, and that made my decision for me.

Q: Well now, when you went to the A-100 course, the basic officers' course, what was it like, the composition of it?

FERGIN: It was fascinating. As I recall, there were about 30 of us and about one-third of us were women, which was pretty good. The class included maybe one person who was a fresh college grad, but everybody else had done something else. So, we had- our average age was probably around 30. We had a former firefighter, the legendary Dick Shinnick; we had Mike Senko, who became our ambassador to the Marshall Islands, who had been an extra in the movie *Rocky*; we had Robin Raphael; we had a wonderful group of people.

Q: When you came in did you have an idea at that time of where you wanted to go and specialize?

FERGIN: I was pretty open to go anywhere. That was the whole point of joining the Foreign Service.

Q: Were you coned when you came in?

FERGIN: Yes, I came in as a political officer.

Q: What sort of, when you were getting ready to be assigned, what places did you ask for?

FERGIN: I only remember the one I got, which was Munich.

Q: Aha.

FERGIN: Aha.

Q: So, how long were you in Munich?

FERGIN: I was there for two years doing consular work. And it made me a genuine fan of requiring that all first tour officers do consular work, because once you've been on the visa line or helped somebody out in jail you know a bit more about human nature than you did before. I think this kind of professional insight made you a better leader, a better analyst of any situation that involves human beings, and hence a better reporting officer.

Q: Now, what was the, sort of the visa work like when you were doing it? German visa work shouldn't be particularly difficult.

FERGIN: No, it wasn't. The average German applicant could mail his or her passport in and we mailed the visaed passport back. There was some very rudimentary background check; you typed into a mysterious ticker-tape-style machine and an answer came back in a day or two. Once in a while, there would be an applicant from Iran or the Soviet Union, and then you'd have to figure out what to do for their background checks, but mostly it was pretty routine. The American Citizen Services were very busy because of the very large American military contingent in Germany.

Q: What sort of things were you having to deal with in American Services? I mean, were there drug problems or automobile accidents or what?

FERGIN: First, there were reports of birth. Some cases, especially with very young single parents, would be quite complex -- we had to ascertain if they had enough time in the United States to transmit their citizenship and sometimes that required even counting the days of vacations. Those were the tough issues on citizenship. Second, we visited incarcerated civilian Americans. Those were the days when you had to visit everybody once a month, no matter what country they were in. Most of the prisoners in Bavarian jails were in for drugs. Many of them were either military dependents or former military who had come back and were unable to find a job and so were easy game for people who

wanted them to be small-scale drug mules. Then there were the usual cases of lost passports and inebriated college students. Oktoberfest was a busy time. The saddest were the reports of death of an American citizen abroad.

Q: Yes. Well, who was the consul general?

FERGIN: David Betts my first year and Robert Hennemeyer my second. They were both well regarded inside and outside the Consulate General and, of course, from my perspective as a first-tour officer, positively Olympian.

Q: What about on the political side, did you do political work while you were there?

FERGIN: The front office was very good in terms of taking responsibility for junior officer development. They had me sit in on the ConGen (Consulate General) equivalent of the weekly country team meeting, and then had me write a few little reports, such as the meaning of the composition of the new Bavarian cabinet. Those reports were all airgram, not cable, material.

Q: Coming out of A-100 and your first assignment, what were you getting as regards women in the Foreign Service? I mean, through word of mouth and all.

FERGIN: I was very lucky in my Foreign Service career. A third of our A-100 was women, and they were a pretty accomplished bunch. Our A-100 coordinator was a former Marine and I'll never forget his taking the women out on the lawn during our class retreat in Harper's Ferry and teaching us a few defensive maneuvers we might need while pursuing a consular matter in some back street of a foreign city. I came away with a clear understanding of the value of spiked heels when attempting to disable an assailant. The consulate staffing was a good mix by gender and ethnicity, more diverse than Falmouth, Maine. A few years later, all Foreign Service women were included in the Alison Palmer case. I didn't apply for any of the relief measures offered because I'd had a rather good career to that point with some exceptionally supportive male supervisors.

Q: Well then, what sort of job were you looking for after Munich?

FERGIN: I was supposed to go get a political job because FSOs were supposed to have a tour in your cone in one of your first two tours. I ended up being assigned in a new program called RAP, Reporting and Analysis Positions. There were six around the world and mine was in Pretoria, South Africa. So off I went to FSI to learn some Afrikaans. When I arrived at the airport in Johannesburg, the economic counselor picked me up, which was my first clue that I was going to be in the economic rather than political section.

Q: Well, I would think this would be a great place to- Apartheid was still in full bloom there, wasn't it?

FERGIN: It certainly was.

Q: So, what were your first impressions of South Africa?

FERGIN: We had the privilege of meeting South Africans from all walks of life and all races. And they were all warm, interesting, welcoming people. The only trouble was being an American, there was only one topic of conversation at first, and that was apartheid and what did you think about it.

Q: Was there any movement at the time?

FERGIN: Yes, there was, at least in terms of our engagement with the authorities. I arrived as the Reagan administration succeeded the Carter administration. The Carter administration had been outspokenly critical of apartheid and the South Africans had circled their wagons in response. Under Reagan, Chet Crocker was our Assistant Secretary for African affairs and he introduced the constructive engagement policy. This opened doors for conversations and interactions and policy interventions that we would not have had before. So we on the ground could feel that we were helping a process move forward. The Sullivan principles were coming in, we were doing things and having conversations that we had not been doing or having for a while.

Q: Well, I've interviewed Chet Crocker, and he was saying that in some ways he was waging a battle in two directions in South Africa; one was, of course, with the government there, but the other was really with the CIA and the conservatives that didn't want us to mess around with the situation, and we should not pressure the South Africans, the white South Africans. And he said that in a way he had to have his own intelligence service at the embassy, which was mainly to keep aware of what the CIA was doing with the South Africans. Was there a conflict within the embassy of people who bought constructive engagement and those that didn't?

FERGIN: Not that was visible to me. We had a very strong front office.

Q: Who was the ambassador?

FERGIN: The impressive William Edmondson. The DCM (Deputy Chief of Mission) was Howard Walker.

Q: Did you have much contact with the black side of the apartheid business?

FERGIN: Yes, I did. My portfolio was black economics, which took advantage of having the extra reporting position that the RAP program offered just as constructive engagement took hold. My job was to report on health, life expectancy, income levels, education, and so forth, what were the changes, were there policies that enable the black population to advance.

Q: Well, what was the situation? Would it be mainly in Soweto or-?

FERGIN: Well, Soweto is sui generis. The black population (and colored and Asian) lived in townships and on white farms all over the country. In addition, the South African government had set up several little fake homelands. They had some fairly meaningless trappings of independence, but they really were more like ghettos.

Q: Was there pressure in the embassy to get out and make more contact with the black side, or was it more a matter of saying well, they don't have any particular influence and let's stick with the ruling class?

FERGIN: There was a determined effort to maintain contact across racial spectrum, to meet emerging black leaders.

Q: How could you get your statistics or understand what the black African population was doing economically?

FERGIN: There was actually a rather remarkable amount of information; I just had to find it. The government had its own statistical agencies; one staffer told me that constructive engagement was the reason he could share information with me. There were some pretty sharp NGOs (Non-Governmental Organizations).

Q: Well, what are some of your experiences in South Africa?

FERGIN: I got to do a great deal of traveling around the country. A memorable trip took me to one of the black homelands for a conference on black economics. There weren't a lot of us foreigners there, and while the conference may have been somewhat staged, my conversations on the margins were not.

Q: Well, how about visitors? Did you have many American visitors coming, and did you get involved as a duty officer on dealing with them?

FERGIN: We had a pretty steady stream of visitors, but not of cabinet rank. This was the first place I had ever seen a white plane with the words United States of America on the side. We had gone to pick someone up in Johannesburg and there was the plane. It spoke volumes about the power and reach of the United States.

Q: Well, how did you feel about the Foreign Service at that point?

FERGIN: Oh, I was pretty gung ho. In fact, I was gung-ho for 37 years. I was seeing the world. I was doing work that I thought was making a contribution to advancing U.S. interests and, corny as this may sound, to building a better world by promoting ties of mutual understanding and trust.

Q: And you met your husband there?

FERGIN: Yes, I met Greg on my first day at post and we got married two years later. He was a political officer, which made my assignment to the economic section most

serendipitous as that provided the springboard for changing to the econ cone. Can you imagine two political officers trying to get a tandem assignment overseas?

Q: What was the situation married-wise in those days?

FERGIN: We were past the phase when the woman had to resign when she married and past the phase when the performance of one's wife was part of the male officer's EER (Employee Evaluation Report).

I was standing on the shoulders of giants like Elinor Constable. And we were in the Africa Bureau, which was a supportive, nurturing bureau that wanted to get and keep good people. Still, tandem couples were still a fairly new phenomenon and I think the Department was truly surprised several years later when it started counting how many Foreign Service personnel were married to each other!

Q: The Africa Bureau, in many ways, gives much more experience to its junior officers than almost any other bureau because the staffing is such that they don't get experienced people at every post. Did you feel you were in a bureau you wanted to stay in?

FERGIN: Yes, I did. But once you become a tandem couple and one's pol and one's econ, the small posts are no longer an option.

Q: Yes. Well, where did you go from South Africa?

FERGIN: I joined Greg in Washington. I worked as a line officer in the Staff Secretariat and Greg served as a staff assistant in AF.

Q: Well, how did you feel about the line?

FERGIN: The line was a window into the policy world. This was my first tour in Washington and I'd never been in a bureaucracy of any sort before. It was the best learning experience of my life in terms of what could be done and how to get it done.

Q: What particular aspect did you particularly benefit from- did you find it was good for your drafting?

FERGIN: No, but it was excellent for developing high-speed editing skills. It gave me a phenomenal appreciation for the value of systems. There was a reason for formats, there was a reason for clearances, there was a reason for processes and we learned what they were, and we understood their value. Jerry Bremer was the executive secretary, and so under his direction, systems were improved, established, perfected.

Q: Did you get any feel for the different bureaus?

FERGIN: Yes, I did. Each line officer had a portfolio of bureaus, but handled them all on duty nights. Each bureau had its own interests and its own methods of operating. It was

the same with the seventh floor principals, whose offices each had its own interests and style.

Q: With that experience, did you want to stay in AF?

FERGIN: Sure, but we were also both game to go anywhere. We joined the Foreign Service to live and work overseas. We had found our staff experience invaluable, but we wanted to get back into embassy or bureau work.

Q: Well now, how long were you on the line?

FERGIN: In those days it was just a year. After that year, I took the econ course to complete my conversion from poloff (political officer) to econoff (economic officer).

Q: And then where did you go?

FERGIN: And then we went to Monrovia.

Q: Oh, boy.

FERGIN: Yes. It was in those days a big, important embassy that looked after what we considered strategic interests and assets such as Voice of America and communications relay facilities.

Q: Had the cabinet all been taken out to the beach and shot? Was that history by that time?

FERGIN: That was history. Samuel K. Doe was the leader. He led the coup that assassinated the then-President and shot most of the cabinet on the beach in 1980. We were there 1984-1986.

Q: Well now, Samuel Doe was quite a character. What was he, a corporal?

FERGIN: Master Sergeant. He was very wily, not well educated; street smart probably would be the best characterization.

Q: Well, what was your job?

FERGIN: I was the second economic officer in the economic section and looked after financial and macroeconomic issues.

Q: What's the economy of Liberia?

FERGIN: In those days, the economy was commodities -- rubber, iron ore, cocoa. Liberia also offered a flag-of-convenience ship registry that had an office in Monrovia but was

operated out of Dulles, Virginia. Citi and Chase had offices there to serve the concessions and the ship registry also had a financial institution there.

Q: During the war, Ford or somebody had planted a lot of rubber trees there, hadn't they?

FERGIN: Yes, Firestone established its rubber plantation there in the 1920s. Liberia was the free world's major source of rubber during World War II. The U.S. built a military air base there during the war -- Roberts Field became the national airport and was served by Pan Am until it went out of business.

Q: And was rubber a solid industry by the time you got there?

FERGIN: None of the industries was particularly solid. They were all suffering from a lack of investment. The rubber and cocoa plantations and the iron ore mine were foreign concessions; they were struggling politically with the new regime and not doing so well economically either.

Q: Was there much corruption?

FERGIN: Oh, yes.

Q: Yes, I've heard stories about you had to watch the cabinet ministers and have them over for a cocktail party and watch your silverware. It's probably just apocryphal story, but anyway. How did you find the Liberians?

FERGIN: Very nice to us and very awful to each other. While we there, there was a coup attempt. That's when you really saw how tribal loyalties overcame any sense of humanity.

Q: Oh. Did you feel under threat?

FERGIN: No. We found out about the coup attempt when a friend whose apartment overlooked that beach near the presidential palace called one morning and said, "do you know that there's shooting over by the presidential palace and down by that beach?" We all hunkered down in place and stayed in our houses for a couple of days. They were not after us; they were after each other.

Q: Now, at one point I heard that it was the American blacks who were the major force there, but had that changed?

FERGIN: The reason it's called Liberia and the capital is called Monrovia (after President James Monroe) is that it was repopulated by societies that brought returning slaves back to Africa, even if they had not originally been from that part of Africa. So, there was better educated, deracinated group that came to be called the Americos (Americo-Liberians). They had been dominant since the 1800s. When Samuel Doe

overthrew the government in 1980, that basically was the more indigenous people overthrowing the Americo regime.

Q: Ah. Doe was a tribal person?

FERGIN: Yes.

Q: Was the economy doing its thing?

FERGIN: The economy was in terrible shape. Growth was negligible, the balance of payments was chronically teetering on the brink of disaster; the government was broke. I spent a lot of time working on ensuring our assistance kept flowing and monitoring the electricity supply situation.

Do you remember provisions called Section 620(q) and the Brooke Amendment, which stated that we should cut off aid provided under the Foreign Assistance Acts if a country fell six months or a year in arrears on repayment of official debt to the United States?

Q: Yes.

FERGIN: We could waive this suspension for arrears that were more than six months but less than a year old, but if a country fell a year behind, that was it. Every month, I would go down to Central Bank and beg and plead for them to get the payment in time so that they wouldn't be cut off from our aid. The central bank was chronically short of foreign exchange -- the concessions paid taxes, but there was a lot of leakage. The country used the U.S. dollar as its currency so it could flow out as easily as it flowed in. Worse, when Doe introduced Liberian dollar coins (on the grounds that it was expensive to import U.S. coins plus dollar bills wore out too fast due to the velocity with which they changed hands), that led to a dollar stampede out the door. In any event, one of my proudest achievements over my two years in Monrovia was preventing invocation of the Brooke Amendment. That would have predictably depressing results in terms of addressing basic health, education, etc. needs. But an assistance cut-off would also have had unpredictable political results. Liberia was a major recipient of Economic Support Funds, which it regarded as rent payment for our facilities there. There would be no political understanding that our failure to pay the "rent" was not voluntary on our side.

Electricity was another unexpected focus. In the 1960s, Liberia built a dam and hydroelectric facility with a World Bank loan. The dam was run by dedicated engineers who knew what they were doing and were perfectly capable of running this dam and this hydroelectric facility, but there was no money for parts. Nobody wanted the lights to go out in Monrovia. So, between worrying that the lights would go out because there weren't any parts and that the water level in the dam would fall below minimum levels, I spent a lot of time looking at the dam.

Q: It wasn't just relax and sit back and report on how they were doing.

FERGIN: Oh, heavens no. Our ambassador was William Lacy Swing who was very much an ambassador on the front line.

Q: Did you feel it was on the line- it was impossible to do the right thing?

FERGIN: No, I think it would have still been possible to do the right thing. There were a lot of simmering resentments underneath the surface. Future coup leader Charles Taylor was rabblousing in the wings. There were a lot of things that could have gone and did go wrong, but they might have gotten enough right. In the end they didn't. When we were there, we only had the 1985 coup attempt that ended badly for the attempters. But after that, Charles Taylor led a rebellion in 1989, Doe was assassinated, and Liberia plunged into protracted civil war, out of which it's only now in the last five or six years recovered.

