

The Association for Diplomatic Studies and Training
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DAVID J. KEEGAN

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INTERVIEW

LIFE BEFORE THE FOREIGN SERVICE

Q: This is the 1st of December [2016], and we're beginning our first session with David Keegan and the question of where he was born and raised.

KEEGAN: I was born in Mamaroneck, New York, on June 6th, 1951. Well, to be precise, I was born at the local hospital, which was United Hospital in Port Chester, New York, which only is important because when I was 27 years old and studying Chinese in Taiwan, I met a woman who grew up in Mamaroneck until she was four and was also born in United Hospital in Port Chester. And we got married. The Chinese refer to this as your *yuan fen*, your original destiny. This was your allotment in life. And every time a Chinese person hears that Sally and I met when I was 27 and she was 30 something and we were born in the same hospital ever so long ago, they sigh and say "Ah, *yuan fen!*" It was your destiny. It was meant to be. So there you go.

Q: Oh, that is wonderful. Did you grow up there?

KEEGAN: Sally left and went 30 miles up the road to Connecticut. Didn't know that at the time. I grew up in Mamaroneck as a Roman Catholic, went to Roman Catholic Most Holy Trinity Elementary School and Archbishop Cardinal Stepinac High School. And that's probably where this story begins.

Q: Describe Mamaroneck a little—how large a town and its major source of income.

KEEGAN: Mamaroneck has one of the most complicated political structures in the United States. It is a village that straddles two towns. It was a town then, with about 17,000 [people]. It's probably now about 19,000. It was originally, I suspect, a fishing community on Long Island Sound. The village has a harbor, where they built boats, all that kind of stuff. By the time I was there, it was a bedroom community, a prosperous bedroom community for New York City commuters.

It was on the New Haven Railroad, and this was the 1950s, '60s, and '70s. The men either drove or walked to the railroad station, climbed on the train, and read the *New York Times* on their way to Grand Central Station in New York. My father was one of the relatively few who did not do that. He actually walked down to the station, caught a bus to White

Plains, New York, which is where my high school was, and managed an office for an insurance company.

Q: In your family, were you the only child or did you have brothers and sisters?

KEEGAN: I have three sisters. I am the only one who has done anything international to speak of. Two of my sisters still live in the same county that we grew up in; two of my sisters married guys who went to the same high school I did, and two sisters married Irish Roman Catholics, which was good from my parents' perspective. My second sister married an Italian Roman Catholic, which was slightly questionable, but they liked him. I went to college at Holy Cross in Massachusetts, so that was fine. But when I went to grad school in California, my mother asked why couldn't I go to the University of Chicago? It's so much closer. Then I married a Swedish Lutheran and moved overseas. I ended up in Taiwan and China for much of my life, so she was disappointed.

Q: But let's just get back to Mamaroneck for a second. How large was your elementary school and high school?

KEEGAN: Holy Trinity had eight grades and a kindergarten. Every grade had 30 kids.

Q: Oh, wow. So small.

KEEGAN: Yeah. Holy Trinity had about 240, roughly. I like to describe Mamaroneck as a town that was 30% Irish, 30% Italian, 30% Jewish, and 10% for everybody else. And everyone at our church and our elementary school was Irish and Italian. I can still pronounce Italian names. When I smell Italian food, it reminds me of home. It's still comfort food because that's how I grew up. In the entire time I was at Holy Trinity, we had one Asian in the entire school. He was a Japanese boy whose father had moved to New York from Tokyo, and he commuted into New York City to work in a bank.

Q: And what about the curriculum? Was it a traditional grammar school and high school?

KEEGAN: Oh, very traditional. That was probably one of the things that drove me a little nuts. When I got to high school at Archbishop Cardinal Stepinac, I did very well at history, but they had a very orthodox idea of what constituted American history, and they did not welcome deviation from their orthodox view of American history.

Q: As you got into the higher grades, were there other school activities that you became involved with?

KEEGAN: Um, I was a bad tennis player, unlike my best friend from elementary school who was a very good tennis player, but I played. I did a lot of debate, and I did a lot with the newspaper. Those were pretty much my activities, and I enjoyed them.

Q: I imagine the school was too small for much of a big sports program.

KEEGAN: The elementary school certainly was too small. Stepinac High School had at times quite a prominent football team. And I remember I was riding the bus home from high school once, and one of the girls who had gone to my elementary school was riding the bus back from Our Lady of Good Counsel, a Catholic girl's high school in White Plains. She asked, "What are you doing, why are you on the late bus?" And I said, "Oh, I was playing tennis." She looked surprised and said that she thought I would be playing football. And I just sort of thought, look at me, do I look like someone who would survive if we were playing football?

Q: Were any of the other activities or opportunities that high school offered you introducing you to anything international?

KEEGAN: The first thing that introduced me to anything international happened during my senior year in high school. I was taking advanced placement American history, all very orthodox American history. The teacher announced that the United States government had a national defense, foreign area, something- something program, and they were looking for anyone who wanted to go to an after-school class during the spring semester at the local public high school, White Plains High School, to learn about Asia. And being completely bored with American history, my hand shot up and they said, "Funny, we were thinking of you." I don't remember anything about that class except that I came out of that class thinking that when I go to college, I'm going to do Asia. I was not sure how I was going to do it, but I thought this looked like fun.

Q: And there had previously been no connection with Asia and your family and so on?

KEEGAN: None except for that one Japanese boy in fifth grade who sadly died of leukemia in the middle of the year.

Q: Were there any other important influences or activities from high school before we move on?

KEEGAN: As far as I can recall, the only way that any of this was formative was that I very quickly discovered that I wanted to do more things than the school was comfortable letting me do. I wanted to do more history than they were willing to teach me. I remember they informed me that I was going to take advanced placement English and I said, "But it conflicts with chemistry." And they said, "Well, you have to make a choice." And I said, "Okay, that's fine. I want to do chemistry," and they said, "No, you're doing advanced placement English." And I said, "okay, how about I take chemistry and the English AP exam without taking the class?"

The AP English teacher who had been my junior year English teacher, a diocesan priest, was a cool guy by the standards of Stepinac. He had basically ignored the English curriculum he was supposed to teach us in junior year so that he could spend the year reading T.S. Eliot to us. It was clear that poetry was the only thing that floated his boat. He loved it, and he loved to recite it. I think he was the first person I ever saw who was really deeply excited about something intellectual. And you know, we read more T.S.

Eliot that year than most college programs do. When I said I wanted to take the exam but not the class, he was completely unfazed, essentially saying, "Fine, here's the textbook. I will see you at the end of the year." All year long, every once in a while, he had asked if I needed help with the AP English. I thanked him very much and said I was fine, and the next time I dealt with it was the day I took the AP English exam. Remarkable. I really enjoyed chemistry, and I wanted to do physics. I thought that was fun and I was arrogant enough to think, you know, English, I can probably do that. I do wish now that I could have had that priest's AP English class.

Q: So you were really interested in the sciences as well.

KEEGAN: English and history seemed easy, but where you wanted the teacher's help and attention was in the sciences, and we had very quirky science teachers, but they were good ones. We had one physics teacher in junior year, Mr. Tedesco. He got very sick, and he was out for about four months, so we had a substitute who was very mediocre. Mr. Tedesco came back, looking deathly pale, and came into class and said we needed to prepare for the Regents exam, which is a New York state statewide exam, and it's in six, eight weeks, whatever. So, let's find out what you've learned, and we'll finish the class. After a few quizzes he concluded we hadn't learned anything from the sub. And he said, "That's not acceptable, and that's going to change." And we did a year of physics in a month and a half, two months. I remember those two months as some of the most fun I ever had in a classroom.

Q: Was there socializing in high school or with other Catholic high schools at all?

KEEGAN: It was a major thing at that time for some, but it wasn't for me. I was probably a nerd, too, and I would just prefer to do my debating, do my newspaper, go home and read. And that's what I did. I probably did a lot of that in college, too.

Q: So as you're approaching the end of high school, you're already thinking of college. What were your thoughts about the kind of college experience you wanted as you recall it?

KEEGAN: That's a major difference, I think, between my generation coming out of a Roman Catholic background and my sons' generation, all because I was interested in going to Princeton and my parents basically said to me, Princeton is not a Roman Catholic school. If you go there, you pay. And, they added, there are plenty of good Roman Catholic colleges, and my father had a Jesuit education, and my father basically was a Jesuit. If it weren't for my mother, he probably would've become a Jesuit priest. My parents were saying that there are plenty of good Jesuit schools out there, pick one. And so I went to Holy Cross.

Q: What convinced you, because you know, when you're talking about Jesuit schools, you could be talking about Georgetown, and you could be talking about Saint John's with its great books program. You know there are a lot of them.

KEEGAN: Two things decided me. One, Georgetown looked like a party school, and I wasn't particularly interested in the party school, and my parents weren't particularly interested in paying to have me go to a party school. Second, the deputy vice principal at Stepinac High School was a Holy Cross graduate. And he clearly thought his real job was to be the senior recruiter for Holy Cross, and he made it quite clear that Boston College was for people who couldn't get into Holy Cross. Holy Cross turned out to be a quite good, small liberal arts college, and it felt quite comfortable. The one problem was that it was quite like Roman Catholic elementary and high schools. Their attitude toward Asia was that it's a peculiar place. It's very far away. And why is anyone interested in it? The only class on Asia was taught by a professor at Worcester State College who taught one class as an adjunct at Holy Cross on, I think, modern East Asian politics. And that was the only class that we had on Asia. I'm not trying to cast aspersions on what Holy Cross is like today, but that was the college of the early 1970s.

Q: Okay. What about the management of the school? Was it Jesuit?

KEEGAN: It was very Jesuit and, although I didn't know it at the time, Jesuits have a long and deep history in Asia, but in the U.S. they had moved quite far away from their origins as the shock troops of the Pope. In fact, many of us at Holy Cross sensed that they had moved very much into being extremely independent of the Catholic Church altogether. This was a place where, if you didn't go to church, if you didn't go to mass, that was fine. They didn't care. There were probably some of them who didn't go to mass either, although they were probably discreet about it. In that sense it was a very independent thinking school.

It was almost too independent thinking because I got there in 1969, and that was when American colleges were right in the middle of reforming education and getting away from required classes. To give you an example of the speed and direction in which colleges like Holy Cross were changing, I had a friend of mine who had come to Holy Cross from Saint Ignatius Loyola High School in Chicago, and he showed up with five sport coats and six white shirts and ties because it was his understanding that that's what you wore to class. And that had been true three years earlier, but everything was loosened up. And so at the end of my freshman year, they eliminated all requirements. You only had to complete requirements for your major, but there were no breadth requirements. In retrospect, that was one of the tragedies of my college career. I had two breadth requirements I decided to get done in freshman year. One was religion, which was a very good class, and the other one was French because they required at that point that students pass third-year French, and I had not. I passed third-year French, and I remember going home and telling my mother that I had passed third-year French and that was the last damn foreign language I was ever going to do, which amused her no end in later years as I spent hours and hours learning Chinese. I wish they had kept the breadth requirements because I would've done the sciences and the social sciences and all the other kinds of stuff instead of becoming monomaniacal and doing solely history and English for the rest of my college career.

Q: As you started at Holy Cross, you were looking at a liberal arts education, but did you have an idea in the back of your mind what you would want to do with the college education when you graduated?

KEEGAN: The only thing I knew was that I didn't want to be a lawyer. My father was a lawyer, and my grandfather was a lawyer. I was a debater, and I thought of myself as a pretty good debater. And that's how my father and I spent dinner when I was growing up: we debated. As we debated, it drove my mother and my sisters nuts, but my father and I would argue over dinner, and that was our entertainment. And I realized that if I became a lawyer, it would exacerbate all of my argumentative tendencies. I knew I didn't want to do that. And I said, you know, let's go somewhere else. I didn't really know anything more than that until probably junior year. I knew I enjoyed history. My father who had gone to a Jesuit College called Saint Peters in New Jersey in the 30s was a math major, and many, many years later when he was visiting us in Taiwan, I had to go work, so he hung out with my wife, and they were sitting there talking and he looked at her and he said, as she told it to me later, "I never understood why I became a math major. I should have been a history major," which was when she later said to me, "Well, that's obvious because he was always reading history, always wanting to visit historical sites." He was the kind of person who rented a car to trace the route of the Lewis and Clark expedition after my mother died. What was true of him was sort of true of me, too. I could have, you know, been a math major; I was always really good at math theory and not quite so good at arithmetic, but it would've been a bad idea. To come back to your question, I knew I was going to be a history major. I knew I was going to be an English major and beyond that I hadn't a clue.

Q: A lot of college students, you know, are still kind of working things out in their head about where they want to be in five years. But the other thing is while you were in college--and Holy Cross is in Massachusetts, Worcester, Massachusetts, right smack in the middle--did it give you any opportunities for international exposure?

KEEGAN: Yeah, that's where the story from my point of view gets interesting. I had that one class on Asian politics, and there was nothing else in the college literature, nothing Asian, so I went to the professor who had taught Asian politics and said, "I know you're an adjunct, but can I do a tutorial in sophomore year and just read Chinese history and a little bit of Japanese history?" And he said, "Sure, give me a book list, go ahead and read, do a paper." I don't remember a thing about the paper, but I remember I read a lot of Chinese history and somewhere around March of sophomore year, I was home and I was sitting in the kitchen with my parents, and I said, "Chinese history, it's really cool. And I've found out that Columbia University has a two-part summer school class on Chinese history, and I could take the train into New York City, get off at 125th street, and maybe I can take Chinese History at Columbia University."

And they looked me in the eye. Maybe they were surprised I was asking to go to an Ivy League school, even in the summer, since they had made it clear that they didn't want me to go to Princeton, but they said, "Okay, sure. That sounds like a good idea." I spent the summer studying Chinese history from the earliest dynasty, the Zhou, to the last, the

Qing, and somewhere I still have those notebooks of that class. We had an hour and a half class on ancient China, and an hour and a half class on medieval and modern China, five days a week for six weeks. I pretty much did that and homework, and every once in a while I would take the subway from Columbia University at Broadway on the West Side and go down to a museum or Central Park or something on my way home. But that was the summer, and I came out of that summer saying “Thank You to my parents, and thinking, Wow. Here's a lot of really cool history. A lot more than the United States has, and I'm really having fun.

Back at Holy Cross for my junior year I did another tutorial with that same adjunct, and I don't remember much about the content of that, but I found it fascinating. Early in the spring, I went to my parents again and said, you know, I'd like to do some more of this, but there's a language problem. I need to find out if I am capable of and willing to study Chinese. Holy Cross doesn't teach any Chinese. Worcester State doesn't teach Chinese. Clark Polytechnic, which is in Worcester, doesn't teach any Chinese. The only place I can find to do Chinese is Middlebury College, which has a summer program. Generally, to apply to Middlebury Summer Language School, you have to have completed at least two years of college language instruction, except at that point, there were two exceptions to that rule -- Chinese and Japanese. They had first-year Chinese, and they had first-year Japanese. So, with my parents' indulgence and financial support, I took first-year Chinese at Middlebury College under Perry Link. This was the summer between junior and senior year. And Perry Link has since become one of the most prominent public intellectuals on China. If you ever read the *New York Review of Books*, if you read an article on Chinese literature, it's by Perry Link.

At that point Perry Link was an advanced graduate student at Harvard and was teaching Chinese using a book by Y.R. Zhao called *The Mandarin Primer*, which had a very arcane romanization system, but it was very good at teaching Chinese tones because Chinese, of course, has four tones. If you get the tone wrong, you've got the word wrong. It's not just emphasis, it's meaning. I took this class, and I was an adequate student, not a great student, but I was stubborn. I didn't have much talent for languages. I got through and thought, okay, that's first year, but I've got senior year coming up. I've got to find somewhere to do second-year Chinese, or I'll just waste all this money my parents spent.

Perry Link suggested I pay a courtesy call on Mrs. Lin, who was the lead teacher that summer for third-year Chinese at Middlebury. He told me that she's the senior Chinese teacher at Wellesley, and that's about as close to Holy Cross as you're going to get, so I made an appointment to go pay my respects to Mrs. Lin one evening. She sat me down and insisted on carrying out the conversation in Chinese, which was a little iffy. I barely had six weeks. She very politely told me that she was glad I was studying Chinese, but Wellesley did not accept Chinese students from outside of the college except for MIT because they have sharing arrangements, and they didn't have a sharing arrangement with Holy Cross.

I was really disappointed. But we kept talking and after what seemed like another 10 or 15 or 35 minutes or who knows how long a conversation, she pulled out a pad of paper and wrote down a name and telephone number and handed it to me. She said, this man is the dean at Wellesley College. You call this guy, and you tell him that Mrs. Lin says you're taking second-year Chinese at Wellesley. And so I paid my own obeisance to Mrs. Lin and went and called the Wellesley dean. He responded very simply: "Well, you know, if Mrs. Lin says you're taking Chinese, you're taking Chinese, and, we'll make the paperwork cooperate." And so we did, or rather he did. I talked to my parents and said I wanted to take this course but didn't know how I was going to get to Wellesley. They not only paid the tuition for Wellesley, but they also paid for a VW bug.

Q: Here is where your parents are beginning to see you're showing interest in, you know, another part of the world that's kind of out of their area of knowledge. Are they becoming concerned you're going to end up somewhere far away?

KEEGAN: In China? I think my parents' reaction is captured by something my father, when he was visiting us many, many years later when I was Deputy Director in Taiwan, said to my wife: that he and my mother knew from a very early age, as he put it, that I had a burr under my saddle and that they were going to have to figure out a way to deal with it all. And I think my parents were real intellectuals. For example, when I was in elementary school, for several years my mother would sit my sisters and me down one morning a week before class, and she would just read poetry to us, and she let Raymond Murphy who was my friend who also went to Holy Trinity sit-in with us. I don't know how long this went on, but she would read, and then she would drive us to school. Normally we had to walk, but she made an exception for this one morning because she just liked poetry and she wanted us to like poetry.

And my father obviously liked intellectual debates. He liked history and I think their essential attitude was if you're doing something interesting, then we'll go with it. I'll give you another example that goes back to high school. In high school, I was one of these people who understood almost every subject better than anybody else, but I never quite got the grades to show it, yet in all my standardized tests, I would score as well as or better than anybody else.

In May of my senior year, maybe it was April, the same priest who had taught T.S. Eliot and AP English came up to me and said, "I'm in charge of selecting the valedictory speaker." He didn't quite say it this way, but his meaning was, you know, if you'd gotten your shit together, you would have the grades to be the valedictory speaker. But the guy who does have the grades to be a valedictory speaker can't talk his way out of a paper bag. I have decided that you are the valedictory speaker after all. And so how did I write my valedictory? I went home and wrote it and read it to my parents, and my parents didn't like it. And so I rewrote it and my parents still didn't like it, and they were still skeptical. And so I must've written eight drafts of that damn thing all until my parents decided it was a fairly good speech.

That was the way we lived, and so I think when it got to the point that I wanted to study Chinese at Wellesley, they looked and they said, “Okay, we’re buying you a VW bug to study Chinese,” and although I don’t know if they ever said this explicitly, their attitude was, we’re buying the car, you’re getting the grades. And so one morning my mother went out with me to the VW dealership, and we bought a car. At that point, if you bought a VW bug, it was standard. I had never driven a standard, so my mother gave me three hours of instruction in how to drive a standard shift. And then I drove from Mamaroneck to Holy Cross.

My mother reminded me on several occasions that she thought I was the craziest driver we have in this family except for my father. And she also reminded me, “I was the one who was willing to ride around while you learned how to drive.” So yes, on the fly, I did it. I drove to Wellesley and took Chinese, and I did pretty well.

Q: I can only tell you that I am so glad it was a friend and not my father who taught me how to drive a manual transmission. Your mother must be a saint of patience. Now when you say you learned Chinese pretty well. You started with zero background in Chinese, first of all, and you've got the fact that it's non-alphabetic, that it's also tonal and that its grammar is different from English. No cognates. And you're making this commitment to a very difficult language. What were you thinking about when you started this when otherwise you had no other connection to China or even Asia in general?

KEEGAN : Perry Link and his fellow teachers made it quite clear that we were all signing a language pledge, and we were going to live in Chinese. So that summer, this is a damn hard language, and they told us: relax, it's not going to be easy, but work your way through it. I just figured that, here I am, I've got six or eight weeks or whatever it was, and if it works, we'll see where it goes next. But if it doesn't work, I'm going someplace else. I remember that summer being very hard, and the two things that probably saved me were, one, my then girlfriend bought me a three-speed bike. And if you've ever been around Middlebury, you know it's one of the prettiest places. And so, every once in a while, I would just get on my bicycle and go for a long ride through the gorgeous Vermont scenery.

And the other thing was that Middlebury College had one of the best music libraries I can ever recall. Students could go into the music library and get a long-playing record of any classical music you'd ever heard of and several you'd never heard of, sit in an easy chair with headphones on and listen to music. And I would guess that a lot of language students used it. Because you had, at that point, Chinese, Japanese, German, French, all sorts of European languages all crowded into this campus. And I don't remember how I found out about this, but I did. A lot of the Asian language folks were using this as a way to relieve stress because if you think Chinese is hard, try Japanese. It's harder still. But with cycling and music and lots of stubbornness, I got through okay.

Q: All right. You got to Wellesley. Was it with Mrs. Lin?

KEEGAN: No, it's another woman whose name I don't remember, who was slightly younger, and who was a very good teacher. I just worked my way through second-year Chinese as I had the first year. Learning Chinese means a lot of work with language tapes trying to get your tones right, and it's hour upon hour upon hour of writing characters. Do you remember when you were in elementary school the practice sheets with the broad lines and with the dotted lines in between so that you could write the small letters and the big letters? Well, for Chinese, the practice sheets are covered with large boxes, each about a half inch square and they had a dotted cross down the middle dividing each box into four quarters that you would use to align your character properly. I used thousands and thousands of those pages writing characters thousands of times. And, as I say, I'm stubborn and so sooner or later it worked, and so I decided, hey, maybe I can do this. I enjoyed the classes I took at Holy Cross. There's a part of me that would dearly love to go back to Holy Cross and do a four-year degree all over again.

I know plenty of people, including Foreign Service retirees, who have the same attitude. Look at the ENCORE senior learning club in Arlington. The only problem with my senior year was the commitment to the language, to the class, and an hour and a half of driving round trip. I was driving in the Massachusetts winter. Oh, and in a VW Bug. Wow. I remember one day I drove to Wellesley for class and got to Wellesley, parked, and literally skated my way to the classroom building, and a student looked at me and said we closed school. I had driven in a VW Bug in weather that had closed a major college. Wow. I had no choice, so I got back in the car and drove right back.

I got back through a driving snowstorm to the college. When I got into my dorm, a student told me one of the math professors crashed on the highway in the snowstorm and died. I discovered that happened just about the time I drove that stretch of highway. But you know, that's what we do. That's how we ended up in places like this. Yeah. All, despite the difficulties, what I remember is its being completely absorbing.

At this point I'm a senior in college. My mother's laughing at me because I'm taking another language after swearing off languages. So, I applied to graduate school at Berkeley and Chicago and Harvard. I did not get into Harvard, so I went to Berkeley.

Q: But what were you looking for in a graduate school experience?

KEEGAN: I knew I wanted to do history. I didn't want to do political science at all; I didn't have much tolerance for poli-sci. I didn't want to do international relations. I didn't want to do anything modern. My attitude was captured by a Berkeley professor of Chinese literature named Ed Schaefer. Just after the Nixon visit of '72, the Shanghai Museum created a traveling show of Chinese art and archeology called "Treasures of the Shanghai Museum."

The exhibit went to the de Young Museum in San Francisco, and when it was at de Young, the local PBS station in San Francisco did a program on this remarkable exhibit.

And they interviewed Ed Schafer. At one point they asked him a question and Ed said, "Well, at the present time, and by that I mean the Tang dynasty." His attitude was that as far as he was concerned, his brain, or at least part of it, was living in the Tang dynasty. And to a couple of us graduate students, that made perfect sense. Now, the Tang was a little late for me because it's 600 AD or CE, and I was studying the Shang, Zhou, and Han, all a little earlier than that, but I was certain I was not going to go any more modern than the Tang or Song dynasties.

So back to your question of what I was looking for. I was looking for someplace that would do early Chinese history, and Berkeley had a couple of very good early Chinese history and Chinese literature professors. And you know, it kind of makes sense that West Coast schools would pay a little bit more attention to Asian languages. There are natural connections over the Pacific. Yes. And they gave me fellowships, and that was a good thing because I got through my first two years of graduate school on Chinese language fellowships. I have to confess that I didn't take enough Chinese language in retrospect, but I did Chinese history and some Chinese language. And I got to live in Berkeley. What's wrong with that? All good. Absolutely.

My major professor did the Shang Dynasty, which is 1,600 to a thousand BC, give or take. So we did Shang dynasty history and Zhou dynasty history and the Han. So it's all very, very early stuff. UC Berkeley also had a good modern China program in poli-sci and sociology, and they had the China Center. Every once in a while, I went over there for a talk. But that was about as close as I got to modern China, except that Franz Schurmann, who was one of the deans of Chinese communist politics, needed Teaching Assistants to grade his class.

Somebody approached me about being a TA, so I read the book faster than the students, and that was literally the only modern China I did while I was at Berkeley. I must have been at Berkeley for three years leading up to my PhD orals. My committee had David Keightley, who did the Shang Dynasty, and Fred Wakeman, who did the Qing Dynasty, and Tu Weiming, who subsequently went to Harvard and is now at Peking University. He is the only person I've ever met who is actually a living, breathing Confucian, actually a Neo-Confucian. His focus was on Zhu Xi of the Song Dynasty and Wang Yangming of the Ming Dynasty. He lived and breathed that stuff.

One time Professor Tu wanted to have a reading class on Wang Yangming, whom he was researching. So several of us signed up for it, not knowing what we're getting into. Wang Yangming's writings are very abstruse metaphysical Neo-Confucianism, reflecting a large input of Taoism and Buddhism, and we were going to read it and translate. Oh, that was scary. So on the first day of class, we sit down, and he says, "Here's what we're going to read." And we all were shocked. There's no punctuation. And he said, "Well, you know, in the Ming Dynasty they didn't have punctuation." But, he added, "If you read it out loud, you'll hear where the punctuation ought to be." Okay, so we all began to read it out loud, and we continued to read it out loud, and sooner or later we began to sense where

the punctuation ought to go. And at some point, after that we began to understand what it might mean, sort of, almost, maybe, but not entirely.

I mean, Tu was just a fascinating guy. All of my professors were. I did some of my outside classes in early Hinduism. Berkeley at that point had a professor named Wendy Doniger O'Flaherty. She subsequently wrote a book called *The Hindus, an Alternative History*. If you like large books two and a half inches thick, it's really good. She's brilliant. She's just stunningly brilliant. So I took a couple of courses in ancient India, wrote a paper, and realized that if I wanted to do more I would need to learn Sanskrit and then decided I wasn't that crazy. I already had to learn Japanese for my Chinese history requirements. I had to learn three languages: I had to learn modern Chinese and pass a test, I had to learn classical Chinese and pass out of graduate courses using it; and I had to pass at least the first quarter of third-year Japanese. Wow.

And the only thing that saved our sanity in the history department was that we knew that elsewhere in Dwinelle Hall, there were people doing linguistics in Asian languages and they had to learn twice as many languages as we did. And so you just went on. You know it looks hard, but it's not nearly as hard as what they're doing. And we had people like Ed Schafer, who wrote a book called the *Golden Peaches of Samarkand*, and others who were just frighteningly brilliant. I was so grateful. And I was in Berkeley, so what's wrong with that?

Q: Exactly. Okay. But you're here, you're on your Ph.D. track and at this point I imagine you're thinking that I'm going to be teaching or doing teaching and research.

KEEGAN: Yeah, I was thinking about teaching and getting my language under control. Basically, the advice everybody was giving me was that there are two steps. First, you complete your coursework, and you have to pass your PhD orals. We didn't have comprehensive written exams. Then you have to go to Taiwan and learn the language. It's 1977, and we don't have relations with the PRC. You can figure out if you really work hard how you might get into the PRC to teach English. But that's not what I was about. There was what they called the Inter-University program in Taipei that was organized by American graduate schools and that taught Chinese.

It had a center at National Taiwan University and had been run by Cornell for a number of years, but when I arrived there was run by Stanford University, so it was called "The Stanford Center." I applied, got in, got a fellowship. The only problem was that their orientation programs for new students were the first week after Labor Day. My problem was I needed to complete my Ph.D. orals before UC Berkeley would let me leave, and the only time I got my professors together was the first week after Labor Day. I had to miss orientation in order to complete my orals. I had a friend, Sue Siciliano, who had married another graduate student Vince Siciliano, and Sue was going to the Stanford Center.

Vince managed to wrangle a job, not teaching but working for Bank of America in Taipei. So they had a very nice apartment and she was taking, I think at that point, she was starting her second year in Taipei. She and her husband said whenever you get here, we've got a bedroom where you can sleep until you find a place to live. Fine. So, I arranged my PhD orals. As I'm preparing, my major professor asked me one day "Do you know the dates for Confucius' birth and death?" And I said, "I'm not good at dates." He said, "You might want to know that." Oh, boy, so I made sure I learned them. On the day of the exam, Tu Weiming started the orals and asked me something to the effect of, would you like to discuss Wang Yangming's approach to the Confucian existential crisis?

And this is the only person I know who's ever done this. I looked at Professor Tu and said, "Not really. I can talk to you about looking at Wang as a historical figure. I can talk to you about what Wang's books mean, but in an existential crisis I'm going to be making it up in ways that you won't find useful." And they still gave me a high pass. I got out of the exam, went into my major professor and said, "By the way, I know what Confucius' dates were, and you didn't ask." He said, "Oh yeah, of course. I just wanted to make sure you knew them." After that, I fly to Taiwan. It's the first time I've been out of the United States and Canada, literally the first time. It's my first time anywhere near that part of the world.

Q: And how old are you now?

KEEGAN: It's 1977 so I'm 26. I've been doing all this stuff on Asia, never been to Asia at all. And I remember the airport in Taipei was then on the edge of downtown. It's now the old airport, but I remember flying in, and the last half mile or so coming up to the airport and all I see is rice paddies. All I see is rice paddies as far as the eye can see. And I think, are we going to land where rice paddies are? Is there actually a runway coming up somewhere? They finally did find a runway; we landed. There was nobody there to meet me. I got my luggage, and I didn't have Sue Siciliano's address in Chinese. I had the address for the Stanford Center in Chinese. I got into the taxi and tried to explain where I wanted to go. The problem is they speak a slightly different dialect than I had studied, and they have a southern Chinese pronunciation.

When a northern Chinese would say for the word here, "zhar" (pronounced "jar"), they would say "zheli" (pr. "je-lee") At one point I tried to get the guy to stop. I said "zhar." He hadn't a clue what I was talking about. They completely ignored me, pulled up to the address that I had given him, and I was rescued. I had arrived at the Stanford Center. I drag in my suitcase, and they say very politely you missed orientation. I agreed. I did miss it, but what was I going to do? At this point I'm introduced to the Assistant to the Stanford Center Director, a second-year student selected to be in charge of orientation for the new students. She knew I would be staying with Sue and Vince. Sue magically appears and helps me get to her apartment and tells me that they have invited the assistant to the Director to dinner that evening so we can all talk a little bit about what happens next.