Q: Was there talk about evacuating the embassy during the 1985 coup attempt?

FERGIN: There was some consideration, but in the end, we stayed. All Liberians were firmly convinced that there was a U.S. aircraft carrier just over the horizon where nobody could see it. The basketball court on the Embassy compound was a helipad. So I suppose it was plausible that we might all fly off into the night.

After things had settled down, Greg and I flew to Dakar, Senegal, for a long weekend. Our return flight was delayed and we landed after dark. All the passengers were loaded onto a bus and driven the hour into town with American country music blaring on the bus radio -- we had a Liberian military escort on the bus and we passed through a series of check points. We passengers all hoped that the personnel manning the check points were on the same side as our escort. They were and we were eventually delivered to the once-glamorous but now completely bedraggled Ducor Hotel perched atop a hill from which we could see our house. Security being what it was, we all spent the night at the Ducor before proceeding home the next day.

Q: How was life there for you and your husband?

FERGIN: Oh, it was okay. In fact, it was great -- it was what I call the real Foreign Service. There were a couple of grocery stores that smelled bad, but had food. There was a hairdresser who gave a pretty good cut and they would wash your hair with cold water from a bucket. The shops and wholesalers were Lebanese for the most part, many branches of families who had settled earlier in East Africa.

Q: Yes. Well, could you travel much?

FERGIN: We did. We got all over the country. I went up to most of the concessions. We had something called the American Business Club, and a different American business would host it every month, so off you'd go and have lunch and talk about issues of concern. Families came to visit and we'd spend the night on a rubber plantation, marveling as tappers moved silently from tree to tree in the early morning mists or at a

guesthouse at the iron ore mine, which like so many such concessions, maintained a reasonably good lifestyle.

Well then, where did you go from there?

FERGIN: We returned to Washington.

Q: Happily, or unhappily?

FERGIN: Oh, happily. We were both in the Africa Bureau. I was a financial economist on the economic policy staff and Greg was the Mozambique desk officer.

Q: What was your area of responsibility?

FERGIN: Interface with the IMF (International Monetary Fund) and World Bank for their programs in AF countries, and helping strategies for dealing with developing country debt.

On the IMF side, our biggest contribution was ensuring that the potential recipient country's situation was properly considered as programs were developed. IMF programs should not be cookie-cutter formulas. Local factors do affect program implementation and effectiveness, so they need to be considered upfront. For the Bank, the question was how can we best apply World Bank resources to have the biggest developmental impact. The debate on program versus project lending/grants was gaining momentum -- which is better for the country, program lending that exchanges funds for policy reforms or project loans for hydroelectric dams or hospitals or teacher training.

This was the point when the developing world's balance of payments crisis beginning to peak. Issues included the balance of payments implications of development debt that had been given in good faith in the 1950s and '60s but was now a serious problem for impoverished, heavily indebted countries. The question of financial flows to Africa was tremendously important --how do you keep the aid money flowing without causing unforeseen consequences? The Paris Club (rescheduling official debt) and London Club (rescheduling private debt) were in full swing. The U.S. government -- represented by Treasury and EB (Bureau of Economic and Business Affairs) -- was very concerned about not creating moral hazard and feared that anything like debt forgiveness would do just that. The indebted countries in AF included the poorest of the poor and we in the bureau believed we needed to find a way forward for them that would have to include write-downs since they were never going to be able to repay.

Q: Did you work closely with AID?

FERGIN: Oh, yes. Along with the relevant desk officer, we were part of the program design process and I attended many a multi-hour meeting on country strategies as well as specific programs.

Q: I'd think that you'd be almost an AID officer.

FERGIN: Well, we needed to understand their objectives and constraints. The goal was a coherent U.S. Government strategy, and at the end of the day we all had to agree.

Q: Well, it sounds like a very solid technical job. I mean, to deal with a series of countries that I take it were almost all on the brink of disaster. Or not?

FERGIN: Yes and no. AF includes a huge variety of countries in very different situations and stages of development. Tanzania was looking pretty good. Ghana was coming out of a bad period. Then again, AIDS was beginning to be a threat in Central Africa.

Q: What about AIDS? I mean, it must have had a tremendous economic impact, didn't it?

FERGIN: These were early days, before treatments had been discovered. So the issue of paying for treatment had not yet arisen. One of the big concerns about AIDS how it was cutting down the leadership tiers of the countries since the elites could afford to fool around and apparently did. Where was the pipeline of the next generation of leaders and who would have had time to gain experience if the top is being prematurely cut down?

Q: Well, in retrospect, did AIDS affect the leadership that much?

FERGIN: In some Central African countries it probably was a serious problem.

Q: And then where did you go?

FERGIN: We hoped to go back overseas. But we realized we'd just about run out of room in Africa. Many posts had combined pol-econ sections. Now that we were solidly mid-level, Nairobi was about the only place left that was big enough for us and I don't think there was a tandem opportunity there at that time. So we bid on possibilities all over the world, and much to our joy we got jobs in Jakarta.

Q: Well now, Jakarta sounds, I mean, that's really a big game, isn't it, a big deal?

FERGIN: Well, back in the day- when we first started there it wasn't that easy to staff, apparently. Though it was big, it wasn't a democracy yet and it was probably under-appreciated relative to its size and regional influence.

Q: Well, what was the government like when you got there?

FERGIN: After language training at FSI, we arrived in 1989. Soeharto (Suharto) had been in power effectively since 1965, and as far as the public eye could see, everything proceeded in a methodical, measured, organized kind of way. While we were learning Indonesian, Soeharto received the UN population award because of his government's effective family planning programs. The country's investment in the developing world's first satellites brought the Indonesian language to every corner of this multi-ethnic

country. The economy routinely grew over 5 percent annually, the level required to soak up the young new labor market entrants -- Indonesia had been a founder of OPEC and was still a net exporter; both farm and plantation agriculture was expanding; light manufacturing of labor-intensive goods like garments and toys was booming. But it was a very uneven picture. It was becoming increasingly obvious that people had exchanged political rights for an economic uplift that had all boats rising. Cronyism skewed the economy and the distribution of its rewards. And you only realized how much was happening behind the curtain when there would be a raid on a terrorist camp in South Sumatra or when criminals were shot in the chest while "trying to escape." Human rights concerns relating to Timor-Leste and Irian Jaya were particularly acute.

Q: Well, this was the era where Madam Soeharto was getting her cut or-?

FERGIN: Well, her name was *Ibu* (Mrs.) Tien, but everybody called her Madam Ten Percent.

Q: Were you looking into it?

FERGIN: We were there for two tours, and corruption evolved over the years. During the first tour (1989-1993), I looked more at the role of the cronies and how much of the economy was controlled by cronies. The fairly obvious Chinese-Indonesian grip on the economy had the *pribumi* (indigenous) population feeling uncomfortable and probably even resentful. But this was before widespread cellphone and computer use; social media were years away, so there weren't many effective avenues to collect and vocalize these concerns. During our second tour (1996-2001), the Soeharto children had come of age and were receiving concessions of their own -- a monopoly on clove exports, a license to develop a national car, the permit to develop toll roads, each child has his or her own portfolio of projects and industries. So my reporting focused more on them and the economic distortions they engendered as well as the implications of their crowding out legitimate business. This was fertile reporting ground because as they grew more grasping, resentment became widespread as did the mutterings about it.

Q: Well now, how was Jakarta as a place to live?

FERGIN: I've always said it's a terrible place to visit because it's so hard to get around, but it's a great place to live. Once you know how to navigate through the gridlocked traffic, life was very pleasant. The international school was top-notch, travel was relatively easy with endless options across the thousands of islands; the culture was rich. The expatriate community was large and the opportunities to meet Indonesians were ample.

Q: Was contact with Indonesians easy?

FERGIN: Contact with Indonesians was very easy. We spoke Indonesian, which helped a lot and allowed us to interact not just with English-speaking elites, but with people everywhere. We even got see what it was like to live inside the system. Adopting our two

children entailed contact with every layer of government, from the most local community leader (who lived across the street!) to the police for our clearances to the courts.

Indonesia was and is a sophisticated country rising toward the upper end of the development spectrum. It is not problem-free, but it has big institutions, big businesses, think tanks, civil society. For me, one of the hallmarks of Indonesia is the speed of change. In our time there, everything was changing very, very fast. But the country had enough cohesion to cope with a rapidity of political/economic/social change that has torn other societies apart.

Q: So, what were the principal exports of the country?

FERGIN: Initially oil and gas, but it's a net energy importer now. Copper and gold. Let's see; Indonesia exports just about any tropical agricultural commodity you could think of - palm oil, rubber, spices. Not rice. Indonesia has long had the goal of rice self-sufficiency, but markets indicate it is more efficient for Indonesia to import some share of total rice consumption. By the time we got there in 1989, Indonesia was hosting labor-intensive assembly operations for export - footwear, garments, toys.

Q: Were there any problems with pirates in that time?

FERGIN: Yes. Indonesia forms one side of the Strait of Malacca through which a huge percentage of global trade transits. Pirates operated there, but there were also problems with pirates throughout the archipelago.

Q: Was Timor a problem or of interest to our embassy at that point?

FERGIN: It very much was of interest to our embassy. It and Irian Jaya were constant irritants in Indonesia's relationships with many countries and, of course, in any human rights forum you could think of. We traveled frequently to both provinces -- they were both provinces in the day -- and spent a lot of time maintaining contact with what the Indonesians would have called dissidents and we might have called leadership of the resistance movement. Aceh was the third area of particular concern. All three areas were DOM -- military operational areas -- and outside visitors required special permission to visit them.

Q: Did you get to East Timor?

FERGIN: Yes, I did. I was invited to accompany Ambassador John Monjo on a visit to East Timor, which today, of course, is Timor-Leste. So, in January 1990, well before Timor-Leste's independence, the Ambassador, Defense attaché Colonel Jay Mussels, political officer Julien LeBourgeois, and I got in the DAO (Defense Attaché Office) plane and flew down to Dili. I'd never been there, of course, and it's way out in eastern Indonesia. As we drove in from the airport, I remember noticing as we drove along Beach Road, where there are palm trees situated at scenic intervals, that there were one or two young men under every palm tree. And I thought, wow, the unemployment rate must be

serious here. Well, we got to the hotel, the famous Turismo Hotel; we registered and headed for our rooms up some kind of external staircase. So, as we all went upstairs we were followed by a rush of the young men who had been signaling to each other from under those palm trees that the American ambassador was on his way. A large group of students rushed up the stairs, threw themselves on their knees, and wrapped their arms around the ambassador's legs. At this point, we had no idea if they were friendly or hostile -- Colonel Mussells threw himself bodily in front of the ambassador. The students begged for U.S. support for Timorese independence. Needless to say, the security forces took a very dim view of this and hauled the kids away and beat a couple of them up so badly they had to be put in hospital where they ambassador subsequently visited them. But that was a real statement of the regard with which the United States was held, and the very firm belief that the United States would support the side of right, which in their view was their independence.

Later in the visit, Julien and I were coming back separately from some meeting and stopped by the house of Bishop Belo, who became subsequently one of the co-Nobel Peace Prize winners with José Ramos-Horta. We had a lovely chat with Bishop Belo, never thinking that the ambassador and everybody else thought that something horrible had happened do us. So, we waltzed back to the hotel and found ourselves in disgrace for not having let anybody know where we were. On another day, we flew up-country and visited an orphanage run by Catholic sisters. There they were in snowy white habits with a large number of two-year olds running around. Many of those children were not orphans, but children of Fretilin resistance fighters who left them at the orphanage for safety while they took to the hills. So, that was my first memories of my first visit to Timor-Leste. That visit came almost two years before the massacre at the Santa Cruz cemetery which really alerted the world to the situation in East Timor. And of course, when I became the ambassador there a couple of decades later, all those memories rushed back.

Q: Well Irian Jaya, that's what, the northern half of New Guinea?

FERGIN: It's the western half, yes.

Q: Western half.

FERGIN: Of Papua New Guinea. They now call it West Papua.

Q: What was going on there? I mean, you know, Papua New Guinea sounded like the Wild West.

FERGIN: Irian Jaya had been a Dutch colony and it had become part of Indonesia through an UN-conducted/overseen referendum that remains contentious to this day as to the legitimacy of the outcome and the process. So, it was in a different boat from Timor-Leste, which had been a Portuguese colony that Indonesia invaded and annexed after the Portuguese left during the Carnation Revolution of 1975.

Q: Was there much going on in Irian Jaya?

FERGIN: Yes, there was. Irian Jaya is resource rich. It has oil and gas; the Freeport Mine is out there, which is the world's largest copper and gold mine. And there was a huge swath of virgin territory that pulp and paper companies were interested in.

Q: Did you go there very much?

FERGIN: I got there a couple of times. The political section got there more often, and the consular section got there periodically because there was a considerable American population out there split between the people at the Freeport Mine and missionaries.

Scott Paper was negotiating to establish a plantation there and invested a huge amount of time and effort in consulting with the local populations and ensuring that they avoided culturally important or sensitive areas. But when consumers in the United States threatened to boycott Scott products, the company withdrew. It was Pyrrhic victory -- even as environmental NGOs were popping the corks, the Indonesians replaced Scott with a company that did not have the same environmental conscience.

Q: One hears about how many languages are spoken on that large island.

FERGIN: Yes, it's something like 250.

Q: Oh, god. Well, I'm just wondering did you get many high-level visits in your particular area, the economic area.

FERGIN: I have to divide this between the first tour and the second tour. So, during my first tour, we saw a lot of visiting businesspeople. The business opportunities in Indonesia were enormous, and if you could have a handshake with Soeharto your business would likely go well.

Q: Ah ha.

FERGIN: Because then you were protected. If you just came in and bumbled around on your own, you probably weren't going to do so well. You did have to know how to operate there, and you did have to make sure you meet all the right people.

The second tour, of course, was during the Asian financial crisis, Indonesia was exceedingly high profile and we had nothing but high-level visitors one after another.

Q: Well, let's stick to the first period you were there. What would you tell businesspeople who came? I mean, did they have to get a sponsor? In other words, somebody to whom they were going to be giving a percentage of what they were doing?

FERGIN: In just about every sector, investors had to be part of a joint venture with local businesspeople, so the advice was to pick your partner with care. The legal system was not there to enforce your contract.

Q: Would you sort of have a list to let the- I mean, did you get people coming in and talking to you, or was there a commercial section that-?

FERGIN: We had a very big, very active commercial section as well.

Q: So, you wouldn't have been caught in this, trying to direct businesspeople?

FERGIN: No. I always thought it was a bad idea to give people specific names of people, to say this is a good partner or this is a bad partner, because you cannot predict chemistry and you could rarely be 100 percent sure that the investors were on the same page. My job was to provide the general background briefing on the kind of environment in which they were hoping to operate, and the things that they needed to take into consideration. But I wasn't matchmaking.

Q: Yes. Under Soeharto, was it essentially a police state?

FERGIN: Yes. I would say basically it was, or perhaps it would be better to say that that military, not police, had a key role in preserving national unity. There were many layers of government, from the neighborhood and village level through provinces and finally the central government. The governors of the provinces and the heads of the regencies and the *bupatis* (mayors) in the villages were often former military personnel and utterly loyal to the system.

Q: How about Sumatra? There was sort of a low boiling rebellion going on, I guess has been going on for a long time.

FERGIN: Aceh, that's the westernmost point in Indonesia, and Aceh has long considered itself a special or even separate entity. It's been much more devout in an Arabic kind of way than, let's say, Java, which has long practiced a syncretic form of Islam. There was a simmering rebellion there for years. What finally brought the Acehnese insurgency to an end was the tsunami of Boxing Day 2004. Nowadays, Aceh has special status, particularly in regard to religious law and practice.

Q: Yes. We put quite a bit of help there, didn't we?

FERGIN: Singapore and Australia were the first countries in after the tsunami, but we were very close behind. We brought the USS Abraham Lincoln aircraft carrier in, which formed a staging area for relief efforts. For the first time, the U.S. Navy was allowed to carry civilian aid providers, and we sent the USNS Mercy hospital ship staffed with 200 volunteer civilian medical personnel.

Q: Well then, where did you go next?

FERGIN: I went off to the Industrial College of the Armed Forces (ICAF) and Greg went off to Russian. And after that year we went to Moscow.

Q: How did you find that time at the National Defense University?

FERGIN: Absolutely invaluable. I had done a lot of work with defense attachés, offices of defense cooperation, USAID, and other agencies as part of doing my job, but this was a real chance to dive deep into the hows and whys of other key foreign affairs agencies. The purpose was to help the students understand each other better and so that we can communicate better and come up with better policies at the end of the day. That year at ICAF certainly did that for me.

Q: I would think particularly in your line of work ICAF would be well suited to put you in touch with sort of the people who deal with nuts and bolts of our military policy.

FERGIN: Well, certainly that. But our military colleagues were a good mix of tooth and tail, so it wasn't all about logistics. Some of them became policy-making leaders; others went on to larger commands. But even more important was understanding the doctrines of the military, understanding their strategic imperatives, understanding their force structures. It was also enlightening that they thought it was a great idea to have a very strong State Department so that they would not have to put our military people in harm's way.

Q: Did you find yourself acting as sort of a- both when you were learning but you were also a teacher about- I mean, I've talked to people who have served at the various armed forces colleges say that the military is interested in talking to the State Department people to find out their point of view on various matters and all.

FERGIN: Oh, yes, it was very much a two-way street. For the second semester, we were assigned to seminars that focused on a particular industry. There were the predictable ones like heavy industry, but I was in the agro-industry seminar because the military foresaw the food security would be a growing concern from a national interest as well as human welfare perspective.

Q: Did you find yourself as a proponent of the State Department?

FERGIN: Oh, yes. We were divided into groups of 16. On the first day, we introduced ourselves to our seminar-mates. Everybody gave two or three sentences about him or herself. All the military people said things like, I commanded an Air Force wing or I was the captain of an aircraft carrier with 5,000 people aboard. And then when we got to me, I had been the deputy economic chief at the economic section in Jakarta, and I commanded half of an OMS. They just kind of looked at me. And what did you command? Well, let me tell you about clearing reporting through the interagency.

Q: For your next assignment, it was Moscow, wasn't it?

FERGIN: Yes.

Q: And had you asked for Russia?

FERGIN: Yes, we had, and it was a tandem assignment and we were delighted.

Q: Oh, yes. Well, how did you find language training?

FERGIN: Well, my first year in Russia was my language year. I was an experimental student, and so I went to the Moscow Linguistics University in Moscow. For some reason, although I hadn't had problems with French, German, Afrikaans, or Indonesian, Russian just didn't stick. I had fantastic Russian teachers in one-on-one sessions for almost a year. I was probably a 3/3 when I finished the course, but that was fleeting!

Q: What was your job in Moscow?

FERGIN: The economic section was divided into three units plus a Treasury office. I was the unit chief for trade and investment. My unit's main priorities were trying to support Russia's WTO (World Trade Organization) accession, and to open up markets and encourage investment.

Q: Well, something that's always struck me, Russia has always loomed terribly large in policy and all that, but economically there doesn't seem to be very much there.

FERGIN: Well, there was a lot of work that we thought was worth doing. This was not so long after the fall of the USSR. The United States had a very large USAID mission there, with a focus on helping the economy transition from command to market, an active Commercial section, an OPIC (Overseas Private Investment Corporation) office, a sizable agricultural attaché unit, and a small network of American business centers around the country.

To keep all the agencies on the same page, Ambassador Thomas Pickering established a unit with the mission of ensuring that our assistance of all sorts was coordinated. Future AFSA (American Foreign Service Association) president Susan Johnson oversaw that unit.

Q: Well, did you- were we sort of actively seeking for areas where the Russians could use their economic facilities to produce things that other people wanted?

FERGIN: Yes. One unit in the section was dedicated to economic reform, so they championed the introduction of policy changes that would create a favorable business environment, help firms convert from making tractors that nobody wanted to making widgets that everybody wanted. And it was going to be a very slow process.

Q: How did you find your Russian counterparts? Were they eager to get going and doing this or were they pretty unhappy?

FERGIN: I think they were pretty much feeling their way and I wouldn't say that we had the kind of interaction that you have with a more friendly government, the way you do when you have more established patterns of communication. We would go and see the government and talk to government and all that, but I would never have said that any of them would have turned into potential friends, or that they would ever call first.

Q: So, it really wasn't an open relationship.

FERGIN: No, I don't think so, not compared to other places we had served.

Q: Did you find yourself concentrating in any particular area?

FERGIN: Mostly on WTO accession. One of the best things we did was to embed a WTO expert in one of the ministries to provide the policy advice that they would need to align their policies with WTO requirements. His purpose was to identify where changes needed to be made so that they could be in conformity with WTO rules.

Q: Was it difficult for the Russian industry to move in this direction?

FERGIN: Two things. First, the former state-owned enterprises had been run by people who knew how to run an organization. It surely would have been hard for them to accept advice from outsiders and I also expect they could run circles around foreigners employed to tell them how to change. Second, out there in the real economy, people were just trying to make things work. This was not necessarily in sync with what was going on at the policy level.

Q: I keep coming back to this theme, but when I think about- as a consumer, I can't think of a single thing that I would be interested in that has a Russian label outside of these little interlocking dolls.

FERGIN: Right. But that doesn't mean that they wouldn't had had the capacity to make things that people wanted. You know, Russians need refrigerators just like everybody else. They want cars, video discs, everything everybody else wants. What they didn't have was a well-developed consumer industry, and while they certainly had a heavy industrial sector, it was not equipped to make the machinery to produce dish washers, chocolate bars, and telephones.

Q: Well then, did you see much progress in the year you were working on this?

FERGIN: Very slowly. The very large, reasonably well-developed Russian economy was like an aircraft carrier steaming in a given direction; it was going to take a long time for the arc of travel to change even ever so slightly.

Q: Well, while you were in Russia, did you have any problems with the security services?

FERGIN: Personally no, we didn't, not in terms of harassment. Street crime was a problem so sometimes you wished you had more of a security service. People would be mugged on a main drag on their way back to the office from lunch. There was a famous incident when a truck drove along the street outside the embassy where many staff parked their cars and just picked those cars up with a little crane, put them on the truck bed, and drove them away, never to be seen again.

The Embassy compound had been built under President Jimmy Carter at a time in the relationship when we allowed Soviet workmen do the construction. The Embassy itself was a giant transmitting tower, while the residences were assumed to be bugged. So, we took extra care not to have any conversation that could be misconstrued or had tinges of classification to them when we were in or near the compound.

And our offices were in the old Embassy building, almost contiguous to the compound. We were crammed in there like sardines. We had to read or draft anything classified in secure rooms. Our few FSNs were housed in a separate building -- cleared American citizens provided all the upkeep and maintenance. One day, somebody I always assumed was a disgruntled Chechen activist shot a rocket-propelled grenade at the old embassy. It landed a couple floors below my office. Fortunately, nobody was hurt, but it took out the only Xerox machine in the country that could collate.

Q: Well then, after a year of doing this you say you switched. Why did you switch and what were you up to?

FERGIN: After we'd been in Moscow for a little over a year, we found out that a job that Greg really wanted in Jakarta was going to open up a year early because the incumbent had curtailed. Our ambition was to get back to Southeast Asia, so he bid on that job and I bid on the economic counselor job two years out, which worked because we already had the language. HR agreed to break our assignment in Russia and we were assigned to Jakarta. So, after the year in Washington and two years in Moscow, we moved back to Jakarta.

Q: How about social life in this particular atmosphere? Were the Russians opening up?

FERGIN: Since we lived on compound, it was hard to socialize with Russians. I had a party and had our Russian teachers over, for example, but it was quite a bit of work to get them through security, and I don't think that they found it particularly enjoyable to have to come through security to go to somebody's house for a party. And plus, we had two very small children, so we spent a lot of time with the two-year-old set.

Q: Okay. Well then, you were in Jakarta from when to when?

FERGIN: The second time we were there from 1996 to 2001.

Q: What was the situation when you arrive in '96 in Indonesia?

FERGIN: Well, Stapleton Roy was our ambassador. In our very first introductory meeting he said to me that he didn't want to get only the good news. If I saw that there were any problems in this economy, I was to let him be the first to know. Which was prescient since we were literally on the verge of the Asian financial crisis.

Q: Well, let's talk about it; what was the Asian economic crisis and how did it affect things in Indonesia?

FERGIN: Well you know that was the one that started in Thailand in July 1997 and all of a sudden everything unraveled across Asia, Latin America, and Russia.

By way of background, Indonesia had a well-earned reputation for sound macro-economic management. The economic ministries and the central bank were headed by technocrats, originally called the Berkeley mafia, who carefully nurtured future talent. Most were U.S.-educated. There were limits to the technocrats' influence -- they could not counter creeping trade and industrial protectionism, for example, when it benefited favorites. But they had fully developed packages of reform measures waiting for the right moment. With the economy depending on a minimum of 5 percent growth to absorb the youth bulge that was entering the labor market, Soeharto from time to time would authorize issuance of a reform package.

Back to the financial crisis. As Asian countries' exchange rates came under pressure Indonesia's did too. The technocrats at first widened the rupiah trading band, and then let the rupiah float when the exchange rate blew through the top of the band.

Indonesia had its own separate set of factors that made things even worse. The Soeharto children were now adults and they were receiving economic concessions that generated a great deal of resentment around the country. The cronies were competing with the children, but together they had a stranglehold on the economy.

President Soeharto called on the IMF early, to his credit, but then didn't do very much of what it had recommended. Early warning to politically favored parties saw a stampede for the exits as people converted their assets into dollars before the exchange rate went under. Foreign exchange dried up and the exchange rate collapsed.

The ruble had collapsed when we were in Russia -- the two experiences proved to me that currencies have no known value without confidence. In Indonesia, confidence in Soeharto's ability to continue to lead the country was dwindling by the day. People had been willing to accept his autocratic rule when their and their children's futures looked bright. But maybe that wasn't going to be the case anymore. Compounding the "modern" economy's travails and political tensions was the fact that Indonesia was in the grip of the worst drought in decades. As the factories closed in Jakarta and the workers went back to the countryside, the safety net that farming had always represented wasn't there anymore. A whole generation of young people had not known anything but Soeharto and rising

tides for their entire life, and they were suddenly confronting the fact that life wasn't going to continue to get better, that their aspirations, which were perfectly reasonable, were not going to be met. There was an enormous amount of unhappiness and distrust and hardship.

Q: In a country as diverse as Indonesia, was it hitting a particular area, like Sumatra or some other place hard, or was it pretty well spread, the problem pretty spread throughout the country?

FERGIN: Well, the drought was everywhere. As people continued to burn the jungle to clear land for plantations, forest fires became an enormous problem, especially on Sumatra. We sent Air National Guard planes to help extinguish fires, but to this day, illegal burning continues to produce out-of-control fires and pollution across Southeast Asia. As an aside, by mid-1998, the skies over Jakarta were clearer than we had ever seen them -- industry, a main source of pollution, had shut down and the smoke from the fires on Sumatra was blown northward toward mainland Southeast Asia rather than east of Java. Those blue skies were quite a vivid symbol of the economy's despair.

To get back to the question. Over half of Indonesia's population lives on Java, which is one of the most densely settled places in the world. So much of the misery was on Java. Java is the manufacturing center of Indonesia, and so when manufacturing collapsed and farming collapsed there, it had ripple effects out in the periphery. The exchange rate, scarcity of foreign exchange, and budget constraints affected all the regions, but perhaps with lower levels of intensity. As time went on, particularly after Soeharto resigned, the provision of government services declined. One sad result was the return of malaria to Java where it had all but been extinguished through a strict program of mosquito control.

Q: Did we, the United States, do anything about this?

FERGIN: Yes. We figured pretty largely in the constellation of foreign countries that supported Indonesia's economic development. Our sizable aid program continued. We offered special assistance such as the Air Force National Guard planes to help put out the fires.

We played a leading role in the development of the IMF/World Bank programs to bring relief and reform to Indonesia. We were engaged at a remarkable level of detail, down to which banks to close and what tariffs to reform. The aim was to stabilize the finances and undo some of the harmful constraints on the economy, eliminate opportunities for corruption, and basically give the economy a sounder basis on which to move forward.

Q: What was happening as- as reflected in Indonesia say in Japan or China and all; were they contributing to the problem or-?

FERGIN: All of Southeast Asia was in trouble and everybody else's economies in Asia also wobbled. Korea suffered with Thailand, the Philippines, and Indonesia. Malaysia and especially Singapore were only somewhat affected. China came out relatively

unscathed. Japan was in the same class as we were -- a major source of financing and investment with the added angle that the affected countries were important trading partners. So the decline of those export markets hurt Japan, but the economy pulled through.

Q: Were the Philippines connected to Indonesia economically?

FERGIN: The countries of Southeast Asia more and more trade with each other, but back in 1998 their major trading partners were the United States and Europe, rather than other Asians.

Q: Well what about, you used the term cronies. I take it these are the equivalent of the Soviet oligarchs or somebody who were up close to the Soehartos and getting their percentage off trade and all. How were they being handled?

FERGIN: One of the precipitating factors of the seriousness of the crisis in Indonesia was people who had connections knew what IMF programmatic ideas that Soeharto was going to agree to before they were announced. For example, the IMF wanted Indonesia to close a bunch of banks that were underwater, insolvent, never should have been opened in the first place, just dragging the economy down. So the list gets out and what you have is a run for the exits. People did anything they could to get their money out into some more secure currency. The people who got the word ahead of time were, of course, the cronies, and they basically cleaned out their own operations and parked all their money overseas, many of them. As I recall, the value of the rupiah dropped by something like 50 percent in a single scary afternoon.

Q: Oh, boy.

FERGIN: Yes. Then you know you've got a problem.

Q: How were your relations with the various elements within the Indonesian economy, the bankers, the businesspeople and all?

FERGIN: By any embassy standards we were extremely well-connected. I was grateful that I'd had a tour there before and that I knew many of the officials who were now moving up into positions of real authority from my previous tour. I spent my first 10 months in Indonesia on leave without pay because I didn't need to take language training, and then within days of starting as economic counselor the Asian financial crisis hit. And I was able to call up people I knew in the ministry of finance and they took my call because they recognized my name.

Q: Do you feel that the government, the Indonesian government was able to respond in a useful manner to the crisis as it developed?

FERGIN: Yes and no. Soeharto had done brilliantly grooming people to have the experience and the breadth to be able to run the economic ministries. It was a point of

pride for Indonesia that they people in charge of ministries were the technocrats. So, there were a lot of people who knew what was going on, who knew what had to be done, who had policy prescriptions, who had policy reform packages sitting on bookshelves behind them so that when the political tide was right, they could pull them off the shelf. But basically, with Soeharto calling all the shots, they couldn't -- in this period of crisis -- they couldn't prevail.

Q: Did we feel- were we looking more sternly towards the rule of Soeharto at this point or not?

FERGIN: I would say yes. Indonesia was of tremendous concern to the United States Government. Instability in Indonesia is the last thing anybody wanted to see. There was a tremendous concern that the country would just break apart and be Balkanized. The human rights situation became ever more salient.

Q: Was Madam Soeharto still getting her cut?

FERGIN: She had died in 1996 and many point to that as the turning point, when Soeharto could no longer say no to his children.

Q: Did you have a lot of visitors from the States?

FERGIN: Oh, we sure did.

Q: What were they after?

FERGIN: There was a lot of interest in trying to find out what was going on, and there was also a huge amount of interest in pursuing a very senior policy dialogue. The entire international hierarchy of Treasury visited regularly, from Secretary of Treasury Larry Summers to assistant secretary Tim Geithner to the deputy assistant secretary Daniel Zelikow. And we had a Treasury attaché who helped keep Treasury plugged into what was going on. And it wasn't just U.S. officials whose visits mattered -- we were always in the room when people like IMF Managing Director Michel Camdessus or Deputy MD Stanley Fischer came to town. Paul Volker visited in connection with his new Financial Services Volunteer Corps.