Okay, fine. Um, so we sit down or wait for dinner, and in walks Sally Lindfors, who is the assistant to the director. She's a Ph.D. Student from University of Texas at Austin, like Berkeley a nice place to be except during the summer. She very politely said every year there's always one person who doesn't get the message, shows up late, and apparently you're it. But you know, I'll be helpful where I can be. I'll give you a little bit of special orientation, and we'll go from there. And as I like to say, I've been getting special orientation for 39 years now. Every time I do a lecture to the area studies students at the State Department Foreign Service Institute on Taiwan, I begin with a truth-in-advertising disclaimer.

Taipei is where I met my wife. This is where I met the woman who was born in the same hospital I was back in Port Chester, New York, so I have a soft spot for Taiwan. Together we spent two years wandering about Taiwan, learning a ton of Chinese and Chinese manners. The Stanford Center director, Bill Speidel, who's now retired down at the University of Virginia, and a very bright guy, very truly loves Taiwan. He had gone over there to teach at Donghai University, which is a religious university in central Taiwan, and he stayed. He and his wife had three girls, and they all lived there, and he knew more about Taiwan than you could shake a stick at. The Stanford Center had had a series of directors, who were rotating through, because they would come out for a few years, and then they would go back to their universities. Most of them were linguists. They wanted to study Chinese. Bill was different. He wanted you to learn Taiwan as you learned Chinese.

Q: Okay, you wandered around for two years. Obviously, part of that time you're studying, but Taiwan is not that big a location. How did you spend your two years wandering around?

KEEGAN: Well, I, actually we, took buses and we hiked. Sally and I took a train ride around the island. As you said, it is a relatively small place. It's a size of, oh, Maryland and Delaware put together, with a population at that point of approximately 18 or 19 million. As Sally likes to say, if you flattened out all the mountains, it'd be about five times larger. All in all, lots of beautiful places to go hiking. And so we did all of that all, and Bill Speidel knew some of the most interesting places. All of us at the Stanford Center went with him to a place called Lugang, which is literally "Deer harbor." On Thanksgiving, he decided we needed a break because we're expecting Thanksgiving, which didn't happen in Taiwan, so for Thanksgiving we all climbed on a tour bus and he took us down to this little village with these narrow traditional shopping streets with the roofs extending out of the street itself as covering all sorts of traditional foods and spices and everything else.

We get off the bus, and it is Thanksgiving Day. As you know, in many semi-rural places, you have these domesticated animals foraging in the grass. They're foraging in the grass as we get off the bus, including two or three turkeys, and those turkeys looked at those foreigners, and they all gobbled. All of us concluded that they were just laughing at us, saying that we're in Taiwan, we're not in the United States which means we're alive and

you can't eat us for Thanksgiving dinner. Another time, we went to a place called Beigang, which is the center in Taiwan for the worship of Matsu. Matsu is the mother goddess. She was a young woman living on the Chinese mainland in the province of Fujian opposite Taiwan. Somehow, in the midst of a great storm she prayed to the gods, prayed to the Buddhist gods and saved fishermen at sea. And so her statue was brought over to Taiwan from Fujian.

One of her main temples is in this place called Beigang, and on Matsu's birthday they had a festival, and it was known as the festival where they exploded more firecrackers than they exploded on Chinese New Year. Bill again had us all go on a tour bus to Beigang. He was the kind of guy who did that kind of thing. I remember one evening, he invited a number of us, maybe all of us, to his house to meet a Nationalist thinker and a Mainlander. I don't think he was a politician per se, more likely the kind of public intellectual who would work at the Brookings Institution. He was one of the people who had come over to Taiwan with the nationalist army in defeat after World War II as they were losing the civil war. And so you have this tension between that group and the group that had been in Taiwan before that who are known as Taiwanese.

The mainlanders are perhaps 15% of the population, perhaps 5% aboriginal, almost all the rest of the Taiwanese. So we had this conversation with this guy in 1977. At this point, Chiang Kai-shek, who had governed the Republic of China since before it took over Taiwan, has just died. Chiang Ching-kuo, who is Chiang Kai-shek's son and was educated in the Soviet Union, had been in charge of the secret police. Not a nice man. He had just become president. The speaker that evening said, "you know, there's going to be a war here in Taiwan because the Taiwanese don't like us. They see that we came in and we took all of the best jobs and all of the best places to live. We forced all the large Taiwanese landlords to give up their land for land reform." He recited some more of those Mainlander-Taiwanese tensions, and he said "there's going to be a war, and we're going to lose, and we're all going to be murdered for being the Mainlanders."

I remember a couple of us standing around outside Bill Speidel's house. We're waiting to find a taxi to get back to wherever we were living. There's going to be a war here, and we haven't a clue what's going on at all. Bill was the kind of guy who could expose us to that. He was probably the first person who introduced me to something contemporary. That was really cool. Bill Speidel knew another way to look at everything in Taiwan, and that was just a fact. Yeah. He appeared to be one of these bumbling professors, just charming, brilliant, decent, and lots and lots of fun.

I did my first year of Chinese there and decided to stay and do second year Chinese. I got a job teaching English at Bank of America through Vince Siciliano. All of the students had bank accounts at Bank of America because we needed a place to cash our U.S. dollar checks to convert to Taiwan money. This is at a point when Taiwan has no checking accounts, and they had no large denomination bills. The largest they had was, I think, a hundred, a hundred New Taiwan Dollars. It may have been 500, but a hundred New

Taiwan Dollars. It's worth perhaps \$3.60 U.S. This is a situation where if you wanted to buy a car, you would go into the bank and get enough cash in small bills to buy a car.

Well, they wouldn't even do sort of a money order or cashier's check. It was a cash society. It was a cash society because they had gone through inflation, murderous, murderous inflation. And so Chiang Kai-shek had said, we are not having large bills because once we have large bills then we're going to see the whole inflation thing start all over again. And he said, "I lost the mainland on inflation," and he was probably at least in part, right. You go to the teller and say I need however many million New Taiwan Dollars to buy a compact car. And they'd pile it up at the teller window and you know what they do? Do you remember the brown paper bags you'd get at the grocery store. They had brown paper bags with the Bank of America logo on the outside. So you'd be walking down the street carrying a brown paper bag with a bank logo on it.

Exactly as if it wasn't obvious what you are carrying? But I never heard of anyone having a problem. Never heard of a problem. One thing I remember was the day the tellers were staring at me, partially because at that age I still had an Afro, very curly Irish hair. One of the tellers asked me how I made my hair so curly. Chinese men liked to have curly hair, but, if Chinese men had curly hair, they used curling irons. I didn't know how to say in colloquial Chinese, "well, you know, it's just natural." I said, "My mother gave it to me," and they all turned beet red. They thought that was very intimate.

Another little insight into Taiwan's Chinese culture happened one day at the Taipei Train Station. I said we took trains all over the place, and we took buses all over the place. We were sitting at the train station one day waiting for a train. Sally had just gone to the information booth and asked for some information in Chinese. This little Taiwan girl was playing on the old wooden benches in the waiting room and turned to her mother and asked in Chinese, "who are those two?" pointing at my Swedish-American girlfriend and me. Clearly neither of us are Chinese at all. And the woman looked over at us and said, "well, they're foreigners." And the little girl said, "but mommy, they can't be foreigners. They can't be." "Why not?" "Because they speak Chinese." Her attitude was, if you speak Chinese, you're Chinese.

The most momentous day for us in Taiwan was Saturday, December 16, 1978. It was December 15 in the U.S. Taiwan. Chiang Ching-kuo had succeeded his father Chiang Kai-shek as ruler of Taiwan, the same Chiang Ching-kuo who had terrorized Taiwan as head of the secret police. The younger Chiang was no dummy. And he had figured out that the White Terror, which had kept the Nationalists in power since 1945 wasn't working anymore, and he could read the writing on the wall. And so he was very softly and gradually, and over considerable resistance, beginning to move his ruling Nationalist Party in a more democratic direction. It wasn't uniformly soft and peaceful. I mean some independents, some Taiwanese, were murdered, Taiwanese were driven off the island. Taiwanese were assassinated in the United States in one obvious case in California. There were some brutal edges to it, but he was moving in that direction. And he adapted a new

image, adopted a grandfatherly demeanor, you know, that cloth bombardier jackets, those old grandfather jackets that men wear that make them seem informal and friendly? It seemed like that's all Chiang Ching-kuo wore.

And Chiang walked around that island kissing babies and acting like a politician, not like the head of the secret police we knew. To give reality to the image, one of the steps Chiang and the Nationalist Party decided to take was they were going to have semi-democratic elections for city council and some of the cities, including Taipei and three groups would be allowed to compete for each seat. There would be a Nationalist Party (Kuomintang or KMT) candidates selected by the party. And if there were KMT members who wanted to run against that candidate, that would be allowed, so you had the party candidate and then you had the "non-party" candidate which meant the KMT member who wanted to run but wasn't approved by the party. In addition, you had the candidate that was referred to as "outside the party," which was a Taiwanese anti-KMT candidate. Opposition parties were illegal so these non-KMT candidates were essentially treated as independents.

These candidates would rent shop fronts to serve as their election headquarters. In Taipei, the shop door is, maybe about 12 feet from the curb, but real estate is expensive, so you can't afford to have the second floor tucked in that far. The second floor extends all the way out to the curb. Right. When you are walking on the sidewalk, you are under the second floor. The candidates would display their party platform on sheets or plywood panels hanging from the second floor at the edge of the curb. Once one candidate got a party headquarters, the other candidates would try to find the closest shop to that place where they could rent.

And so sometimes you would have two or three candidates' headquarters side by side. One would hang up a platform; the other one would then read it, or his staff would read it and hang their platform in response. The third one would do the same, then the first one would read the other two and rewrite his platform to respond. One of these sets of campaign headquarters were right across the street from the Taiwan National University campus with its wrought iron fence. Banners for all the candidates were hanging from the fence. Sally and I would walk down and look at this and, to the extent we could, read the platforms and watch the activity and the arguments that were going on. We didn't have class on Saturday morning, December 16th, Friday December 15th in Washington, so we were watching the campaign activities that morning. We went back to our apartment for lunch, and the phone rang, and it was Sue Siciliano. Her husband Vince was in the bank, so he was more connected than we were. And he had friends in the embassy, and I think they may have been at an embassy party the night before. Anyway, Sue called us and said to Sally, "it's happened."

We immediately reacted that this is not good. Because we all knew what "it" was. It was the U.S. decision to recognize Beijing as the government of all China and to cancel diplomatic relations with the Republic of China on Taiwan. This was for Taiwan an

enormous shock. Not only stunning, but frightening. Yeah. By that afternoon, the elections were suspended. And fear, anger, doubt, and rumors all began to spread. One rumor was that the president of Taiwan had the U.S. Air Force bringing in C-130s to load up with gold ingots and take his ill-gotten gains off the island. Rumors were going around that the US was pulling out and the Communist forces were going to land. Anger exploded at the United States. Jimmy Carter was president, and he had done exactly what Nixon wanted to do, exactly what Ford wanted to do, but neither one of them had the time, so he had done it.

The election was suspended, and all of a sudden all of those election banners, which were hanging on the Taiwan National University fences, were turned over. And on the other side, anti-American slogans were written. As Americans we realized we might be targets of Taiwanese anger. We knew we were supposed to register where we were living with the Garrison Command, which was the enforcer of martial law, which was still in place. I think it was that afternoon, but it may have been the following day, our apartment doorbell rings, and we opened the door and there's a policeman standing there, and the policemen basically said to us, "Hello, you were supposed to register when you moved to this apartment, but you didn't. But we know you're here and we just want to point out to you the police boxes right over there. If you have any trouble whatsoever, we're watching. All you have to do is make a peep, and we'll be here instantly to help you out."

He basically reassured us that they were not going to give us any trouble. We should have registered, but it's okay. They know who we are, and they don't want any bad things to happen, so they're looking out for us. That was sort of interesting. We got around Taiwan, especially Taipei, mostly by taking taxis. The only problem with that was that all the taxi drivers were angry, especially at Americans. When we hailed a taxi, the drivers were all screaming at us. Sally kept saying, "You know, I don't mind if they're screaming at us, but I wish they wouldn't turn around and look at the road as well." They're screaming and driving.

Finally, when one taxi driver was doing this, she said to him, "We're perfectly happy to hear what you have to say. We're perfectly happy to talk to you. Would you pull over to the side of the road? Can we have our conversation? And then you can drive us home." Which the cabbie did. At that time, I was teaching English at Citibank, which was on the other side of town, and I was taking a minibus to get there. The route took us past the Foreign Ministry, and there was a crowd in front of the foreign ministry. I stood up in the bus to see what was going on. And I realized I was seeing a man burn himself to death in protest.

And I suddenly looked around the bus and realized I'm the only foreigner on this bus. I thought, maybe I'll sit down, maybe I'll just stay seated regardless of what happens. This is about the time when the U.S. Deputy Secretary of State Warren Christopher is arriving in Taipei to talk to the Nationalist Party government and explain, here's why we did what we did. Here's what we're going to try to do to help. He landed at the same airport I did.

And we watched his arrival on TV from a cheap Chinese restaurant. And protestors were rocking his car as he was trying to get out of the airport. One of them took a steel pipe and slammed the steel pipe through the window literally right in front of his nose. Christopher went in to meet the Taiwan government and said we understand you're angry, but this isn't going to help.

The Taiwan authorities got the crowds under control, but it was a quite a dramatic series of days. And you know, I think that contributed to my idea of applying to the Foreign Service. I think that's part of what may have led me as I was heading back to California to resume graduate school to think about it. You know, we watched and lived the change. We had gotten used to going to the U.S. military bases when we wanted a hamburger, and all of a sudden those were all closed. The embassy was closed. I remember at one point we were trying to find out where that new organization that would replace the embassy was going to be. I needed a notary for some scholarship application. I couldn't get it for over a month. These are small personal issues, it's one of those things that I'm very glad I lived through and saw and was part of.

It gave me an appreciation for the dynamics around Taiwan. That is really hard to have if you don't go through something like that. Absolutely hard. But I was also very envious at that point of the people in the embassy who had cars and security and commissaries. Even more, the ability to be evacuated should really bad things start to go down. That's a part of the world I never noticed before and it's right up against my nose now. I went back to Berkeley. Sally came with me to Berkeley for a while. She went back to Texas. I went to visit her in Texas because we were spending more money on telephone calls than we were spending on rent. Something you did in those days.

And if you've ever been to Austin, it is a lovely town. It is not as nice now as it was then, but it was just like Berkeley in Texas. It's got all the intellectual amenities. It's got all the social amenities, lovely place. Sally's major professor was just wonderful. We were all good friends. I audited a class her major professor was teaching, and I was doing my dissertation research and auditing. We took my first ever bird watching class because Sally liked to go out and look at birds. I figured maybe I'd learn to look, so she signed us up and we did that. And then the end of May came and if you've ever been in Texas in June, it is as hot as hades. To survive in Austin summer, you basically go from air condition box to air-conditioned box if you can afford it. I finally said to Sally, look, you're wonderful. I love you. I'm going back to Berkeley. Why don't you come back to Berkeley and its lovely summer weather. And it probably wasn't that instantaneous, but she did come to Berkeley.

APPLYING TO THE FOREIGN SERVICE

KEEGAN: At some point, before I went to Austin, I was thinking about what I was going to do next, watching all these fellow students with really stellar credentials who were getting adjunct jobs for years and years on end, and I was going to face the same, it's not

too good. And I remember I saw an ad for the Foreign Service exam. At that point it was a written exam given one time a year. I saw this, and it was in the history department, or China's study center, or someplace and the deadline to sign up was the following day. Applications had to reach the ETS (the Educational Testing Service) which produces the SATs for college admission. They also did the foreign service exam, they may still, and they had two headquarters, one was in Princeton, one was in Berkeley. I filled out the application, put a stamp on it, and rode my bike down to the post office. It had to be at ETS by the next day and lo and behold, there it was.

Q: Now pause one second. You're seeing colleagues who are at least equal, if not better than you in all of these aspects of ancient China and in Chinese language. And so on, getting only adjunct jobs or one year jobs. Even though the US has never signaled that we are going to have broader and more important relations with the PRC, universities are still not expanding. The same was my perception at the time,

KEEGAN: I sort of looked at this and I thought, well, I'll just muddle my way through it and sooner or later something will happen. I was teaching a class for history majors and writing my dissertation on the assumption I would become an academic, but I was also thinking that the FSO exam notice is. Interesting, and I can't lose anything by taking it. Sure. A left turn that probably won't materialize, but if it does, there are some arguments in its favor. I signed up, and they sent me a ticket to go take the exam in San Francisco. I climbed on the Bay Area Rapid Transit subway, the Bart, and went downtown and took the exam with no preparation. I hadn't a clue what I was walking into, which was a good thing. Sally was a little perplexed; she was working on her dissertation at the same time.

When was it? I guess she hadn't yet moved to Berkeley because I was going to visit her in Austin when the State Department informed me that I had passed and asked where do you want to take the orals? They listed the dates when they would be in particular cities. They were scheduled to be in San Francisco while I was in Austin, but they were also going to be in Dallas, when I was going to be in Austin, so I signed up for that. It turned out that a good friend of hers, still a very good friend of hers, Marylee, was going to get married in Fort Worth near Dallas at just that time. Lo and behold, everything fell together. We went up for the wedding, and I went to take the Foreign Service oral exam. Apparently you need at least four people for the roleplay portion of the exam. Only two other people showed up. They couldn't do the roleplay. Wow. We spent all morning sitting around waiting to see if the fourth person would show up.

It beat the daylights out of me. They said, well, the fourth person hadn't shown up, so we're not doing the oral assessment. I reacted badly. I said, "Wait a minute, guys> Wait a minute. I'm from Berkeley. I got all the way here to Dallas because you said you were going to have an oral assessment. Okay. I've held up my end of the bargain." And they said, "Well, you know, we'll be back somewhere in California sometime next year or two." And I said, "Wait a minute. I kept my end of the bargain. You know, you guys really can do better than this. You know, where are you giving an oral assessment in the next couple of months so that I can show up?" They called somebody, and they said,

“Well, we've got space for an oral assessment in Atlanta. And I said, “Well, that's charming, but I'm a graduate student. I don't have the money to get to Atlanta.” They made another phone call and they said, “Okay, we'll buy a ticket and give you per diem. That was another point for the State Department in my book.” Okay. They were probably sick and tired of hearing me. I was not my most pleasant and charming, so, but they paid for me to go to Atlanta. I bought the plane ticket and I stayed in a Holiday Inn in Atlanta. I remember thinking, you know, I don't know where this federal building is. Maybe I better go find it. I arrived the day before, went out for a walk, and found the address for the testing center just fine.

The next day I went into the building, and I said, “So where's the Foreign Service assessment?” They replied, “there's no foreign service assessment here.” I was stunned. Wait a minute, wait a minute. This is the federal building, right? And they said, well, actually there are now two federal buildings. And I said, well, here's the address that they gave me on the letter. And they said, “well, yes, you're at the right address, and there's no foreign service assessment here.” Keeping my frustration under control, I asked if they would call the phone number on the letter, So the folks at the information desk were being very nice to me. They called, and they came back and they said, yes, that is the address on the letter. However the assessment is at the other federal building. I asked where the other federal building was. They looked at my map (I always have a map) and said here's the address. It's a mile and a half that way. And the oral assessment starts in 20 minutes. Oh incredible. I figure it's going to take me 20 minutes to get a taxi. I don't know the bus system, screw it. I'm walking. So 18 minutes later I walked in the door of the assessment center, and the guy at the desk was typical old foreign service, gray haired, tweedy jacket, smoking a pipe, checking people in. I'm completely out of breath and I'm not in great shape, but I've been running and I've been cycling. So yeah, I walked up to the desk and I said, “do you know, guys know what you did? And I'm here.” And he just looked up at me and said, “well, you passed the first test.” Literally that's what he said. Okay, take your packet.

The only things I remember during the orals was, first, the inbox exercise because I remember they said, you can make up any organizational structure you want to. And I said, well, I've got a ton of paper and I've got 20 minutes, so I'm going to make up a complete staff and delegate everything.

Q: Not a bad approach. So that seemed to work?

KEEGAN: I remember that with the role play, they asked you to pick six people to go on a Fulbright or something like that, and they asked the participants each to represent an embassy section and we all debated which sections' candidates would be selected. Just as we had worked it all out, the test organizers interrupted to say, “Oh, by the way, the budget has been cut. We can't approve six. We can only approve four. Remember that ploy?”

I just suddenly said to myself, “you know, I'm going to play this one.” So I decided that I was no longer going to advocate for my candidate. I was just going to step back and

broker the best candidate. All right. Um, and so I just said, you know, good, but you know, I think you're showing yourself to be really a great candidate. I see, let's talk about your two and sort out which one really meets her objectives. I recall that the test supervisor was sitting behind me. And so I got up at the end, and the guy looked at me. He said, "yeah, that was a good way to do it." I don't know if it made any difference, but it was sort of, you know, one of those first lessons in the foreign service.

Q: Right. So was this the time period when uh, when they gave the test at the end of the day they would tell you if you were one of the people who passed, or did they notify you later?

KEEGAN: They may have told me that day. If they didn't tell me that day, it would have been within a week. I forget, was this when you do the essays for the essays before the oral exam? No, I don't think so.

Q: Your essay aside from, you know, when you did your application, you did a little biographical essay as part of the oral exam. Your morning was divided into a writing assessment. You're sitting there with two or three examiners and they ask you questions, then you write essay answers. Right. And then you have a third element in the morning. It might have been the inbox because the afternoon is the negotiating session. Okay.

KEEGAN: I guess after that was when you did the security clearance application and all of that garbage. And they lost my fingerprints as my wife reminds me. So it's just as we are going through this, suddenly my wife is pregnant. So we went down to the courthouse and got married. We wanted to have children so we were excited. We're going to do it. We had our party or wedding party literally in our backyard, which was also the backyard of two friends of ours. It was a friend from Holy Cross who had come out to visit me for two weeks in Berkeley and never left and married a girl in Berkeley and rented the house next door to where we were living in Sue Wallace's house.

Q: Wow. So small wedding, small reception. Not maybe what you expected.

KEEGAN: No, but it's what happens in life, and we were both very happy and relaxed about it. So, that was in June, and the State Department somewhere in August called me up and invited me to an A-100 class. And I reacted, "well, you know, we have two issues here. One is that the university has just offered me a chance to teach a class. I've been waiting for four years to teach. And, second, while we've been waiting for you, I've gotten married and my wife's expecting in October." So, I asked "could you call back in June?"

Q: Now, what year do you recall was the actual notification that you'd passed in? They're ready to hire?

KEEGAN: The offer to hire would have been in summer 1981. Okay. Because our son was born in October, 1981. You know, I probably took the oral exam in 1980. I think we were going on the assumption it wouldn't happen. And so we're just going ahead with

life, I'm sure. But they called me up and they said, "okay, we have a space for a political officer in the next class." And I said, "well, you know, I'd really prefer not to. Could you call me back in May or June,?" They asked if that would really work for me. And so they called me in May.

Q: That is very interesting because the exact same thing happened to me. It does not happen to everybody. And I don't know why because I was far less, I think, attractive as a candidate than you were in the sense that you have this command of a hard language, which I did not. I had just, you know, average ability in French, but I got the call at the beginning of the second year of my master's program and I said, "look, you know, it's September, I'll be finished in May. Wouldn't it be better if I came in with a master's degree? You know, you get an officer in nine months with a master's degree, and you don't have to pay for it." And they said, "oh, that sounds good. We'll call you back in May." And they did, but it didn't happen to everyone else that I have spoken with subsequently and to this day, I'm not altogether sure why other than maybe they simply knew that they would have the numbers because they originally offered the job at the end of a fiscal year in September. And you know, beginning October, it would be a new fiscal year. They wouldn't necessarily know for sure what their numbers would be, but I guess they were confident enough.

KEEGAN: And they offered it to me. It must have been in August because I had made the commitment to start teaching the next academic year but hadn't started yet. And we were still more than a month out from the expected due date. We thought there was a decent chance that the offer would not come through. And we, I remember, in May were talking about if it doesn't come through, do we care enough to make a phone call and ask? Um, and before that became an issue, we got a call saying, would you like to come in August? Okay. So it was literally a year later.

Washington, A-100

Q: OK, so today is February 28, 2017, and we are resuming with David Keegan.

KEEGAN: Right, and in the last conversation we had we were talking about my preparations to go to A-100.

Q: That is correct, yes.

KEEGAN: We had talked about the perplexities of a graduate student trying to join the State Department, and the one detail I was going to throw in at the end of it was that wearing tattered blue jeans was my idea of office wear at Berkeley. I suddenly realized it wouldn't work in the State Department, so I took the BART, the Bay Area Rapid Transit, over to San Francisco and went to Brooks Brothers because I figured anything I bought at Brooks Brothers would probably pass at the State Department. I bought my first Brooks Brothers navy blue suit, which was also my last Brooks Brothers navy blue suit. But it got me there, which was important. I came to Washington with my wife and 11-month-old child, and we stayed that first night with my sister who lived near Dulles

Airport, carrying two portable electric typewriters because my wife and I were both finishing dissertations. The next morning, we moved to the Marriott Key Bridge, like many other A-100 classmates, and I went to the Foreign Service Institute (FSI) in Rosslyn, which is one of the more bizarre places I had ever seen. I don't know what other people remember, but I remember at that point the A-100 classes were held in a room called "the meat locker."

Q: I was in the same room. We didn't know the expression "meat locker," but it sure felt like one.

KEEGAN: And by the way, I was in the 11th A-100 class.

Q: I was in the 27th.

KEEGAN: Do you know what the most recent is? 189th. How about that one? I should add that my wife and baby son and I quickly discovered that living in a hotel with a dining room might have seemed like a miracle to impoverished graduate students, but it was a very bad idea when your ten-month-old son insists on crawling around the dining room while you eat. Sally discovered "Sherry Towers," now the State Plaza Hotel, where she got us a one-bedroom suite facing the Department's E Street entrance. More importantly, it faced the flight path for National Airport, and baby Daniel spent endless hours standing at the window announcing and reaching up to each "pane" that flew by.

Now, A-100 classes have what they call "flag day" when the group of newly minted FSOs are told where each one will go for their first assignment and given a little flag of that country. We didn't get flags, so we did not call it "flag day," but we did have the same process. I do remember I had to submit eight choices for my first assignment, and I got number eight.

Q: Same with me.

KEEGAN: I remember getting a phone call just before "flag day." I had wanted to go to either China, for which I had language or Japan where I had a little bit of language and wanted more. The personnel office said, "We are not going to give you either one because for Japan we need someone who has a 3-3 and we have someone, and for China we want to give language training to someone who needs to get off language probation to get tenure, so we are not going to send you. We are going to send you to an English language post, and there are only two posts that qualify. One is Canberra, Australia, and the other is Kingston, Jamaica. We are not going to send you to Australia because it is too close to China." That said to me that this person had little if any grasp of Asian geography. Anyway, they sent one of my colleagues who had Farsi to Canberra and sent me to Kingston, Jamaica.

Q: Your story sounds so much like mine.

KEEGAN: My wife reminded me recently that we had been looking at what we might need to buy for all these different posts, and the weekend before we got our assignment, we were looking at all the sales for winter clothes and figuring out what we needed if we got the assignment to Sapporo, Japan. We were just about to go clothes shopping. If it had been three days later, we would have bought all these winter clothes to go to Jamaica, which is a little bizarre. It was one of these incredible Foreign Service choices. Basically, the people in charge of assignments said to me that they were concerned that because of my China background, I would only be willing to go to China. They were going to make sure that I prove to the Department that I would be “worldwide available,” and that is why they were sending me to Jamaica. I remember the dinner that night when almost everyone in our A-100 class went out to dinner to celebrate or commiserate or whatever. As I said, we had our 11-month-old son Daniel, and we lost him at dinner. We were all eating at a long table, and he was being passed happily from lap to lap all around the table. He was having a good time. Everybody was having a good time, and suddenly we didn’t know where he was. We discovered the kitchen staff thought he was cute, too, and they were entertaining him in the kitchen. So fortunately, we found him before we called the police. Then we had, I don’t know if you had it, the crisis management exercise that was at some off site. It may have been out in West Virginia at Harper’s Ferry. I was Vic Junior-off at that one. Some of the people who had been eliminated from the exercise early on because of the way the scenario played out decided to kidnap one of the participants and make that part of the exercise. Which was all very amusing until they had a struggle and fell through a wall and damaged the wall. Needless to say, I don’t think FSI went there again.

Once A-100 ended, I started the Consular training course, “Consulate General or CONGEN Rosslyn.” Once again, we got to enjoy all of the glories of FSI in Rosslyn, and my wife and son went to stay with her parents in Boynton Beach, Florida, so her parents could babysit their grandson and she could finish writing her PhD dissertation. We had bought a VW Rabbit diesel to drive in Jamaica, and I drove it down to Boynton Beach to leave it with my wife until I finished consular training.

JAMAICA

I ended up serving my first tour in Jamaica as a consular officer, what they jokingly called “a consular hell tour.” You are familiar with it. Our Embassy chancery was in the upper floors of an office building, and the consular section was on the first floor of another office building two blocks away. It was my introduction to, among other things, the peculiarities of Marine guards. The Consular Section was separated into two units, the visa unit, and the ACS, or American Citizens Services Unit, on either side of the public lobby of the building, and the Marines could not walk across a public space in their uniforms. Since they had to be on both sides, they wore the other Marine Corps uniform, which is a blue blazer and grey slacks, which they were permitted to wear in the lobby.

Q: I had forgotten that.

KEEGAN: It was an amazing experience because, first of all, Jamaicans desperately wanted to get to the United States. They desperately wanted nonimmigrant visas, and they desperately wanted immigrant Visas. We had to cope with people who would be refused and come back and apply the next day, so we had to set waiting periods before people could reapply, and we had people yelling at us through the windows if we denied their visa application. But there is nothing that could calm an applicant like a young man or young woman who is clearly a Marine even though they are not in uniform, leaning over your shoulder and saying, "Excuse me, Ma'am, is there a problem?" They look at this young very fit Marine and say, "No there is no problem. I will leave now."

One of the first things I remember is that we said "no" a lot when we were interviewing nonimmigrant visa applicants. A 60, 70, or 80% refusal rate was considered normal and appropriate. We had three Chinese speakers in our consular section including myself, and there were very few Chinese speakers in Jamaica, so we would have a very few Chinese speakers applying for visas. We had a rule among the three of us when we were interviewing that we would rotate the Chinese language interviews so we could all have the benefit of doing them. I remember one time our DCM got an invitation to a Chinese language movie at the Chinese Embassy. He didn't want to go, so he sent it down to the consular section, and the three of us went. It was a couple and myself, and my wife, who spoke Chinese, went as well. We went to whatever movie they were showing at the Chinese embassy in Chinese with no English subtitles. We laughed at all the right places. I am sure that the Chinese embassy was wondering what it was that caused the U.S. government to send three Chinese speakers to Jamaica? Are they spying on us? The answer was no, but I understood why they were concerned. The other thing I remember was being accused of racism.

Q: Of course, yes, right.

KEEGAN: One reason we were accused of racism, which I had never anticipated, arose when I was in charge of the information window in the visa section. That was fine, and we had very good people. I was accused of racism. Why am I being a racist? Virtually all Jamaicans are black. I am working with them. I seem to get along with them, and they all seem to get along with me. They said, "Yes, you are a nice person, but we know that you pick light-skinned blacks for all the positions that are visible and the dark-skinned blacks you keep in the back." When I heard that I thought I don't know which of you is dark skinned and which is light skinned. But the frightening thing was after hearing the complaint, I went back and looked, and you know what? We had selected light-skinned blacks for the front.

Q: So, the front office jobs were all light-skinned and the back-office jobs were all dark-skinned?

KEEGAN: Yeah, and we had somehow fallen into modeling ourselves on the racism of Jamaican society, which I found utterly fascinating. Of course, looking back, we may simply have been carrying our American racism with us. The other thing I remember was how much more important in Jamaica a consular officer was than anybody else. If a

first-tour officer became a General Service Officer (GSO) working in the administrative section, the junior officer would regard that as a wonderful chance to escape doing consular interviews. You would then discover that in the eyes of Jamaicans, you were less important. Once I was on the other side of the island, and someone came up to me and said, “Do you remember me?” Always an unnerving question. I was once at a resort on the north side of the island with my wife, my infant son Daniel, and my sister, who had come to visit. They could stay into the week, but it was Sunday afternoon, and I had to get back for work. They dropped me off at a traffic roundabout, where you could catch a minibus back to Kingston. The Regional Security Officer (RSO) was not happy that we were doing this, but anyway, I walked up to these minibuses, and I was going to find one back to Kingston. This guy comes up to me and says, “Do you remember me?” So, I said, “Sir, I am sorry, but I don’t.” “Well, I applied for a visa, and I told you I had six minibuses, and I could tell that you didn’t believe me, but you gave me a visa anyway for which I am grateful, and my six minibuses are over there, and the second one is going to Kingston. Get in it.”

Q: Right. One quick thing about the information window, by the time I got to Jamaica, which was not very long after you were there, the information window was no longer staffed by any Americans. It was staffed by a Jamaican employee who was darker skinned, not that I am sure what dark skinned means in Jamaica, but she wasn’t as light skinned as she could be in Jamaica. She did a great job although every once in a while, she would come back in tears because someone screamed at her.

KEEGAN: Even when I was there, I very seldom worked at the information window. I supervised the window. We actually had two or three employees up there. My job was to supervise them, support them, and make sure they had the materials needed. If something happened to them, my job was to go up there and take the heat. That is very much the way we did it. If they had a question they couldn’t answer, which was rare, by the way, they could come to me. In many cases they knew a ton more than I did.

Q: You mean they had been doing it forever?

KEEGAN: They had been doing it forever, and they knew Jamaican society far better than we were ever going to know it. Which was the reason we had them. But it was one of those parts that was quite interesting. I remember the head of the State Department Officer in charge of assignments for Junior Officers (now known as entry level officers) came down to Jamaica because we were one of the embassies with the largest number of JOs serving as visa officers, and he wanted to see how morale was. He came up to me and said, “It has not gone unnoticed that you got your last choice assignment and still seem to be very upbeat about it all and seem to be very positive about it and making a very good time out of it. You know there are some very good jobs out there,” and he told me about one or two. He particularly flagged for me a job in Seoul, Korea. It went through the normal process, but he said that assignment panels notice things like being positive when you get an assignment you didn’t want. It is just one of those early little discoveries about what matters in an institution like the Foreign Service.

Just a few comments on Jamaica. As you know it was one of those places where violence could happen at the drop of a hat. My wife and I were looking out the window of our house once and heard someone get shot by the police at the end of the street. The body was shoved into the trunk of a car as they took off. In another case, I took a minibus to work in the mornings, and again the RSO made it clear that he did not like it. He particularly didn't like it when they were having a minibus driver strike over the rising gasoline prices. I got on a minibus whose driver was not honoring the strike, and soon the minibus was surrounded by people with machetes.

Q: Oh wow.

KEEGAN: They got on the bus and said to the driver, "If you move an inch with passengers, we are going to take these machetes to your tires and think about how much it is going to cost you to replace them, assuming you survive." At which point I had to get off the minibus and walk the rest of the way to work. Anyway, you are familiar with this because you served there. With all of the violence, we were the only house on our block that had alarms and the only house that didn't have a major burglary.

The other thing about Jamaica is the poverty. We had a liftvan made up of plywood to deliver our household goods. The movers put it in the driveway. They unloaded it and were driving off. I said, "Aren't you taking the lift van?" They said, "It is not worth our trouble." Our maid came up to us and said, "What are you going to do with that lift van?" We said, "Beats the daylights out of us." She asked, "Can I have it?" "What are you going to do with it?" "We need another room in our house and that lift van will become our extra room. We will take the plywood." Her husband came with a pushcart. He broke it up and put it on a pushcart. He didn't have a car or a truck, and didn't have access to one. And he pushed it two or three miles to their house, all of which was a reminder.

Q: Those reminders of poverty are everywhere in Jamaica, you are right.

KEEGAN: We left there after a year and a half, and the only other experience I remember was that I was still working on my Ph.D. dissertation while also working five days a week. Sunday was my dissertation writing day. My wife would take our almost toddler son Daniel to the local zoo, which was not much of a zoo, but he liked it, and it gave me three or four hours to work quietly on my dissertation.

KOREA

After eighteen months, we went back to DC for six months of language training before going to Seoul, Korea. The Department decided that we didn't qualify for temporary duty allowance or TDY. They decided they could save money by transferring us to DC as if we were going to live there for several years. TDY allowance would have allowed us to rent a furnished apartment, but without it we didn't have any furniture until our furniture arrived, and my wife was eight months pregnant when we moved to DC. She was literally calling the moving company every other day in tears saying, "I am nine months pregnant, and I am sleeping on the floor." We couldn't afford to rent furniture.

Q: This is another very important point. When people at that time in the Foreign Service went back to Washington for language training, often the training was not for a year or two years. There was a choice that had to be made between putting you on TDY while you were on language training or formally transferring you to Washington, which would rob you of the benefits of TDY, which included a reasonable amount of money to get an apartment including potentially a furnished apartment. It was a very big deal for anybody going back to get that TDY status as opposed to being transferred at that point in your career, because you were paying student loans and you were earning not that much, and Washington even back in the early 80s was expensive.

KEEGAN: Exactly. You were also moving back to Washington for a period shorter than any lease you could legally get. We ended up having to pick up a lease from somebody else in the same situation, and we were very lucky to get that.

Q: It is a hardship.

KEEGAN: It was a very definite hardship, and literally we were sleeping on air mattresses on the floor and making do. OK, we were in our 30s and healthy, fine. But my wife is eight months pregnant, and their treatment of her was just appalling. Literally when she went to the hospital to deliver our second child, we didn't have any furniture. It was delivered the day after he was born.

Q: Typically, even for a place that is as close as Jamaica, it could take three months for furniture to arrive in DC.

KEEGAN: That is exactly what happened. We had some very good friends of ours who were also Foreign Service, and they helped me move our stuff into the apartment. My wife pleaded with the doctor not to let her go home the same day our son was born. The day she was due to go home, we still weren't quite ready, so my brother-in-law, God bless him, drove in from Sterling, picked up my wife at Fairfax General hospital and drove my wife and infant son back out to their house, put them in the bedroom and said, "Relax. After David calls me and tells me everything is ready, I will drive you home." And he did. He still gets a little embarrassed when I mention how grateful we are even now for what he did.

Q: But it is those kinds of make-do that ends up happening when you do not have the TDY status.

KEEGAN: And the government either doesn't have or doesn't believe it has the budget to take care of people. It is one of those things that we got through, but it really does shred morale. It is so disruptive of morale. That is one of the things I think we have to be concerned about going forward. I remember when the movers came up to our house, to our apartment out along I-395 in Alexandria, They pulled up in the van and said, "Do you have a piano?" I said "No." "Then why is your shipment so heavy?" I said, "Both my wife and I are graduate students, and we have about 30 boxes of books." They said,

“Ahh.” They looked just crestfallen. Moving a piano was just one move, but they were going to have to carry all these boxes.

Anyway, I went into Korean language training and commuted with a friend from A-100 who was taking Portuguese. He would tell me how fast he was progressing, and I had just about learned how to write the Korean alphabet, Hangeul, which is a syllabic writing system. He was already looking at a newspaper. I have just two more stories. Number one, I was studying Korean with a guy who subsequently became a good friend who was a Cantonese American. Apparently both Korean and Cantonese were very closely tied to standard Chinese in the 6th century AD plus-or-minus. So, in some ways the words in Korean and Cantonese are still quite similar. When he didn't know a Korean word and hadn't memorized his vocabulary, he would use the Cantonese word and slur it and often get away with it. Second, I got six months of Korean and went to Korea and started working as a Political Military Officer, which meant I had learned the wrong foreign language. I needed to learn “military,” which is another foreign language. I used a little bit of Korean, but I spent the first year in Seoul learning to speak and read military. I remember when we got there, we moved onto the Yongsan military base which is on the Han River near Seoul, Korea. It was the major military base for the U.S. forces in Korea. Our Embassy sponsors, Sam and Sally Bosken, picked us up at the airport, of course late at night. The embassy car is driving in the dark to our new quarters. I remember our host turning to us and saying, “You think you are moving to Korea. Actually, you are moving to Dubuque. Because that is what it is going to look like.”

Q: That is really interesting. I can't imagine that there are many other places in the world at that time where your quarters would be on a U.S. military base.

KEEGAN: U.S. forces Korea had shrunk considerably by the time we arrived in 1985. This is after Jimmy Carter's force reductions, and the U.S. military in Korea, although it was still large, had lost an enormous number of mid-grade officers, all of whom had lived in duplex houses on base. The U.S. military base in Seoul had a North Post and a South Post, which is where we were, areas that looked like midwestern American suburbs and were about the size of suburbs. It really did feel as if you were in Dubuque, and we had half of a duplex that had been built for a mid-grade officer. The Embassy had entered into a long-term lease with the military. They looked at the military housing and said, “We are not putting anybody in this.” They completely upgraded every unit. Then all the military officers looked at the Embassy housing and said, “Do you have any spares? We will move in.”

For a Foreign Service family, it was just bizarre. You move in and you go to the PX or commissary, and there is this sign over the banana bin in the commissary saying “no fighting over bananas. Anybody caught fighting over the bananas will be ejected.” The reason is that bananas on the Korean economy cost 10-20 times the commissary price so people would try to buy large bunches to resell. I think there was a limit of five bananas because otherwise they would go straight into the black market. They probably did anyway. And my wife remembered when we went there, she went to the commissary and

thought, boy, this looks like the 1950s, and ice cream pops only cost a dime. Then she went into the PX. What are they selling? Hula hoops.

Q: Wow. Wow! That is remarkable.

KEEGAN: So, it really was like the 1950s. And it still felt as if the Korean War could break out again at any time.

Q: So how far was your housing from the Embassy?

KEEGAN: It was about a 30- minute drive. We had a shuttle bus that circled around the suburb and picked up people. There were two shuttles in the morning and two in the evening.

Q: Were you allowed to bring a car if you wanted to or buy one locally?

KEEGAN: Either one. We ended up buying a little station wagon from somebody who had left before us, and we had sold it to somebody who came after us. You really did need a car if you had a family, but for commuting purposes you were better off on the bus. Again, if your spouse wanted to go to the commissary, you needed a car to take the young kids. I was assigned to the political section and didn't really have a clear assignment but became the junior political military officer and handled mostly military assistance issues, which was interesting because it meant that I was spending a lot of time in the military assistance headquarters group learning how they worked and talking to the military. They had several Lt. Colonels or Majors and all of that, very foreign to someone who had never had contact with the U.S. military. It was a fascinating education in the U.S. military and in the evolution of U.S. relations with Korea because we were cutting our budget for military assistance and giving Korea more capability for producing its own equipment, which it then wanted to sell to third countries to balance out the costs. It was just a fascinating arrangement.

I also ended up being the U.S. embassy representative to the UN Command Military Armistice Commission. UNCMAC. They were the folks who went up to Panmunjom for meetings and stuff like that. Don Boose, I think was his name, was the colonel in charge of the Commission. It was fascinating because they needed our Embassy to coordinate with them. They needed our input, so I had a valuable role there. They were doing some very interesting stuff in part because the North Koreans wanted to talk to the Americans through UNCMAC. They didn't want to talk to the South Koreans at that point and were trying to cut the South Koreans out. We were constantly maneuvering to keep the South Koreans in and telling the North Koreans that we were not going to meet them without the South Koreans. The Republic of Korea member of the Military Armistice Commission was an extremely important figure. It was a fascinating triangular relationship because there was me representing the embassy, the U.S. military command/UN military command, and the South Koreans. And we were trying to find ways to keep that channel open with the North.

I remember one of the first times I was going to go to one of these meetings, I got a phone call from the UNCMAC office and some noncommissioned officer who said, "What is your military equivalent rank?" I asked, politely I hope, "What the hell is that? What is a military equivalent rank?" They said, "Do you have a military equivalent rank?" I said, "Not as far as I know." They said, "We have to know your military equivalent rank in order to put you at the proper place at the table." I said, "Well, talk to your boss. I represent the ambassador. So you figure out what my military equivalent rank is, and you put me wherever you think is appropriate." It quickly became apparent that I was a colonel. Based on the fact that I was a junior FSO, I was probably a first lieutenant, maybe a captain, an army captain. But it was an interesting reminder that Embassy officers had a lot more authority than military officers. I would go to a meeting with general instructions and with the general expectation that I would figure out what the right answer was and what we ought to say and say it. Then I would go back to the Embassy and they would ask, "What did you say?" I would tell them, and they would say "OK, sure, fine, write a memo to the ambassador."

Q: Wow, that was another era in the foreign service.

KEEGAN: My understanding was that we always assumed that our people were smart enough to figure out what to do next. The military kept a very tight leash on its people at all times. It really was a different era. Today, I would be very quickly stopped if I were walking around the base. I made a lot of appointments. I didn't do business by phone calls. I went out on the base to meet with people because I figured if I was walking down the hall from one meeting to another meeting, I would run into three other people and I would get a lot of business done that way, which I did. I quickly discovered that I could be helpful to colonels, and I could be helpful to one- and two-star generals. They would tell me, "We don't understand why the Embassy is doing A, B, or C, or we need the embassy to do D, E, or F." I would respond, "Well I don't know but let me follow up and I will call you tomorrow." Because this is long before email. So, I would go back to the Embassy, and I would sort something out and then call their office and say, "Here is the answer" or "I can do this if you can do that." Finally, I was in a hallway on base, and one of the two stars who was deputy commander of USFK, U.S. forces Korea saw me, and he said, "Dave, anytime you need an office, let me know. We have an office with your name on it." I took that as really the ultimate compliment. I was doing something that was useful to them and useful to the Embassy.

Q: So, in essence you were living in two foreign cultures.

KEEGAN: Yes. And FSOs are a foreign culture that travels singly. Even if you are in a consulate or an embassy, Foreign Service Officers go out and do things by themselves. The military moves in groups. So, I sometimes said to my wife and friends I needed a course in tribal anthropology to work on Yongsan. The military moved in tribes, and it was essential that you understood how the tribe worked. It was a tribe of different units within the command, but it was also the tribes of the different services. What did it mean that somebody was a Marine Corps colonel as opposed to a Navy captain as opposed to an Army colonel? They are different cultures. That was just really fascinating.

As I said, my family and I were living in a duplex, and the other half of the duplex was an army Lt. colonel who became the deputy commander of the military assistance group while I was there. I had been talking to somebody. We were looking at tanks in Korea or something like that. Apparently, I had made the mistake of explaining what a tank can do or how you use a tank. This guy came up to me and said, "Dave, I am a tank driver. If you want to know what a tank does, ask me. You want to tell somebody what a tank does, ask me to tell them. But you are not a tanker, so don't pretend you are your authority on that equipment." "Thank you, Sir. I will not." He was a nice guy, and I realized that our lane in the Foreign Service is strategy, diplomacy, and policy. Their lane is operations and tactics. We and the military both do best when we use our strengths together and we complement each other.

There was one occasion when the military used me and my proper expertise in a smart way, and I think "used me" is the right term. We were doing a major command post exercise. I think at that point it was Ulchi-Focus Lense. I think they have changed the name by now. It was basically a two-week command post exercise hypothesizing that the North had attacked and testing what we do next. You had the red forces and the blue forces. OK, and you had the controllers, and they would torment the South Koreans officers and the American officers, but eventually the simple weight of our better equipment and better training and all of the backflow from Japan and the United States would overwhelm the North Koreans, and we began moving north. I remember there was a decision to pause the exercise before the assault on Pyongyang. The question was, do we attack Pyongyang immediately or do we hold the pause a little longer? So, I was the State Department rep, the acting ambassador for the exercise, right? Because they needed somebody who looked like they had a suit on. I had a suit, so I got up and briefed the commander's conference on the State Department point of view.

You have about six or eight Korean colonels and generals and one or two U.S. colonels and generals. I got up and explained why it was in all our interests to continue the pause and open negotiations with the North to see if we could conclude this in a way that reduced casualties, avoided the use of chemical weapons, and avoided Chinese overreaction. The South Korean generals would have none of it. They wanted to take out Pyongyang and they wanted to take it out now. They and I had this argument, debate. I looked at the U.S. general who was in charge sitting at the far end of the table as I was arguing why we should continue the pause. I realized he was laughing. He is having a great time because he agrees with me, but there is no way he can say it, and he was so happy a junior officer from the Embassy was taking all the heat.

The only other technically military story I remember is that we had a lot of American Korean War veterans coming back. Anytime a veteran from the Chosin Reservoir campaign came back, he was a VIP in every sense of the word. The command took care of that person and took care of his family because their attitude was the only reason we can be here is because of your suffering. Many of them had come back and said, "We don't recognize the place." They acknowledged that they knew Seoul would be really built up, but none of them were ready for what they saw. The other visual that stunned

them was that South Korea was so green. It has trees all over the place. It is just green and beautiful, and the country they fought in didn't have any trees because they had all been cut down, blown up. Since the war, the South Koreans had very systematically and aggressively planted trees from one end of the peninsula to the other. You could tell they were systematic because if you flew over them you could see the cross hatching. It was a grid of trees.

We flew over it with a Congressman who had come for a visit and was given a helicopter to go to Panmunjom in the Demilitarized Zone (DMZ) between the North and South. We took off from the post where I lived, where they also had the army helicopter pad. We took off, and eventually I began thinking it shouldn't take this long to get to the DMZ. Then we landed at some obscure base that had a little helipad. The pilot went into the building next to the helipad and came out of the building clutching a couple of maps. He said, "We took off from Yongsan without any maps; we weren't sure where we were going." I am thinking, "Here we are next to the most fortified border in the world, and you don't have a map? The South Koreans, if you meander out of the corridor you are supposed to be in, they will shoot you down."

Just as my tour in Korea was ending, enormous student protests erupted against Chun Doo Hwan. There was this Asiatic cultural group that would do weekend tours for foreigners around Seoul. It was a group of long-term foreign residents, and they would say wouldn't it be interesting to go to a particular place, and they would organize a bus tour and have a tour guide. One Saturday they had a tour my wife and I thought would be fun for us and our two sons; It was going to be all day. We were going to go to an interesting place in the morning. We would have a picnic at Yonsei University. Each family would bring their own lunch. In the afternoon we would go to some other interesting place. When we got to Yonsei University, there was a beautiful grassy field. The kids all wanted to get off the bus and run. We all got out, and we suddenly realized that there had been student demonstrations and the police had been using tear gas all week. The tear gas had settled into the grass, so as soon as we walked on the grass it disturbed the tear gas and it came up and we were all getting gassed. We all got back on the bus, and they found a cafeteria where we could eat and the kids could run around inside.

But the demonstrations continued, and there were some very serious demonstrations in the area of Seoul between the Embassy and Yongsan military base. I was constantly going back and forth, and so were the military officers. On one occasion, our defense attaché was going from the Embassy to the base driving his own car, which he did all the time. The students were throwing down nails, tacks onto the streets, everything they could to stop the police. All four of his tires got flat right in the middle of the student demonstrators. As he told us afterwards, he was hoping that he would get to see his wife and child again. He got out of the car and prepared to defend himself. The students came rushing up and said, "Where is the jack for your car?" He popped the trunk, and they changed the tires and guided him out again, which is just another reminder of the humanity of the people we were dealing with. You know the next day I was driving with a uniformed officer from Korea past the train station to the army base, and we suddenly

realized that we were coming up to the student demonstrators. The guy started slouching down so he wouldn't be noticed. The students were directing traffic so they could have the demonstration and not block traffic. The student directing traffic looked at the guy next to me, and he looked at me, and he knew who we were, and he waved us through. It was just a fascinating reminder of that.

Q: And the years you were there were—?

KEEGAN: '85, '86, '87. I was in Jamaica '83-'84. During 1984-85 I was in language training, October to maybe February or March. And then I went to Seoul. I was in Korea from '85 to '87. This was when Chun Doo Hwan was just having all sorts of problems. There is one other issue that needs to be addressed and that is noncombatant evacuation. I became the point person for the political section at the Embassy coordinating noncombatant evacuation planning with the command. I ended up working a lot with the personnel section of the command which are the people who managed NEO or noncombatant evacuation operations. We all recognized it was an absolutely impossible task to get all noncombatants out of Korea. If the North comes south, you are not going to move those thousands of people before the war starts. So the joke was that if you were concerned you tried to be informed about when the wives of all the military intelligence officers were going on shopping trips to Japan, because if all the intel officer's wives were on shopping trips to Japan, it was probably an indication you wanted to be doing the same thing or you wanted your family to be doing the same thing. We did all the planning we could, which was futile at best, and then this debate came up about who was entitled to get on the plane. We had all the other embassies coming to us asking who got on the plane. People aren't going to have documents. I said, "Quite frankly, if you don't look Korean, I would get to the entrance to the base or the airfield and if they say they are only taking Americans, I would throw away your passport and claim you are an American and get on the plane." They said, "What is the State Department attitude going to be?" The State Department attitude was going to be that we fit everybody on the plane we can. We get it to take off. We load the next plane with everybody we can as long as we can safely and as long as we are getting all the Americans. If we can get other people on the plane safely, that is good with us. I remember I wrote the final cable recommending our policy, and management approved it. Shortly afterwards, I was TDY back in Washington. The officers on the Korea Desk said we got this cable on NEO planning back in Seoul, good cable. We like it. But none of us are sure how to answer it. I said, "Well I can solve this." So, they gave me a space on the Korea Desk, and I wrote the reply to my own cable.

Q: Wonderful.

KEEGAN: Anyway, that is Korea. So why don't we stop there.

TAIWAN

Q: This is March 21, 2017. We are resuming with David Keegan as he has completed his first assignment in Korea. What year was that?

KEEGAN: That would have been 1987. In the spring of 1987, I wrapped up in Korea. I had gotten my onward assignment, which was to the Consulate General in Guangzhou, capital of Guangdong province in south China as a political officer after a year of language training in Taiwan. This led to one of those glorious anomalies of Taiwan life, which is that my family and I had to apply for tourist passports to go to Taiwan because we could not use our diplomatic passports. We applied, got our non-diplomatic passports, and we left Seoul and Kimpo Airport for our next Foreign Service assignment.

Q: And did you actually have to formally resign from the Foreign Service in order to go and study in Taiwan, or was it not necessary because you weren't actually assigned to Taiwan?

KEEGAN: All assignments to Taiwan were via resignation because at that time, the U.S. Government policy was that no U.S. government employees could reside in Taiwan for any purpose. That included students at the Language School, which was a part of the American Institute in Taiwan (AIT), even though it was also a branch of the Foreign Service Institute of the Department of State. That was a requirement of the Taiwan Relations Act. That policy changed, but not until 2004.

Q: So, it is possible that you actually did resign?

KEEGAN: I and all of my fellow classmates knew that we had resigned because we quickly discovered that we were no longer paid by the State Department. We were paid by AIT. The plan was that your pay at the State Department would end at the end of your last pay period of your previous assignment, and then in your first pay period when you were in Taiwan you would start getting paid by AIT. The problem was that it didn't always work quite so neatly. One or two of my colleagues found themselves a little bit stretched when they did not get their pay deposited in their bank account on schedule. They got paid retroactively, and sometimes that was fine, but sometimes it got very messy. One friend of mine that year was going to China via two years of language training, one here in Washington at FSI and one in Taipei. The budget folks didn't get the message. AIT started paying him when he arrived, but FSI didn't stop paying him. For several months – it ran almost I think until December – he was getting double pay. He knew from the start that he had a problem, so he was fighting this whole thing and taking one paycheck and just signing it away so he could pay it back. The problem was the IRS did not understand that, and so they looked to assess him taxes on both incomes. That was a mess to straighten out. I think he did straighten it out, but I suspect that he lost hair over that one.

Fortunately, we didn't all have that problem. I had a different and much more amusing problem. My family and I left Kimpo Airport outside Seoul, Korea, on our diplomatic

passports and flew directly to Taipei. We landed at Chiang Kai-shek Airport outside Taipei and, since we weren't flying to the U.S., we didn't land in the middle of the night as all trans-Pacific flights did, which was nice. We got off the plane, went to customs, and handed them our tourist passports as required by the Taiwan Relations Act. They looked at them and said, "You are supposed to have an exit stamp from wherever you took off." We said, "Oh yeah, the exit stamps are in the other passports." They looked and thought, "Oh, you again." They had seen dozens of these with other Americans assigned to AIT. So that was fine. Just to skip ahead, after our year in Taiwan we left for home leave in the United States and stopped off in Seoul, Korea, to see friends. We landed back at Kimpo Airport where we had taken off almost a year earlier, and we handed them our diplomatic passport. They looked and said, "Have you been in midair for a year? Didn't you land in someplace?" We pulled out our tourist passports to show them the entry and exit stamps from the airport in Taiwan. They had a lot more trouble understanding why we were doing such strange things, but I guess our diplomatic passports gave us a pass. Now, back to the beginning of this story.

We got to Taipei and the AIT Language School staff met us with a van, us and a couple of other language students, and they drove us to a mountain on the north side of Taipei, Yangming Shan. It used to be called "Grass Mountain" until the Nationalists/Kuomintang/KMT party from mainland China landed in 1945 and wanted to give it a more inspiring name. They named the mountain after WANG Yangming, the great Ming dynasty Confucian philosopher. All that is fine. We were moved into some very curious bungalows that had been built for the American military because all of that area had been American military housing when we had diplomatic relations with the Republic of China until we recognized the People's Republic of China in 1979. We were in housing that appeared to be for junior or noncommissioned officers. The regular AIT officers were in quarters that had been built for more senior military officers across the main road, and down the main road the AIT director lived in the commanding general's residence, complete with a swimming pool. The director at the time was David Dean. He did a very generous and smart thing – he said it was an AIT swimming pool, and everybody could use it all the time.

For my wife and me it was a little odd being in these bungalows because we had left Taipei as graduate students about eight years earlier in 1979. These bungalows would have seemed by comparison so luxurious. I know to everyone else they looked pretty dinky, but to us they were a whole lot better than what we had been used to, and we were getting a car sooner or later, and that was going to be the ultimate luxury. But we had two small kids, and we weren't going to just stay in the bungalow until the car arrived, so we walked out on the main street and went to a bus stop because that is how we spent the bulk of our lives as graduate students, taking buses around. We looked at the bus stop and figured out which bus was going down to the train station. Then we got down to the train station and found the bus that was going to where we wanted to go, stuff we had routinely done as graduate students.

When we arrived back at our bungalows, the other language students were saying to us, "How did you do that? They didn't teach us that in language school." "No, they didn't,

but we can teach you; here is how you read bus signs.” It was a different side of the Chinese language experience but here it was. Our sponsor took us over to another section of bungalows which is where the language school was. Just a momentary diversion: the language school was there until they moved it down to the New AIT offices in the Neihu district, another suburb of Taipei. FSI and Diplomatic Security (DS) decided to move the language school into the new AIT office building with everybody else, which was a mistake in my opinion. But back to our story: the school was in these delapidated NCO bungalows on the edge of Yangming Shan (mountain) looking out at the Tamsui River and the Strait of Taiwan. It was a gorgeous view, green and bucolic with the sweet smell of sulphur from the adjacent hot springs and mist rising from the valley in the morning – much as in traditional Chinese paintings. I knew that in a year my family and I were going to go and live in downtown Guangzhou, China, so between every class I walked outside and looked at this green landscape and tried to imprint it on my brain. When we walked over to the school on our second day in Taipei, my sponsor introduced me to one of the senior teachers. I was terrified because I hadn’t used Chinese since I had left Taiwan eight years earlier. I had been studying Korean, and all I could think was Korean. So, I didn’t know what I was going to do. The teacher said hello to me in Chinese, and suddenly it was as if I had stepped through a brick wall. On one side of the brick wall was my Korean, and on the other side of the brick wall was my Chinese, and suddenly I remembered all of my Chinese and forgot all of my Korean.

Q: Now take a second to describe the differences between the Korean language and the Chinese languages for a learner because not many people know that.

KEEGAN: Well, please cut me off when I go into too much detail, but essentially Chinese and Korean are from two entirely different language families. Chinese is a Sino-Tibetan language, so Chinese and Tibetan are generally associated together. Chinese is a family of languages, like the Romance Languages in Europe. Remember China is a continent, it is not a country, and they have lots of different languages, just as Europe does. But for political reasons the government and the Communist Party call them all one language. Just to be fair, the Nationalist Party, which the Communists defeated in the Chinese Civil War, did the same. They designated one language as the *Lingua Franca*. That is the dialect of northern China where the capital, now named Beijing, has been since the Yuan dynasty in the 13th century. It became the *Lingua Franca* because it was the common language of all officials, the Mandarins, and therefore it was a language anyone in China who wanted to talk to officials needed to learn, much like Latin in the early Middle Ages in Europe. So, the language unified the elites who could speak it, but it was also a barrier to people of different regions who were not fluent in Mandarin and needed to communicate with people from other regions who spoke other Chinese languages. There is a saving grace – even those who speak these different Chinese languages have a common writing system, so you might speak the Shanghai language, which the Chinese government now calls a dialect, and I might speak the Beijing language, which they call the Mandarin dialect after the officials who used it, but we can read the same written materials. even though we pronounce the words on the page differently. You read the newspaper, and I read the newspaper, and we get the same content.

Korean is a Ural Altaic language. I understand that linguists are arguing over whether this designation is correct. But Ural Altaic languages basically stretch from Japan and Japanese, Korea and Korean, Mongolian and a whole series of other languages to as far as Hungary and Finland. Remember Genghis Khan? You can't help wondering if he wasn't really good at spreading languages. Korean, like Japanese, could not be more different in terms of its grammatical structure from Chinese. Chinese is very much like English. Subject, Verb, object, but with no tenses and no single or plural issues, whereas Ural Altaic languages have complex grammar, with multiple tenses.

Q: Does it have gender? Are words gendered in Chinese?