During one of the Treasury visits, the government organized a very important meeting of economic ministers. By this time, Ginandjar Kartasasmita -- not a technocrat, but a brilliant political operator trusted by Soeharto -- was the coordinating economic minister and he hosted the meeting. One of the oddest things about this meeting with the presence of Anthony Salim, the son of billionaire Sudono Salim, the original Soeharto crony. Anthony brought in the coffee for everyone, but did not sit in on the meeting. This was a most unusual wait staff.

Senior representatives of Exim Bank and OPIC would visit regularly --both had major engagements in Indonesia and many projects foundered or were canceled after the onset

of the financial crisis. Of particular concern were energy projects that had been suspended with no clear pathway to honoring the contracts or ensuring an orderly cancellation.

In March 1998, President Clinton asked former Vice President Walter Mondale to come and see Soeharto. President Clinton decided to send someone of that stature to signal the importance the United States attached to whatever the message was going to be, largely thought to be the need to adhere to the IMF program. So, a very small group of us went over to Cendana, which is what everybody called Soeharto's personal residence. President Soeharto and Vice President Mondale disappeared into the president's study while I sat outside -- surely the ambassador was there too -- along with an array of very nervous Indonesian cabinet officials. What really struck me was the utter nervousness of those senior cabinet officials who I assume thought Vice President was there to tell Soeharto it was time to go -- it was clear they really didn't know how Soeharto would respond if that was the message.

So, yes, we were pretty busy.

Q: Could you recount what brought about Soeharto's stepping down?

FERGIN: From the outset of the financial crisis, Soeharto insisted in behaving as if everything was normal. So, in November 1997 he did his annual budget speech to parliament, which absolutely ignored the reality of what the exchange rate was, where interest rates were going, where foreign exchange earnings were going, all of that, and just basically it was the same old thing that he'd done year after year after year. This really rattled everybody including the international community. In January of 1998, when IMF Managing Director Camdessus was there to witness the signing of the IMF program by Soeharto himself, the scene was caught in a famous picture with Camdessus standing behind Soeharto with his arms folded across his chest. It enraged Soeharto and made it look as if the IMF was dictating to him, which didn't play well. Actually, that wouldn't have played well anywhere

In the meantime, the international community was pressing the government to reduce fuel and other subsidies that were eating up the budget. The Indonesians resisted -- there was a national feeling that, as an oil exporter, Indonesia should provide cheap fuel to its citizens. And then, in May of 1998, the government reduced the fuel subsidy. Protests began in Medan in northern Sumatra -- it felt as if they were like a snowball, rolling down toward Jakarta, gaining momentum and size. In the middle of all this, Soeharto decided he'd go off to Cairo for a relatively non-essential meeting of the G-15. Student protests had spread to Jakarta at this point -- there were lots of plumes of black smoke as tires were burned. This was the early days of cellphones, so the students were able to communicate and organize. With some 10,000 students protesting at Trisakti University, the authorities opened fire and killed four students. Soeharto cut his visit short, but by the time he got home events were pretty much out of control. The Chinese Indonesian population was particularly targeted -- murder, rape, arson, and pillage, largely thought to be at the instigation of the military. On May 15, Ambassador Roy ordered the evacuation

of non-essential personnel and, working with the Department, orchestrated the evacuation of hundreds of American citizens who wanted to leave. Three days later, after Ginandjar led the ministers in declining to serve any longer, Soeharto stepped down and Vice President B. J. Habibie took over, as the Constitution provided.

Q: Where did he go?

FERGIN: Oh, he just went back to his house. In Indonesia, people may be removed from power, but they are not overtly humiliated or disgraced. So, he stepped down and went into a quiet retirement. In the meantime, it looked like two rival factions in the army were going to go after each in the streets and that a power struggle for the presidency might break out.

Q: Tell me about the evacuation.

FERGIN: Jakarta is laid out in such a way that main drags allow the city to be divided into security quadrants, so you can very easily cut off any part of town that has any problems. Well, on May 14, 1998, our children were in school on one side of one of the main drags, and we were at the office on the other side -- our home was on the other side too. So, the worst night of my entire Foreign Service career was having our two children, who were then eight and six, not able to get home that night. Fortunately, they spent the night with tandem couple, Patricia Haslach and David Herbert whose house was close to the school, and then David brought them back down to our house the next morning. In the meantime, the ambassador had decided that it was time to call for an evacuation of American citizens because it was pretty clear the security forces were no longer able to carry out the normal role of protecting the lives and safety of visitors and citizens. So, we spent the night packing for the children to take off to the United States. Almost by a coin flip, I stayed and Greg departed with the children.

During the evacuation my job was to be in charge of the residence. The ambassador was out at the airport, we had armed military escorts for our buses from his residence out to the military airport where our charter flights came in and took away hundreds of American citizens. For two nights, we gathered hundreds of American and Canadian citizens in the residence, where the staff made mountains of sandwiches and gallons of coffee to sustain everybody while they waited for the frightening ride to the airport. And when we got everybody out, life seemed very quiet, indeed.

Q: Well, what could you do by staying on?

FERGIN: Well, my job was to keep my finger on the pulse of the economy, because here we are with no idea what the military would do or how the people would respond to Soeharto's resignation. The drought was still in full force, everyone worried about not having enough rice in the city to feed people and especially not enough rice at affordable prices. It took all day, every day to keep your finger on the pulse of the economy, and especially the urban economy.

I remember sitting on the floor in front of the econ section TV along with all our FSNs and the Commerce FSNs when Soeharto announced his decision to step down. As far as I know, the official record of exactly what he said would still be the cable I wrote containing my translation of his short speech.

Q: Well, was the inflation all over the- I mean, was it one of these things where huge discrepancies between what the rupiah could get one time and the next day?

FERGIN: By that time, no. The rupiah had more or less stabilized. Things were more expensive, but this was not Venezuela.

Q: What happened next?

FERGIN: As we discussed earlier, on May 21 President Soeharto finally decided to step down, and much to everybody's relief the constitutional procedures were followed and his vice president, B. J. Habibie, became the president. It must have been the next morning the ambassador went to call on President Habibie, and he took me along to be the note taker, except for some reason I had to go in a separate car. So, I got to the palace on my own and the reception must have thought I was one of those pesky journalists and put me in a room by myself. In the meantime, the ambassador wanted a verbatim note taker for the message he was going to be delivering to President Habibie about the importance of democracy and pulling the country through this crisis and so forth. So, finally he got the message across that there must be somebody kicking their heels downstairs, and so I was able to come up and be the note taker for what I think must have been one of the most historic meetings I'd ever sat in. It was pretty exciting.

Q: In the U.S. estimation, how did Habibie take it?

FERGIN: Oh, I think the whole meeting was very cordial and I think this was the message that needed to be delivered and he needed to say he had received. And so, I think it probably gave him some fortitude and possibly also some talking points for the importance of the outside world attached to their doing things right in Indonesia.

Q: Then what?

FERGIN: After a couple of months, the situation was settled enough for the evacuation order to be lifted and everybody came back, and kids went back to school and life resumed more or less as normal. But there was really quite a lot of unsteadiness for quite a long time. In November of 1998 we had a very senior visitor from the Department of Commerce for whom the ambassador held a dinner party to which he invited very senior business and economic figures, and everybody accepted. This was unusual, and I wondered if they all wanted to talk to each other where nobody else could hear. The night of the dinner party came, but things were heating up with student demonstrations at the parliament building. So just one guest showed up, and we had this vast dinner table with three of us at it.

A final very graphic memory was sometime in 1999 there was a lot of student unrest because Soeharto wasn't being charged with anything. But critics, especially university students, had found their voices and they thought that he should be charged with corruption, that his kids should be charged with corruption, and that the government ought to get on with this. There were a lot of students' protests. We came home from the office one day and pulled in the driveway and looked up on top of our garage, which was flat-roofed, to see a group of students -- they were silhouetted against the sky on top of our garage. They had been trying to get to Cendana to protest and in fleeing the authorities had rushed through people's property and over their barbed wire fences. So we had a bunch of bleeding students, but only from barbed wire, not from being shot or anything, on our roof. So, for the first and only time in our careers we repaired to our safe room upstairs, which had all the locks and bars and doors you'd expect. We got the children in there, and then sat there wondering what next. Our steward, who may have only been in his 60s, but appeared to be in his 90s, who downstairs bandaging the cuts on the students' legs and giving them drinks of water. If he could be out there doing that, what were we doing upstairs in the safe room? We emerged eventually just as the kids were leaving. Our steward talked them into just walking out the driveway instead of trying to get over the roof and down to the backyard and over the barbed wire to the next backyard -- dramatic, but not necessary.

Q: If nothing else you were certainly aware of the temperature of the political situation out in the streets.

FERGIN: Oh, yes. Well, we only lived about three blocks from Cendana, so that helped us keep an eye on things.

Q: What about was there any development that you could see because of economic problems on separatist movements in Timor or Aceh or-?

FERGIN: Well, Timor's situation did change quite abruptly. After Soeharto had stepped down, Vice President Habibie had taken over as president, but things still were not very settled. Australian Prime Minister John Howard wrote to President Habibie in December 1998, suggesting that maybe the President might want to remove this thorn from his side. Habibie said okay, we'll hold a referendum and ask the Timorese what they want. It was inconceivable to the Indonesians that anybody would ever want to leave the nation. The referendum was worded in such a way that you had to be brilliant to fathom that if you wanted independence you had to vote no. Despite that, the overwhelming majority of Timorese voted in favor of independence. That launched a hasty evacuation of all the Indonesians from Timor and ignited the destruction of most infrastructure and the slaughter of Timorese by the departing Indonesian armed forces.

We sent my deputy, Brian McFeeters (now Principal Deputy Assistant Secretary in EBB), to Dili to observe the referendum and its aftermath. He reported that the central bank office was nowhere near as confident at Jakarta and had packed all their files up. In the event, Brian was able to depart before Timor descended into utter chaos. Only one foreigner whom we knew, Dutch journalist Sander Thoenes, a Financial Times

correspondent, was murdered in the aftermath. The depth of Indonesian shock at the Timorese outcome reverberated for several weeks to come. As the Australian Defense Force led the UN effort to restore order in Timor-Leste, hoodlums would stop cars coming out of nice neighborhood in Jakarta to see if the occupants were Australian. Though we never heard that anybody was actually roughed up, it was unnerving.

Q: Yes, my impression is that when you have a referendum it gives everybody who's disgruntled the chance to vote, as we saw with Britain and the European Union; it allows people to sort of vent their displeasure.

FERGIN: Oh, no, but this was a huge voter turnout. There was no question that the vast majority of Timorese were in favor of independence. The Indonesians had occupied Timor for 27 years. On the plus side of the ledger, they'd done things that the Portuguese had never done; they had built primary schools and health clinics throughout the country, for example. When they left, they destroyed all that and they took all the teachers and the doctors and the nurses away, and killed hundreds of Timorese.

Q: Was this sort of normal? You would think that, I mean, I would think that the Indonesians would be a little more laissez-faire about something like that and not take it personally, but they did.

FERGIN: They took it personally.

Q: Yes. Did that come as a surprise?

FERGIN: No. One of the foundations of the regime was the unitary nature of the nation -- it would never give up an inch of soil. The military prided itself as being the only true national organization and, as such, the backbone that held this whole enterprise together. Sadly, and in contradiction to the national philosophy of religious tolerance, another thing that was going on during this period was recruitment by some greener (i.e., hardline Islamist) factions of the military of young Muslim men from these farms in Java who had lost their economic futures in the wake of the financial crisis. They were dispatched to the eastern islands, which were predominantly Christian and slaughtered Christians, which started a period of mutual murder.

Irian Jaya and Aceh continued their freedom struggles. Then, over the course of the next several years, there were some key reforms. The military was drawn back from political life so that the people who were now running the regencies and other local governments were not necessarily former military with utter allegiance to a single person at the center. And also, a few years after Soeharto stepped down, Indonesia passed a deregulation package that they called the Big Bang -- the largest degree of decentralization all at once that any government has ever undertaken ever anywhere. It devolved considerable power to the provinces and also opened the door to a proliferation of the number of provinces. The number of elected offices is astonishing -- this year, there were more than two million poll workers to manage elections for some 20,000 posts. As we discussed earlier,

the Aceh situation reached a resolution. Papua remains complicated, with the former province now sub-divided and periodic unrest persisting.

Q: Well, in Irian Jaya, was there a movement to join up with Papua New Guinea or-?

FERGIN: Oh no. The resistance seeks to be their own country.

Q: When everybody came back had there been any particular change or were we just seeing it as-

FERGIN: The big thing was the transition from Soeharto to Habibie without bloodshed. And so, it became clear that the country was not going to go completely off the rails even though they had lost the leader who'd been there since 1965.

Q: Well, what was your reading and maybe that of the embassy of Habibie?

FERGIN: Habibie is sort of a quirky genius, and he swiftly enacted a suite of reforms -- if he hadn't done them, I think, right off the bat, they never would have happened. He introduced reforms on labor, freedom of speech, civil rights, and so forth. As an engineer who had spent decades in Germany and come home to launch the national airplane program, he wasn't an insider and he wasn't particularly politically effective. He was never, probably, going to be elected for his own term. So he lasted only until elections in October 1999. But he did some pretty courageous things.

Q: Well, in your, you might say the second half of your tour in Indonesia, were you seeing things returning to a state of normality or-?

FERGIN: Yes, they stabilized. I think by the time we left we were on our fourth president. Elections were quite exciting, with everybody in the neighborhood witnessing the opening and counting of the ballots at the local polling place. President Jimmy Carter came to observe the 1999 elections. Decentralization probably did more to support democracy than anything else. But economic reforms were just limping along. The government was very unwilling, for example, to reduce the fuel subsidies because that had caused the wave of riots when they tried the first time. This hobbled budget -- if the oil price went up, then the subsidy gobbled up the addition revenues, leaving little for health, education or anything else. After Habibie came Abdurrahman Wahid, who was a wonderful, inspirational leader but not really good at the nuts and bolts of governing. And then came Megawati Sukarno, who did not seem very interested in economic reform.

Q: I mean, had Megawati been a factor before?

FERGIN: Yes, as a symbol. She was the titular leader of the PDI-P Party (Indonesian Democratic Party of Struggle), but she was not particularly in front as a leader.

Q: What was your impression of her leadership?

FERGIN: Very Javanese and I tend to think that those who believe that her husband had been the real political operator were right.

Q: Did things change, I mean, with her running things?

FERGIN: No.

Q: Of course, when an old name comes up, a relative of or something, you would think maybe a savior will come from- as a throwback to the good old days, but this didn't happen?

FERGIN: No, this didn't happen. Her father had been this bigger than life, charismatic, womanizing, big leader kind of figure. She was rather sedate.

Q: Well, what was the role, during the second time you were there, did you see the role of women changing or was it significant?

FERGIN: Indonesia has a huge population, so numerically it has a lot of well-educated people, but in percentage terms not so many. So, I tended to think that they didn't waste their educated people. If you were a well-educated woman, you were probably doing something worthwhile, if you wanted to. What we did see was, and I don't know what impact this would have on the role of women in society, but our first tour you didn't usually see little school girls wearing white scarves on their heads, and on our second tour more and more little girls were covering their hair.

Q: You left there in 2001?

FERGIN: Yes.

Q: How did you feel about where is Indonesia going at the time?

FERGIN: I felt pretty optimistic. There were a lot of people of goodwill in Indonesia. Indonesia has a pretty sturdy foundation. It had not broken apart. I was pretty confident that it would continue to move ahead; I didn't know how fast but they were moving toward political liberty, they were moving toward genuine impact of people voting in local elections. The economy was recovering; the government was beginning to pull itself back together.

Q: Well now, during the difficult times was China fishing in troubled waters?