KEEGAN: No. You cannot identify gender and there are very few characters that are gender specific. The characters for which the masculine and feminine can be distinguished, but they have the same pronunciation. It isn't normally, but it can be distinguished by putting a man element or a woman element on the left side. Usually in a patriarchal society you just put the man element in, and the women don't matter. But Korean is object, subject, verb. So, it is an entirely different mental process, you find out what something was done to and about, and then you find out who did it, and all of the adjectives and adverbs follow after that. You then have to keep that all in your brain until you find out what happened with the verb at the end of the sentence. Korean, like Japanese, has lots of declensions, time markers, status markers and so forth that you have to analyze.

Q: Is it also tonal?

KEEGAN: No, it is not. Chinese is tonal: Mandarin has four tones, Cantonese has seven. Korean has no tones. Korean, like Japanese, absorbed the written characters from Chinese. That was an add-on to the language, but then they adopted from China a lot of words that went with the characters and a lot of pronunciations. So, they have a lot of characters for which there is a Chinese origin word and a Korean origin word. The Japanese have the same. They absorbed the characters, and then what they did was they said using all these characters is too hard. I am sorry I am mocking it. But they came up with a set of syllables, almost an alphabet, a syllabary. So that you could write without using any characters at all. By now, and this started after WWII, the South Koreans and I think the North Koreans too eliminated all Chinese characters from the language. A Korean who has gotten a college or even a postgraduate education probably could not read a 19th century Korean text without lots of training in it because these earlier texts have lots of characters in them.

Japanese went through somewhat of the same transition, but to nowhere that extreme. Korean and Japanese languages are extremely closely linked. The structure is the same. The only difference is Korean is probably the single hardest language to pronounce I have ever run across. It is almost impossible; Japanese is a lot easier. So, Chinese and Korean are two very different languages. If I am coming into Chinese language training

with a recent Korean language experience, there is a lot to shed. I was surprised that I did so instantly. Somebody threw a toggle switch. So that was quite a transition.

My wife and I came back to Taiwan after eight years away. We couldn't find the old places we used to know. We couldn't find our favorite place to have a papaya smoothie. None of this. We had a car, which we found disorienting. My wife described driving a car in Taiwan was like driving through mosquitoes, and the mosquitoes were all the motor scooters. Since we had left eight years earlier, the number of motor scooters had quadrupled or quintupled, or more than that. So, you were constantly trying to stay alive. They were passing you on both sides, and some of the young men were showing off by weaving around on their scooters at high speed with their girlfriends on the back. Clearly, they thought this was all quite macho.

Q: Right.

KEEGAN: For some reason I had taken our two boys, one who was barely five and one was three, down to an area downtown that my wife and I had known as graduate students. We drove over and saw there was a McDonalds. I thought, "OK this will work for lunch for little boys." We parked and had lunch at McDonalds, and I started to back out of the parking space. And there was a crunch. I thought, "what the?" I got out and there was a motor scooter underneath my back bumper.

Q: It had parked in the back of you.

KEEGAN: Not even that, because if it had parked behind me, I would have seen it when I was getting into the car. What had happened was that after I had gotten our boys and myself into the car, that split second, the boy, who was driving the motor scooter had decided to rest for a moment by stopping at the back corner of my car and putting his foot on my bumper to balance himself. So, he and his girlfriend were next to my left rear tire and under my bumper. Fortunately, I had moved very slowly and fortunately I had heard this very early and so both of them were able to get out without any damage. Basically, I think I squished their tire but didn't damage any hardware, and I basically practiced my rudest Chinese at his expense.

My wife taught graduate student English literature at the College of Chinese Culture, which was only a 15-minute walk away from where we lived. Occasionally, she had to run an errand and would then drive over to her classes. There were all of these students with all these motor scooters. My wife was a very cautious driver. I wish I were like her sometimes. One day she was driving to class. A kid on a motor scooter was doing a slalom in front of her and hit a patch of sand on the road and squished, he pancaked onto the road. The only reason that kind is still alive, if he is, is that my wife didn't like the look of his riding, and she slowed way down so she didn't hit the sand. Sally used to get out of the car when she got home and I would say, "How are you?" She would say, "Fine. I didn't kill anybody."

We had enrolled our older son in the Taipei American School, a survival school from the DOD school, which sat on the flood plain of the Tamsui River. When school ended in June, the staff lifted all of their equipment onto elevated platforms in each room in case there was a summer typhoon and flood. When she enrolled our son in September and went to show him his new classroom, she said it was really a little strange to see everyone putting equipment back down on the floor. Here we were overseas, going to the most American school we had ever been to. He was a five-year-old, and we expected to enroll him in kindergarten, but they looked at him and said he would do better in first grade. Our second son went to something called Rainbow Pre-school, which a group of expat parents, mostly American, had organized. We lived right near an institution, which had been called Armed Forces Radio and Television Taiwan. AFRTS, so it was again deep down American. They had stayed when the American bases closed down and had become a public radio station in Taipei, all in English. It survived economically because English is a very valuable skill in Taiwan so lots of Taiwanese listened to it as well as foreigners.

Q: Interesting, because typically that channel, when you get it, is American news and American sports.

KEEGAN: Right, and the station's new Taiwanese audience loved it. It was American news and American sports, and they had a series of programs, mostly news programs – I think they did it themselves or they picked it up from BBC or something – that was designed for students of English as a second language. It had news programs in simplified English. It was a great thing for the radio station to do. Great for keeping themselves alive in a very difficult marketing environment.

It is funny how little I remember of studying Chinese that year although I spent hours at it. The things I remember are things like “death by ping pong.” There was a porch behind one of the classroom buildings. It had been screened in, and on every break and lunch hour you could go over there, and the students and teachers would play ping pong. We had one teacher who was a very gentle sweet little man who had been the Taiwan national champion, and he had a ping pong serve that when it landed on the other side of the net, nobody but nobody had any idea where it was going so you couldn't hit the damn thing. He would laugh in a very self-deprecating way, and one time he actually said, “Yeah I don't know where it is going either.” The teachers were all better players than any of the students, but we got better. But you know that is how you practice your language in camaraderie and great fun and a great way to get to know your wonderful, dedicated teachers. So, all of that was good.

Q: It is just interesting. You think of ping pong diplomacy with the mainland Chinese and not very often about the Chinese on Taiwan. Was it popular?

KEEGAN: Yes, ping pong is popular with all Chinese. Extremely. I don't know if I have ever heard of a ping pong tournament between Taiwan and the mainland. The simple fact that the mainland had at that point 1.1 billion plus people and Taiwan has 20 million skewed the competition a little bit, but Taiwan has some very good players. One of them

was our teacher. He was a very nice teacher, a very good teacher, but playing ping pong against him was— you had to laugh because there was nothing else you could do.

The language students were also fodder for the AIT employee association because we had relatively more time than the other AIT employees. As a result, we were approached, and a fellow student and I were both recruited to serve on the board. They very carefully held their election about two weeks after the language students arrived. One of the econ officers, a guy named Peter Chase, had been on the board the previous year. They had one and two-year appointments. Two-years for employees and one year for language students for obvious reasons. My fellow student and I were both elected to the board. Peter had been the treasurer the previous year and since he was the most experienced person, we elected him president. About one or two months later we realized that nobody else knew as much about the books as Peter did, and so we couldn't afford to have him as president. So, my fellow student and I and one or two others decided to engineer a coup. We had a board meeting and said, “Peter we are going to depose you. We cannot afford to have you as president. We need you to be our treasurer, so we are voting you out of office. We are voting me into office as the president, and, Peter, you can take it as a promotion.” Peter was a little surprised but very understanding.

It was interesting running an employee association, particularly one that had supplies left over from the U.S. official relationship when our presence had been much larger. We still had liquor that went back 15-20 years. We were paying for the costs of storing it. We talked to the management counselor who was a very good guy. I can't remember his name at this point. We agreed to have a fire sale. We would deeply discount all of the old stuff and get it out of the way. I remember feeling a little nervous because I had very quickly learned that one of the challenges of running an employee association was to make sure that what we were doing was acceptable under the FAM, the Foreign Affairs Manual. I was worried that our fire sale might violate some FAM regulation that I had never seen. I knew that administrative officers live and die by the FAM. It's how you stay legal. I remember that the head of our administrative section at AIT said, “Dave, a good admin officer can always find something in the FAM to prevent him from doing what he doesn't want to do, and he always can find something that requires that he do what he wants to do. And I am a good admin officer, Dave, so just don't worry about it. That is my issue.” I relaxed, and the sale was a great success, and the proceeds ensured the association remained solvent.

The only other thing I will say about the language training is that it confirmed in my mind that getting a language grade of 3/3 in writing and speaking, which is supposed to indicate that your language ability is sufficient to work in the language, is not a professional score, at least not in Chinese. You cannot function in China with a 3-3.

Q: Yeah, and I think that is true for a number of the harder languages. I took Armenian for example. I ended up with a 3/3, and I could barely understand it from the time I got there.

KEEGAN: I got a 3+/3+ because of my background in graduate school and living previously in Taiwan. I was almost functional. I didn't really consider myself functional until I went back to Taipei as deputy director DCM in 2001, and at that point I had extra language training here at FSI and then tested at a 4/4. At that point I felt that people wouldn't laugh at me when I said something unless I wanted them to.

But one aspect of Taiwan I remember from that year on Yangming Shan, and I think is worth talking about, begins with the experience that my wife and I had as graduate students in Taiwan in the 1970s, when there was really harsh enforcement of martial law. The government under Chiang Kai-shek, who had ruled Taiwan from 1945 to 1975, really was very repressive. By the time we came back in 1987, Chiang Ching-kuo, the son of Chiang Kai-shek, had realized that the KMT (the ruling party that had moved the Republic of China from the mainland to Taiwan in 1949) could not survive as an authoritarian party. It had to open up and democratize. Eighty-five percent of the population was Taiwanese, and the government had to give them a vested interest in the survival of the party and the government.

Q: Let me ask you while we are on this. I imagine a little bit of that experience was seen in Washington and now plays a bit into Washington's general approach to mainland China. The U.S. hoped that as Mainland China became wealthier and people have better lifestyles and a better life then the Communist party there too would reach this same understanding that they needed to open up. But that didn't really happen.

KEEGAN: Exactly. The reason it didn't really happen may be that the mainland hasn't gotten there yet. Sociologists, political scientists, economists have looked at China through the democratizing experience of Japan, South Korea, and Taiwan. Singapore did not fit this imagined trend quite so well. They looked at Hong Kong as well. Economically, all of these are Asian success stories. They talk about Japan and the four smaller economies that followed its developmental model – South Korea, Taiwan, Hong Kong, and Singapore – the four small dragons. Some analysts have said that they moved to democracy when income per capita reached a certain level. I don't know what it is. Regardless, China is not there.

China is at most about 2/3 of the way there. The interesting question becomes: when the PRC does get there, and we didn't realize at that point how long that would take, when mainland China does get there, will it go through the same process or not? But we haven't gotten there yet. Yes, I think it did influence Washington's perspective on the mainland in two different ways. One, it made Washington a lot more supportive of Taiwan and its survival. That goes all the way back to '78-'79, when we switched relations with an understanding, certainly by the Congress, that we were going to do what we could do to ensure Taiwan's survival.

The Carter administration, and the Nixon-Ford administration before it, were far less committed to Taiwan than the Congress was. Certainly, the Nixon-Ford administration with Henry Kissinger were far less committed to Taiwan's survival. This is why they closed the language school in '78 from Taichung, which is a city south of Taipei, and

moved it up to Yangming Shan into these abandoned military quarters because that was considered a transitional arrangement. They expected the language school would close within a couple of years and move to the mainland as everything important would move, and Taiwan would fade away as a problem, as a reality. I think clearly that is what Kissinger and Nixon had in mind. I think Carter was more interested in democracy, and by '78-'79 both parties in the Congress were very supportive of Taiwan. The Republicans had been the traditional supporters of the anti-communists in China, but the human rights record that Chiang Ching-kuo had started to correct—although it still had problems, very real problems—had elicited increasing support from the Democrats as well.

We were beginning to see that transition happening in Taiwan. One experience I remember when I went back to Taiwan to the AIT language school was visiting bookstores. Remember my wife and I had been graduate students before. So, one of the first things we did was to visit some of the bookstores. What I remember was that I went into the bookstores and they had books on environmental issues. I thought, “Wow, people got jailed for having books on environmental issues ten years ago. If you were interested in the environment in the 1970s that meant you were interested in Taiwan. Did that mean you were pro-independence and therefore a traitor to the Republic of China?”

My wife reminded me of a related incident: she taught a class in English as a second language at the Chinese Culture University and was looking for conversation topics to use with her students. She asked, “what are the really important issues in your life?” They said, “The environment – that is what we really care about.” That is what we are really worried about. That says they were locally focused. It didn't even occur to them that this was a politically sensitive subject. This is just simply something that they cared about.

My wife had a different memory from our bookstore visits, which illustrates another way in which political constraints had relaxed since we had been grad students there. She remembered in the 1970s, peddlers would be selling mainland Chinese books on blankets on the sidewalk and would rush into alleys to escape the police when they came along. Now we were walking into a bookstore where they had a prominent display of a series of books by Lu Hsun. Lu Hsun is the prototypical 1920s short story revolutionary writer of the Communist party. If you had said in the 1970s when we had first been in Taiwan, “I have a book by Lu Hsun in Chinese,” maybe it was *Ah Qu* or one of his other stories, people would have responded “Don't mention that. Be careful where you hide it.” Here it was prominently displayed.

Even though martial law had just ended when we arrived in August-September, 1987—martial law officially ended on July 14, 1987, and the White Terror had long since evaporated—there was still a sense that mainlanders were still in control of the Republic of China government and the ruling Nationalist/Kuomintang/KMT party. The Taiwanese who had benefited tremendously from the Japanese occupation although it was terrible in some ways, had also benefited tremendously by the land reform that the ROC had instituted in the early 1950s with U.S. assistance. It is probably the most successful example of land reform you will find anywhere in the world. Basically, the Nationalists walked in and told the wealthy landowning Taiwanese elite, “We are the landlords. We

are seizing all your land, but we are going to pay you for it.” Very different from what the Communists did on the mainland. The Nationalists said, “You landlords have a choice: we will give you cash, and here is the rate at which we will give you cash. Or, if you don’t want cash, you can take stock in one of our government corporations.” These companies were basically a leftover from Japanese government corporations, producing products like cement and steel, and the Nationalists took them over. And I guess because of their experience with the success of these companies, the Japanese companies, a lot of the landlords took the stock and became billionaires. So, it was really the foundation of Taiwan’s economic miracle.

On January 1, 1988, censorship was lifted. Up until January 1 all newspapers were limited to a certain number of pages, so they were written in a form of classical Chinese because it is more economical. Where you need two to four characters to say something in modern Chinese you need one or two to say it in classical. Everybody in Taiwan had a reading level of bastardized classical Chinese. For somebody like me, who had grown up learning classical Chinese in graduate school, my classical Chinese was way better than my modern Chinese. It was a godsend. On January 1 the limits on the number of pages you could have in a newspaper were discontinued, and therefore they all started producing longer newspapers, but they stopped using classical, which was a disappointment for me but oh well.

Two weeks later, on January 13, 1988, my wife and I were watching an historical soap opera on Taiwan television. I don’t remember the name of it. It had perhaps ten episodes. Apparently, it had been produced in the mainland and was being shown on Taiwan television. Do you know this story?

Q: No, what I know is I don’t know much about China, but I do know that they love historical romances, period pieces, soap operas. They love historical periods of Chinese history.

KEEGAN: And this is exactly what this was. And when that soap opera was broadcast in Taiwan, you could dance in the middle of the street. You would have to dance alone because there would be nobody else around. If you had five friends who hated soap operas and you wanted to play soccer or football in the middle of the street in Taiwan. Go ahead. There is just nobody else out there. They are all in front of the TV set. On January 13, it was the last episode, and I don’t like soap operas, but I grudgingly sat with my wife for the language practice, and we watched until ten or fifteen minutes before the end of it. All of a sudden, the soap opera cuts off, and there was a newscaster with a picture of Chiang Ching-kuo behind him. We immediately thought, “Oh Shit, Chiang is dead.” He had died earlier that day. They cut off the soap opera to tell everybody. I think there were a lot of people who thought “Couldn’t you have waited 20 minutes?” Particularly since Chiang Ching-kuo had died that morning. This was not flash news.

What had happened was he had died a few hours earlier, and the new president had already been inaugurated. Lee Teng-hui was a Taiwanese agricultural economist who had grown up in Taiwan under the Japanese, had gone to school at Kyoto National University,

and then gotten a graduate degree from Cornell in the United States. He had gone back to Taiwan, where he had been involved in land reform and had been brought into the Nationalist Party or Kuomintang (KMT). Eventually Chiang had made him vice president. That was one of the gestures Chiang was making to the Taiwanese part of the population saying, “Hey I am trying to get your folks involved.”

They had spent the six, eight, ten hours since Chiang had died installing Lee Teng-Hui as president. It was a sufficiently uncertain process that they didn't want to announce anything until it had happened. There was and continued to be for weeks afterwards the expectation that Le Teng- hui was a transitional figure, that although he was next in line the KMT generals would step in. The KMT was an army-based party by that time, and had been since 1927, maybe even 1925 when Sun Yat-sen died and the party's military leader, Chiang Kai-shek, became the dominant figure of the party. However, Lee was also the first non mainlander to lead the KMT and the Nationalists. He was one of these people who looked like a little bit of a bumbler. He never quite seemed to know what he was saying, never quite seemed to be on top of his game. Then you began to realize that although he seemed bumbling, every time he came out of a meeting it went his way. Clearly he was a very adroit bumbler, and he got everybody in line in short order and remained president until 2000. He was re-elected twice, once not so democratically, and once democratically.

The headline is that his ascendancy meant the end of the Chinese civil war as the Communist Party knew it. They thought they were going to resolve the civil war between the Communist Party and a mainlander-led Nationalist Party. Now suddenly they had a Nationalist party that wasn't headed by someone from the mainland. I don't think Lee Teng-hui had ever been to the mainland. The civil war to him was an external event. From the PRC's point of view, this was not good news.

I mentioned a moment ago about the end of newspaper censorship. This became an extremely pressing issue as we approached February 28, 1988. February 28, 1947 is the defining event of modern Taiwanese history. The Nationalist army has arrived in Taiwan. The Japanese have surrendered. The Nationalist army is looking around in Taiwan and saying to themselves, all these people we thought were Chinese – they all dress like Japanese; they all speak Japanese; all the buildings look Japanese. This looks like the face of the enemy. The Nationalists understandably were worried about spies and subversion because they had suffered from it and were losing a war in part because of it. A third factor was in 1947 the people that came to take Taiwan for the Nationalists were the people Chiang Kai-shek could afford to send over. These were not front-line troops. These were second-line troops, secondary troops, battered troops. These were troops that had suffered enormously both in the Civil war and by fighting the Japanese before that. The Nationalist army had fought the Japanese far more aggressively than anybody had predicted.

These battered KMT troops arrived in Taiwan, and they were landing on this Japanese-looking island when they had thought they were going to a Chinese island. They were terrified and angry, full of hate and built-up frustration. The Taiwanese were

looking at the soldiers and saying, “We thought we were being redeemed from the Japanese by great China. These are bumpkins. The best of these are bumpkins. This is the future? This is awful.” The economy was in free fall, and the currency was in free fall. Black market operations were often the only way to survive.

There was a woman who was selling black market cigarettes on a blanket on the street in downtown Taipei. On February 27, 1947, a KMT policeman came up and said, “Those are black market cigarettes. Those are illegal.” He started to seize the cigarettes and the money she had made by selling the cigarettes, and she began screaming because that was her livelihood. She couldn’t afford to feed her kids if he held onto that. A scuffle ensued. Everybody who was in earshot crowded around this to see what was going on. They were not really happy with the policeman. The policeman was increasingly worried and was beginning to think he was about to be killed. So, he pulled out his gun and fired it and killed somebody. That was the beginning of the White Terror. Beginning the following day, February 28, 1947, at least tens of thousands of Taiwanese were killed. The Taiwanese elites tried to calm it down, tried to negotiate with the Nationalists and the Nationalists pretended to negotiate while they brought in more troops and then turned around and said, “On the other hand, we know that the Taiwanese elite exactly the problem,” and they began slaughtering people right, left, and center. From February 28, 1947 to February 27, 1988, this had never been spoken of. This had never been in the newspaper. It was as if it never happened.

On February 28, 1988, everybody was thinking about the legacy of February 28, 1947. The newspapers were no longer censored. What were they going to say? Were we going to have riots in the streets? You had three or four newspapers at that point. So, we language students had gotten a whiff of this, and so Sally and I were getting Chinese newspapers at our house because we had a little better reading skill than some of our fellow students did. That is a frightening statement, but anyway, I went to school, and I suddenly realized that there weren’t going to be any riots that day because everybody was too damn busy reading the newspaper. For the first time they could openly read about and talk about what had happened forty-one years earlier. Today I am so annoyed that I didn’t save any of those newspapers. I am going to go back and try to find them.

It wasn’t exactly transitional justice. Taiwan still hadn’t had that. They are trying to do it now. But it was all of a sudden, this horrendous family secret – perhaps like an uncle who murdered his family and slit his throat on your front steps, and you always wondered why the steps were painted brown to cover over the color of the blood. That thing on a national level is what was going on. It was one of my dominant memories of that year. It was interesting to be there at a point where martial law ended. The Nationalist president, the last Chiang and the last mainlander to rule the Republic of China, had died. The closet of the ugliest secret in Taiwan was opened to everyone, and you had a Taiwanese president. You had one of those moments that is just fascinating.

The school did have a brief spring break, so my family and I went over to Guangzhou to see what we were facing in our next assignment. We stayed in the Garden Hotel, which was the hotel that at that point had most of the American staff in the Consulate in it. Also,

on the mezzanine level they had space for what they expected to be a large store, but it hadn't materialized yet. It was rented out by the Consulate as the American School. It had been made into a very large one room schoolhouse, roughly half the length of a football field and almost as wide. Immediately adjacent to it they had built a one- or two-bedroom apartment for a teaching couple and, with the assistance of the State Department, the Consulate had hired an American teaching couple to come and teach there. We met them and looked at the school. You could look out the window of the school and there was the hotel swimming pool, which made it a little harder for bored little kids to focus on their classes, but they worked at it. The teaching couple we met weren't there when we got back a few months later; they had already headed home. It was remarkable to find this make-shift little school in a four-star modern hotel.

The Consulate itself was in an old Soviet Hotel called the Dongfang, or the Far East Hotel. Our visit was hosted by a couple who were working at the Consulate. She was the economic officer, and he was the consular officer. They had been with us in Jamaica. I had mentioned we had five Chinese language speakers in the consulate. My wife and I were two of them, and they were the other two, and then there was one from another office. They hosted us, and we met some of the other families. One evening the four of us, the kids were taken care of by their maid, went up to the revolving restaurant at the top of the Garden hotel, and I remember looking out and seeing the dimmest city I have ever seen in my life. All of the buildings, the apartment towers, were encrusted with a grey oldie cement. Each room was lit by a 20 or 40 watt light bulb. We were coming out of Taipei which was not yet quite a first world city but was getting there. It would be by the time we came back in 2001. This was a shock. We went back to language school and finished the year out. As I mentioned, we stopped in Seoul, Korea, and completely confused the folks at the airport. We returned to Guangzhou; it was after Labor Day. Because of the language school's schedule, we couldn't get out of the language until early to mid-August. We were required to take home leave. Remember that?

Q: Oh yes.

KEEGAN: You know you have to have some home leave. The only good thing was that it meant that we went to Disney World in Orlando after Labor Day, which I highly recommend because there is nobody there after school has started. But there we were.

Q: Fantastic place.

KEEGAN: You come out of a ride and one of your boys says I want to do that ride again. Well, there is no line, so do you want to go right now?

GUANGZHOU

When we moved to Guangzhou, we ended up in a different hotel, called the China Hotel, which was immediately next to the Far East Hotel. The Far East Hotel was a Soviet era hotel onto which they had built a Chinese 1960 Cultural Revolution modern addition with hotel rooms. It was pretty dreary at its best. But when Carter's Vice president Fritz

Mondale went to China in 1979, he wanted to open a Consulate. They said, "Well we will make sure you can open a Consulate in Guangzhou." They couldn't find any real quarters for it, so they rented a couple of suites as offices and a couple of suites as residences. The offices were in the newer part of the building, which was better. Not much, but better. And the residences were in the older part, which was not better. We missed living in that particular horror show.

When we got to Guangzhou, one of the first places we were taken to eat was a special Westerner's restaurant in the Dong Fang, the Far East Hotel. It was called, as best we could make out, the "Ado New." The name doesn't sound like Chinese, and it doesn't sound like English, and I kept looking and asking people where the name came from. I finally figured out that when they had first opened the Consulate the residences were all on the eighth floor. They actually opened a special dining room for the consulate in room 802. Then when the Consulate residences were moving out, the hotel realized they didn't have any Western restaurants. So, they moved it down and cordoned off one room of the hotel's Chinese restaurant as the "new 8-0-2" which became the "8-0 New." They would just say, "Oh we are going to eat at the 8 0 New."

By the time we arrived, all of the Consulate American employees were living either at the Garden Hotel, which was a four-star hotel, or at the China Hotel where they had a wing of apartments that had been built for foreigners, and that is where my family and I lived. It was very nice, as nice as the ones at the Garden Hotel. The apartments were designed to appeal not just to the Consulate but to ESSO and all sorts of other multinationals. They had taken what would ordinarily be hotel rooms and made them into very long apartments which were the depth of one hotel room. It was fine. It was a nice apartment. The only problem with it was it was right over a main street, and it had single pane windows and no sound proofing. No trucks were allowed to use that road in the day, but they all used it at night. There was a pothole, we are certain, right below our bedroom window, so after we put the boys to bed, and went to bed, the trucks would hit the pothole boom, boom. We actually ended up sleeping in a walk-in closet that was on the inside of the bedroom because it was a little bit quieter.

My office in the Consulate was a hotel room, which was great if you wanted to go out for a run at lunch time because you had a shower. I would bring my running gear. I lived 150 yards away, but I brought my running stuff and I could take a shower there. They would come in and change the towels and the soap as if I was a regular hotel guest.

We assumed there were listening devices in both hotels. When you made an international phone call, every once in a while it would be interrupted. They would cut off the sound while they changed the tape. You would hear a click and then hear the other person and you knew the tape had been changed and you could continue the conversation. We had an Amah, and my wife and I came home one afternoon, and our amah said, "they fixed the phone." Oh, good, because we didn't know the phone was broken. "They fixed it," she said. They were working right there in our dining room, and they patched it over. My wife was concerned and went and saw the Post Security Officer and said, "What the hell is going on? Do something." He basically said, "Look, I can do something, and then they

will come back and make another repair,' and we won't know where it is. At least now we know where it is."

A friend of ours was the cultural officer and the branch public affairs officer and a native Cantonese speaker. He and I had taken Korean together, which was very annoying because Cantonese and Korean are related, so his vocabulary was a lot better than mine. He told us a story that one day he was growing increasingly frustrated dealing with the local Chinese government bureaucracy. He had been denied the right to do something, and he was blocked from doing that, and so he started screaming in his office. The next day his contact from the local public affairs office department of the city government called him up and said, "Sir, we didn't realize you were so upset. Can we do something to help?" So that was a little bit of the life.

We lived right across the street from the Canton Trade Fair, and that was still a big deal. I spent every year at the Canton trade fair. I would go in and talk to all the military salespeople because they were doing quite a business. I particularly enjoyed talking with the Chinese company that was trying to export arms both for civilian and military use. They had a booth there, and they would talk to you. The folks at the Embassy in Beijing were interested in finding out what was going on, so I would go in and talk to them and share whatever I learned.

Q: So, the trade fair was Chinese firms showing all their stuff to visiting foreign customers?

KEEGAN: Right. Foreign customers would fly into Guangzhou, or they would fly into Hong Kong, which is 125 miles south, and then take a train from Hong Kong up to Guangzhou to the trade fair. At that point, if you took the train from downtown Hong Kong, you'd take a train out to the border at Lo Wu and then change to a PRC train and take it the rest of the way into Guangzhou. My wife was convinced that every time we took the train to Hong Kong, which we did on occasion because we needed an escape, when we got through Lowu heading south into Hong Kong, all of a sudden, the sun would appear. It was true.

Right next to the trade show complex was a large compound for the railroad ministry, one of those government owned corporations of the PRC. Shortly after we arrived, workers tore down the wall around the railroad compound. I began to wonder, "Is this openness? No more walls?" Then we noticed they rebuilt the wall about 12-18 feet in from the sidewalk. That seemed weird. Then we noticed they were building what looked to be garages all along that space between the new wall and the old wall. Pretty soon, people started arriving in these "garages" and opening small stores and factories.

Q: Oh, I thought where you were going was that suddenly the officers or the workers could afford cars.

KEEGAN: No, they were still far away from having cars. China was then at a point where a few people had cars. But in Guangzhou at that point many streets, like K Street

in DC, had a side lane. The side lanes in Guangzhou City were all for bicycles. The side lanes were at least as large as the main lanes, and they had special traffic lights for the bike lanes. You know how you see the walking lanes with a little image of someone walking? Well these traffic lights had a bicycle image. You would see the bicycle red light and the bicycle green light.

I eventually bought a bicycle. I got it just before Tiananmen because the demonstrations had started, and I needed to get around and see what was going on. I was cycling around, and I had cycled to work here in DC, so I was a fairly good urban cyclist. At times it was impossible to ride a bicycle in Guangzhou because there were so many bikes, they were so crowded in, and there was a four or five-foot-high wrought iron fence between the bicycle lanes and the car lanes to ensure the bicycles wouldn't get out into the car lane. I was so crowded against the curb one time that I was pushed over to one side, and my handlebar got caught in the wrought iron fencing.

These garages were for people to open independent businesses. Some of them would open shops. Some of them are very simple factories making plastic buckets. It was a way for the railroad ministry to make money because Deng Xiaoping had already started the economic reforms called "reform and opening" a decade earlier. Deng was saying to all government ministries, "You need to be a little bit more independent in your budgeting." Clearly the railroad ministry, which had been renamed a corporation, concluded that if they did this, they would have lots of rental income coming in. The impact of reform and opening affected my family directly. In Beijing, Americans at the Embassy could only hire a servant through the Chinese government's Foreign Service Bureau." In Guangzhou, the rules were not so tightly enforced. When we got there, we were told we could hire an amah without going through the Foreign Service Bureau. We were told it was illegal, but we probably would not be stopped.

Q: And that is the word for it; that is not her name.

KEEGAN: Amah is the term for it. I have no idea where it comes from or what language it is, but there it is. We were told that the central government was in control. You would apply to the Foreign Service Bureau. It was a subsidiary of the Foreign Ministry, and each city had one, and the consulate was directed to report to them. If any of the consulate's employees wanted to hire a local employee or if the consulate wanted to hire a local employee, they had to go to the Foreign Service Bureau, the FSB. They would select your employee. And they would pay your employee which meant that whatever you agreed to pay, let's say you agreed to pay your amah \$10 an hour, the amah would get \$4 an hour, and the FSB would get \$6 an hour. Again, like the railroad ministry/corporation, they got to make money on this. We were told that was the approved way to do it. We were also told that nobody had done it in a couple of years. My wife contacted other people, and we found this woman, Mrs. Lee, and hired her independently. It was a reminder that the rules in Beijing weren't necessarily the rules in Guangzhou. I will give you two other classic examples of the differences between Guangzhou and Beijing.

One example is a couple of years earlier the central government had decided that they had to have assured income from the provinces and provincial level cities. Guangzhou jumped in and said, "Tell you what. We will guarantee you that, for the next ten years, we will give you 150% of what we are currently giving you."

Q: What?

KEEGAN: And Beijing reacted just the way you did. The people in Shanghai and Qingdao thought the people in Guangzhou were pretty stupid. But the people in Guangzhou had done their arithmetic. They had very quickly figured out that in three years their actual tax receipts would be 250 percent greater than they were now. So, they were locking it in at the present level. This was sort of a futures contract, and Guangdong province benefitted.

We encountered still another example when the PDAS, Principal Deputy Assistant Secretary from the East Asia Pacific Bureau, Desaix Anderson, came to visit. He was very famous for his work in Vietnam as a junior officer and was a Japan specialist. But he was required to visit us, so he did. We got him an appointment with the Guangzhou city Executive Vice Mayor Lei Yu (his surname was Lei, and his personal name was Yu). Lei had previously been the district commissioner of Hainan Island, which subsequently became an independent province. But at that point, it was a poor part of Guangdong province. Lei Yu was in charge of Hainan. He realized that he had been given a lot of responsibilities for modernizing Hainan and attracting investment in line with Deng Xiaoping's reform program, but he had no budget. So he managed to negotiate with Beijing permission to import cars into Hainan duty free. That was unique, completely different from any other place in China, where such imports were subject to high customs duties. He imported a whole bunch of Toyotas and other cars, then very quietly shipped them to the Chinese mainland, and sold them at a lower price than anybody else could. Interestingly, he didn't take the profits himself. He put them back into the Hainan coffers, and that is how he underwrote his development budget. But, Beijing didn't like that answer. They thought that was corruption.

As a result, Lei was sacked and was later rehabilitated to be vice mayor in Guangzhou. Desaix Anderson went to see him. This must have been in mid or late fall of 1988 because a major topic in the Chinese news was that northern China had too much cabbage. It had been a good harvest, so they had all this cabbage lying around. The Beijing government had just announced that it was patriotic to buy cabbage. Government propaganda told Beijingers that even if they didn't need it, they should buy "patriotic cabbage" anyway. Nobody did. Everybody thought, "You have got to be kidding me." So Desaix Anderson was talking to this guy who had pulled off this very clever scheme to raise revenue in Hainan. Lei told us that those people in Beijing were idiots. They simply didn't understand marketing. If they understood marketing, they could sell it. "I could sell that cabbage for them. Just give me the cabbage, and it will be sold, and I will make a profit for them. Just let me do it."

I remember looking at him and thinking, “I bet if tomorrow morning they announce that in a month they are going to have real mayoral and vice mayoral elections, he already knows who his campaign manager is. He probably already knows what his campaign slogan is. He will win the election with a walk.” He was an entrepreneur in whatever he did – political, governmental, economic, personal, you name it. Both of these stories illustrate what was one of the favorite aphorisms of South China, which is “Heaven is high, and the emperor is far away.” That was their attitude – with a little care, no one in the central government or party would know what was really happening at the local level, so the local government could manage its affairs as it thought best. If they saw a guy who was wearing a Mao suit, they knew he was from the north, they would treat him with discretion and not say too much.

Q: Very interesting. And also, this is kind of in keeping with Chinese history. The center says you in the provinces will send us X amount, and we won't ask too many questions, and that is the way things work. Wow, the continuities of Chinese history are scary.

KEEGAN: Guangzhou was one of the ugliest cities I have ever seen, and it was possibly the future of China. It was bustling; it was economic; it was dynamic. It was noisy. It was dirty. It was so dirty that they had a tennis court as part of the China Hotel where guests could play, and they had a pro who would teach our kids. At this point, they were four and six years old. The problem was every time the tennis ball hit the court it would get black spots. Every time the kid knelt down and put his knee on the ground to pick up the ball, he got a black spot on his knee, no matter how much they washed the court. It was just soot all over the place.

The other thing that struck us about Guangzhou was seeing how Communism and the Cultural Revolution had destroyed so much of China, especially religious sites and temples. Right opposite our apartment block was a city park. At one time it was a graveyard. We would take our boys out to the park, and we remember walking through the park one day and realizing all the steps in the path leading up the hillside were gravestones. All four of us were stepping on gravestones. A little spooky. Then we noted that in one particular area of the gravestone sidewalk were incense sticks stuck in the cracks between the gravestones. We were told that was where a Buddhist temple had been. They couldn't rebuild the Buddhist temple yet. I suspect they did later. Even so, a lot of people would still pay attention to the temple site and come to pay reverence.

Q: Why would they destroy a cemetery during the Cultural Revolution? Was it because Confucian religion would include ancestor worship and they wanted to destroy that?

KEEGAN: They had concluded that anything that was old China was holding them back from becoming modern. This was true of the Communists before the Cultural Revolution, but the Cultural Revolution was the apotheosis of that view, and so they would level graveyards. They would level temples. There were some temples that survived despite this, and the only reason they did survive was because of Zhou Enlai, who was the premier, the only person who managed to survive Mao consistently until Mao's death in 1976. Zhou would instruct them to put a seal across the door of a particular temple or

school or Confucian shrine with Zhou's name on it. When the Red Guards would come to destroy this temple. "Uh-oh. Zhou Enlai's seal is across the door. If we destroy this temple we have to fight with Zhou Enlai, and he is God." As a result, Zhou did protect some of these but not nearly enough. The first year we were there our younger son went to a Chinese preschool called the East is Red. He went for about half a year. We realized that he was an object of curiosity because he had blond hair, and he didn't want to learn Chinese; he just wanted out. We were imposing our expectations on him, so we decided to take him out.

As I mentioned earlier, the Consulate General had helped to establish an American school in Guangzhou, led by two teachers from Puyallup in Washington state, a couple with three kids. Two of the kids fit in the apartment; one of them didn't. That boy's bedroom was the arts and crafts closet. During the day it was the closet for school supplies and at night his bed was there. While we were there, the teachers were Norm and Barbara Aune. They also had an informal church service they would conduct on Sunday mornings. They were devout Presbyterians. He was a lay minister, in effect, and so we had a modern church service for those who wanted to join them. They were very careful about who they would let in because they didn't want to get into trouble for having Christian services in Guangzhou with local Chinese participating. The city could have shut the school down for that easily. My wife recalls that the hotel's Chinese guards would look in from the adjacent pool area during these services until we closed the blinds.

Like the much larger American School in Taipei, this school had a board, and somehow, I seem to have a purple letter on my forehead, the one with a "V" for volunteers. So, I ended up on the school board, and after six or nine months I ended up being board chairman, which was fine. That is what you do. If you want things to work, you volunteer. You help out. It leads to an interesting story after Tiananmen, but we will get to that later. The school was a community center and ended up serving some of the Japanese expat community as well. The Japanese did not have their own school. The French did. But the Japanese said, "Can we bring our kids to the American school?" The Board talked to Norm and Barb, and we said that the students were welcome provided they understood that our school is in English. The Japanese said, yeah that is the basic idea. We are going to tell our kids, you go to an American school and you will learn English. They had these kids come in, and there were one or two girls in particular who walked in with their eyes wide and terrified. By the end of the school year, they had third grade English. I always thought that the girls had figured out that this is how I can play with my friends, and mom and dad said to do this, so it was an interesting bridge.

The other center of our community was the Hash House Harriers The Hash House Harriers started in Malaysia, and new members were told that it was a drinking club with a running problem. It had been formed before we got there, and since it was the only thing to do on Saturday afternoon, many people who would not otherwise have participated would join. The problem was that the Harriers were originally a group of macho guys, and they and their wives were reluctant to see them head off while the rest of the family sat cooped up in their apartment. One of the wives had come up with what we thought was a brilliant solution – a two-part Hash House Harriers event: a running

hash and a walking hash. People who didn't want to run or who had small kids could go with a walk and every other weekend you could go out for a walk and a run.

Everyone had to take a turn setting up running and walking routes. Every route seemed to have certain constant features, which became clear to me when I had to help with setting a route. The route had to cross along the dyke wall or at least one levee wall of one rice field and go through at least one garbage dump. Almost always we were out in the countryside and running up hills and past tea farms and running through rice paddies and past village dump sites. It was fascinating.

One of the challenges to living in China in the late 1980s was that at that point the Chinese government didn't want foreigners there even though they wanted foreign technology. My wife, who taught in local schools, what we called "on the economy," in three or four places, could not get a job on the local economy. They would not hire her. They said the same thing in Beijing, although in Beijing a few of the Embassy spouses basically started independent businesses with connections back to the States and worked that way remotely. One woman was a lawyer and ended up working for the Natural Resources Defense Council. She still does, as far as I know.

Our Consul General was Mark Pratt. He once told me with some chagrin that he was such a good political officer that they made him an admin officer. He really was a good political officer, and he had people in the Consulate who could handle the admin and management issues. My office was right next to Mark's, so I would go in and ask him questions, or he would preempt those questions by coming into my office and telling me what the question was that I should be asking and then tell me what the answer was. He knew about everybody in China, and he knew who they were related to, who they went to school with, who their father went to school with, and all of that wiring diagram of relationships that is so central to China. He knew everything. He knew more about Chinese politics in the pinky finger of his left hand than I have ever learned. I felt like I was getting a graduate education in Chinese politics by sitting there and listening. His wife, Doris, had been an editor at the American Heritage Dictionary. She said she really didn't want to work on the economy, but she thought she had some experience that would be useful for English students at some of the local colleges and universities if she could give a few talks in English on editing, on dictionaries, and on language work. She contacted them and they all responded that it was not permitted to even invite her without pay.

Q: Today is Thursday, April 13, 2017. We are resuming with David Keegan as he continues his assignment in Guangzhou China.

KEEGAN: The last time we met we talked about living in Guangzhou, 1988-1990, and what it was like to live there. What I thought we would talk about this time is the politics of being in Guangzhou, about being in China at that particular time. I remember when I got to Guangzhou one of the first things Consul General Mark Pratt showed me was a long cable that a previous consul general had written. Have I told you this story?

Q: No, but I am thinking it was just yesterday that I had reason to look up Kenan's long cable.

KEEGAN: Richard Williams had been the first Consul General in Guangzhou (1979-1981), also Deputy Consul General in Hong Kong and head of the China desk. Very significant person in that sense. I remember looking at his farewell cable as he departed Guangzhou. I have had occasion to read it since. It was a cable that essentially said that Guangzhou was an economic basket case, and that the Chinese kept saying they were going to move away from the iron rice bowl. Of course, the iron rice bowl was the idea that everybody worked either for the state, or a commune that was controlled by the state, or by an agency or a company that was controlled by the state. Everybody had guaranteed employment and the guaranteed housing etc., which came with it, so they didn't have any incentive to do anything. Williams wrote a somewhat vehement message saying that, given the iron rice bowl mentality of the people of Guangzhou, this place was never going anywhere no matter what innovations they came up with. By the time I arrived there, right after Labor Day of 1988, it was already quite clear that although the iron rice bowl still existed in some places, there were many others where it didn't.

Guangzhou was a sweaty dirty ugly city but quite clearly the future of China with incredible dynamism. In fact, in some senses Guangzhou was what you might call the wild south of China. This was the place where people could go to, and anything was possible. It is interesting that historically it had long been that way. This is the area where the minority group called the Hakka had settled. Some significant number of them had moved over to Taiwan, but some of the leading members of the Communist Party were Hakka who had fled to Guangdong province after Chiang Kai-shek tried to destroy the Communists in the 1930s in Shanghai, and there was particularly a big Communist base in the hills of Guangdong, which was a heavily Hakka area. A century earlier, the Hakka were also the organizers, or at least one of them was anyway, of something called the Taiping Rebellion in the 1850s, which has perhaps the unfortunate fame of having killed more people than the First World War and the Spanish Flu combined.

Q: Now that was a rebellion against the existing Chinese dynasty, and it was simply put down with great brutality.

KEEGAN: It was put down after about ten years with considerable brutality although the Qing Army was a complete failure. What happened was local Confucian officials organized local militias and then went to the foreigners, particularly the British in Shanghai, and said, "If this rebellion reaches Shanghai, you are going to regret it, so why don't you help us?" The British and the others said, "Fine. We will give you training. We will give you equipment. We will even give you some people to go with you and help you use the equipment." All of that combined defeated the Taiping rebels. Later, Sun Yat-sen was from that area. For all of these reasons, southerners had a reputation as aggressive activists.

The Cultural Revolution was extremely violent in Guangzhou. One of the things that the Cultural Revolution did very violently in Guangzhou was to put down religion, destroy

Buddhist temples, and destroy Christian churches. As a result, one of the things I learned the hard way in talking to people in my job there was that any time you mentioned the Cultural Revolution you should have a box of Kleenex available. People were going to start crying. One instance was the woman who was our amah. Before the Communist Revolution, she had done very well; she and her family had been in business. Her husband had become a music teacher, and my wife decided it would be nice to have a piano so she could begin to introduce the piano to the kids. We rented a piano from him. He came over, and as he was talking about the Cultural Revolution, he just broke down crying. Another evening, we had a Christian minister, a Guangzhou Chinese, over our house. I don't remember how we met him, but we were talking about various things. The subject of the Cultural Revolution came up. I remember him telling us he had survived the Cultural Revolution, but his family had not. Apparently, he was treated so brutally, and his family was treated so brutally, that finally his wife took their only child and went out to a park, killed the child, and then committed suicide. He is saying this to us apparently quite calmly, and it was overwhelming.

This experience became for me the incarnation of one of the concepts that became very central to me when I was in Guangzhou and it is captured in the Chinese term *luan*, which means chaos. I learned that when a Chinese person would say to you that they were concerned about chaos and therefore they needed stability, it was not an argument you could take lightly. These were people who had gone through the Chinese revolution in the 1930s and '40s, the collectivization, the communes, and the Great Leap Forward, which killed somewhere in excess of 35 million people. All of those plus the Cultural Revolution had been within their lifetime.

This gives you some sense of the area in which we were operating. It was the wild south. As I mentioned earlier, it was an area which the Chinese, who love aphorisms written in four characters, had captured in the phrase, "heaven is high and the emperor is far away," which essentially meant, "we know the central government is up there in Beijing and sometimes we have to pay attention to them and sometimes we don't." With that background, I was a political officer. It was not a particularly easy job because when you get outside of the capital, outside of Beijing, nobody understands what a political officer is. They think you are the representative of the ruling party back in the United States, so your job must be to ensure ideological rectitude, like the Communist party secretary. What I was doing was very different from what people understood when they saw my business card describing me as a "second secretary, political." That only compounded the challenge I faced – that most people were very suspicious of talking to Americans even before Tiananmen.

Q: Now this particular understanding of a political officer has a long history in the traditional Chinese civil service, where there were very competitive tests to become a civil servant. Were you not able to use that analogy for the kind of work you were doing? Or did that no longer resonate?

KEEGAN: I think to some extent they understood that, but although these political officials in traditional China were very highly esteemed, the government was seldom

something that would do good things for you if you touched these officials or if you got involved with them. Your best solution was to stay away from them. They would approach the leaders of your village or your clan and ask for people to be dragooned into repairing the levees along the river or irrigation works for the rice fields, or serve in the army, or whatever. Talking to the officials, however esteemed they might have been, was never a good thing. I think the legacy of the Communist Party only made that more intense.

In Beijing, at least there was the central government, and people there understood what an embassy was. People in Guangzhou didn't really understand what a consulate was except as a place that would get them visas and help them with U.S. business contacts. One way I would make contact with people was to work with our one econ officer, who had never been given Chinese language training even though he had requested it. He had been assured he wouldn't need it; everybody he needed to work with would speak English. Oh no they didn't. Not even in Beijing, much less in Guangzhou. You are lucky if they speak Mandarin. Not always did they speak Mandarin.

We had one local employee in the political-econ section who helped that guy out a good bit, but we always had to be conscious that the person had been hired through the Chinese government's foreign affairs management office located in Guangzhou, a branch office of the Foreign Ministry in Beijing, assigned to deal with the foreign devils. We had to assume that he was required to report to the office anything he was involved in, whether or not he wanted to, and anything he reported went into your file. I am quite confident, and I actually have some confirmation that I have a file.

Because I had had Chinese training, I was able to talk to some people. I was able to use visitors as an excuse to meet people who would otherwise avoid a political officer, and I was able to talk to people who were eager to do business. Until Tiananmen, which happened nine months after I arrived, I actually had a good relationship with some of the people involved in the local Communist Party because they were interested in introducing their membership to how to do business with Americans, how Americans think, and what is the American business ethos. Our econ officer couldn't do it, so I ended up giving a series of lectures and discussions in Chinese about doing business with America. It was a fascinating experience. Clearly, they didn't understand American business practices, but clearly, they wanted to. It was interesting in that way.

Lei Yu, whom I mentioned earlier, was a perfect illustration of what people did in Guangzhou and Guangdong and did not do in the north. You knew the rules and knew you had to avoid getting into trouble with the rules, but you don't accomplish anything by following the rules. I remember talking to people who were regularly talking with the mayor and the vice mayor. They told me that the hardest part of being a local official was going home at night because when they went home at night, there invariably would be a long line of petitioners at their door waiting for them to come home so they could ask for help with whatever. And if he helped them, yes that was good for him personally, but it also meant that they would not be *luan*; there would not be "chaos;" there would not be complaints. In this way, their reputation wouldn't be damaged in the eyes of the central

government by people expressing frustration with them. So, it was one of these ways in which even under the Communist system it was still very much a political, almost a democratic operation.

What did they want? They wanted better sewers. They wanted better schools for their kids. They didn't understand why the streetlights on their street didn't work, and there were so many robberies.

Another way to get out was to visit a couple of areas around southern China that were designated special economic zones. The largest of them was right on the Hong Kong border. It was called Shenzhen, and it was designated by Deng Xiaoping as one of the four special economic zones. The whole idea of a special economic zone was that the central government and Deng said, "We are experimenting with reform and opening. We don't know what is going to work, so we are going to build these zones, and we are going to put a fence around them. Inside that fence we will allow all sorts of experimentation. If the experimentation works, great. We will replicate it elsewhere. If it doesn't work well, we have it all fenced in, and it is harmless."

Deng and Beijing authorities designed Shenzhen to become a magnet not only for business people in Guangdong but especially for business people throughout China who realized they could go down there and use their relations with the central government and get special favors and try Western forms of business there. Deng and Beijing didn't anticipate, or if they did they were very quiet about it, that outside the fence, all of the business people between Guangzhou and Hong Kong, a distance of about 125 miles on the Pearl River, were watching. They quickly realized that they were being deprived of special benefits available to the chosen few given access to Shenzhen. In Shenzhen you could do A, B, and C, which you could not do elsewhere in Guangdong province. Cantonese businesses in Foshan or Toisan found a way to gain access to the privileges of Shenzhen. In all of these places up and down the Pearl River, while they might not have had the connections in Beijing, they did have connections in Hong Kong. They would use those connections, often family connections, to connect into the Hong Kong businesses that were looking for places where they could do light industrial processing, make socks, make umbrellas. They figured out how to use those connections and replicate what was going on in Shenzhen.

Shenzhen was one of those places we decided to go and look at. We had all the meetings that are standard parts of this kind of reporting trip, and we had official dinners. There was one night we didn't have any official dinner. I put on a pair of sneakers, took off my tie and went out for about a three- or four-hour walk. And I ran into people coming off shift at all of these sweatshops factories and listened to them talk about how miserably hard their life was.

Q: OK, here when you say how miserably hard it is, the impression from media journal articles in the U.S. at this time is that the people who are going into these sweatshop jobs are people from the provinces or from outside cities who have no other economic opportunities whatsoever. Tied to this inefficient land system, they have no way to sell

their goods in a truly market oriented way, so they are basically locked into poverty and anything for them is better.

KEEGAN: You are absolutely right; that was my next line. That is exactly what happened.

Q: Even a sweatshop for them was a better job than they had.

KEEGAN: Right. They worked in these sweatshops, and immediately adjacent to these sweatshops the proprietor would build a very rudimentary dormitory. The workers would go from sweatshop to dormitory, dormitory to sweatshop, but at least they were earning money. And at least they had opportunities to make more money than they would as peasants and to provide money back to their families in the countryside. They would work awfully hard; these were kids in their teens and early 20s.

Q: And women?

KEEGAN: Yes, men and women, boys and girls.

Q: Because I mean also women were traditional regardless of the Communist revolution it was still tradition that women still had a hard time getting paying jobs.

KEEGAN: Sure, so they all went there, and they all did these jobs, and they were struggling, but they were grateful for it. I just sat on a stoop and talked to people going back and forth. You know for real-life reporting cables it was fascinating stuff. There is a documentary movie called "Last Train Home" done by a Canadian company describing what would happen as all of them would surge up to Guangzhou for Chinese New Year to get on the train westward to go home. It is just a fascinating reminder of why Shenzhen and Guangdong were so dynamic. It was also another light on the griminess of Guangdong. Yes, it was grimy. Yes, it was hard, but there was a sense you could make money, you could try things.

In our last conversation I told the story about the wall around the railroad work unit and how they pushed it back and built stalls for start-up small businesses. Related to that, while I was serving in Guangzhou I heard from somebody, I cannot remember who, that there was a Soviet scholar that had been sent to Guangzhou. Remember, this is before the fall of the Soviet Union. I got an introduction and invited him to lunch. Our deputy consul general came with me. We just wanted to hear what he saw. It has stuck with me ever since. We asked, "What are you down here for?" "Well, Moscow sent me down here to see, to figure out why China is succeeding. To figure out why this economic miracle has taken off." We are now in 1988, the miracle started in roughly '78, so we are talking about a decade. I recall his saying, "You know I have just been out walking. I am at the local university. That is fine, but I am going beyond the university just talking to people."

We asked the obvious question: "What lessons do you take home?" He looked at me and said, "None. None of this applies." I said, "I don't understand." He said "Look, the czars

in the beginning of the 19th century eliminated the peasant class in Russia. They made them all serfs on these enormous estates. Everybody has been controlled by these enormous noble estates for over 150 years.” I said, “Well, OK, China has collectives and communes.” He said, “The difference here is we did it in the beginning of the 19th century. China did it in the 1950s. As a result, when China announced it was now going to allow small scale enterprise, it was going to allow people to farm their own land, what happened to the 20-year-olds who were now being told they can farm their own land? They didn’t know what to do. Twenty-year-olds didn’t know what to do back in the Soviet Union. The 20-year-olds here in China went to their parents and grandparents who were peasants and said, ‘How do you do this?’ The grandparents basically replied, ‘You don’t have an iron rice bowl anymore. You get up the first thing in the morning. You collect the night soil, which is the human excrement which has been dumped over the past twenty-four hours. You irrigate your fields, you weed your fields and everything else. When that is finished, then you have breakfast. You work your butt off all day, and if you do that every day, and if you are smart, you will do well.’” Our Soviet expert continued, “This all relies on that whole education that they are getting from one or two generations back. Our knowledgeable farmers all happen to be seven generations back. It is not happening. China is going to succeed in ways that we cannot.” I thought that was just a fascinating insight.

At this time we had U.S. companies coming in. Lots of U.S. companies are coming in. Some were very successful. It was a mixed bag. Nike came in. They had an American local rep, and he was going up and down the coast to negotiate with small factories that would produce Nike shoes to his specifications. I remember listening to him talk about the difficulties of trying to persuade them to use the right materials and actually to use them and not come up with a cheaper knock off. One of the problems was they would produce Nike brand shoes for 12 hours a day, and then they produced knock offs for another six or eight or twelve hours a day. By and large some U.S. companies like Nike were doing OK and they were making a go of it.

There were other companies, one food company in particular, that was a very well-known brand, that had difficulties. They were producing noodles and stuff like that. That is all fine, but the problem was that they were in the local Chinese market. They were produced for consumers in China and Hong Kong. They were doing quite well. The problem is the Chinese Government would not let them convert their local currency profit into U.S. dollars, so they had all of this local currency (*renminbi*), which meant they couldn’t repatriate their profits back to the United States. They would get together all of their profits and then their American manager, maybe one of his assistants, would go up to the far northwest corner of China where they were producing very high quality silk and wool products, and he would use his *renminbi* profit to buy rugs. The Chinese would let him export the rugs, sell them, and convert the profits into foreign exchange that way. But finally, it got to be more than he could handle. He said, “I am really good at food and all that stuff, but here I am running a food company and a rug store as well. I can’t do both.

He finally announced he was closing their operation and having a fire sale of the remaining rugs, so all of the foreign families in Guangzhou could buy their rugs. I didn’t

go to the sale, but my wife did. We had a parents' meeting at the American school later that same day, and so I came directly from work, and my wife came up to me and said, "I went to the rug sale." I said, "Yeah." She said, "Remember we agreed on how much I was going to spend?" I said, "Yeah." "Well, we actually spent a little over twice that." She unfolded the rug on a table at this parents meeting and I said, "Oh it is a nice rug." Two of her friends said, "If you don't want to buy it, that is ok, we will buy it from you." I turned to my wife and said, "Did you bribe them to say that?" We still have the rug, so we are grateful for that, but it was a reminder of the difficulties foreign businesses in China faced.

We had a Foreign Commercial Service (FCS) office in the Consulate, and they were fighting tooth and nail for these folks and trying to figure out how to untangle all of the rules that China is so adept at creating, and there were other difficulties. When we got there, there were a number of international oil companies. Chevron was there. Esso was there (now Exxon instead of Esso). BP was there. They were there as the operating base for explorations for the South China Sea, doing exploration for oil and gas. And they were using helicopters to ferry staff from Guangzhou down to platforms and ships in the South China Sea.

Q: Not doing a market survey, but they were trying to do the geological surveys to see if there were the reserves?

KEEGAN: Right. They hadn't gotten to marketing. In fact, one of the interesting things the first year we were there was that they all pulled out. We said, "Wait a minute. The Chinese have agreed to let you in. What is the problem?" They said, "That is fine that the Chinese have agreed to let us in. The Chinese may have control of that water. But if there is oil and gas out there, and there may be, there is not enough of it, and it is not accessible enough to make it commercially viable. We might get some oil and gas but not in sufficient quantity to pay for all of the up-front costs. Now I teach China and South China Sea issues, and one of the points we always come back to is people saying the Chinese and other claimants to the South China Sea are fighting over oil and gas. Well, if they are fighting over oil and gas, nobody has quite explained where that oil and gas is because it isn't really there. You had some of the smartest companies in the world doing this offshore exploration and extraction, and they couldn't find it.

Q: So, from 1978 to 1989 they have this experiment where they are kind of releasing the Chinese to become more innovative and more entrepreneurial, at the same time not wanting to relinquish the elements of the control that make it not simply political control but also crony capitalism. Looking at it from strictly an economic point of view there is a ceiling at some point where entrepreneurs can't get any further because they are bumping up against whoever in the ruling class has the control over a given sector or has the control over a given region's production and doesn't want to see too many people getting too rich and threatening their control over the economic growth. I am posing this as something that I would like you to reflect on or comment on because there is a built-in contradiction and what happens with that? How do they reconcile?

KEEGAN: Great question. It is one of the questions that they struggled with, and we struggled to understand. The first thing is when we opened contact with the Chinese in 1971-1972, and when we established diplomatic relations with them on January 1, 1979, we were doing it primarily as strategic leverage to end the Vietnam War and to put pressure on the Soviet Union by saying now they had to deal with both the Chinese and the Americans. By the way, they realize that the Chinese are all along their southeast border. But we and the Japanese and others also used that contact to support Deng Xiaoping's idea of opening to the outside and restarting the commercial dynamism that had characterized China in many parts of its history. We thought that would lead to increasing democratization.

Those of us who thought that were also those of us who knew the least about China. It was clear that Deng had absolutely no interest in giving up control, and we will come to that in what led to the Tiananmen demonstrations in a moment. But his idea was that China would have greater economic freedom without greater political freedom. Now at a certain point the question becomes how long can you have economic freedom without political freedom? Political structures are essential supportive structures of economic development. If you have already decided what those political structures are, that makes it very difficult sometimes for people to adjust in ways that support economic development. If you have a society where economic ideas are at some point subject to political control, it really stifles a lot of innovation and creates what is known to the developmental economist as the middle-income trap.

The Chinese proved very successful at producing, and Americans proved very successful at marketing, but what is so striking, and you can look at Apple to tell you this: where is most of the profit margin? Most of the profit margin is in sales, product design, software design, etc. That is where over 80% of your profit comes from. So, if you are not in that part of the game, and the Chinese were not, you are not making much money off of this. You are simply producing to someone else's specs. So that is the political trap they are in. Their political system made it difficult for them to move beyond production to order.

This is the "middle-income trap," where you can't get to the level of the economy of the United States or Western Europe. But the other challenge is: how do companies compete with the crony capitalism of the Chinese Communist Party? The simple answer is that most of these companies are cronies. Most of these are, particularly in early years, either offshoots of government-controlled companies, or they are sanctioned by them. If not, they are what are called village and township enterprises, which were started by political leaders at local levels and provincial levels and city levels as offshoots of the government or as partnerships between government and private producers. They then became part of that arrangement, and some were very successful. When I talked of companies operating in Shenzhen having relationships with Beijing that is what I was talking about. It was that kind of a "state owned enterprise (SOE)" competing with the subsidiaries of township and village enterprises from Guangdong towns and cities, i.e. locally government owned or controlled enterprises, competing with Hong Kong. There were entirely different kinds of animals.

Hong Kong companies, or people with connections with Hong Kong companies, would come into Guangdong and say: if this small city in Guangdong will underwrite the factory we want to build and declare this to be a village and township enterprise, then our company in Hong Kong will provide the entrepreneurial knowledge, manufacturing knowledge, and access to foreign markets. The Chinese side will bring us political cover from the government as well as access to Chinese government banks. In the years following 1979, nobody quite knew how this was going to work out. A lot of people were trying to figure it out. Deng Xiaoping had a series of very clever phrases to explain how you develop this kind of economy: “We are crossing the river by feeling for the stones.” You step on one stone, and you find the next stone. You check out if it is stable; you step on it. OK. Where is the next stone? You don’t have an ideological route. Deng was willing to concede that they were not being pure socialists. They were not pure communists. It was called “market economics with Chinese characteristics.”

Q: Is that why they were aware of the concern that they not screw up Hong Kong in taking it over? Because in essence they had to be conscious of the impact on Hong Kong even before Chinese sovereignty? They were conscious that Hong Kong’s autonomy offered very interesting openings in various sectors?

KEEGAN: Sure, absolutely. That is a very good point. That is one of the reasons they opened these special economic zones where they did: Shenzhen right outside of Hong Kong, and another in Zhuhai on the south side of the Pearl River outside Macao. They opened a third in northeastern Guangdong in two adjacent cities, Qiaozhou and Shantou. They opened the fourth in Xiamen, which was just at the southern tip of Fujian immediately adjacent to Guangdong and, by the way, right across the strait from Taiwan. In fact, Taiwan’s two “offshore islands,” Quemoy and Matsu, are right on the coast of Fujian. Quemoy is, in fact, visible from Xiamen.