FERGIN: China is a complicated question for Indonesia. Around four percent of the population is of ethnically Chinese derivation, and many of them had been there for generations. Still, as 1998 showed, they could be regarded as kind of stalking horse for China or having their loyalties in China, they're not really Indonesians. Most Chinese Indonesians whom I met would state categorically, I'm Indonesian first. Suspicions were exacerbated in 1997-1998 when things were so unstable in Indonesia that the big

businesses looked around for other places where they could invest their money. Many of the Chinese-Indonesian families invested in China, which then "proved" that they weren't Indonesians first. China itself, in terms of making trouble, no. It wasn't that the government wasn't wary -- Indonesia had pushed for the formation of ASEAN precisely so that countries of Southeast Asia could not be picked off one by one.

Q: Whither in 2001?

FERGIN: I went off to the Senior Seminar.

Q: Ah. How did you find the seminar?

FERGIN: We were the penultimate class and it breaks my heart that our successors have not had the amazing opportunity that that year represented for us.

Q: Yes, I was in a class of- 17th, I think it was.

FERGIN: And I was the 44th.

Q: Oh yes, it wasn't a complete washout but at least my experience was that it really sort of was just I think personnel treated it as just an assignment, and they took good people, but I don't think it was used as a development.

FERGIN: Oh, I don't know. I thought it was extremely well organized and gave everybody a lot of opportunity to exercise leadership and to make connections. I thought it was a fabulous year.

Q: Where did you- did you travel to any particular place?

FERGIN: We traveled all over the United States. We had trips to New England and the famous farm stay in the mid-West. We went out to the Pacific Northwest and California. We went to Arizona and Mexico. We went to Italy, Turkey and Germany and England. We got to know America. We studied leaders and the issues they faced from the smallest community to the national security establishments.

Q: Well, then where'd you go after that?

FERGIN: I went to be the economic counselor at the U.S. Embassy in Canberra. This was via a one-year a program called the Fellowship of Hope. I was the first fellow assigned to Australia and was to be on exchange to the government of Australia for a year. I was seconded to a strategic think tank they were setting up called the Australian Strategic Policy Institute.

Q: That must have been very interesting.

FERGIN: It was fantastic. And my project for them was Australian-Indonesian relations.

Q: Of course, Australia is much more aware of Indonesia; it's the giant to the north.

FERGIN: Oh, that's right. Australia is very much oriented toward Asia. Paul Keating, a former prime minister, went so far as to say that Australia was part of Asia. I don't think I ever met an Australian who hadn't been to Bali at some point.

Q: What was the Australian attitude towards migration from the Asian part of Asia at that particular time?

FERGIN: Oh, the white only immigration policy was a thing of the past. Australia had a large population of refugees as well as immigrants. It was pretty much a global crowd; a lot of people from all over Europe, a lot of people from all over the Middle East, and a lot of people from Asia as well. Of Asians, the Chinese are undoubtedly the largest group.

Q: What were you, in this think tank, what sort of things were you dealing with?

FERGIN: This was the very first year that the think tank was up and running. Its mission was to take a critical look at national security policies and to examine and propose alternatives if appropriate. Issues included military procurements, the national security strategy, Australia's relationships with important countries, so I fit right in.

Q: How stood the, I say the attitude of the Australians towards the United States at this particular point?

FERGIN: Oh, the relationship was pretty amazing. We concluded the bilateral free trade agreement while I was there. All such agreements have their issues. There is was sugar and pharmaceutical benefits. We had our sacred cows too. But the resulting agreement was a superb way of cementing the relationship.

Q: And did you find any sort of remnants of anti our policy towards Vietnam, or was that ancient history?

FERGIN: Australians' attitude towards Vietnam was much the same as ours, and the farther you got away from it, probably the fainter the memories. There was quite a large number of Australians who thought that Australian troops should not have gone to Vietnam. But thoughts of Vietnam were probably swamped by the fact that we were in the aftermath of 9/11, and so, the alliance was focusing much more on Iraq and Afghanistan.

Q: Well, you were in Australia when 9/11 occurred?

FERGIN: No, I was in Seattle with the Senior Seminar.

Q: So, Australia, did it feel under threat? Because it had a considerable Islamic immigrant group there, didn't it?

FERGIN: I didn't move there for another year, so what I felt was the outpouring of support and sympathy for the United States. Overall, I don't think the presence of Muslim communities automatically translated into a security threat.

Q: Yes. In Australia, there must have been more concern about China than, say, we would feel because of propinquity.

FERGIN: Not just propinquity but the fact that China was a major market for Australian commodities. So, there were and continue to be rising levels of concern among Australians whether Australia can be friends with both the United States and China, can we still be best friend and allies with the United States or at some point are we going to have to make a choice. And one of my current concerns is that the United States Government, of which I am no longer a part, does not maneuver Australia into a position where it has to make a choice, because the answer might not be the one we'd like.

Q: You know, unless there's a crisis we don't tend to focus on most other countries being of great importance.

FERGIN: Well, if you think of our alliance structure as our asymmetrical advantage over China, which doesn't have allies the way we do, the carelessness and even the disdain with which we treat our allies is a source of long-term concern.

Q: Yes, I-

FERGIN: So, when our government puts tariffs on aluminum and steel and says it's for national security reasons but forgets to absolve our allies from this, it's befuddling.

Q: Well, of course, we're going through a particularly dangerous period, I think, with our foreign policy.

FERGIN: Yes.

Q: Well, you were with this think tank for how long?

FERGIN: For about 10 months, and then moved into the embassy. The preceding economic counselor moved over to coordinate the conclusion of the FTA (Free Trade Agreement) negotiations full-time. I did some of that -- actually quite a lot -- but concentrated mostly on all the other areas economic sections concentrate on.

Q: What were our principal economic interests in Australia?

FERGIN: An enormous amount of American investment there and a rising amount of Australia investment here. A healthy (from our perspective) trade surplus. Like-mindedness in terms of the importance of intellectual property protection, an ingenious

and creative population. We had as healthy an economic relationship as we had a very intense security relationship.

Q: Did New Zealand, was it sort of considered a part of our whole relationship there, or was this off to one side?

FERGIN: It was a bit off to one side. There had been a long period when we eschewed security cooperation with New Zealand because of its no-nukes policy. But then, when we looked to see who was sitting in a foxhole with us in Afghanistan, there were the New Zealanders. The Pentagon finally was able to divorce the no-nukes policy from intelligence sharing. So, our own relationship with New Zealand was taking off at a more amplified direction. But we don't treat the two countries as a unit.

Q: You were at the embassy from when to when?

FERGIN: I got there in 2002 and left in 2004.

Q: Who was the ambassador?

FERGIN: For most of the time it was Thomas Schieffer.

Q: And what was his background?

FERGIN: He was the co-owner of the Texas Rangers, and a long-time friend of President Bush, who's also a baseball fan, and also the brother of Bob Schieffer, the newsman.

Q: What did he bring to the embassy?

FERGIN: He brought some private sector management techniques that were very good for uniting three consulates and an embassy that were scattered across a country the size of the United States, with a growing interagency, including agencies that were not traditionally overseas and not traditionally foreign affairs agencies. So, he did a lot to get us all singing from the same sheet of music. He also brought what you hope any political appointee will bring -- what I call the capacity to make that one phone call. The strength of political appointees is, in the best of cases, they are better plugged into the White House than we are and can pick up the phone in that moment of need and make that phone call.

Q: And he could--because of his particular connection he could do that.

FERGIN: Yes.

Q: I mean, sometimes the people say they've got connections but they're a friend of a friend and-

FERGIN: No, he really was, he was the true kind of political appointee, a long-time friend of the President. When President Bush visited Canberra, he and the Ambassador retired to the residence to watch a Rangers game. We thought that was terrific.

Q: Yes. Well, were there any particular problems in our relationship with Australia at this particular time?

FERGIN: I would say the problems were not so much with the government as they were with public opinion. The good-will glow after 9/11 had faded. People saw the deployment to Afghanistan as probably necessary. But Iraq was hugely contentious.

Q: From time to time, and forgive me if I'm wrong on this, but the fact that we a rather substantial security base in the middle of Australia crops up; was that a problem?

FERGIN: Oh, it was not a base. We could never use the B word. It was a shared facility - - the Joint Defence Facility Pine Gap -- and had been for decades. It remains a popular target of criticism among those opposed to the alliance, but most people didn't think much about it, it'd been around for so long.

Q: I would think that, and I'm told that still one of the big sort of holidays is Battle of the Coral Sea Day, and in the United States you would just get a blank look if you mentioned that.

FERGIN: Yes, and then I would say across much of Australia you would also get a blank stare. But in Queensland it was still celebrated with great gravity and ceremony.

Q: How did you see the economic development in Australia? Was it- did they have problems or was it robust or what?

FERGIN: Yes and no. Australia's economy has been doing very well -- breaking global records for the absence of recession -- and the Australian dollar has been doing very well. But the strong dollar greatly endangers non-commodity exports. Australia itself was only 21 million or 22 million people, a very small market, so anybody who wanted to grow needed to export. The short version is the exchange rate killed manufacturing in Australia so it's now predominantly a services economy and a commodities exporter. This resulted in all the usual dislocations. The last car making factory just closed. So, then people who expected to be making their living making General Motors cars or Toyotas are displaced, the adjustment can be severe. So, they're in an adjustment period but the overall economy is strong, and their social safety net is more robust than ours, so the hollowing out of the manufacturing sector has not obvious to the casual observer.

Q: How was their health system?

FERGIN: They have public health system so that all your basic care is covered. You can supplement that with private insurance that moves you up -- like anywhere it moves you up in the queue if you need an operation or seek the opinion of a particular specialist.

Q: Looking at this, as you well know how political that is as an issue in the States, but could you see that as a viable system as far as being able to afford it?

FERGIN: Yes. And I think the United States would do well to study systems like Singapore and Australia, where they have managed to provide universal health coverage in an affordable way that does not result in healthcare rationing.

Q: What was your husband doing?

FERGIN: He was the political section chief.

Q: So, you really were sort of what's known as the power couple.

FERGIN: I guess so.

Q: How long a tour were you in Australia now?

FERGIN: He worked there in the embassy for three years and I worked in it for two.

Q: And then where did you go?

FERGIN: And then I was invited to be the DCM in Singapore and he was invited to take an office directorship back in the Department. In view of our preference for working overseas, Greg went on leave without pay and we went to Singapore.

Q: Today is the 23rd of September 2018, with Judith Fergin.

Q: Okay. Where'd you go after Canberra?

FERGIN: We went to Singapore, where I was the DCM. As we approached that tour, we were a little concerned because politics are pretty lively in Australia and pretty vivid, and we were a little worried that we would find Singapore a bit quiet. But as it turned out, we have such an intense economic and security relationship with Singapore that there was plenty of meat to the relationship.

We had a very active embassy. Our ambassador was Frank Lavin, who went on from that job to become the undersecretary of Commerce for international trade. He of course had a particular interest in furthering the economic relationship. We had concluded our bilateral trade agreement with Singapore in 2004 shortly before I arrived, so we were still in the early stages of its implementation, and it was going as well as the free trade agreement with Australia was going; in fact, probably even better. These are both countries like so many of our countries with which we have free trade agreements where we enjoy a very significant trade surplus.

Q: Well, how stood our relations with Singapore? You were there from when to when?

FERGIN: We were there from 2004 to 2007.

Q: How stood things when you arrived and how did they develop?

FERGIN: Singapore doesn't change very fast -- they have a very deliberate policy-making process that works methodically to support what they see as Singapore's long-term interests. So over the course of a decade you can see changes, but in the course of three years not so much. Our goals were to have the FTA stood up and functioning properly, and to cement our security and law enforcement relationships.

On the military side, PACOM (United States Indo-Pacific Command) was deeply engaged and found Singapore a welcoming and capable partner. Singapore had built a wharf at its Changi naval base that could accommodate aircraft carriers, which helped ensure that our carriers and smaller naval vessels remained active in the region. We had ship visits and we had joint exercises. Singapore bought U.S. equipment, and trained in the United States. Singapore has no air space, as you know, so a lot of their air force training takes place in places like Arizona and Queensland down in Australia. The country team included the Defense Threat Reduction Agency and the Office of Naval Research Global while Singapore also hosted the Command Logistics Group Western Pacific -- ComLogWestPac -- and an office of the Naval Criminal Investigative Service.

On the law enforcement side, we had a very heavy contingent of law enforcement agencies, which proliferated after 9/11, so we had TSA (Transportation Security Administration), and ICE (U.S. Immigration and Customs Enforcement) and CBP (Customs and Border Protection) along with all the expected agencies such as the FBI and the Coast Guard. My predecessor, John Medeiros, had established a law enforcement coordinating body that met every couple of weeks to review what was going on in the law enforcement relationship. Chairing that was probably one of the most rewarding things I did, because it takes a lot for the State Department to prove to the law enforcement community that we really do support their work, that we are all on the same page, and that we will get more done if we proceed together. So, I do think our law enforcement agencies began to appreciate that we, as the State Department, very firmly supported their law enforcement objectives and I think that helped advance the relationship considerably. When you have an ambassador who will go out and make the case for closer cooperation, that does help a lot.

Q: Well, was there any problem with- on this tour dealing with ship visits? I mean, you had young, active-

FERGIN: Well, yes. The Singaporeans are very sensitive about their security relationships with anybody. They are not our ally; they are not anybody's ally. While they welcome the affirmation of our security relationship, they didn't really want to get in the population's face about it. The defense attaché would be called in when a visiting soldier or sailor committed a transgression. The rules of behavior in Singapore are stricter than they are almost anywhere else in the world, and it wasn't unheard of that someone

would come up against the stricture against outraging the modesty of female. This was a fairly elastic term and essentially was defined by the female who could think a touch on the elbow crossed the line. The relationship between NCIS and the local authorities was very good. It was in everybody's interest that the offender be dealt with by U.S. authorities, which was the case throughout my time there.

There were a couple more serious incidents. There was a drunken visitor who one night pulled the emergency brake on the subway bringing the whole train to a halt. The Singaporeans just quietly got everybody home, you never read about it in the newspapers.

Of a greater concern was what would happen if a civilian American got into trouble, particularly on drugs. This was a huge issue after Michael Fay, who some years earlier had been caned, provoking public criticism from President Clinton.

Q: Oh, yes.

FERGIN: When I first arrived in Singapore, the then-president, a former ambassador to the United States who'd been in Washington during the Michael Fay incident, took me aside and said if I have one piece of advice for you, it is to make sure that your government never says things like that in public, because it puts the receiving government in an impossible position. You can't then work something out when you've been publicly accused of being barbaric. So, I lived in fear that we'd have something go wrong with an American citizen and drugs leading to a death sentence. Fortunately, no such case arose.

Q: Who was in control then? I mean, one always thinks of Lee Kuan Yew but was he a presence?

FERGIN: He was a presence. In fact, he was a very reassuring presence. His son, Lee Hsien Loong, is a very good prime minister. He had all the experience and background that he needed, but I think the whole country still felt better that Lee Kuan Yew was in the background, first as Senior Minister and then, after his successor retired, Minister Mentor. It was like a cascading series of titles. Having these senior figures in overtly advisory positions gave the population confidence that there wouldn't be any hotheads taking over any day soon.

As the years went by, especially when we came back to Singapore from 2014 to 2017, there was a lot more political grumbling in Singapore and a lot of blogging and other things that the government couldn't control that were critical of the Lee family. There were a lot of people who firmly believed the Lee family had been running Singapore for their own benefit. I don't believe that. It didn't help that Lee Hsien Loong's wife was the president of the sovereign investment fund; I think that convinced everybody who wanted to be convinced that the family was ripping the country off. Anyway, so there was a lot of quite nasty grumbling, taxi drivers saying it was time for the old man to go and so forth. And then he died. It rocked the whole population back on their heels, and they shocked themselves by the depths of their grief. Parents took little children to walk by the coffin

and thousands upon thousands lined the funeral cortege route in the pouring rain. It felt like Singapore had a collective loss of confidence for about six months. The vast majority had known no political life without Lee Kuan Yew. They've since regained their balance and the government has continued to do its very deliberate planning ahead for successions, even publicly announcing who the six leading candidates to be the next prime minister were and making sure these possibles got all the experience that would make them able to be decision makers on anything.

Q: Well, were you there when he died?

FERGIN: Yes.

Q: How was the immediate reaction- I mean, was it sudden, or had you been sort of in a way thinking over successions? I mean, what's going to happen.

FERGIN: Well, it wasn't sudden. He was in his 90s and was failing and toward the end there were regular bulletins from the family about how he was doing. But still, everybody was shocked. And he wasn't prime minister anymore so there was no need to worry about succession per se -- it was more of an emotional and psychological succession.

His death coincided with the 50th anniversary of Singapore's independence. This had already provoked an intense round of introspection about the country's future, which became still more gloomy upon Lee Kuan Yew's passing. Where else would you find conferences on the topic, will our country still be around fifty years from now.

Q: What, sort of the people around you and all, the old Singapore hands, I mean, all I ever heard is great things about him, but what was sort of the judgment you were getting?

FERGIN: Business and government people alike thought they'd never had the pleasure of working with more topnotch people. The economy was well run, the rules were clear, contracts were enforced, the apparatus for encouraging businesses to locate their regional headquarters in Singapore kept expanding. If you were our secretary of state sitting next to their foreign minister, you knew you were going to have a good conversation and it was going to be strategic and global. On the military side they thought the military planners were a joy to work with, well-organized, strategic in their vision. People flew in from all over the world to confer with Lee Kuan Yew about the state of the world.

Q: I mean, Singapore has got, for a little city-state it's got a very robust military establishment. I mean, what was this all about as far as their thinking?

FERGIN: Singapore would be the first to say that they are allies of none and friends to everybody, but they welcome -- and once in a while they even say it out loud -- they welcome the military presence of the United States in the region to help make sure the status quo is maintained, for a balancing factor. You could look at their robust military as a hedgehog strategy -- enough self-defense to carry on until help can arrive.

Q: Well, where did China figure?

FERGIN: China is the big kid on the block, on that particular block, and so, a lot of the countries of Southeast Asia welcome the American presence because we are- we're just a counterbalancing factor for China. Though this may be receding now, since the population is primarily of Chinese extraction, Singapore has long had to combat suspicions that it is an outpost of China. I think that could not be farther from the truth.

Q: Well, I mean, was China making moves that were disquieting during the time you were DCM?

FERGIN: No. My tour as DCM preceded China's really militarizing the South China Sea.

Q: How about the Chinese embassy? What were they up to?

FERGIN: We had one of the first Inman generation embassies, so we had our fortress on one side of the hill, and they had their fortress behind us on the other side of the hill. Their embassy always looked - I mean, ours looked formidable, but theirs looked closed. You'd see the Chinese ambassador around, and you'd see pairs of Chinese diplomats, but they weren't very visible.

Q: How about Malaysia?

FERGIN: Singapore always had- well, it's their nearest neighbor, and they used to be part of the same country, so I think they will always have a fairly fraught relationship with Malaysia. I do think Singaporeans sincerely wish Malaysia well, and they're concerned when things aren't going right up there.

One of the biggest issues in the relationship with Malaysia is water. Singapore is not water self-sufficient, at least not yet. It has a water agreement with Malaysia. It has a processing facility in Malaysia that supplies both southern Malaysia and Singapore. The water comes across the causeway in pipes to Singapore. The most recent water contract was set to expire in 2061. But this made Singapore very nervous. This contract was not going to expire for decades, but in order to ensure that it would not be dependent on external sources for water forever, it started building drains and gutters and catchments so that any water that dropped in Singapore would not be lost. So, everywhere you go there are gutters that channel the water off. The government also built what's called the barrage across the Kallang River, which was very brackish and polluted. Over a 10-year period, the government completed the barrage and cleaned up the water of the Kallang, creating a gigantic new reservoir. And then their scientists invented what came to be called "new water," which is recycled sewer water. A lot of people hesitate to drink it, "ew, I know what that is." The interesting thing about new water, it is so clean it has no taste. And so, if you want to make it more like the water that we normally drink, you'd have to add a little dirt.

And the other big issue is labor. Singapore has a finite population and it's one of the most rapidly aging populations in Asia, and it has a huge number of guest workers. The largest share come from Malaysia, and they don't live in Singapore, they commute a couple hours each way every day and run shops and fix your plumbing. And some of them are more senior personnel but most of them are pretty much working folks. The resident population is about four million citizens and about a million resident guest workers, a lot from Bangladesh, India, Indonesia, Myanmar, and so forth. They are the construction workers, the tradesmen, the sweepers. This doesn't count domestic workers. Most Singaporean households have a domestic helper. So, there are a whole lot of foreigners in Singapore.

When I was DCM in Singapore, one of the big issues was trafficking in persons, because the maids didn't have any rights whatsoever -- they weren't entitled to days off, they weren't entitled to medical care. By the time we came back the second time, Singapore had significantly changed its rules; employers were required to give maids a day off a week, pay a levy to have the maid in the first place. A maid had to take a little course when she got there so she would know what her rights were, and also because most of the maids come from villages and had never seen a high-rise and there was a sad number of accidental defenestrations. So the training included training on how to wash upper-story windows.

By the time we came back, the security dimension of foreign workers was revealing itself in cells of jihadists and so forth, which the government, I think, took care with dispatch once they discovered them. I don't recall anything about radical guest workers during my first tour -- at the time, there had been concern about radicalization of Muslim citizens. Singapore was a pioneer in introducing programs to rehabilitate people when they are becoming radicalized. They tried to find out why people were becoming radicalized. When someone was incarcerated and in a re-education program, the government had programs to make sure that their family was well taken care of so that his sources of resentment didn't multiply while he wasn't there to provide a living. I don't know how well the program worked, but I don't think the major source of security anxiety was indigenous; it was amongst foreign workers.

The size of the foreign workforce and, perhaps more importantly, the rapid growth in its numbers generated political tensions. In the early 2000s, the economy was growing fast and more and more foreign workers were being brought in to work in the factories and build the buildings and so forth. But the infrastructure development didn't keep up, and if you're a Singaporean you expect to have a seat on a bus every time you get on that bus. And so, the popular grumbling out in what they called the heartland got more and more pronounced. In the 2011 general election, the government suffered a huge swing against it and won only 60 percent of the popular vote -- the lowest share since independence. The government took notice -- a minister later commented to me that Singapore was first, before Europe, before the United States, to have anti-migrant sentiment figure largely in an election outcome -- Singapore was the canary in the coal mine. The government immediately launched a series of national town halls to hear people's concerns and devise policy responses. The government understood why the economy needed the labor, but

also that they had not brought the people along with them and adequately provided the necessary infrastructure to support the rapid rise in the sheer number of people. The governments initially responded with what I'd call a two by four -- very clear, very blunt, very sharp-edged new rules: this is who can come, this is who can't come, and this is how much growth we will allow. Then it sat back to wait. And of course, the howls of outrage, even panic, from employers came almost immediately. But I think the Singaporean population is now coming around to supporting some policy easing. The government may also be able to add nuance to policy to account for some significantly different sources of concern: the general unhappiness with too many blue collar workers and not enough buses; and the more specific complaints of young Singaporean professionals who think foreign executive talent is taking their jobs. The government is extremely pragmatic, so if something doesn't work, it is perfectly happy to try something else.

Q: Well, what were they doing about native Singaporeans reproducing?

FERGIN: Well, there was a government dating service for a while; I don't think that went anywhere. One of the big problems is women when they got married were dropping out of the workforce permanently, with the need to shepherd children through the school years and take care of aging parents frequently cited as social reasons for this. The government can't make you reproduce and it can't make you go back to work. Though there is some movement toward increasing the number of assisted living and nursing homes to accommodate evolving social attitudes.

Q: Well, you know, they can throw in incentives and that sort of thing.

FERGIN: There were baby bonuses and so forth, but still. One of the other constraints was a housing shortage, which is odd in Singapore because from the very beginning Lee Kuan Yew had said what the population needs is housing and healthcare. From the very beginning, the government's housing development board built miles and miles and miles of apartment blocks. Singaporeans and their employers pay into a Central Provident Fund -- the employees can use those saving to buy an apartment in one of the HDB (Housing and Development Board) developments. The most expensive commodity in Singapore is land, but it's all government land, so when you bought the apartment you didn't pay for the land. In effect, the government subsidized these housing estates so that citizens could afford to buy. Singapore has one of the highest home ownership rates in the world -- over 90 percent. But apartments still weren't being built fast enough and so, young people didn't have anywhere to go; this discouraged getting married and starting a family.

Q: Was Japan a factor there?

FERGIN: Japan was a major investor, but it was not particularly influential. In Singapore, as elsewhere in Southeast Asia, people say I know this is not the old Japan; we welcome the Japanese investment and employment opportunities. But memories of World War II remain fairly- well, they're fading but they're still surprisingly fresh.

Q: How about Indonesia?

FERGIN: Indonesia is probably Singapore's greatest worry. Singapore is a firm believer in ASEAN (Association of Southeast Asian Nations) because ASEAN brings strength in numbers, basically. But the big member of ASEAN is Indonesia, and when Indonesia ceases to exercise its leadership in ASEAN, which it essentially did after 1998 and even today isn't the powerhouse it once was driving the organization, then the organization flounders. Singapore understands that the rest of ASEAN doesn't want Singaporeans shaking their fingers at them and telling them what to do. So, I think they tried hard to lead from the rear. And they invested a great deal in various training programs to help other members of ASEAN acquire capabilities.

Q: Was oil- was Singapore looking for oil?

FERGIN: No. Singapore is interested in energy security. They have refineries, oil storage capacity, petrochemical operations. And they are effectively the oil broker for the neighborhood.

Q: China, as you say, was not being aggressive with its China Sea policy at the time?

FERGIN: No.

Q: Because I imagine now it would be very touchy on that subject.

FERGIN: Yes, I think they probably would be.

Q: Was Korea involved?

FERGIN: Korea was an active investor, but it was odd -- as I said to somebody after I'd been at AmCham (American Chamber of Commerce) for three years, I think I've heard the word Korea twice in the last three years.

Q: Well, Singapore sounds like a dream assignment.

FERGIN: Yes, it was rewarding. The Embassy could feel it was making a difference, and because Singapore is such a future-oriented, policy-planning partner that isn't afraid to collaborate for longer-term benefit, often with effect way beyond Singapore itself. The FTA harnessed an astonishing economic powerhouse, and I really think it helped American companies build their supply chains throughout Southeast Asia and beyond. Singapore was and still is an easy place for headquarters to be, and executives with regional portfolios could leave the family in a safe place with a great school system. Companies from all over the region signed their contracts in Singapore because they had confidence in enforcement. Banks booked loans there. So, yes, the U.S.-Singapore FTA is a great force multiplier for American business. Singapore was also a strategic location for American security purposes.

Q: Well then, from there, whither?

FERGIN: My next hardship assignment; I became the consul general in Sydney.

Q: Oh, boy. So, you were consul general in Sydney from when to when?

FERGIN: 2007 to 2010.

Q: So, what was Sydney like?

FERGIN: Sydney was increasingly multicultural. We'd been going there for decades and watching the city grow and blossom and become more and more interesting. When you're consul general you're not making demarches, you are looking more at the bilateral relationship and how to reinforce it for the future. The consulate's turf was New South Wales and Queensland, which account for more than half of the population of Australia. I felt like a sounding board, because I went all over the place in those two states and talked to people wherever I could find them, in universities, in businesses, on farms, to find out what they thought of the relationship and do whatever I could to build the understanding of our mutual interests that would allow the relationship to flourish in the decades to come.

A big difference being a consul general versus being in an embassy was I didn't make demarches, which was wonderful-

Q: Oh, yes.

FERGIN: -but I had to make speeches, which, after a career of being told whatever you do, don't talk to the press and don't make speeches, was a big turnaround. I spoke to rotary clubs; I spoke to the military veterans' Returned Service League. I spoke to university audiences; that would have been the preferred audience because you're trying to, of course, always reach younger people. Yes, I must have given hundreds of speeches in those three years.

From my perspective, the biggest popular issue in Australia in terms of our relationship was and remains an Australian uneasiness that we're going to force them to make a choice, that they cannot be friends with both China and the United States, that at some point they're going to be cornered, and while their economic future is very strongly linked to both our countries they can't afford to lose either one as a trading partner. From a security point of view, they're firmly linked to the United States; they are a treaty ally. But the population suspects that at some point they'll have to relinquish those historic allegiances -- we're going to have to let you Americans go because I live here in Queensland and I make my living exporting iron ore or natural gas or whatever it is to China. During my tour, we could reasonably say that, while the Australia-Chinese relationship must be one of the most rapidly growing relationships between any two countries anywhere on earth, there is one other relationship that is growing even faster. And that's ours. It's not a choice of one or the other.

Q: Oh, boy.

FERGIN: Yes. I don't know if the feeling that a turning point is coming is becoming more acute, that they're being backed into a corner where they're going to have to make a choice and the United States might not be the winner. Australia has never been isolationist even though its geography would have made that easy. So, it's not as if it is going to turn isolationist. But I think Australians are feeling like the world -- the good old days are behind, and the world is not as safe a place as it was.

Q: Was there in a way a problem of being- in the way it was getting more diverse, I mean, basically being a major white power in an Asian sphere of influence?

FERGIN: Well, I think in both Asia and within Australia itself there's still some scratching of the heads over the statement by then-Prime Minister Paul Keating that Australia was an Asian nation. But what he did was pursue policies that allowed Australia to be better integrated with trade and investment with the rest of Asia, which has served Australia very well. There are a lot of Asian migrants, a lot of Asian students, a lot of Chinese students in particular in Australia.

Q: What was their immigration policy?

FERGIN: They are a country of immigrants. They have been welcoming of refugees and still have a robust immigration program, though they are tightening. They have had their issues over the years, as the controversy over programs to house illegal migrants in neighboring countries attests.

Q: Did you find in Sydney by this time were there a lot of sort of ethnic enclaves in the city?

FERGIN: Yes, there are. There's a Chinatown in the middle of the city. There are concentrations of Lebanese and Turks in the western Sydney suburbs.

Q: Was the United States sort of dragged into politics there, local politics?

FERGIN: Not in the sense that a vote for one party was for the alliance and a vote for the other was against it.

But there were two issues that couldn't help but engage local political opinion. First was the FTA. When the FTA was being negotiated, there were issues that were dear to Australian hearts, such as sugar farmers in Queensland and the pharmaceutical benefits scheme, and any perceived threat to them aroused considerable agitation. In the end, the FTA carved out exceptions for both sides on issues that would have been political suicide.

The other issue, the more important one, is Australia does not want U.S. bases in Australia. We are allies, we fight together, we exercise together, we are intelligence

partners. But no bases. That's why when President Obama and Prime Minister Julia Gillard agreed to have Marines in Darwin, it was clearly delineated as a rotating presence, not a base.

Q: Did you get any major visits?

FERGIN: Oh, we did. President Bush visited when we were in Canberra and came for the APEC Leaders' meeting while we were in Sydney. Large numbers of cabinet and sub-cabinet visitors along with countless CODELs came during the FTA negotiations. Every year, there is a meeting of the U.S. and Australian foreign affairs and defense secretaries/ministers and it alternates locations. We had a pretty steady stream of visitors in Sydney from all kinds of departments and agencies. Education Secretary Arne Duncan transited while on a family holiday and shot a few hoops on our basketball court. That was fun!

Q: Well, how was President Obama viewed there?

FERGIN: I think with the same starry-eyed expectations that he was viewed almost everywhere in the world. I think he was admired and that Australians responded very positively to his aspirations for a better world.

Q: Did you have any particular consular problems?

FERGIN: There was a real disconnect between Australia society and U.S. visa rules. In Australia, if you are a permanent domestic partner you are recognized as such even though you haven't legally gotten married. Our Defense of Marriage Act posed huge problems for Australians, especially those traveling on official orders, who were *de facto* partners but we couldn't give the partner a spouse visa.

We were really proud in Sydney to be one of the first posts -- in fact, we may have been the first post -- to bring in a gay partner on State Department orders.

Q: Well, it's interesting; my impression of Australia goes back when I was consular general in Saigon during the war, and the GIs loved to go to Australia because it seemed that the men were more interested in going to the pub and playing darts than going after these gorgeous young ladies, and our guys had a wonderful time there.