One of the things the Communists had been very adamant about in the 1950s and more so in the 1960s was closing China off from outside contacts. If you lived in China and had outside contacts, you didn’t want to talk about them. If you did talk about them, you made it clear how evil they were and that you had never talked to them since 1948, and you never wanted to talk to them again, and they are an example of everything that is wrong. If you had a necktie, you burned it because that would reflect that you had western bourgeois ties. But when Deng turned in the other direction, then a place like Macao, or a place like Hong Kong, became remarkably valuable, because it was a place that was Western. A lot of the businesses that have been in China moved to Hong Kong in the late 1940s and early 1950s in order to keep their businesses going. Not only are they Westernized, but also they spoke Cantonese, so they all knit back in very easily. So yes, that is a major reason why Deng did it that way.

I have to note there is another reason why they developed those ties with Hong Kong and Macao. They were looking at the bigger prize. The bigger prize was Taiwan. They were always looking at how to handle Hong Kong in such a way that it would be a stepping stone to how they planned to handle Taiwan. Deng Xiaoping announced in the early 1980s that there would be “one country with two systems” as the model for how to

absorb Hong Kong without destroying its different system, its different way of life. He explicitly said this is the model that the people in Taiwan would see and say that they want to be part of the same thing. So, “one country two systems” would then be replicated as Deng’s way to reunify Taiwan. It had a different dimension to it. Clearly one could argue today that although Hong Kong continues to be very successful economically it has a lot of social and political problems. [NOTE: this conversation occurred in 2017, three years before the protests against Hong Kong’s extradition law.]

The people of Taiwan look at this and say “Nah, not quite what we had in mind.” One of the advantages of being in Guangzhou was we were at the frontline of that. We were seeing it from the inside. We were talking with our friends at the consulate in Hong Kong, who were seeing it from the near outside. We were trading information, contacts, and talking to different people.

I want to mention one intern I had. I think it was the first summer I was there so it would have been the summer before Tiananmen. Tiananmen was the spring and summer of ’89. He was an intern out of the University of Michigan and came with really good Chinese. He came in and said, “So what do you want me to do at the Consulate?” I don’t know what your experience is, but oftentimes interns end up doing stuff that persuades them that they never want to work for the State Department again. I didn’t want to do that, so I said to him “Look, you have got really good Chinese, and you look like a student. I don’t anymore. I don’t have the Afro I had when I was a grad student. What I would like you to do is get lost. Go wander, go hang around the universities. Eat in the cafeteria, talk to people and once or twice a week come in and tell me good stories and even better write stories. You are not spying; you are figuring out what these people like and what they think like because we don’t know.

Q: Right. Good outreach to an unusual country that is just not immediately accessible.

KEEGAN: Right. So he set out for town as I told him to and when I came back to the department in the late 90s, I found out he was working in SP, the Policy Planning Staff, he had gotten that job after being hired by the Kennedy school at Harvard and subsequently became a deputy secretary in the bureau of South and Central Asia, a guy named Evan Feigenbaum. It was just one of these perfect examples of how in my mind somebody like that had an interesting opportunity, and it later came back in ways you would never imagine.

Q: Excellent point. I do have some good interns in various places, and I did try to put them to work in things that would get them out and into the society. Because in many ways they could get around faster and easier than I could.

KEEGAN: I didn’t want him to be doing the workaday stuff. We weren’t an Embassy, where you have a million visitors. We didn’t have to put him into eternal control officer mode. I had to do one or two but no more.

TIANANMEN

My tour in China changed most dramatically on April 15, 1989 when Hu Yaobang died. He had been the premier of China, the President, and the General Secretary of the Communist Party. He had been selected by Deng Xiaoping as part of the successor generation with Zhao Ziyang. Hu had been too supportive of political reform, too tolerant of Western ideas of democracy and so forth, and so had been shoved to the side several years earlier. When he died, there was a period of national mourning. Students were posting banners on walls, talking about him as they mourned that Chinese reform and opening had gone awry, and they argued that the people were not benefitting from Deng's reforms and that the ideals of Communism and the access to Western modern political ideas were not being pursued, both of which they had thought would foster greater equality and greater opportunity. These were people who had been going to school when 20 years earlier, 15 years earlier, all the schools had been closed by Mao's Cultural Revolution. They began to think maybe they were going to get squeezed out. They were concerned that they were being ignored. We began going out to campuses reading some of the big character posters students were posting on walls.

By early May, I had gotten one of those horrible colds that pollution gives you and went home from the office to rest for the afternoon. I remember I came back to my apartment overlooking a main road and all of a sudden there were a thousand students outside walking past. I thought, "Well I may be sick, but never mind." I put on my sneakers and went downstairs with a piece of paper in my pocket and started walking along, talking to people. That was the beginning. In the early protests there was never any central gathering place, there was never a Tiananmen Square in Guangzhou. The students would march after classes. They would march in the evenings. I remember saying to them, "Why are you marching in the evenings?" They said, "Look, if we march during the day, we are going to screw up traffic, and hurt business and the police are going to get on our case. If we march in the evening, it goes a lot better." I noticed at the head of every line of march there were two or three policemen with radios. Every time, you could just see them on their radio talking, and you could see the police three blocks ahead blocking traffic on the cross streets, and every once in a while, they would talk to the people in line and say, "You can't go this way. How about if you go that way and that way?" It was an interesting phenomenon to watch. I am not going to tell the story of Tiananmen. That story is known, and I don't have all that much to add.

Instead, I am going to give a few images of the protests in South China. One of them is the idea there was a sense of cooperation between the Guangzhou police and the students. It was very clear one of the first nights I was following the students. They marched to a park in one of the newer parts of Guangzhou. There were some student leaders up on a platform talking, saying all the things you would expect them to say. Then I noticed that police had surrounded almost the entire field that the students and I were standing on. Then I noticed that buses were pulling up behind the police lines. I began to wonder how I was going to get out of there. At some point one of the student leaders got up and said, "OK, the rally has now ended. I want all the students from Sun Yat-sen University to stand over here double file. I want Guangzhou School of Arts, Guangzhou school of Business to line up here and here. Now, Sun Yat Sen University students get in buses 1, 2,

3 and 4. School of Art in bus 5. School of Business bus 6.” They sorted them all out onto the buses that clearly the police had brought. And the students were quite cooperative. They did not consider this a bad thing. They got a ride back to campus. Did the police take names when they got on the buses, I don’t know. I never heard, but there didn’t seem to be any anxiety. Once again, I was kind of struck by the fact that it was being done in a very low-key, cooperative manner. The two sides seemed to be getting on.

There were some daytime demonstrations, and the daytime demonstrations by and large were sit down protests right outside the provincial government office complex. The offices have a wall around them and a gate in the front. It is not like a building on the street. The students were there sitting in front, and there were speeches going on. I remember talking to the students saying, “What do you want the provincial government to do? Why are you protesting the provincial government?” Several of them said at various times, “We are not protesting the provincial government. We are happy with the provincial government. We are happy with the city government. They are treating us well, and we don’t have a problem.” I said, “Why are you here?” They said, “Well we have to protest someplace, and they are about as good a symbol of the central government as we can come up with. We are not protesting them. We are protesting here because they symbolize the central government.” I noticed that some of the students had disappeared into the provincial government compound. I wandered over there figuring they were talking to people. No, the provincial government compound was letting them use all the bathrooms.

Q: Oh, for heaven’s sake.

KEEGAN: They were walking in, and I don’t know what countries you have been to, but in China the bathrooms are buildings. They are literally outhouses. They are ugly, concrete, stinking latrines, but they work, and so they were walking in there, using the bathrooms, and coming back out again. The provincial government would much rather have them use their facilities than the street. Or rather than invading other office buildings. At the same time, I was reading all these reports coming out of Beijing about all the tension there, and I was writing reports back that this was not what we were seeing in Guangzhou. It was actually pretty congenial. I didn’t have the impression that is what the State Department or Embassy Beijing wanted to know. That wasn’t the right answer, but anyway.

As I walked around with the evening marches, some of the students would be quizzing me. I felt like I was in a continuous high school AP Civics class. I would be walking along, and people would say, “Ah, you are not a Chinese.” I was always very clear. I said, “I am an American. I work at the U.S. Consulate.” “What are you doing here?” “Well, you guys are getting a lot of press. You are getting a lot of attention back in Washington, and people are asking us at the Consulate about what is going on here? What does this mean for China? What are the Chinese telling you it means?” The marchers would then talk about their hopes and concerns. “How do you do this in the United States? How do you do this; how do you do that?” It was a fascinating series of basically on-the-street civics classes. Again, not tense. It was intense but not tense. The other thing that was

different about Guangzhou than anyplace else was Hong Kong radio. Hong Kong radio first of all is in Cantonese which is the language of these people, and every once in a while, there would be taxis going along with the marchers with their windows open and their car radios on tuned to Hong Kong radio full volume. They were covering the demonstrations and describing them to people in Hong Kong.

Q: And that is how students got a better idea of everything that was going on because it was a relatively trustworthy source.

KEEGAN: Yes, and not only was it Hong Kong but it was Hong Kong before 1997, so it was British Hong Kong. You had people going back and forth constantly talking to each other. You had people that were in Guangzhou going to Hong Kong. There were Cantonese coming up from Hong Kong saying, "China is ours, and we understand we are going to be part of it in a few years," so they were showing up and protesting. You had all of this mixture going on. I remember there was a rumor at one point that the government in Beijing had made a major concession. Things were going to work out well, and everybody was crowded around this taxi with the windows open desperately listening and then going and talking to other people and saying, "Well, maybe it is all going to work out." There was a sense of excitement and a sense of enthusiasm except for our amah. She was our window into another side of Guangzhou and China.

Still everyone in the Consulate was feeling stressed. We all went down to a golf course in Zhuhai right outside Macao. It turns out that it was the golf course that had Zhao Ziyang as one of its honorary members. It was a very elite golf course. I remember we all went down there and sat around the pool in the sun trying to recover. This was probably on or about May 30. People were beginning to get worried and to get very tired. I remember coming home from one of these marches and going into the kitchen and talking to our amah about how interesting and exciting these things were. Our amah did not respond well. She did not like it. Her response was very simple. "The Cultural Revolution destroyed my husband's business. My son is starting a business in one of those stalls outside of the railroad compound, and he has bought some plastic pressing machinery. He is just starting. Chaos destroyed my husband, and it destroyed me. I don't want to see it destroy our kid."

Q: Interesting wow, ok.

KEEGAN: As I said, I see democracy, she sees chaos. While I like democracy, she understands the cost of chaos. She gets it; she has been there. All of the Consulates in China, along with the Embassy, were covering all of the demonstrations and the government response through May 1989. In the middle of May, Soviet leader Gorbachev went to Beijing for a visit. As a result, all of the American TV and radio networks were in Beijing covering Gorbachev and as a side effect of that the U.S. media and world media, especially TV media, were covering the Tiananmen demonstrations. The Chinese usually are open when they host a state visit like this one in Tiananmen Square, and it is ruffles and flourishes, and review of the honor guard, and all of that. They couldn't do any of it because Tiananmen Square was still filled with demonstrators. In fact, we were told they

had to bring Gorbachev into the Great Hall of the People by the back door. This is a major loss of face, or to use a New Zealand expression, “Not a good look.”

Q: Didn't he also at some point break out and dive into the crowd and start shaking hands?

KEEGAN: I don't remember that.

Q: I just have this recollection that was one of his things. The Chinese didn't like it, but he still went out.

KEEGAN: And this was a visit that was tense from the very beginning because the Chinese were uncomfortable when it appeared Gorbachev was talking about reforming the Soviet Union. The Chinese Party leadership were looking at Tiananmen and saying, “This is a reminder of what can happen if you don't keep things under control.” At the same time, I am talking to people who are participating in and covering the demonstrations, and in the weeks after Gorbachev's visit, it is petering out. People are getting tired. They don't sense that things are really going to work out the way they hoped, and they have exams and all this. The people in Guangzhou seemed to be enthusiastic but still have a sense of pragmatism about it.

I remember one night when I went to bed after another late-night demonstration. We were on the tenth floor overlooking a major parade route. In fact one of the major parades happened the night of the school play for our little American School, so we had taken our kids over to the school in our Camry station wagon, and after the play we drove back and down into the underground parking garage under our wing of this elite hotel and got upstairs. We looked up the street and here came the first marchers. My wife said, “I am glad we didn't hang around and chat at the school because we never would have gotten home.” I said, “I have got to leave, but here is how you count marchers. When I get back, I need a number.” Fast forward six months. We had some folks from the United States that were doing immigration issues. This was one of the few things the Chinese were still willing to talk to us about after Tiananmen, and we were willing to talk to them. We had lunch with the police and were sitting around the pool and they asked what I did, and I told them. They asked, “Did you do this? Go along with the demonstrators.” “Yeah, I needed to understand. I didn't tell them anything, but I was doing a lot of listening. One of the big debates is numbers; we hear all sorts of numbers. For example, on the night of I forget what date it was, June 1 perhaps, it was really the biggest march. There were a lot of wild numbers out there.” The police just looked at me and said, “Here is our number.” I went home and said to Sally, “Guess what. You were right. Your number was just right smack on the police number.”

While the protests were going on, a major source of news for my wife and me was CNN. The China Hotel, where we had our apartment, had an illegal, but tolerated, satellite dish on the roof, which got international TV channels for its foreign guests. I remember my wife waking me up about 3:00 am on the night of June 3, after I had just gone to bed. She said, “They just cut off the CNN feed.”

Q: Wow, so you knew it was serious.

KEEGAN: At that point we were scared. We woke up the next morning, and when we looked out, there were about 20 students walking past the apartment window. My wife and I have two different recollections. My recollection is they were carrying a black banner with the words “Murder in Tiananmen.” My wife insists it was a white banner with large black characters on it and with red paint for blood. I suspect she is right. Anyway, what she remembers, which I had largely forgotten, is they wrote on the banner and the number killed. Then they crossed it out and wrote a higher number killed. Then they crossed that out and had a third number. They were getting into the range of what later analysts thought was going on. I went down and talked to them, and they said, “Yeah we are hearing from the Hong Kong radio and this is what we are hearing. It looks like things are coming to an end.”

I will close with just one story. Then we can pick up next time. There were protests and we were hearing what had happened with the military in Beijing. We were getting the reporting, but we didn’t know what was going on elsewhere. There was a demonstration in Guangzhou in reaction to the crackdown. It was not where the previous demonstrations had been, but it was closer to downtown near the statue of five rams which is a symbol of traditional Guangzhou. Again, a group of marchers were talking to me, and I was talking to them, and I noticed one guy who was at the farthest corner of the group looking at me. Not saying anything, not talking to anyone, just watching me. The conversation broke up, and there was another crowd that came around me, and we talked some more, and there he is about that distance away. As we walked on, I sidled up to him and said, “Hi, how are you?” “Hi, how are you?” “I am Dave Keegan. I work for the U.S. Consulate. Where do you work?” The guy just looked at me and said, “I work for the public interest.” I looked at him and said, “Well, I hope that we all do.” He walked away. So anyway, let’s stop there.

Q: Today is May 2, 2017. We are resuming with David Keegan.

KEEGAN: At our last meeting we talked about June 4 in Guangzhou and the demonstrations the morning after. I thought I would resume after that, but before I do that, I realized as I was looking over my notes that something I had placed in June had actually happened prior to June 4. I am going to guess it was about ten days to two weeks before June 4, when it looked as if the demonstrations in Tiananmen had peaked and were waning. That was the point where I mentioned that a bunch of us in the Consulate went down to Zhuhai to the golf course that Zhao Ziyang used to play at to relax and recover.

The other thing that happened was we began to see a major series of both print and broadcast media reporters who had been stationed in Beijing coming down to Guangzhou under the guise of doing a little bit of reporting outside of Beijing but really to

decompress because they were so stressed out by covering what was going on in the Square and all of the tumult and pressure that was being put on the students in the Square. I remember there was a guy from CNN who came down and spent two or three days with us. For us it was a really great way to get a little bit of background on what was going on in Beijing that the Embassy wasn't telling us. But also we could practically hear the tension when these American reporters walked into our apartment. I

I just wanted to mention that. In the days after Tiananmen, the Chinese military was still occupying central Beijing. The military was visible in the rest of China, but it is not really doing anything except in Beijing where it is continuing to be very visible. In Guangzhou there were repeated rumors that tanks were coming into town, but that never happened as best we could tell. You remember the tank man?

Q: Oh sure.

KEEGAN: A few days after Tiananmen soldiers fired rifle rounds into the apartments of some of the Embassy staff in Beijing. Fortunately, in the apartment that they fired into, the Chinese amah who was there immediately got all the kids on the floor and under the furniture, and nobody was hurt. It would have just been an incredible incident had any of them been hurt, much less killed. But this confirmed the judgment in Washington that we simply did not know where China was going. We did not know where the military in China were going, and particularly we did not know what they were going to do in Beijing.

The decision was made to evacuate all non-essential and non-emergency personnel. We argued that it was not necessary in Guangzhou. Washington responded, "We evacuate by countries not by cities, so you are leaving." As a result, somewhere around June 6 or 7 – I remember it was the 6th, because it was my birthday, and I remember it was my birthday present that year in a bizarre way – we closed the American school in Guangzhou. We arranged buses through the Consulate and got all of the Americans together, and we took them to the train station. Guangzhou is the station the international media likes to photograph to show Chinese New Year's crowds when everyone is jamming onto the trains. It wasn't Chinese New Year, but there was a sea of people trying to get out of the city, and a lot trying to get on the train to Hong Kong, But we had reserved seats, and I think we may have reserved all or part of a car for everyone. The buses went from apartment house to apartment house picking people up. I remember getting my wife and two sons onto the bus. We all rode down to the train station, and everybody was wondering, "what the hell is going on?"

Q: When this evacuation was taking place, was there a skeleton crew left in the consulate?

KEEGAN: Yes.

Q: But you were not considered.

KEEGAN: No, I was judged essential. I was just taking my family to the train station and then turning around and coming back. Emergency staff were staying, and the political officer was among them. Our attitude was that once we get our families safe on the train to Hong Kong, then we breathe. We were riding to the train station, and I remember talking to one of my colleagues who was leaving and saying, “That is it. The Communist party government is gone because there is no way they can survive this.” I have seen in the last month or two all the reports from the U.S. Embassy and very senior China analysts and in the think tank and media community who all reached at that point the same judgment I did. We were all wrong. When I teach the China area studies classes now, it is one of the things I go back to and I say, “We were wrong.” Why were we wrong? What led them to survive? I always look back, and I think of that.

I got on the train, and I saw the principal from the school and his wife, who was the other main teacher in the American school. He was doing what a principal does, organizing everyone. He turned to me and said, “You know Dave, this is the only one-way field trip I have ever organized. We are going out, and we are not coming back to school.” Sure enough, they all got on the train to Hong Kong. They were met by the Hong Kong Consulate and were put up in the brand new Marriott Hotel on Victoria Island right in Central. There was a very helpful travel agency in Hong Kong that we had worked with before that, and they were clearly under instructions to get all of the families out of Hong Kong as rapidly as possible. They put my wife and two boys on a flight to the west coast with a 45-minute rest stop to get through customs and then on to Miami. My wife said to the agent, “Do you realize we are not going to get through customs and immigration in 45 minutes?” The woman said, “Look, I understand that. What is going to happen is you are going to get out of here and to the U.S. – I can’t remember where, it may have even been Chicago, I can’t remember – You are going to get there. You are not going to get through on time and the airlines are going to rebook you. It is going to be a little bit of a pain in the neck, but we let them know this is happening, and they get it.”

Q: It is more than 14 hours and under general State Department regulations, you get a rest stop, an overnight rest stop if it is more than 14 hours. This didn't apply in this case.

KEEGAN: Have you ever served in Asia?

Q: No.

KEEGAN: The 14-hour rule is a myth. It is right up there with unicorns and tooth fairies. If you think about it, you are going from Hong Kong to San Francisco. We are not going to stop in Honolulu. If you do, it is just under 15 hours. Then, you get to San Francisco. You have got perhaps a 4 ½ hour flight ahead of you. Are you going to overnight or are you going to look around and say, “This is the home stretch?” Most will say, “I’m just boarding, sleeping on the plane, and then I am home.” Nobody takes the overnight, and it is very difficult to persuade the Department to fund it if you want to. I mean, yes, once in a while it happens, but it is once in a great while. That is what they did. My wife and two sons went on to wherever that transit point was and as soon as possible flew down to

West Palm Beach which is where my wife's parents lived. They were going to stay with them. And so, the evacuation happened.

Before June 4, everyone in the Consulate had agreed that we were going to have a progressive dinner sometime around June 10 because even before Tiananmen happened, we were feeling a ton of stress. It was coming up to the end of the school year and we decided that we were going to have a party. One family or a couple of families who were living near each other were going to do the drinks, and somebody was going to do the hors d'oeuvres, and we were going to wander around town and have a fine old time. But all the families had left, so instead of having a progressive dinner, we had a bar crawl, a progressive bar crawl.

One of the interesting things about the bar crawl was that I learned something critical about what was happening. A lot of the bars we planned to visit were upscale bars. Many of them were in hotels around town. I remember particularly in the bar in the China Hotel. We lived in the apartment wing of the China Hotel. We went in there, and we were all chatting and feeling sorry for ourselves. We noticed there were a whole bunch of business folks there. We said, "Hey, we thought there was an evacuation." They looked at us and said, "No, I am from Taiwan, he is from Hong Kong, and he is from Korea. We are not evacuating. We are here to pick up the pieces. Now that all the American businessmen have left, we are going around and reminding the Chinese that we stick around." I suddenly realized that our evacuation was a business opportunity for all these folks who were basically stealing business away from the U.S. companies who were following the Embassy and the China mission out of China. In the long run, it sent the Chinese a signal of our unreliability, but our friends looked around and said, "Ah, money to be made."

Q: Interesting, never missing an opportunity.

KEEGAN: Remember that almost all of these people, and the Japanese were there too, spoke very good Chinese, and so they were calling all of their buddies in the Chinese Communist Party, and the government, and the village enterprises and saying, "Hey, the Americans walked out. I can give you a better deal, yadda, yadda." It was just one of those moments that was fascinating.

The other major issue for us was that we began, in cooperation with our colleagues in Hong Kong, to get reports of dissidents who had been protesting in Tiananmen and elsewhere in China, who suddenly realized they were about to be put in jail and maybe be executed, and they were now desperately trying to find their way out. At the same time, there were security elements in the government who we were sure were using this to entrap U.S. officials for taking actions unfriendly to the government and the Party and threatening the stability of China. People were approaching us for help, and we were basically doing what we could do while staying safe ourselves, unless we got information that we considered extremely reliable. In some cases, we did intervene, and we helped people move out, and we gave people visas. We could not help them get through the border. For that they were on their own. Some had very creative ways to get through the

border. Some of the people who came to us we subsequently learned from Hong Kong either from the news media or colleagues had in fact made it into Hong Kong. Now, remember this was prior to 1997, so Hong Kong was a British colony at this point. It was not part of China.

Q: Now wait a minute. In principle, these democracy protestors, let's say you know someone by acquaintance, and you knew they were out there. Now you know they were being pursued by Chinese authorities and were likely to be in some way harmed by the Chinese authorities for having expressed their views. In other words, for simply expressing human rights. We were not leaning forward and granting them refugee status?

KEEGAN: You cannot grant refugee status until someone is out of their original country as political refugees, so were we doing everything we could if we knew them, yes. But realize that a lot of these people we did not know. And even if we had secondhand evidence from media Beijing or media Hong Kong colleagues, how then could we verify that information?

Q: The only thing the Embassy could have done was to grant them asylum, and I don't even think consulates can grant asylum. I think only the embassy grounds are official U.S. territory on which you can theoretically grant asylum.

KEEGAN: There are two different issues: can we legally grant asylum in a Consulate.? Second, is it feasible? In 2012, when the party secretary in Chongqing Bo Xilai was becoming a more and more visible thorn in the side of Xi Jinping as he was on his way to being selected as head of China, Bo's police chief in Chongqing, who would have been also sort of his mafia chief, suddenly realized that his neck was in danger and tried to claim asylum in our Consulate in Chengdu. My understanding is the Consulate went back to the Embassy, and the Embassy went straight back to Washington, asking, "What do we do with this guy?" There was debate about it. If the condition was, "We simply do not do that," then it would have been over in five minutes. It was not over in five minutes; it was more like five or ten hours. Once you push someone outside the front door, in those circumstances you can be certain what will happen to them, and it did. The guy was pushed out the door and disappeared into the bowels of the Chinese security and retribution system. That is my counter example. We were trying to facilitate them in the quiet whenever we could. There were not many cases when we could.

Q: Sure, you have a situation of how to try and verify?

KEEGAN: The other way to think about this is just to try and play it through. If we give them a visa, what are they going to do with that visa? The only way a visa works is if they go to a point of exit in China, like Lo Wu, where the train passes into Hong Kong. At that point, it was either Lower or a boat, the ferry that went down the Pearl River, or a short-hop plane flight from Guangzhou airport. If they showed the guard their passport with a U.S. visa, they would respond, "No, you are not going anywhere." The checking at those points of exit was extremely rigorous. The visa didn't matter until you got to Hong Kong. It is an extremely ugly situation. To play that one step further, what happens if

these people have an alternate passport? We had to be very careful about dealing with an alternate passport because then we would become complicit, and the Chinese authorities were looking to prove that. It could hardly have been uglier.

The other thing that happened right then, after the decision was made to evacuate family members, is that we were instructed to officially close the American school in Guangzhou. We were told that when you are under evacuation, you cannot have a school. We had to close the school legally. We retained the property we were renting, in cooperation with our colleagues at the education office in Main State. There I was, a third tour officer and chairman of the school board, closing an American school. It was not the high point of my life at that time.

Q: And an unusual thing to have to do regardless.

KEEGAN: And we did not know if it was ever going to reopen because we didn't know if the families would (A) be allowed by the U.S. government to come back, and (B) be allowed by the Chinese government to come back. None of that was at all clear at that point. As it turned out the evacuation was lifted in mid to late August, specifically with an eye to enabling the families to put their kids back in school. Otherwise, they would have had to put their kids in school in the United States and start a school year. And then you were probably not looking at families reunifying until summer of 1990.

GUANGZHOU, PART II

Q: Right, a year later.

KEEGAN: And that gets very painful. So, the State Department did decide, and clearly by then the military threat, the threat to our families, was past. The Chinese made it very clear that they wanted us back in. Deng Xiaoping's approach was to crush political dissent and prove that the Westerners would show up again and China could resume the economic reform and opening to rebuild the Chinese economy, which he did very successfully.

Q: At the moment, you thought that the Chinese party was done for, and you had made that judgment, had there been any thinking about what kind of transition and to what it would have transitioned to? Because it is a country of 1.2 billion people and dramatic changes from north to south historically with periods of really terrible instability, warlordism and so on. Was there any thought as to what would happen to China if the Communist Party really did collapse?

KEEGAN: I didn't see any systematic thought about that. I think part of the reason is that it very quickly became clear that if that were going to happen, it would be a very long drawn-out process. Deng Xiaoping had gotten the military to back him, and the military were in fact trying to both stay in the background and make sure the Party's control was in place. I just don't think the discussion got very far.

Our contacts at that point essentially shut down. We couldn't talk to anybody about anything. That began a very bitter and very tense year. Steve Schlaikjer, de-facto was the deputy consul general. I don't know if that is what they called him but that is what he was. He was the head of the econ political unit. He had been there a year longer than I had been there and had very good Chinese. He was a great guy who knew lots of people, and he wanted to have a going away party – this was about four months after Tiananmen – so he invited Chinese officials to a going away party, and for a long time we got no answer whatsoever. Finally, we had a small dinner for him with a couple of them, and it was a very ugly affair because they wanted to tell us why we were wrong, and we had about had it. There was a very tense debate, and these were people who in part of their lives and in part of their psyche I am sure were sympathetic with the students. I am guessing that they did not want to see the students crushed, but that was not something they could say, much less say in front of the Americans.

I think it was at that point we began to hear the term “peaceful evolution,” *heping yanbian* in Chinese. “*Yanbian*” is the word for evolution that you would use if you were talking about Darwin. I remember the first time I heard this I thought this is not a bad idea -- peaceful evolution is what most societies go through – only to discover that from the Chinese government's point of view “*heping yanbian*” was an American plot. It was our use of what Joseph Nye would call “soft power.” It meant that we were manipulating the naive people, particularly the naive youth and students of China, by exposing them to all of these nefarious things like Hollywood movies, American education, and so forth and. Their fears were proven right by the Chinese reality TV show “SuperGirl.”

Q: Yes.

KEEGAN: The show was based on The American Idol. I have never seen The American Idol, so I am getting this third hand, but I am guessing that at some point they had a call-in vote. If you like contestant number one, text this, and if you like contestant number two, text this. Super Girl had a number of young women competing, and at some point, audience members were invited to vote. A whole bunch of Chinese were coming online saying, “Hey it is really cool to vote for things. Wouldn't it be cool if we could vote for other things?” As a result, the government shut down the program. Recognizing that this occurred 20 years after Tiananmen, still that is what they were worried about. They feared we would intentionally try to sway Chinese opinion, and it would spark ideas, and it probably did. But it was just amusing. I remember the first time I heard of *heping yanbian* / Peaceful evolution, and I went to somebody and asked why was that something to be accused of. You know at a certain level we took pride in it. By the way, the U.S. government doesn't do so very well. American universities, movies, and books do an absolutely first-rate job. However, from the Chinese point of view, they are convinced all of these institutions are at the beck and call of the U.S. government.

That was part of the tension that was going on. The second thing was that all of us had to assume we were being tailed. At all times, we had to assume we were being tracked. We had to be very cautious, and I remember one person who came to me and handed me some documents, and I literally said, “You can put them on the table.” I would not take

them in my hands because I didn't want whatever camera was being used to take a picture of me accepting purportedly official Chinese documents from an undercover agent and then being exploited.

I remember even before Tiananmen when I first got there, security in the Embassy was so concerned about this that the assistant RSO came down to Guangzhou and talked to me. He wouldn't talk inside, he would talk to me outside, which was understandable. He basically said, "I don't want you to go anywhere or meet anyone without an escort." I said, "Do you know how many people there are in this Consulate? Not many. How many of them speak Chinese as well as I do? How can we have two people like that going to each meeting?" I assured the RSO that I understood his concerns, and he could go back and tell the ambassador and DCM that he had told me. I closed by saying that if I followed his instructions, I could not do my job and they should have me removed because we were wasting taxpayer money.

Q: Wow. To the extent that you know this, was he coming down having been instructed to do this by someone higher up in the Embassy, or was this just his excess of caution?

KEEGAN: My guess is it was a routine visit. It was something they did periodically, particularly with new officers. But also, I think that – and I apologize to all of my colleagues who are RSOs – from an RSO's point of view in a country like that, the safest thing anyone in the Embassy can do is stay in the building and stay in the compound. Once you go out into society you are at risk. And yes, every political officer in a country like that understands that. You are at risk and the people you meet are at risk. That is just the way it is, and the people you meet have to be careful, and you have your senses tuned as best you can and go on with it, which we did.