FERGIN: Our guys had a wonderful time there in World War II.

Q: Well then, where did you go after that?

FERGIN: After that I went to Timor-Leste as ambassador from 2010 to 2013.

Q: Okay. In the first place, how did the assignment come about?

FERGIN: I threw my name in the hat for several Asian ambassadorships. I don't know how it is done now, but in those days, for career ambassadorships, the bureau candidate would usually prevail. So, I asked EB (Economic Bureau) and EAP (East Asian and Pacific Affairs) to support me, and then it all went into a big black box. I was on holiday down in the south coast of New South Wales when my cellphone rang, and it was Kurt Campbell, who was then the assistant secretary for East Asian and Pacific Affairs, asking if I would like to be ambassador to Timor-Leste. And, of course, I said yes. It was a wonderful fit -- we'd spent nine years in Indonesia and getting to Timor-Leste was a very neat way to finish that off.

Q: Let me ask you, I'll move through the history of Timor in a minute, but did you have any trouble- how did your hearings go?

FERGIN: They were fine. I was lucky on timing. The department brought me back in July of 2010 to take the two-week ambassador course. And then immediately thereafter, the Senate hearing was scheduled -- I was there with Scot Marciel, who was going to Indonesia, incoming USAID assistant administrator for Asia Nisha Biswal, and a few others. I didn't get many questions. In the audience was a representative of a group pushing for the return of the Peace Corps to Timor-Leste (they had been withdrawn during violence in 2006) -- this was actually mentioned in "Talk of the Town" in "The New Yorker."

Anyway, anxiety began to rise because there were few sitting days left before the August recess and if we weren't voted out before, who knew when we would be. Fortunately, the starts aligned, the committee voted my nomination out, the Senate voted, and I was on my way to Timor-Leste by September.

Q: Okay. This might be a good place to give a history of- Do we call it East Timor or-?

FERGIN: No, we call it Timor-Leste.

Q: Timor-Leste. But you might give the history of that.

FERGIN: The Portuguese got there 500 years ago and were terrible colonial administrators. In 1975, when the Carnation Revolution took place in Portugal, the Portuguese simply departed, leaving a former colony completely unprepared to govern itself. They left behind a Timor-Leste that had two parts: one is the eastern part of the island of Timor, with West Timor being a province of Indonesia; and then there was an exclave called Oecussi -- it was a several-hour drive through West Timor to get to Oecussi, which was carved out of the north coast of that Indonesian province.

Remember, this was in 1975, and the communist scare had not completely evaporated. Indonesia did not want a rogue state, or a state controlled by somebody else right there in the middle of their territory. So, they mounted a very bloody invasion of 1975, and incorporated East Timor as their 27th province. They occupied it until 1999, exercising considerable brutality when their control was challenged. They could not quash the

resistance, which took to Timor-Leste's very rugged mountains. There were some particularly awful times such as a massacre of students in Dili's Santa Cruz cemetery in 1991.

As we have already discussed, after Soeharto stepped down and Habibie became president, Prime Minister John Howard of Australia basically wrote a letter to Habibie asking what are you going to do to get this thorn out of your side. He suggested a long period of autonomy with a vote on the province's future at the end. Habibie then decided to allow a referendum to take place. Under global insistence it had to take place under UN auspices, but Indonesia maintained basic control of the process. To the Indonesians' enormous shock, there was a huge voter turnout and a huge majority in favor of independence. As the Indonesians withdrew, they destroyed everything. They destroyed schools, they destroyed clinics and they murdered people. One of my most poignant memories was being on a hilltop in Oecussi -- from that hilltop you could see Indonesia. The village was located on the Indonesian military's path out of Oecussi after they'd lost the referendum; as they passed through, they rounded up all the young men and slaughtered them. There on the hilltop was a glass box full of the bloody rags worn by those slaughtered young people.

UN peacekeeping forces led by Australia came in to administer Timor-Leste and prepare it for full independence, which happened in 2002. The United Nations peacekeepers and police stayed on until 2005. But Timor-Leste was full of unresolved tensions between political/resistance factions, between the Timorese military and Timorese police. In 2006, Timor-Leste descended into civil war. The physical destruction was extensive. At the request of the President, Prime Minister, and President of the National Parliament, UN peacekeeping forces led by Australia came back. For the next few years, the UN maintained an enormous presence that encompassed military peacekeepers, a multinational police contingent that was supposed to be training the Timorese counterparts, and all the development agencies.

Q: And when you got there?

When I got there in 2010, infrastructure was still pretty dodgy. The roads were awful, electricity was sporadic, there was no clean drinking water. Government services didn't extend much past Dili city limits. The country had money in its sovereign petroleum fund, but budget allocations for health and education were sadly inadequate, adequate government procurement systems were not in place, trained personnel were in short supply in all fields. The national phone system was routed through Portugal. Virtually all consumables and investment goods were imported -- the shoreline was littered with empty containers that had brought these things in, but few were needed to take out Timor's exports, primarily coffee. We had U.S. Navy Seabees re-building elementary schools and primary clinics that had been destroyed in 1999 or 2006 or simply allowed to crumble for lack of maintenance.

Xanana Gusmão, a hero of the revolution, was the prime minister; José Ramos-Horta, who was the co-Nobel Peace Prize winner with the Bishop Belo, on whom I'd called in

1990, was president, and the political wing of the former resistance, Fretilin, was in opposition. Xanana had the personal prestige and the political and intelligence savvy to keep tensions under control -- even though there were strong opposing political feelings, they weren't allowed to burst out into open conflict. As time passed, a troika of what I called the lions of the resistance -- Xanana, Ramos-Horta, and Fretilin party leader/former Prime Minister Mari Alkatiri -- increasingly spoke as one voice against inter-party violence.

The Peace Corps had been there initially, but they had been withdrawn in 2006. We still had a robust USAID program focused on nutrition and agricultural development. One of the flagship projects had actually started in 1994, well before independence, initiated from USAID-Jakarta. It was an agricultural aid program to rehabilitate the coffee industry in western Timor-Leste. The Cooperativa Café Timor, CCT, project was implemented by the U.S. National Cooperative Business Association. By the time I arrived, CCT was employing more than 10 percent of the population and providing some enormous part of non-oil exports and GDP (Gross Domestic Product). The first buyer of the CCT coffee had been Starbucks; now you can drink it at Green Mountain Coffee and a few other places as well. And the United States was held in very high regard. It was absolutely wonderful to go to a country where people didn't second guess your motives; they just thought we were there to help them out.

Q: Well, you served there from when to when?

FERGIN: 2010 to 2013.

Q: What was Dili like?

FERGIN: Dili was full of broken buildings and potholed roads and sort of jerry-rigged electrical wiring and a couple of grocery stores. But it was the mecca. It was home to the government and that's where the jobs were. Unemployment was a chronic problem -- the job choices were in the government or with an NGO. The alternative was subsistence agriculture. So there was a large youth population, predominantly male.

Now, to back up a little bit, when Timor-Leste was still part of Indonesia, ConocoPhillips had a petroleum production agreement to produce offshore oil and gas in an area that was contested by Indonesia and Australia. In the interests of developing the resources, the two countries had agreed on how to divide up the contested area. The resulting "joint production area" included the ConocoPhillips Bayu-Undan concession. Upon independence, Timor-Leste replaced Indonesia in this agreement and the revenues reverted to Timor-Leste. With the help of Norway and the United States Timor-Leste set up a petroleum fund to be their rainy-day fund, and into that the profits of the oil and gas industry went. And it was set up, so they could spend the interest but not the principal, so they could fund the budget with the interest from the petroleum fund. And they had formulas to figure out what the sustainable rate of withdrawal was. The petroleum fund was a model of its kind, and Timor-Leste won kudos from the Extractive Industry Transparency Initiative. Timor-Leste did everything absolutely right from that

perspective; what the early governments didn't do was spend the money. So, where the country really needed expenditures on infrastructure, health and education, they feared jeopardizing their future nest egg.

By the time I left, spending had gone up considerably and as opposed to not spending enough there was rising concern that they were spending too much and spending it on the wrong projects. Health and education still weren't doing very well in the budget. But the Chinese helped them build a national electric grid and the government also conceived the idea of developing the south coast to be a petroleum and petrol chemical center.

Now, this is all happening while the Bayu-Undan field was depleting, and the only other potential gas field, Greater Sunrise, was in an area that Timor-Leste shared with Australia -- there were various agreements over which country got what percent of the resource and revenues there. But Xanana Gusmão did not think that Australia should have any of Greater Sunrise and so he basically tore up the agreements. Xanana pursued 100 percent sovereignty over that field and a project that would pipe the gas to the south coast of Timor-Leste, where it would then be processed and shipped off to foreign markets as well as provide Timor-Leste's own energy needs. With questions of sovereignty unsettled, no private investor was willing to initiate development of Greater Sunrise, and, with the glut of natural gas on the global market, companies did not want to invest the billions it would take to set up a natural gas processing facility on the south coast of Timor-Leste when there was going to be a perfectly fine processing facility in Darwin on the north coast of Australia that was now being fed by Bayu-Undan gas. Plus, there was this very deep trench between the site of the natural gas and Timor-Leste and, as far as I could ascertain, the technology was not developed to be able to build a pipeline that could safely and securely get across that trench in a way that it wouldn't break, because you wouldn't be able to fix it if it did. So, this was all very complicated. The bottom line was, Bayu-Undan and its revenue flows would probably cease before any project in Greater Sunrise started to produce. That would have devastating results for the Timorese government budget.

Q: Well, how big was your embassy?

FERGIN: Our embassy was between 200 and 250 people. About half were our guard force, the other half were the usual mix of U.S. personnel and Foreign Service Nationals to be found in any embassy.

Q: Well, let's talk in the first place about the guard force. Was there a security problem?

FERGIN: Well, yes and no. You never knew when there might be some expression of unhappiness, not with the United States, but over local politics and personalities. 2006 wasn't that far in the past. And national elections were coming up again in 2012. If those went smoothly, then the UN peacekeeping mission would conclude.

Q: What sort of activities was the embassy involved in?

FERGIN: Well, we had the big AID program focused on health, agriculture, and democracy. We had a Department of Justice Resident Legal Advisor to help the government of Timor-Leste with legal development. We had a defense cooperation program that ran from Navy ship visits to joint Marine exercises to Air Force humanitarian missions to NCIS/Coast Guard port security assessments.

We had a very active education exchange program; it wasn't a lot of individuals, this is a very small country, but over the 10 years we had supported some 50 graduates already and we were hoping that they would make a difference, they'd come back, and they'd get jobs in government or business or whatever.

And we also were constantly preparing for the next election. While I was there, they had national elections. We and the rest of the donor community geared up more than a year in advance to support those elections. In the very first elections they had, we provided the machinery that printed the voter i.d. cards -- the election commission still had the machine and card #1 on display, which was Xanana's. This time around, we were providing training for the political parties. And then, of course, we mounted a huge election observation team from within the Embassy and supported U.S. and international election observation teams. The IRI team was headed by Greg's former colleague and mentor Frank G. Wisner, former U.S. Ambassador to Zambia, Egypt, India and the Philippines.

We also had a multimillion-dollar program to help develop the police forces. The police force was not well-regarded from the onset of independence; most if not all had been Indonesian police officers, and some of the more senior people were still were Timorese who had been part of the Indonesian police force. And the military thought the police were second-class citizens. So, we were working with the police and the maritime police and all the other branches of the police in anticipation of the withdrawal of the UN policing force.

Q: Well, what were their relations with Indonesia while you were there?

FERGIN: It was a very interesting relationship. Xanana Gusmão had been captured and imprisoned in Jakarta during the resistance period. On his first visit back to Jakarta post-independence, he went back to the prison and hugged his prison warden. President Yudhoyono and he wanted to build a stronger relationship. Indonesia even had some aid programs going on in Timor-Leste even though it is not normally an aid donor. There was considerable concern among people who had worked on reconciliation issues in other countries that neither Timor-Leste nor Indonesia was facing the problems of the past and that this could become a festering wound over the years if they didn't have a true reconciliation-type process. They still haven't done that, and I think there's enough interchange, enough intermarriage, enough going off to Indonesia to get your college degree that maybe they will be able to get through this in a peaceful way. That said, Indonesia is still clearly the senior partner in the relationship and has been known to let Timor-Leste know when it is displeased. When Timor-Leste arrested an Indonesian who had committed serious human rights abuses and for some reason sneaked back into

Timor-Leste a few years later, Indonesia threatened to send the thousands of Timorese students at the universities home. So, it's not a perfect relationship, but they will never go to war with each other again.

Q: Was there- while you were there or at any time, was there any effort to try the leaders of the Indonesian military for what they did in East Timor?

FERGIN: There was a lot of pressure from various NGOs to have that happen, but it likely never will. Human rights groups point to two post-1998 presidential candidates in Indonesia as having been directly responsible for some of most aggressive military operations in Timor-Leste during the occupation. I never had the impression that the majority of Indonesian citizens had any idea about or current interest in what happened in Timor-Leste during the occupation.

Q: How did the Timorese feel about this?

FERGIN: I think the government will not pursue it, and I don't think it's top of mind for the population. I was a bit concerned during the 2014 Indonesian elections when former General Prabowo ran -- what would happen if he won, there could have been a point of real friction. But he lost. And he lost again this year. His human rights record didn't figure in either campaign.

Q: Are the Timorese sort of different breed of cat than the Indonesians?

FERGIN: Well, Indonesia encompasses a vast range of ethnic groups; with Timor-Leste on the eastern end of Indonesia, they are not Sumatran or Javanese, but they do fit into the eastern Indonesian ethnic profile. With one difference -- because they were a Portuguese colony, they have a lot of Portuguese ancestry and they are by and large Catholic.

Q: Well, what's the language?

FERGIN: That is a good question. This is a population of a million people. There are dozens and dozens of local languages. The commonly accepted one is Tetum, but the country actually has four designated languages. The official languages are Portuguese and Tetum, and the official working languages are English and Indonesian.

Q: So, how did you-

FERGIN: I spoke Indonesian, which reached even the post-independence generation that isn't taught in Indonesian in school. There's very little Timorese television, and so all the kids watch MTV in Indonesian.

Q: How were you received?

FERGIN: Very warmly. The United States is admired and liked. And the Timorese don't stand on ceremony, so if you wanted to go see somebody you could make an appointment and the ministers would see you.

Q: Well, how long had we had relations; how many ambassadors before you?

FERGIN: I was the third. We recognized Timor-Leste in 2002 when it became fully independent. The first ambassador was Joseph Grover Rees, who had been a Hill staffer. We've known him for a long time, he'd come out on StaffDels to Indonesia because he focused on religious freedom and human rights, and Timor-Leste was one of his particular interests. So, he became a political appointee ambassador to Timor-Leste, and he was there until 2006. He was succeeded by Hans Klemm, who went on to become ambassador to Romania. And then I succeeded Hans.

Q: What did we want from Timor, or did we want anything?

FERGIN: Actually, I think what we wanted was mostly *for* them. We really did have noble aspirations. We wanted to support their efforts to have democracy, to develop, to have better incomes, to have better nutrition. We didn't want them to fall into somebody else's strategic sphere, but I don't think it would have been a point of panic if they had. But we just wanted them to remain friendly with us.

Q: Well, I mean, I would assume that Australia would play the major role there, but maybe I'm wrong.

FERGIN: No, you're correct. Australia had had advanced outpost troops in Timor-Leste in World War II. Australia had been first on the ground in both 1999 and 2006 as peacekeepers. Australia was the big bilateral donor, the big visible presence, the big neighbor. Australia shared that maritime border with all the resource issues that entailed. Timorese loved us, but their relationship with Australia was complicated.

Q: How about ship visits? Were we able to get the navy to come in often?

FERGIN: Oh, they came often. We had some wonderful ship visits. We couldn't bring a carrier in, but we brought in smaller vessels.