Let me say just a few other things. That fall, the fall of 1989, we had a reporting officers conference in Beijing, China. I think part of it was to get everybody together and cheer everybody up. The Embassy and all of the reporting officer leadership made it quite clear that, although this was not standard reporting officer conference protocol, it would be really nice if as many families as possible could come along to Beijing, to hang out and see the sights. Our boys and my wife did. One night the adults were all going to do something together, and one of the folks at the Embassy who was helping out offered to have her amah come to our hotel and babysit. We agreed that we would pay her a little extra. Apparently, the next day Chinese security showed up at this woman's apartment to browbeat her amah, and her amah got in enormous trouble and had to sign a self-criticism confession for trying to be helpful.

Two more brief stories of that year. One story is we had a new labor officer in the Embassy. We had had a labor officer before, but this was a newly assigned one, and so she was doing a familiarization trip around China. She wanted to come to Guangzhou, but she was having difficulty with her schedule. As a result, she contacted us a week out and asked, "Could we set up some calls?" I started calling contacts in the Foreign Affairs Office in Guangzhou and explained what she wanted. They called back and said, "We are sorry, but we have a rule that all appointments must be requested two weeks in advance."

We said, "We have done this before, and we have done it with two or three days' notice, and you folks have always been helpful." "There is a rule. It has to be two weeks' notice." In frustration, I said I would check the rules about how far in advance official visa applications had to be filed." I went down to the consular section and explained the situation, "Look, I have got a problem. They are imposing a two-week advance notice. What is your advance notice?" "Oh yeah, it is two weeks. No flexibility. It is Washington's requirements." I called back up, "I checked, it is two weeks." He said, "You can't do that." I said, "I am sorry. It is not my call." About an hour or two later, I received a call back saying, "We have set up the appointments and we would like you to show some flexibility on official visas." I went down to the consular chief and asked him if he could show some flexibility on official visas. He said, "It might be difficult, but I will see what I can arrange." It was just one of these reminders of how the system works.

The other reminder goes under the heading of, "Heaven is high, and the emperor is far away." We had a Hash House Harriers group. Apparently there had been a tradition of a Halloween costume hash run. This group of largely foreign runners and walkers were dressed up in all kinds of crazy garb. I remember one person was dressed up as a toilet bowl. He built a cardboard or Styrofoam toilet bowl. We designed the run so we ran through every lobby of every international hotel in Guangzhou. It was great fun, and all these Chinese were looking at us like they knew Americans were weird, but they didn't know we were that crazy. I thought, "Boy this is going to be a fun little reporting cable."

It turned out that our staff in Beijing was feeling equally exuberant. They decided they would have a coffin they would carry around in their Hash House run. The problem began with Fang Lizhi? Do you remember Fang Lizhi? Fang Lizhi was a Chinese physicist who had been snuck into President George H.W. Bush's banquet back in February and was clearly going to be seized by the Chinese. After Tiananmen, Fang sought and was given sanctuary in our Embassy. So, there was somehow this crazy rumor that they were going to use this Hash House Harrier run to sneak Fang Lizhi out of the Embassy in the coffin. As a result, this Hash House Harrier run in Beijing ended up being really ugly. I wrote up a cable saying, "It is different in Guangzhou." I think we may have sent it out as official informal, but the people in Beijing were a little annoyed. If you think about it, they were having fun the way we were having fun. The people in Guangzhou laughed at the crazy Americans. The folks in Beijing decided it was a security incident.

About the only reporting we could do for the rest of the year was economic reporting. We went out to the SEZ's and economic areas and did reporting about that, but political reporting was pretty much completely shut off, especially out in the provinces where we were. Yet, and perhaps this is my closing observation on China, it was clear even then that China's dynamism was going to remain. Even as we reopened the Guangzhou American School in August, we had to turn right around and plan the expansion of the school because it was clear to the business community that the business environment was growing despite all the bitterness, despite all the horrible morale many of us were suffering.

Did you ever do Cub Scouts?

Q: Sure.

KEEGAN: Pinewood derby?

Q: Oh absolutely.

KEEGAN: Well, my wife was one of the den leaders for our small Cub Scout pack. Some of our group built a pinewood derby ramp, and we set it up in the hotel where our American school was located; we set it up in the lobby of the elevators. Guests getting off the lobby of the elevators would find there was a pinewood derby set up in front of them, and they were looking at us like who the hell are you. The kids had fun, but the kids were still feeling very much the tension of all this.

WASHINGTON, CHINA/MONGOLIA DESK

We began to notice that our two sons -- one was five, one was three -- began to say, "We want to go home." We didn't own a house. So, we quietly began to ask them where home was. I pointed out that my wife's parents lived outside West Palm Beach. My parents were in the New York city suburbs. We always stayed with them, and the boys always had a certain room where they slept. It was clear to them that Grandma and Grandpa were not home. We asked them, "Where is home?" They answered, "We don't know, but we want to go there." That response began to signal to us that we had an issue.

I got my onward assignment, which was to be assigned to Beijing via an extra year of language training in Taipei so I would get to a 4/4. Then the State Department, in one of their periodic paroxysms of budget cutting, announced they would not train anyone above a 3/3 in any language, particularly in Chinese. (I was just last week talking to someone who is going out to manage the Chinese language program in Taipei, where we run a language school. I said, "You know 3/3 is not professional Chinese." He went, "Oh yeah, absolutely no question about it." 4/4 maybe.") They broke the assignment and sent me back to the China desk for about a year.

We decided we were going to buy a house even though we didn't know how long we were going to be there. We knew we weren't going to be here that long. My wife selected the house in a way that we still laugh about. We had been in Guangzhou, a very noisy and very polluted city. As I mentioned earlier, we ended up sleeping some nights in the walk-in closet because it was quieter than our bedroom because our bedroom had windows overlooking the street. Even though we were on the tenth floor it was so noisy there were nights when we could not sleep, so we would grab covers and go hide in the closet and sleep in there. We looked at a couple of houses, and I was on a JO salary, and that affected our selection. The realtor we were working with found essentially the same Cape Cod style house in two different locations. One was off Braddock Road, just outside the beltway, perhaps a quarter mile off the beltway. It had a basement and a fireplace. The other one backed onto a 1500-acre wooded park outside of Alexandria. No basement, no

fireplace, and a little bit smaller. When my wife and I went to look at the one that backed onto the park, she literally walked through the house, opened the French doors in the back, walked out to the back fence and looked at the park. The realtor said, “Do you want to look at the house?” She said, “I guess we will have to.” We are still living there. And it is because it is 1500 acres of woods and quiet and great. Our younger son came to us after the movers left and said, “Does it make sense to unpack the boxes? We are only going to be here for several months.”

Q: Wow.

KEEGAN: I went into the China desk and said, “Guys, I hate to tell you this, but I am not going to Beijing. I am just not going to do it.” I said, “If I take a hit, I take a hit.” They put some pressure on me, and people made it clear this was not a good idea. I said, “Look, I have got a problem, and I am breaking the assignment. Period.” About three days after I made that final decision, people around the desk and around the East Asia Pacific bureau, including some people who were involved in protesting my decision, came up to me and said, “You know that happened to me and my family at one point, and I didn’t make the choice you did. I have regretted it ever since.”

Q: It is rough because when you say you are not available, short of you being sick and requiring medical attention, that doesn’t let you go, it is hard to make a case that oh my family is uncomfortable there. My kids won’t be happy, etc.

KEEGAN: And it is, and I understood that at the time, and I understand that now, but having been in the Department and having been in management, one of the things I have come to realize is we only survive if we take care of our people and their families. Being in the State Department in Washington, you go to work. I go to work. We go to work, and work starts from the time we go through the front door of Main State or SA or wherever it is. It ends when you walk out again. When you are overseas, work is 24/7/365. You are always on duty. Your family is on duty. You all are always representatives of the United States government. I described the job of DCM as basically being that of a small-town mayor. That is the way it is. We have to be conscious when we make demands of our families, and we have to be conscious that we take care of our families. If we don’t take care of our families, we are responsible at some level for the consequences of that. If we don’t take care of our families, we lose people. You know people who have divorces as a result of these stresses, and I have throughout my career insisted that we must take care of people. If we don’t, we can no longer survive.

Q: The job that you turned down is a highly desirable job. Hard to imagine that there wouldn’t be someone?

KEEGAN: Right, and they did fill it fairly easily. You know I look back and wonder whether my career might have been different had I not done that. Who knows? But I know my family would have been different. As a result, we came back to Washington, DC, and spent four years back here.

Q: The first year was on the China desk.

KEEGAN: I actually spent two years on the China desk and then immediately moved over and did two years in the Taiwan office. By the way, when we left Guangzhou our amah and her husband managed to get visas to move to Australia, so they left as well. That was good. We can talk for a few minutes about that.

We bought the house just south of Alexandria, and I ended up cycling to work because we couldn't afford two cars, and besides it was more convenient and better exercise than relying on public transit. My wife recalls her first real shock was going to the supermarket and finding there were 16 different kinds of peanut butter. For the past two years she had been shopping in this little commissary that we had access to in Guangzhou that was basically set up by the petroleum companies when they were doing exploration down there.

I worked at the China desk for two years covering multilateral and third-country relations, including Europe, with China, in effect all of its foreign relations except for the United States. Our cooperation in China with third countries was pretty intense. There was a lot going on whether it was East Asian regional, or the Middle East, where they were deeply involved in all the things that were going on because they were on the UN Security Council. Those relations were at a certain level unaffected by the aftereffects of Tiananmen. I think that, although I was far too junior to see into it, we were looking at these other countries and China's involvement in issues of concern to the U.S. as a stabilizing element for our long-term relationship with China because the human rights issue at that time was incredibly ugly.

I remember my deep sympathy for the guy next to me who had to write the China human rights report, Larry Robinson. He was conscientious about his job. He couldn't make anybody happy. He frustrated those who wanted to rebuild relations with China because he was the bad news bearer as China persecuted students involved in Tiananmen. He frustrated those who wanted to subordinate the entire China relationship to the single issue of Human Rights because he insisted on accuracy, balance, and perspective. Our military-to-military relations had just gone through the floor because we had been selling them military equipment prior to June 1989. We had been upgrading military equipment, and they had shipped a large quantity of military equipment to us for upgrade or rehabilitation and maintenance. We basically told the Chinese, "We are not giving it back to you because it now has some of our technology and parts in it so we are warehousing it. We are not completing the sales for which you have already paid, and you can't have your money back because the companies have already used the money to build the equipment and so forth and so on." This was an incredibly confrontational relationship.

I was also the Mongolian desk officer, which was actually the fun part of my portfolio. We had just established relations with Mongolia. In fact, our first ambassador to Mongolia was a nonresident ambassador, Bill Williams, whom I mentioned earlier. He was stationed in Washington. He had been the China desk director until right before I got there. One of the reasons they picked him was he was a China hand and Asia hand and

had been CG in Guangzhou before I got there and deputy CG in Hong Kong. The U.S. made the deliberate decision that our ambassador to Mongolia would not be stationed in either Moscow or Beijing because we did not want to send the signal that we regarded Mongolia as derivative of either of those two relationships. Mongolia just had its first election. We had just sent a team out there to monitor the election, and we had also sent a team looking for an embassy chancery and a building to house a resident ambassador. They were in the process of leasing a Soviet era building for a new chancery and residence. With the collapse of the Soviet Union, the Soviets had abruptly withdrawn from Mongolia.

The Soviets had dominated Mongolia since 1921 when they helped it break away from the nascent Republic of China. Mongolia had been forcibly dragged into China or into the Qing empire, the last empire of China. The Manchus, who established the Qing dynasty, didn't think that their empire was limited to simply China, and they treated Mongolia as a part of their non-Chinese empire. However, over the course of the almost four hundred years of the Qing dynasty, that distinction had faded, especially for the Chinese who came to increasingly dominate the dynastic government. By the end of the Qing in 1912, the Chinese thought it was all part of China. The young Soviet Union stepped in to help Mongolia gain independence from China, only to see their independence quickly snuffed out by Moscow. When the Soviet Union ended and pulled out of Central Asia, they also pulled out of Mongolia.

The Mongolians were of mixed minds. On one hand, they were looking forward to their independence. On the other hand, it is also worth remembering that Ulaanbaatar is closer to Siberia than it is to China. Much of Mongolia between Ulaanbaatar and the Chinese border was filled with the Gobi Desert, which may have some impact on where they decided to put their capital.

But Mongolia looked to us at that point. They had separated from the Soviet Union. They were trying to figure out, as the governments in Asia were trying to figure out, how they could make democracy work for them. They had elections, and they were very interested in a relationship with the United States because they wanted to escape their geographic trap. Their geographic trap is of course they were between two very authoritarian states: one Communist, one post-Communist. They referred to the Americans as their third neighbor. We were interested in being their third neighbor both to encourage the shift to democracy, just as we were doing across Eastern Europe and Central Asia after the Iron Curtain collapsed. We were trying to encourage democracy and more responsive government.

But there was also the strategic calculation for us which began with the recognition that in Mongolia we had a place that was right between China and Russia and was also very near some of the most strategic areas of China's military development. What a great place to be. American companies were looking at Mongolia and saying, "This place has more minerals than anybody ever quite knew." When I taught my most recent China class at FSI last week, we invited the head of the Mongolian North American Business Association. Good guy, Steve Saunders, came in and talked to our class about Mongolia.

Mongolia has more variety of minerals in commercially available quantities than you can quite believe, everything from uranium to molybdenum, rare earths, and all of these kinds of things. The Mongolians were looking at this not as a “cash cow,” but as cash dirt. Same thing. They were trying to figure out how to take advantage of this asset and earn foreign exchange. American companies were trying to figure out both how do we export this to the United States and how do we sell these people equipment so they can mine this stuff successfully.

U.S. businesses were coming in on the heels of the Soviets. Once again, the Mongolians were of mixed minds. On one hand, they were looking forward to their independence. On the other hand, they looked at this as a kind of abandonment. The Soviet experience had been a brutal one, but they had also set themselves up as the patrons of the Mongolian clients. They built all of the infrastructure with Soviet equipment, Soviet spare parts, soviet engineers, soviet accountants, Soviet government bureaucrats. Everything. Although they trained Mongolians as scientists, and some of them were very good scientists, they refused to train them in anything that contributed to the maintenance of the economy or the society or the government. As a result, when the Soviets left, and they left abruptly, there were no engineers who knew how to run the power plants. There were no accountants who knew how to run the government. Nobody in Mongolia knew where the government books were or how they were kept.

If anything broke down, no parts were being produced in Mongolia, and the Soviets, at that point the post-Soviet Russians, were saying, “We are not going to sell you anything. We don’t have enough for ourselves.” By the way, in Ulaanbaatar the heating plant for the city is centralized. Have you ever been on college campuses where they have one heating plant and pipe the heat into various buildings? That is what the Soviets had been doing with Ulaanbaatar. There may have been two or three power plants, but essentially the heat was centralized. That meant if the powerplant broke, then the city went dark. Same thing with the heating plant; if it broke it was cold. Ulaanbaatar, I was told at the time, and I have heard nobody dispute this, is one of the two coldest capitals that we send diplomats to. The other one is Ottawa. I found out when I was a Mongolia desk officer there was something very important about 40 degrees below zero, which is that your eyes can freeze, your ears can freeze. We were told that when you go outside even if it doesn’t feel cold, you put something over your ears because you can get damaging frostbite before you realize it because the air is so dry. But the other thing that I find amusing is that 40 degrees below zero Fahrenheit and 40 degrees below zero Celsius are the same.

Q: Wow I had no idea.

KEEGAN: It is the coldest place I have ever been in with one exception: the South Pole. I went to the South Pole when it was 70 degrees below zero with wind chill. Anyway, Ulaanbaatar is awfully cold. Just one additional comment, and I am going to throw this in because I can’t resist. While I was the Mongolia desk officer, I believe it was the President of Mongolia who came to Washington, and I was the control officer. It was a very small state visit. As we organized the visit, we were told that the President wanted to meet the head of the National Science Foundation.

Q: That doesn't sound unreasonable.

KEEGAN: The head of the National Science Foundation didn't understand. The Foundation doesn't work for the U.S. government. They are not party to our Mongolian relationship. If the president wanted to meet with them, somebody had to have a reason. We went back to our colleagues and said, "Guys we have to persuade them." The note we got back said that the head of the National Science Foundation was a biologist specializing in something very arcane. It turned out that the president of Mongolia was the same kind of biologist specializing in the same kind of thing, so as long as he was here, he would like to meet with the head of the NSF. OK. Mongolia brought as their interpreter a Mongolian woman who had clearly been trained in the United States and spoke remarkably good English. She was doing consecutive interpretation for these two people, and it got to a certain point in the conversation, and she froze. She looked around and said, "I don't know how to say that in Mongolian, or English." These two were so far down in the weeds in their specialty that she didn't know where they were. Everybody laughed and went on. That was the kind of scientific knowledge and expertise Mongolia had.

At the same time, we were sending people into Mongolia, working with them for some very desperate jury rigging. USAID was sending in experts; other people were sending in experts; companies were sending in experts. We even had some military engineers going in, all trying to determine how we could get replacement parts for these gears and sprockets in heating and power plants so we could help keep people alive until we could figure out how to replace them. A very scary proposition.

Perhaps the simplest solution would have been for Mongolia to turn to China. However, they were pulling away from the Soviets, and one thing they didn't want was Chinese help because they feared entrapment. Also, Mongolia has the same form of Buddhism that Tibet has, Yellow Hat Lama Buddhism. They saw what Tibet was like under China, and they wanted no part of it. They were already seeing their first Chinese economic migrants coming north. They were establishing small stores, the same thing the Chinese did throughout the Pacific, and what they are now doing in Africa. All of the small businesses were spreading all over, and the Mongolians were worried about it. At a certain point they didn't mind the idea of doing a certain amount of business with China, but they wanted us there to provide balance. They knew the Chinese could extort them for whatever price they wanted on their minerals, and they wanted us, in part so they could insist they had another customer. They could sell a certain amount to China at a certain price, and then they sell the rest to us or to the Koreans.

I think I have talked about our U.S. interests and how we wanted to prove the Western economic model could work. Of course, human rights remained a big issue. Mongolian leaders had been trained in the Soviet model of engineering, but they were also Soviet trained in terms of politics. That meant they believed in State Centralism. They believed in the Communist model of economics and economic planning, including trying to centralize herds. If you can imagine trying to impose basically a commune system on

Mongolian sheep, yak, and horse herders. There is nothing that is a worse fit. Nowhere in the world is there a worse fit. These herders, who were in the western 2/3 of Mongolia, were thrilled when they found out they were no longer required to hole up in certain places and could again move freely. Mongolian leaders had also learned corruption from the Soviets. They still carried that knowledge with them, and it still was a major problem. It was very much a winner takes all style Leninist politics. If you are not my absolute friend, my next question is, "how do I kill you?" There were still people who said, "The Soviets walked out, but that system was still the right answer, so let's rebuild the Soviet Union here in Mongolia." North Korea was still Soviet, and it was the early 90's. They were not doing that badly. Maybe, some Mongolians thought, that was the way they should do it. We were in at a fascinating time providing you had a way to get out again.

Most of our people were going in and out by rail through Beijing. Most of our support for Ulaanbaatar was coming of course from our Embassy in Beijing, which worried the Mongolians. We were looking for, and I mentioned we found, our new embassy building there. An old Soviet building, so of course we didn't have any heating either except for the centralized heating system, and we had no reliable telecoms, no reliable cables. Food was extremely sparse and extremely boring. When I went there for an orientation trip, my objective was to bring cheese and wine. My other plan was to bring wool boots with fur lining even though it was October. Joe Lake was our ambassador at that point, and he wanted help from Washington and had no reliable way to communicate with us. We had no Department cable link to Ulaanbaatar. Secretary of State James A. Baker III went to Mongolia to express our support and also because he was a hunter, and they have a very rare kind of sheep; it is called an Argali Sheep. Joe had previously worked in the Secretariat. When the Secretary's team arrived in Mongolia, they brought out something that he thought was really cool. It was called an Inmarsat. Have you ever heard of an Inmarsat?

Q: No.

KEEGAN: It is basically a satellite telephone system, an International Maritime Satellite, designed so that somebody on a commercial ship could stay in communication with headquarters. Joe persuaded them to leave an INMARSAT base station behind and then persuaded EAP to pay for it, arguing that this was a matter of life and death, which it probably was, but I will tell you that a telephone call by Inmarsat cost something like \$10 a minute. At least it did in 1990-1992.

Q: We had an ambassador, and we had a small staff, I am sure. They lived in yurts?

KEEGAN: They had one large cement building, plus some apartments in the Soviet apartment block nearby. We did not have access to any decent hotel, so when I was there TDY I stayed in an unoccupied staff apartment in that apartment block. I can guarantee you the heating was lousy because I wore my wool boots to go to the bathroom in the middle of the night. It was not as cold as I have ever been, it was right up there.

Q: The reputation was you had a choice of sharing an apartment or living in a yurt but by the time you had gotten there maybe that wasn't quite true or it was a tall tale. Maybe that was just tall tales.

KEEGAN: Many Mongolians who moved to UB stayed in yurts or *ger*, and many Mongolians at that time who had been in apartments moved back to yurts. The reason they did that was to survive the Mongolian winter. You don't need steam heat, and you don't need electricity. If you did have electricity, you could string a wire into the *ger* and have a light or a TV, but it was not needed. It was a lot more survivable. I became quite acquainted with Inmarsat at \$10.00 a minute. Given the time difference, Joe would call me at home, and my phone bills were a bit astonishing. Fairly regularly, I had to go to somebody in EAP and say, "Look, it's not my idea to spend \$100 every time the ambassador wants help." Joe Lake was determined to get certain things, and I needed to coordinate getting them with him. I had \$300 phone calls. I was just working the whole time, and so was he. That was also the time we were trying to figure out how to heat the Embassy, and the military came up with this idea that they could put an inflatable bladder on the ground outside of our Embassy building. We could put fuel in the bladder and use that to power diesel heaters and generators and stuff. The only problem was somewhere around 30 degrees below zero, fuel started to turn into a gel. It won't run into the pipes. These sorts of issues that I had never thought I would deal with.

Q: Incredible, and of course how can you heat it if what you are using to heat it becomes a gel.

KEEGAN: We had our military engineers struggling with this issue, and I gathered there were solutions, but it was just fascinating. What should we do if the infrastructure fails? Do we pull out? Do we evacuate the Embassy? If so, what signal does that send to the Mongolians? These were all the normal debates that you go through.

Q: Well, if there is a way to live in the South Pole, there must be a way to live in Ulaanbaatar, but I don't know what it is. We had people in Antarctica through the winter, so there must be a way to heat something.

KEEGAN: I don't know. Having been on our South Pole Station, that is a very high-tech device. The other thing about that is you don't fuel it with diesel; you fuel it with jet fuel. What you do is fly C-130s loaded with gas. They land at the South Pole. They offload all the gas they don't need to get back to the Ross Station on the edge of the Antarctic continent. That is a story for another day. I think this is pretty close to the end of our Mongolia session, so let me wrap up with this. I talked a little bit about USAID. We were building, helping the government in Ulaanbaatar survive until we could get new technologies and electricity in there, until the economic revival could kick in. We were sending emergency teams to the power plants. Our defense attaché in Beijing was going up all the time, in part for the normal military things, trying to help the military in Mongolia adapt to post Soviet existence. Trying to integrate them to the extent we could to the kind of military outlook we had.

Q: Civilian control and building a noncommissioned officer base.

KEEGAN: Exactly, and we were also telling the Mongolians that if they were going to stay with a Soviet system of infrastructure, we couldn't help them. If they switched to ours, we could help and make certain commitments, which we did. But the military were also the ones who came up with the fuel bladder idea and helped keep our people alive. It was a fascinating time to be part of Mongolia, a fascinating time to see them take off. The sad thing is, as I listen to the discussions now as I did last week, I wonder how far Mongolia has come.

Q: While you were there or here subsequently, Mongolia is part of that belt including the Gobi Desert, where they say you just kick a stone and find a fossil. Was that ever part of what we were doing with Mongolia?

KEEGAN: I think that was true both in Mongolia and down into northwestern China. I am relatively familiar with that along the Silk Road, which runs just south of where Mongolia is and then into Kazakhstan. I am not as familiar with the archeological record in Mongolia, and my guess is the reason I am not, and I am going on a speculative leap here, is that the Silk Road, where all of the ancient central Asian civilizations were, goes from essentially Xian and Luoyang, which were the old capitals of China, along the Yellow River and the Hui River. It then went west/northwest, and it came through the Gansu Corridor south of what is now Mongolia. It continued to the Tarim Basin which is where the road splits. Part goes north, and part goes south. The southern part of Mongolia is the Gobi Desert. Mongolia is north of the Gobi Desert along the central Asian steppe, all the way from Korea through Mongolia and through Kazakhstan all the way west, and that of course was the Genghis Kahn highway. But it didn't connect to the Silk Road south of that. I am not aware of all that much that we did in terms of archaeological work or early historical work. I know there has been some discussion about finding Genghis Khan's capital and, even more important, finding Genghis Khan's tomb, but I don't know that anything has happened on that. Why don't we stop there?

Q: Sure.

Q: OK, today is May 25, 2017. We are resuming with David Keegan at the end of his tour in Mongolia.

KEEGAN: Actually, I was finishing my assignment on the China desk as the Mongolian desk officer. You and I had been talking at the end of the last session about Genghis Khan and archeology and all of that. I don't know a whole lot more about the archeology, but Genghis Khan is the reminder of how awkward the relationship is between Mongolia and the Soviet Union – Russia – on the north and China on the south. Genghis Khan was a nomad military leader, and both the Soviets and China predicate their system on regimentation and order, which makes no sense to the Mongolians. China and the European Soviets were based on stable village life; collective life was the fundamental

idea. The basis of China's ethical system is Confucianism. Mongolia and Genghis Khan's horde were based on the idea that people could move freely. Families travel over large expanses of land without fences, without settlements. Its military genius was an extension of that.

Maoist China and even Imperial China, but particularly Maoist China, tried to transform the steppe which was under Chinese control in the north, into farmland. They tried to turn pasture land into farmland, and they created one of the world's most devastating ecological disasters, causing sandstorms and desertification. Chinese agriculture doesn't fit the steppe environment. It underscores how Mongolia and China are fundamentally different. They don't fit together easily. Mongolia and Tibet fit together nicely. They have the same Yellow Hat Lamaist Buddhism, and even though both were part of the Qing Empire, they were not part of the Chinese empire. The Qing governed them separately. When the Chinese took over from the Qing in the early 20th century, they wanted to absorb Mongolia and Tibet into China. They succeeded with Tibet through a brutal war in the 1950s. They did not succeed with Mongolia. What Mongolia fears is that China will accomplish through economics what it failed to do through force and will absorb Mongolia as they are absorbing parts of Russian Siberia by expanding their merchant's reach, by extending farmland into the steppe, and all the rest of it. That is what Mongolia fears.

Another important thing I did not mention last time is that when I was on the China desk, I had just come out of China. We were a year past Tiananmen. The State Department formed a special unit, I believe in the human rights (DRL) bureau, in order to respond to the large number of requests they were getting for refugee status, political asylum status for students who had left China, who had escaped China, or who had been in the United States and felt that their actions during the Tiananmen period exposed them to real risk if they were required to go back to China. A retired officer named Harry Thayer, who had been our ambassador to Singapore at one point, and was a senior China hand, was brought back to adjudicate these cases. Every several days he would show up in my office with a case. He would say, "Dave, let's go over this case. They say they went through Guangzhou where you were." Or, "I don't get this. Let me describe what this person is telling me and based on your experience as a political officer in South China, does this make sense to you?" It was just fascinating and a reminder of the continuing costs to the Chinese who protested in 1989.

Washington, Taiwan Coordination Staff

While I was on the China Desk from 1990 to 1992, I was assigned to Singapore as a political officer beginning in 1994. Believe it or not Singapore had a Chinese language designated political officer, which meant I got to go to Singapore with a language differential.

Q: Wow, and the Chinese spoken there is Cantonese remember.

KEEGAN: The most common form of it is a Chinese that is spoken in Qiaozhou and Shantou, which is a little area of Guangdong near Fujian. It is another one of these Southeast Chinese dialects. But in Singapore you had to read Chinese because they had Chinese papers and there were funny things that happened in Singapore, but that is for the Singapore story. Being assigned to a language designated position meant that I was assigned two years ahead of time to allow time to take two years of Chinese language, which I did not need. It meant that I had two years before my Singapore assignment started. As a result, I got a bridge assignment to the Taiwan office. I was designated as the Assistant Taiwan Policy Advisor.

Q: This is still in Washington?

KEEGAN: This is still in Washington.

Q: I am sorry, what year is this?

KEEGAN: This is 1992, so this is going to be '92-'94.

Q: OK, so just as the Clinton administration comes in.

KEEGAN: Yes, but I began my assignment the summer before the election. Most people think I was assigned to the Taiwan desk, but instead I was assigned to something called the Taiwan Policy Coordination Staff, or TC. The fact that it has a name other than Office of Taiwan Affairs, and instead it was called the "coordination staff" was an indication that there was something peculiar, something *sui generis*, going on. Everything about Taiwan is *sui generis*, and sometimes I felt we should all have been sprinkled with holy water and inducted through some obscure ritual of passage. This turned out to be the first of three assignments I would have in my career in Taiwan. That was not the way I planned it, but serendipity happens.

I realized as I was preparing for our conversations today that a lot of what I was going to say on this assignment and the next two assignments presumes an understanding of what I call Taiwan policy. Before I talk about the specifics of those two assignments, I should talk a little bit about what I call the theology of our Taiwan policy. It has its own sacred texts, it has its own institutions, and at a certain point in my life I had portions of those sacred texts memorized. I think it will take me a few minutes, but I think it makes it a lot easier to understand what I was doing in this and my two later Taiwan assignments. I want to start by talking about the five sacred texts. Those are the Shanghai Communique of 1972, which Nixon approved, and Kissinger negotiated when Nixon made his first visit to China. The second one is the Normalization Communique, which was issued on January 1, 1979, when we recognized the People's Republic of China and ended our diplomatic recognition of the Republic of China on Taiwan. The third sacred text is the Taiwan Relations Act of April 1979. The fourth is the third Communique that we signed with China about U.S. arms sales to Taiwan. The fifth and last of these texts is the "Six Assurances" we provided to Taiwan when we negotiated the arms sales communique with China.

Q: That is interesting. We went from the First Communique to the Third Communique.

KEEGAN: We altogether agreed with China to three communiques. Every once in a while, someone will suggest negotiating a fourth communique, and everyone who has dealt with China and Taiwan as soon as they hear “fourth communique,” will either throw that someone out a window or hide under a desk. Briefly, in 1972 the U.S. and China agreed to a Joint Communique to memorialize Nixon’s trip to China and set a conceptual framework for the relationship that was just beginning, but the two sides didn’t write it together. Essentially it was dueling paragraphs. The PRC wrote a paragraph, and we wrote a paragraph, and the PRC wrote a paragraph, and we wrote a paragraph. The essential PRC paragraph said that the PRC is the sole legitimate government of China, and that the liberation of Taiwan is China’s internal affair in which no other country has the right to interfere. The U.S. said that we “acknowledge” that the Chinese on the two sides of the Taiwan Strait maintain that there is but one China and both sides are part of China. We said that we did not dispute this. We reaffirmed our interest in a peaceful settlement of the Taiwan question by the Chinese in China and Taiwan. We didn’t say that we accepted the Chinese position; we only said we acknowledged it. That became a problem later, but let’s turn first to December 15 or 16, 1978, depending on which side of the international date line you were on.