Q: Destroyers and-

FERGIN: PaCOM (United States Pacific Command) had two minesweepers, which have wooden hulls so as not to attract mines. They Navy brought a minesweeper in and this was a wonderful visit, and you got to see all this high-tech equipment that detects mines and so forth, but the ship was on a scale that made sense to the Timorese navy. One of the greatest tragedies happened when we expected her sister ship to visit. That was the one that hit the reef in the Philippines, and she was on her way for a ship visit to Timor-Leste at the time.

Q: Yes. What kind of social life did you have there?

FERGIN: We had a very big residence. Our house was the residence of the last Indonesian governor of Timor-Leste. It was on a five-hectare compound on the beach. Right next door to it, 35 meters away, was a little teeny weeny chancery. I called it the double wide. So, I entertained a lot. We had dinner parties, we had receptions, we had bands on the Fourth of July. You never knew how many would come so you didn't do so much sit-down entertaining, but it was one of the most productive uses in representation I've ever enjoyed.

Q: Well, I would think that one of the things you'd enjoy would be the fact that- a horrible thing to say enjoy, but that the Timorese wouldn't be able to respond very well, I mean, because of, you know, it's a very small economy and things aren't going too well for them.

FERGIN: I don't think we ever have an expectation of reciprocation when we do our representation.

Q: Yes. Did you get any relatively high-level visits while you were there?

FERGIN: We had a couple of CODELs. The one that was phenomenally successful was Devin Nunes of California. He's of Portuguese extraction and he was a big hit with everybody. Our DAS Joe Yun would come every year or so.

During my time there, we had two big visits. 2012 was the 10th anniversary of Timorese independence, so they had a huge party and parades and dinners and galas and all that. The assistant administrator of AID, Nisha Biswal, came and was treated like royalty, and we all had a wonderful time. And then, still in 2012, as part of the year of 10th anniversary celebrations, Secretary of State Hillary Clinton came, and you would have thought the world had stopped. This was the most joyous visit ever. There was already a pronounced fondness for the Clintons. In 1999, President Clinton had publicly urged Indonesia to request UN assistance to maintain order; as former president he represented the United States at the UN handover in Dili in 2002. The Secretary's visit was the capstone of the anniversary.

Secretary Clinton visited while President Clinton was nominating President Obama for his second term. It was obviously very important that she and her party be able to watch this, but our internet was not up to the task of live streaming. Somehow somebody got his wife back in Virginia to Slingbox the DNC convention to us -- I think our communications officer turned off every single other internet hook-up on the compound. Still, the only computer that could receive it was my personal one in my bedroom. So everybody piled into the bedroom to watch -- you may recall a viral photo of Secretary Clinton sitting at my desk watching the speech. Fortunately, nobody could see what was written on the stickies around the screen -- all my bank passwords!

Q: Were the Chinese or anyone messing around there?

FERGIN: Yes. The Chinese did the Chinese thing. They build the presidential palace and the foreign ministry. Then they built defense headquarters. These activities caused some consternation because they were built with Chinese labor and the Timorese, who are a quite conservative society, were concerned that they had brought gambling and prostitution with them. And when they left, apparently nobody knew how to turn anything on or off in these buildings because the manuals were in Chinese. And they weren't very pleased with the quality of the construction, either, not to mention the failure to transfer technology and know-how and to employ Timorese. Timor wanted to build up its navy, and so the Chinese gave a couple of patrol ships, but again, when the Chinese maritime personnel left, they were hard put to use and maintain them. The Timorese leadership were skeptical of Chinese motives, but were fine with accepting these gifts without promising any quid pro quos.

Q: I'm assuming there was an Indonesian ambassador there.

FERGIN: Yes.

Q: How as he treated?

FERGIN: Oh, just fine. It was a friendly relationship.

Q: I would think with what the army did that it would not be a very friendly relationship.

FERGIN: But remember, the leaders on both sides, and most importantly on the Timorese side, were not leaders in animosity; they were leaders in peaceful co-existence.

And in point of fact, you know, when Timor became independent, the two huge questions were, what is the national language going to be, and what is the currency going to be. At the time, from my perspective in Jakarta, it made sense to pick Indonesian and the rupiah. Indonesian, because that's what everybody could already read and write, school textbooks were in that language, Tetum wasn't very far developed as a written language, and so forth. But they picked Portuguese for romantic, historic reasons. They became an enthusiastic member of the Community of Portuguese-Language Countries. As part of its bid to join ASEAN (Association of Southeast Asian Nations), Timor-Leste tried to argue that they could be a conveyor belt for CPLP-member trade with ASEAN members. The choice of Portuguese was problematic for the school system, already in dire straits for lack of facilities and trained teachers. The students didn't speak Portuguese and neither did teachers. In the meantime, interest in local languages began to grow. And the kids continued to teach themselves English through TV and their mobile phones. Over the first decade of independence, language policy evolved to try to accommodate all these inclinations.

When it came to their currency, they probably couldn't have persuaded Indonesia to let them be in a currency union at that point, but they might have just kept using the rupiah

and hoping for the best. But they chose the U.S. dollar because their income is all from oil and coffee in U.S. dollars.

Q: Did that cause problems?

FERGIN: No, we don't have any say over who uses the dollar as their currency. Dollar economies just buy dollars and ship them in. They buy dollars and trade in their dirty old dollars for fresh new dollars. We don't control that in any way.

Q: Well, were there any particular problems that beset you during this time?

FERGIN: Well, I think there were two basic challenges, and one, as I said, was the elections, the national elections. And the other one was the impending departure of the United Nations. The United Nations peacekeeping forces couldn't stay there forever, and the question was the time right this time to leave? Was Timor ready to stand on its feet without falling back into civil war again? We spent a lot of time reporting to the U.S. Mission to the UN (USUN) assessing the readiness of Timor-Leste to go it alone, and to weather the withdrawal of the last peacekeeping military. We paid a great deal of attention to the readiness to Timor-Leste to take over the policing responsibilities from the UN peacekeeping police. It wasn't as if the UN peacekeeping was problem-free. They had something like 56 nationalities involved in their multinational police force, with some of the contingents just a few people, so there was no unity of doctrine or procedure or discipline or anything else. By the time the UN police left people were probably pretty glad to say good-bye. As USUN was heavily involved in trying to reform peacekeeping to make it more effective, we contributed a great deal of input to them.

Q: With your embassy, how did you find your staff?

FERGIN: The American staff was a bunch of stalwarts, and we had some really fun people who worked really hard, had really good, creative ideas, and we got a lot of Portuguese speakers, which was phenomenal. So, our embassy staff was great, our USAID people were experts in their field and utterly devoted to what they were doing. We had one uniformed military officer there for most of the time who covered all the normal functions of defense attaché and defense cooperation; we later were allocated an enlisted billet as well. We had a series of real rock stars in terms of their ability to build relationships with the Timorese military, their ability to provide them good advice, and their ability to assess how things were going in political and security terms.

We also had a great deal of non-resident support. Jakarta provided consular services as channeled through our political officer who handled whatever consular work needed to be managed. Jakarta provided law enforcement support, with LegAtt, DEA, and other agencies providing training and professional assistance. My old Navy friends at ComLogWestPac in Singapore paid genuine attention to engagement with Timor-Leste's nascent navy.

Our Timorese staff were young and mostly not experienced in either the functions they were responsible for or even in the culture of having a 40-hour a week job with set hours Monday through Friday. And the literacy levels, especially in English, were low so it was hard to find people. For many, we were a springboard to something else. But we had some really great people and then we had, you know, the normal mix.

Q: What did you and your husband do for recreation there?

FERGIN: I did try to get out around the country as much as I could, and those trips were pretty strenuous. We'd get out there on the road and hope we didn't break an axle, and that the place you'd contracted to sleep in would have a bed and maybe running water. So, you'd come home pretty tired from these trips, so often- What did we?

For fun, there was tennis, hiking, barbeques and water aerobics at the embassy pool. There were some good restaurants and stalwart bars where we kept up with the fates of our favorite Australian Rules football and rugby teams. My husband is a dragon boater -- I don't know if you know what dragon boating is -- but there's no dragon boating in Timor-Leste because of crocodiles. The Indonesians used to cull the crocodiles, but the crocodile is the national symbol of Timor-Leste, and so they don't cull the crocodiles, and so the crocodiles pretty much own the water and most of the beaches. Still, there was snorkeling and diving for the intrepid and we never lost anybody to crocodiles.

Q: Now, what about the Muslim religion? Was that a major element there or not?

FERGIN: No. About 95 percent of the country is Catholic. There's a small Muslim minority, some of them Indonesian, some of them Timorese.

Q: I assume there was a Catholic nuncio.

FERGIN: No, there wasn't. There were a couple of Catholic bishops, three actually. There was a nunciature, but no papal nuncio while I was there.

Q: And then what?

FERGIN: At the conclusion of that tour, I went back to Washington thinking that I was going to take up an assignment as the State Department liaison to the bipartisan OSCE (Organization for Security and Co-operation in Europe) commission on the Hill. But the day before I was supposed to start that job, AmCham Singapore (American Chamber of Commerce in Singapore) called and offered me a job, so I set a global record and retired within five working days.

We had all the boxes that had just arrived from Timor and all the other boxes that had been in storage since 1994 and redirected them to Maine. After a speed-record-breaking sorting on the loading dock of the moving company's warehouse, we filled up a 20-foot container and sent the HHE back to Asia.

Q: And off to Singapore. So, how long were you there?

FERGIN: A little over three years, from 2013 to 2017.

Q: What were you up to?

FERGIN: It was a real adjustment to go from 37 years in the Foreign Service to suddenly being out there on your own. It wasn't just, "where was GSO (General Services Officer)?" though it would have been nice to have had some logistical support! It was having to change my mindset. In the Foreign Service, I knew what my purpose was and how to make a contribution. At AmCham, I needed to redefine what my goals and purpose were and I had to learn how to advance them.

AmCham Singapore is like any American Chamber of Commerce in a foreign country; our job was to look after the interests of American businesses, give them opportunities to get together, opportunities to hear other business leaders and share expertise, and advocate on the U.S. business community's behalf with the host and regional governments and (after my one-year post-retirement moratorium) with the embassy and Washington. This was an extremely busy AmCham. We had 5,000 members and about 250 events a year. Because Singapore is a regional hub, a lot of our members were very senior -- the Asia-Pacific presidents of their companies, for example.

But they were interested in hiring me because of the unexpected change in the Singapore government's new and more restrictive foreign manpower policies. These had taken the business community by surprise, they said, so they wanted somebody who had more of a political ear to the ground. Therefore I focused my energies at AmCham on rebuilding relationships with the government, which had probably atrophied a bit, because times were so good you didn't really need to call on the government and you were doing just fine in Singapore with its heretofore supportive and predictable policies.

Most of our 250 events were run by committees that had a professional focus, but I instituted a couple of series that would be more crosscutting, and one of them I called the Balestier Series; Joseph Balestier was the first consul of the United States to Singapore, who was married to Paul Revere's daughter. In that series, we invited cabinet ministers, heads of relevant agencies, and other distinguished Singaporeans from all walks of life to address our membership, and that turned out to be wonderful because people- their government ministers are very accessible but they've got a limited amount of time in a day so, our members could to talk to the minister at lunch.

And I also instituted a program called Next Generation of Business Leadership, because one of the things that our members as employers worried about was how to acquire and develop local talent, broaden their perspectives beyond the sheltered limits of Singapore, prepare them to take on greater responsibility. So, I made up a program that basically was all things that are important to an FSO, so we had panels on the strategic importance of Asia, we had panels on living with a rising China, we had panels on the economic forces shaping the future in Asia.

Q: Did you have much relation to our embassy there?

FERGIN: Oh, I did. Our embassy was very welcoming. The DCM when I got there and his successor, when she got there, both made sure I was invited to my former house as often as I wanted to go. The ambassador was always willing to do things with AmCham. AmCham Singapore historically has led missions to other countries in the region, and he was more than happy to go as delegation leader. So, he went with us to Vietnam and Myanmar where he represented American business, not just Singapore-based but all American business to these governments. The AmCham missions succeeded because they were led by the U.S. ambassador to Singapore and hosted by the U.S. ambassador to wherever we were going and this opened the door to the decision makers in that other country.

Q: Well, I assume that the Chamber of Commerce in Singapore would be sort of the premiere Chamber of Commerce in the area.

FERGIN: Well, Singapore hosted the regional headquarters of a very large number of major American companies so, yes. Our members tended to have a regional outlook.

Q: How did you find sort of exclusively having to deal with business? I would think this would be quite a different outlook than on the diplomatic side, which you've been doing for a long time.

FERGIN: Yes and no. I'd been an economic officer, so I'd been advocating for U.S. business for a long time. It just was easier to get to them from AmCham.

Q: Any crises or problems, major problems that you had to deal with?

FERGIN: No. No, it was a very nice three years. And we'd be there still but we came home for family reasons.

Q: Okay. Well then, are you are you retired or not?

FERGIN: Joyfully, yes.

Q: Nobody's calling on you to do anything?

FERGIN: Oh, I did a little bit on contract for AmCham after I left, but they've got a very capable new executive director. To keep my hand in foreign affairs now, I have addressed the Maine chapter of the World Affairs Council a couple of times and attend their events when possible.

Q: Well, Judith, I guess this is- I will send this off to get it transcribed, and I will send you a transcript draft, and it's a draft. And we'll ask you to edit it. But we also want to

make sure that you say everything you want to say, even asides, put in. Because, for an oral history more is better than less.

FERGIN: Thank you. I would like to mention a few highlights in my Foreign Service career that didn't really fit into our chronological conversation.

First, I had the enormous good luck and privilege of serving with a series of exceptional leaders. Back in the Department, AF Assistant Secretary Chet Crocker, Executive Secretary Jerry Bremer, and EAP Assistant Secretary Kurt Campbell spring to mind -- they weren't my direct supervisors but they set and prosecuted important agendas. In the field, the legendary Stapleton Roy and Thomas Pickering made their embassies matter and those of us on the staff strive doubly hard. I also had the benefit of supervisors who really cared about their subordinates' futures -- we didn't used to call them mentors, but they were. Deputy econ chief Lloyd George in Pretoria, deputy econ chief Mike Gallagher in Jakarta, DCMs Rich Wilson and Steve Mull in Jakarta, DCM Mike Owens in both Jakarta and Canberra, econ counselor Mike Mozur in Moscow -- they probably have no idea how much I learned from them.

Second, the investment in me made me appreciate the importance for our institution of investing in the future of the Foreign Service. It has been a joy to support various subordinates as they progressed through their careers. This wasn't always easy -- both parties need to take the dreaded "area for improvement" section of performance reviews seriously and be willing to have an honest -- and two-way -- conversation about it. Conversely, what a delight it was to win recognition for subordinates' exceptional achievements. When I was econ counselor in Jakarta, I successfully nominated not just one, but two officers for the Herbert Salzman reporting award -- then-resources officer Patricia Haslach who went on to be ambassador in Laos and Ethiopia and EB PDAS, and then-financial economist Brian McFeeters who actually succeeded Pat as EB PDAS last year.

Third, even in this era of instant communications and social media, we need a healthy Foreign Service if we hope to exercise positive influence on other countries. Country and area expertise matter. I remember when then Under Secretary Pickering liberated embassies to reword demarches so that these dense documents that were impenetrable to anybody outside the Beltway could be better received by host governments. Beyond that, if we cannot understand what motivates other societies and their governments, we cannot hope to reap the full benefits of any relationship. So we need to keep investing in language training, to give Foreign Service personnel the space to develop depth of contacts and understanding.

Finally, you may have noticed that we had a phenomenal string of overseas tandem assignments. We aren't sure exactly how it happened, but the last time we actually worked in the Department until I retired in 2013 (Greg retired in 2007) was in 1988. That was an amazing quarter-century run of overseas assignments punctuated only by FSI language training, ICAF, and the Senior Seminar. Somehow, between those years in Washington and the string of visitors to our various posts, I maintained enough traction

with the system to be able win that next overseas assignment. We will forever grateful to the Foreign Service for giving us these many opportunities to realize our hopes of contributing to U.S. foreign policy success while also living overseas.

End of interview