At that time, I was still a graduate student studying Chinese, so I was in Taiwan. [I discuss my reactions and Taiwan’s reactions to this announcement in my first interview.] We announced that we were going to recognize the PRC and end our diplomatic recognition of the Republic of China on Taiwan. That happened on January 1, 1979. That is about seven years after the Shanghai Communique, and about five years later than China really wanted. There had been a slight problem called Watergate, which basically meant that neither Nixon nor Ford could undertake a controversial foreign policy initiative like establishing diplomatic ties with China. It had to wait for Carter. But when we did this, we again issued a joint statement. Again, China said that the PRC is the sole legal government of China, and that Taiwan is entirely China’s internal affair.

The U.S. said something quite new – the American people and the people of Taiwan will maintain commercial, cultural, and other relations without official government representation and without diplomatic relations. We didn’t say the U.S. Government and the Taiwan Government, we said the American people and the Taiwanese people; there are no governments mentioned. We went back and said something that we said in 1972. We said we continue to have an interest in the peaceful resolution of the Taiwan issue by the Chinese themselves.

At that point, we had to open an office, some instrumentality, in Taiwan so that graduate students like me, for example, could get documents authenticated, so that people on Taiwan could get visas, and so that U.S. companies could conduct commercial activities in Taiwan. These involved a plethora of things involved in international relations that most people don’t even think about. To make this possible, the Carter administration went to the U.S. Congress and said it would have to open an instrumentality. It would not fund

it as part of the State Department to avoid any perception of officiality, so it needed a special line item budget. The administration needed the Congress to pass it. The Congress at this point was extremely annoyed. Carter hadn't even told them that he was going to announce normalization. They heard it on the TV and radio first. They had been really furious at Kissinger and Nixon when they announced Nixon's trip in 1972 because they didn't know what they were going to do. The Congress had been boxed out of our China policy really since 1968 when Nixon arrived in the White House. The Congress laughed and said, "You want our money. Well, if you want our money, then you are going to get our policy as well. We in the Congress are going to write our policy on China and Taiwan, and if you don't like it you won't get any money."

The Congress then did something very practical and sensible. They basically said all of the bilateral agreements, and there were hundreds of them, that the U.S. had signed with Taiwan would remain in force unless they are specifically having to do with sovereignty. For example, the agreement that enabled the authentication of legal materials, the agreement on bio sanitary regulations – all these sorts of diverse things go into technical treaties of course, and they are mind numbingly diverse – all of them remained in force as if they were international agreements even though we do not say there is a country on Taiwan anymore.

The Congress also did something even more important. They said it is the policy of the United States to preserve peace and stability in the area. The future of Taiwan will be determined by peaceful means, which the PRC did not accept. The Chinese had said, "We would like it to be peaceful if possible, but we want reunification. Peaceful if possible, not peaceful if necessary." The Congress said, "Nope, it has got to be peaceful." Congress said it is the policy of the United States to provide Taiwan with arms of a defensive character and to maintain the capacity of the United States to resist any resort to force or any other forms of coercion that would jeopardize security in the region, i.e. Taiwan. At that point we have broken government relations with the Republic of China on Taiwan. We had moved the U.S. military out of Taiwan, which were there in spades during the Vietnam War. All of that was gone. We had renounced our security agreement with Taiwan. Despite having done all of that, Congress insisted that we retained the ability, the authority, yes the right, to provide Taiwan arms of a defensive character to make it more likely that any resolution would be peaceful. In other words, the U.S. would act to discourage the PRC from using force.

Q: Well, a question: today, from the point of view of Taiwan, are we considering offering Taiwan anti-missile defenses, given what is going on in the Korean peninsula? I mean publicly are we considering it?

KEEGAN: Back in the late '90s early 2000s, we gave them patriot missiles, which are designed for short range ballistic missiles. The system we have given Korea is designed for longer range missiles and to shoot down one missile, maybe two. That is a reasonable response to nuclear tipped missiles. The threat Taiwan faces, one of the threats Taiwan faces, is short-range conventional ballistic missiles from China. The last time I checked, one of the unclassified numbers we were using was 800 targeting Taiwan. My guess is it

is now at least 1200 or maybe 1600. Those are the numbers before you get to cruise missiles and before you get to combat aircraft. This is hopeless. If you had a line of Patriot missile batteries from Kaohsiung in the south to Keelung in the north, you would only shoot down half of them if every Patriot worked. So, it is not really a relevant question. We wish.

The Taiwan Relations Act was passed and signed into law on April 10, 1979, four months after normalization. When Deng Xiaoping agreed to normalization, our representation in Beijing was Leonard Woodcock. Most people don't remember Leonard Woodcock. He was head of the United Auto Workers prior to that. He was an ideal person to have there for a high stakes negotiation because Deng Xiaoping would rant at him across the table and he would just smile and say, "You know I have had people rant across the table at me for years. Sometimes when they were yelling at me, my pulse rate got sky high. It is only about 62 after you yell at me." Woodcock told Deng that we were not going to agree as part of our condition for normalizing relations with China that we were going to renounce arms sales to Taiwan. We had not sold them anything in a year as part of the run up, but we had not made any commitment to continue that freeze. Deng said he wanted that commitment, but he did not get it. Three months later, the Taiwan Relations Act said we were going to provide Taiwan with defensive arms. Deng did not like that. The next year, Ronald Reagan ran for president and said he didn't understand why we had left our good friends in Taiwan and he was going to do something to fix that. Early in the Reagan administration, Deng called in our ambassador, Arthur Hummel, and said, "I have had it. If you don't fix this, we are breaking relations, and we are back to square one."

That was when Alexander Haig was Secretary of State. He led the U.S. effort in negotiating. Deng said he wanted a third communique to commit the United States to ending arms sales to Taiwan. In response, we began negotiating the 1982 Joint Communique. Reagan took office in 1981. The two sides immediately begin talking about this in the summer. By the spring of 1982 they had largely worked it out, and it was signed on August 17 of 1982. Somewhere around May or June of 1982, Haig, for a variety of reasons that we can talk about, had worn out his welcome as Secretary of State. The Reagan administration brought in George Schultz, who proved a remarkably steady hand. He oversaw the final stages of the negotiations.

We completed the Joint Communique in August. Again, we were trading paragraphs. They wrote a paragraph, and we wrote a paragraph. Their paragraph reiterated that the question of Taiwan is China's internal affair. They said nothing about peace or coercion. In our paragraph we said that the United States understood the Chinese policy of striving for a peaceful resolution to the Taiwan question. We were essentially putting words in their mouths. We thought we had that understanding. They did not disabuse us of that understanding, but they did not assert it themselves. We asserted that under the circumstance of China striving for a peaceful resolution, U.S. arms sales would not exceed either in qualitative or quantitative terms the level of those supplied in recent years and will gradually diminish over time.

What do qualitative and quantitative terms mean? Quantitative terms meant we were not going to sell anything worth more money than we had sold in the past. Qualitative terms became one of the endlessly malleable threats. Did it mean that in 1990 we would sell Taiwan something that was as good as what we would have sold them in 1976, which would have been a weapons system that was 80% as effective as our best weapons system of that type in 1976? Or, would we sell them another 80%-of-the-best weapons system at the time of the sale? With all of that ambiguity, both sides thought they had what they needed.

At the same time, Taiwan was hearing about these negotiations. James Lilley was the head of our unofficial instrumentality in Taiwan, the American Institute in Taiwan. He had previously worked at the CIA. The Reagan White House brought him onto their national security staff, and he had served as the East Asia National Security Advisor, and then he was sent out to Taiwan. At AIT, he worked with the NSC to provide reassurances to Chiang Ching-kuo, Chiang Kai-shek's son and president of Taiwan after Chang Kai-shek died in 1975. As a result, the State Department sent out a demarche instruction to Jim Lilley, and that demarche instruction said, "Go and tell Chiang Ching-kuo that this is what we are negotiating with China, and you can give him some reassurances, which eventually numbered six. The six reassurances when they were issued were top secret. [Note: this demarche instruction was declassified on August 31, 2020.]

Q: Was the American Institute in Taiwan capable of receiving classified information? Even though it was not an official office of the U.S. government?

KEEGAN: Yes. I will talk a little bit more about what that is like in a moment but yes. Jim Lilley provided them with six assurances – We had not set a date for ending Taiwan arms sales. We will not consult with the PRC on what we sell to Taiwan. We will not mediate between Taipei and Beijing. We have not agreed with Beijing to revise the Taiwan Relations Act. In other words, we are not going to renege on our promise to provide defensive arms. We have not altered our position on Taiwan sovereignty which is to say it is undetermined. We will not pressure Taiwan to negotiate with the PRC. Even though these assurances were highly classified, the Taiwan side really wanted to announce publicly that Ronald Reagan had given them six assurances. As a fallback, they said, "If the U.S. can't agree to our crediting these assurances to President Reagan, can we say we have heard these assurances from the U.S. government?" Schultz agreed. We would articulate these assurances, and they then could mimic it. What happened next was that our East Asia Assistant Secretary John Holdridge gave a press briefing and then Congressional testimony in which he gave the substance of the six assurances. At one point, somebody came to me when I was working on Taiwan and said, "I would like a copy of the six assurances." I said, "The only copy I have is Top Secret. However, I do have congressional testimony which you might find useful." The testimony was Holdridge's recitation of the Six Assurances. This was the fifth of the five sacred documents.

There are three language traps. You will find that anybody who follows China policy has numbers. There are five this and three this and four that. There are three language traps.

-- We have a one China policy; we do not have a one China principle. The one China principle says that Beijing is the only legal government in China, and China should be reunified under Beijing. Our one China policy says both sides have said this, and we take no position. Whatever they work out is fine with us so long as it is peaceful. What is interesting is one of the communiqués, I believe it was the normalization communiqué, when we said “acknowledge,” the Chinese translation said “recognize,” which is far stronger.

-- Second, we favor peaceful resolution, not peaceful reunification. Peaceful reunification is OK, but it is not the only possibility.

-- We do not say that we have a commitment to defend Taiwan. The term that has been coined is “strategic ambiguity.” If Taiwan does something provocative, they may be on their own. If Beijing goes after Taiwan, both sides know we reserve the right to intervene, and therefore they will be more cautious.

Let me talk a little bit about the institutions. I was assigned to the Taiwan Coordination Staff. The Taiwan Relations Act created an instrumentality called the American Institute in Taiwan, which is a corporation. It is incorporated in the District of Columbia. Its corporate offices are in Rosslyn, Virginia. It has a board of trustees. Its budget comes from Congress as a line item. Its budget is managed by the Department of State. The Department of State is authorized to manage the budget of this corporation. I like to describe this, only somewhat tongue in cheek, as, “AIT is the only wholly owned subsidiary of the Department of State.”

This instrumentality is private. It is not official. It does not have U.S. officials working in it. How do you staff it? The answer was that everyone who worked in AIT would resign from the U.S. government and then would be rehired by the U.S. government when they finished their assignment at AIT. For the duration of their assignment in Taiwan, they would be a corporate employee of AIT. That was fine when it worked, but it didn't always work. By the way, you continued to accrue all of your federal employee benefits while you worked for AIT. Health benefits remained the same. Time towards retirement, TSP, life insurance, whatever. All those things went with you and came back with you as if there had been no break in service.

The American Institute in Taiwan is headquartered in Washington. It has a chairman and a board of trustees. It has two subsidiary offices, one in Taipei and one in Kaohsiung, which is the major port of Taiwan in the south of the island where we previously had a Consulate. Previously when we had an Embassy in Taiwan, we had a Chinese language school in the city, Taichung. AIT was authorized to manage our Chinese language school, which was then moved up to Taipei. This is the American Institute in Taiwan. If it looks like a duck, and it walks like a duck and quacks like a duck, it is a duck. But it is not a duck, and it's not an embassy. Therefore, we don't have a political section because we don't have an Embassy, we have a general affairs section. I think the acronym “GAS” is the perfect acronym for a political section. You don't have a General Services Office (GSO). You have MANS, which is management services. Anyway, You don't have a consular section; you have a Travel Services Section.

Q: But it does issue legal U.S. visas.

KEEGAN: That only was only permitted around 1997.

Q: So, what did we do before that time when these would have to go to....?

KEEGAN: It was not even that simple. If a resident of Taiwan wanted a visa to the United States, that person would go to AIT in Taipei and be interviewed by one of these corporate employees, probably somebody who had previously served as a consular officer, who would conduct the interview. Overnight the AIT Travel Services Section would then send a cable to the U.S. consulate in Hong Kong and say to the U.S. consulate in Hong Kong, "We would like you to authorize us to issue visas to these named people." At the next point, they would get a cable back from Hong Kong saying, "Regarding the telegram you sent us. Please issue all these as requested." This became a problem as we approached July 1, 1997. Prior to that we were asking permission from a consulate that was accredited to the Queen of England, to the United Kingdom, which did not seem to pose any conceptual problems. As soon as our Consulate General became a consulate in the People's Republic of China when Hong Kong reverted on July 1, 1997, then we changed the rules and got rid of that formality.

Q: OK, but after 1997?

KEEGAN: Congress authorized AIT to issue visas directly. That made a lot of sense.

Prior to January 1, 1979 the Republic of China had an embassy in Washington. That embassy was closed. Its ambassador's residence was a lovely mansion called Twin Oaks. The mansion had once been owned by Gardiner Greene Hubbard, the father-in-law of Alexander Graham Bell. There was considerable nervousness between December 15, 1978, and January 1, 1979, about the future of Twin Oaks. They feared Beijing might insist that Twin Oaks was the national property of China and should be given to the PRC and that the U.S. might agree, so the ROC sold it. They sold it to a nonprofit in DC which had been created for that purpose. I think they sold it for \$1.00. Then the nonprofit rented it back to them for an equally nominal fee every year because they were afraid if it were a Republic of China property, then the PRC would insist that if it was a Chinese property, it was theirs. As a result of that, whenever Taiwan has an event, as they often do at Twin Oaks, officials of the State Department are not allowed to go because to go would be to get involved in the issue of sovereignty. In the entire time I worked for the State Department, I never went there until after I retired. It was the first time I had ever been there, which was amusing.

Taiwan opened a different office called CCNAA, the Coordination Council for North American Affairs, which was carefully designed not to have the words China, Republic, or Taiwan in it. To be unofficial, they didn't have an ambassador. They had a representative, and one of their representatives famously complained to me and others that the problem with CCNAA was that nobody knew what it meant. In fact, he said it was the Chevy Chase Neighborhood Alcoholics Anonymous. In fact, it was located pretty

close to Chevy Chase, or at least his residence was. He complained, more reasonably, that when people look for the Taiwan representative office in the phone book, perhaps because they need a visa, they don't know where to look. He was extremely frustrated. That is how we got those relations going. It was apparently unofficial, but it worked officially.

One additional footnote: because AIT was a corporation, they had to keep corporate books. Because it was being managed by the State Department, they had to keep State Department books. Did you know that State Department and corporate accounting processes are different? One is accrual and the other is something else, perhaps cash basis. I like to say AIT is the only organization that is legally required to keep two sets of books. That tells you everything you need to know.

The final element in my extended diversion into the background is explaining the Taiwan Coordination Staff. It is not a desk because the management of AIT Taipei is from AIT Washington, and AIT Washington takes its direction from the Secretary of State through the Assistant Secretary of East Asia Pacific Affairs, so we are the Taiwan advisor to the Assistant Secretary. We give him policy advice. The head of the office is not the desk director; he or she is the Taiwan Policy Advisor. I was the Assistant Policy Advisor. And all of this at one level sounds silly and arcane. What it enabled us to do was to have official relations with the People's Republic of China and effective relations with Taiwan in an extremely sensitive environment.

For many years when you went to our office in Taipei, we did not fly the American flag. There were all sorts of things we did not do to maintain a low profile. Why is it important? Face matters. Nowhere does face matter more than in China. Respect is everything. Face is everything. So long as we respected Beijing and China's need for face, respected their need for them to be perceived as the sole legal government of China, we could do some things. As soon as we challenged that respect, as soon as we challenged that face, everything got a lot harder. We made some adjustments to how we managed face over the years, and when we come back to the second assignment when I was director of this office, I will talk about how we adjusted some of those problems, but be that as it may, that is why we did it. We were a small office but by the way, we weren't even an office. We were a unit in the regional affairs office in the EAP because if we were an office then we were on the same level as offices in many countries. Is Taiwan then equivalent to the Philippines? Is it then equivalent to China? No, it is not a country. I have already said that. They made what had been the Republic of China desk into the Taiwan Coordination Staff as a unit of the Regional Security Policy (RSP) Office.

However, we were immediately adjacent to the China desk and still are. We were at one end of the Regional Affairs desk, so there was not a corridor between the Taiwan and China offices, but rather there was a door between our office and the China desk. Some joker at some point had put a map of China and Taiwan on that door, you know the CIA map, that very general map, with an arrow pointing at the Taiwan Strait saying, "You are here." When I took that job, I was told that my job was to keep things quiet. My office

was one of those bureaucratic organizations of which the less heard, the better, the less seen the better. I was assured that things would be quiet while I was on the Taiwan desk. Wrong. That is what I am going to talk about now, and we can break whenever it is convenient for you.

With that context, I arrived at what we are going to call the Taiwan desk even though the Department refused to designate it as a desk, because that might imply Taiwan is a country. I may refer to it as TC which was its acronym, EAP/RSP/TC. I had been promised that things would stay quiet, and two things happened. I think it was in the first week. We got an announcement from CCNAA and from AIT Taipei that Taiwan was requesting our assistance on joining the GATT, the General Agreement on Tariffs and Trade, soon to become the World Trade Organization (WTO). It was applying to join as an independent customs territory. That was one whole set of issues. The other issue was we were in the middle of the campaign between George H.W. Bush and Bill Clinton for president. Obviously, the preference goes to the incumbent, but it didn't work out that way, and one of the battle areas of the campaign turned out to be Texas and one of the battle topics turned out to be the economy. Remember, "It is the Economy, stupid." George Bush, campaigning for re-election, went to the Lockheed Martin Factory in Fort Worth, Texas. Do you know what they make at the Lockheed Martin Factory in Fort Worth, Texas? F-16s. At that point, and still today, one of the premier combat aircraft. He announced that the United States would sell Taiwan F-16s, which seemed to be in contradiction to U.S. policy since at least 1982 and really before that. Those two issues were really going to define my time on the Taiwan desk, especially in the first year. I have got to give you a little bit of context because neither one of these events could have happened at any other time. The first thing to remember was that the election campaign of 1982 was happening.

Q: 1992.

KEEGAN: 1992, I am sorry. '82 was the Joint Communiqué, '92 was the election campaign. When George Bush was president what had happened. George H.W. Bush had previously been the head of our interest section or our Liaison office in Beijing. Bill Clinton had denounced the PRC government and the Communist Party as the butchers of Beijing. And he had denounced Bush for sending his national security advisor, Brent Scowcroft, to Beijing very quietly a few months after Tiananmen. Unfortunately, it didn't stay quiet, and Scowcroft was captured in a news photo toasting the Chinese leadership. All of this established an environment where the political leadership of the Bush administration and the campaign leadership in the Clinton administration were disposed to show more support for Taiwan than had been the case in previous administrations.

Q: And that was the first native Taiwanese.

KEEGAN: The first president of the Republic of China was Chiang Kai-shek, and he was succeeded by his son Chiang Ching-kuo. These events unleashed new attitudes in domestic U.S. China politics. During the 1980s almost all of the political spectrum had been kindly disposed to be supportive of the PRC and what was seen as its inevitable evolution into a peaceful and democratic player on the world stage. The U.S. revulsion at

the Tiananmen massacre and our admiration for the relatively peaceful political transition of Taiwan after the death of Chiang Ching-kuo seemed to loosen the psychological restraints on U.S. support for Taiwan's economic development and defensive needs. This was reflected in our assessment of Taiwan's national requirements.

We had a major policy interest in supporting Taiwan's economic miracle and its export economy. They had done some very dramatic things. They had opened up relations with the mainland in 1987. For the first time, Taiwanese could travel to the mainland legally, supposedly to visit their families, but actually to do business, and they did business very successfully. The KMT leadership eventually became very nervous as a result of the over concentration of Taiwan's economy in factories in the mainland. That fear that continues to this day. Taiwan's application to the GATT was part of its economic strategy.

We also had another major policy interest in Taiwan's security, in Taiwan's defensive needs. We were the only country that would sell it military equipment with one fleeting exception we will talk about later. We had negotiated the Third Joint Communiqué with the PRC on Taiwan arms sales. We had said we wouldn't sell them more than we had sold them prior to normalization. We had created something called "the bucket." The bucket was supposed to be an accounting mechanism that enabled us to track how much we were selling to Taiwan and to prove in fact that our sales were decreasing in dollar value and that they were not exceeding in technical quality or capabilities those sold prior to 1977. That was what the bucket was designed to do. The problem was the bucket ran up against inflation, and the bucket also ran up against the greater inflation of defense equipment prices. Let me just pick helmets, for example. A helmet that might have cost \$50 in 1977 cost \$300 in 1990. Even if you sell half as many helmets, you are still selling more in dollar value. To escape that problem, we then began all sorts of redefinitions of what we would put in the bucket to cope with that problem.

At the same time Taiwan's military needs were growing because it hadn't been able to buy anything since 1977, which was of course at the end of the Vietnam war. You had F-4s and F-5s. By 1982 when we signed the arms sales communiqué, much less by 1990 and 1992, the Taiwan air force was still flying Vietnam era F-5s. They were having trouble attracting pilots to the air force because the fatality rate was so high because they were crashing. We had looked at selling upgraded F-5s, which were called F-20s, but the U.S. military would not buy F-20s, and the Taiwan military could not buy enough of them to make it worthwhile to their producer, Northrop Grumman. They were still left without aircraft. As a result, their need for newer aircraft was growing. In the wake of Tiananmen, the support for the PRC in America was sharply diminished, and support for Taiwan was increased.

In addition, there were what I call the personalities of the F-16 sale. Jim Lilley had been national security East Asia advisor to Reagan and had been the head of our office in Taiwan, and he had subsequently been our ambassador in Korea and subsequent to that had been our ambassador in Beijing. He was now the Assistant Secretary of Defense for East Asia under George H.W. Bush. He was the one who provided the Six Assurances. Bush, as I mentioned a moment ago, had been the head of our liaison office in Beijing

between '72 and '79. He had also been our UN ambassador in '71 when the PRC entered the UN and the ROC walked out. If you see videos of his interviews at that time, it is clear he was profoundly uneasy with the way that played out. He said it was our policy to keep the ROC in the UN if at all possible. That may have been his policy, but it clearly was not Nixon or Kissinger's policy. George H.W. Bush, in my opinion a very good president, was taking a big risk to keep some sort of relations with the PRC after Tiananmen, and he paid a price. Apparently, his campaign decided they had to do some rebalancing. For all of the reasons I told you, they announced in Fort Worth that they were willing to sell the F-16s. I haven't read Jim Lilley's memoir since I cleared it for publication when I was on the Taiwan desk. I would bet my bottom dollar that Jim Lilly was in communication with the Bush campaign and said, "Look, if you are looking for something easy to do that will win you lots of points with the defense industry and with the public, why don't you do this?"

Q: Now here, as far as you know Lilley didn't have personal business interests in selling the F-16s. He is looking at some policy problem.

KEEGAN: Let me make two comments. One comment. Jim Lilley is the most upstanding, ethical person, or one of them, that I have ever known. If Jim Lilley had a dollar to be earned about this, he would turn and walk in the other direction. Not a doubt in my mind. He would tell you in quite blunt terms why he was walking in the other direction. Getting into an argument with Jim Lilley was a fairly direct event. I think Jim Lilley was trying to solve problems. Problem number one was exactly as you said. He was trying to solve a policy problem. Problem number two, he wouldn't mind solving a political problem for the Republicans. He was a Bush Republican. Helping George H.W. Bush politically, if that wasn't at the top of his agenda, it was a close second.

Q: There is nothing wrong with that.

KEEGAN: No, no. But both of those played together, and I think played together quite rationally. Did Taiwan really need F-16s? Absolutely. Did they need defense capability? Absolutely. Was it in our policy interest to do it? Absolutely. The problem was that we were trying to conduct this balancing act, and people like Jim Lilley, like George Bush and people who supported Clinton were all committed to that balancing act. I don't think Clinton understood this need for balancing at this time, but he would subsequently. Part of that balance was the Blackhawk helicopters we had sold to the PRC prior to Tiananmen. We had promised them upgrades to their military equipment. We were rehabilitating Soviet designed aircraft with American engines. We had this vision that the PRC would become more democratic as it became more prosperous. That was a canard at the time, but not everybody recognized it. A lot of U.S. industry was happy to not recognize it.

Q: Right, and a Blackhawk is not something that is going to be a threat to us or even to other nations in the vicinity of China because it is not one that projects force. It is a ground force, and this helicopter is meant to support ground troops.

KEEGAN: But if you invade Taiwan...

Q: Well True.

KEEGAN: Or if you did as China did in February 1979, when it crossed the border into Vietnam. I mean you are coming back to an interesting question that we don't have to dwell on. When we talked about the bucket, we considered, "What is a weapon?" If you sell a helicopter gunship like the Cobra, is the Cobra a weapon or does that designation cover only the subcomponent that is the bracket for the missile and the electronics for the missile? Where do you draw that line? But if you think about it, if you are buying a Blackhawk, you are buying a helicopter that is unlike any civilian helicopter. It has got all sorts of hardening and things that I do not understand to make it military capable. If you are a Tibetan and you are an activist, and a Blackhawk can fly at altitudes that other PRC helicopters can't fly, if you are a Tibetan Lamist, do you look at the Black Hawk as a weapon? You probably do. That is what gets so messy.

I just want to peel off and make one additional observation. If you look at the 1992 decision to sell F-16s, which was then going to be implemented by the Clinton administration, it looks like the 1982 Arms Sales Communique with the PRC was a failure from the PRC point of view because the arms sales communique was intended first and foremost to stop the F-20 sale. They thought we had promised not to sell arms. We thought they had promised to commit to a peaceful resolution. They kept saying we would like reunification to be peaceful, but we are not committed to it. Both sides could argue that the Communique was a failure. The PRC could look at the way we managed the bucket and say, "Well you are not managing it transparently. We know inflation is always a reality. You knew it was a reality in 1982 when you signed this. You are playing games with us."

Q: But the big thing about the F-16 is not just that it is a better plane. It is a significantly qualitatively better plane, and we agreed we weren't going to sell qualitatively better weapons. How did we get around that?

KEEGAN: Fascinating question. OK. Let's put an F-5 in 1968 or 1970. I am going to say, and I am going to make this up, that in 1970 the perfect combat aircraft you would give a grade of 100. What grade would you give an F-5? What about in 1985? Let's imagine you would give it an 85 in 1968. Now you come to 1992 and you go to the chief of staff of the air force and say, "Your ideal combat aircraft we are going to designate as 100. How do you rate your combat aircraft?" He would say, "You know I will give the F-15 a 92 and the F-18 a 94 and I will give the F-16 an 85." Now you have a 1970 grade 85 versus a 1982 grade 85. Are they qualitatively the same?" Obviously in terms of their time, yes, they are. Now if you take a brand-new F-5 with your best pilot and a brand-new F-16 with your best pilot and have them in a dog fight who would win? Well, yeah. So which ones do you go with? Do you go with the 85% in its time or do you go with the results of the head-to-head? Even if we could have, even if we had tried to sell them brand new F-5s in 1992, what would the reaction have been?

Q: Well, they knew the F-16 was out there.

KEEGAN: They knew that an F-5 is going to have to go up against an Su-22 or whatever. Taiwan had a simple reaction, “If you are giving us the F-5, don’t even bother. It is not worth it. Give us the F-16 so we have got a chance. That we can deal with.” For the reasons you are looking at, you could argue that the ’82 Communique was a failure. However, I would take it somewhat differently, and maybe we will stop after this.

From the PRC’s point of view, the ’82 Arms Sales Communique was a platform. It enabled them to walk into the White House and walk into the Secretary of State and say, “You committed to us that you would not sell arms to Taiwan, and we understand you are going to sell them some major equipment. If you violate your agreement with us, we are going to be less cooperative with you on some issue that is important to you. Now don’t sell them.” Sometimes we took account of China’s concerns, and sometimes we didn’t, but the Communique always gave them that way of putting on pressure.

In the Obama administration, we were always looking for the right time when we could sell stuff to Taiwan with reduced cost to our policy with the mainland. Those right times were awfully hard to find. At the end of the Obama administration, they were putting together an arms sales package, but they didn’t issue it. Then it came to the Trump administration, and the Trump administration wanted quite understandably to solve the North Korea problem. They believed they needed the PRC. Here is my not-having-read MEMCON prediction: Xi Jinping leaned across to Trump and said, “I can help you with North Korea if you can help me on Taiwan.” My conclusion on this is China won the contest over the ’82 communique from 1982 to 2017, with the exception of 1992 to the end of the first Clinton administration. That window right there was the only point when if the Chinese ambassador went into the NSC and said, “The ’82 Communique says you won’t sell arms to Taiwan.” The response would have been, “Yeah, and you said you weren’t going to threaten the use of force. Why don’t you go buy a cup of coffee?”

Q: Did Jim Lilley know that?

KEEGAN: You bet your bottom dollar Jim Lilly knew that. Why don’t we stop there? We will talk a little bit next time about the specifics of our approaches to Taiwan arms sales.

Q: It is November 17, 2017 and we are resuming our interview with David Keegan.

KEEGAN: We ended our last discussion talking about the 1982 Arms Sales Communique that the United States concluded with the People’s Republic of China on August 17, 1982, and in which the United States committed to gradually over time reduce to zero our arms sales to Taiwan in return for what we understood to be the Chinese promise to seek a peaceful resolution of the cross-Strait issue. The Chinese deny they ever made that commitment. They simply said that peaceful resolution was their wish but impossible to guarantee.

The last time I talked about the consequences of 1982 Arms Sales Communique since it was written, noting particularly that although we have never fully honored the commitment to reduce the quantity and quality of our arms sales to Taiwan, we have in fact been very sensitive to and deferential to Beijing's pressure on us to avoid arms sales. I noted that the Obama administration had avoided making an arms sale to Taiwan although the package was completed in 2016 leaving that decision to the Trump administration which had chosen not to make an arms sale.

The Trump administration actually made the arms sale in June 2017. It is a fairly significant arms sale. It is a reminder that a lot of these things are subject to the larger winds of the U.S.-China relationship. I think Trump and the Trump administration wanted to send a message that although they were seeking help from Beijing on North Korea, they were still willing to put pressure on them in other places, trade and investment being a big one, but also on Taiwan. The arms sale corresponded very closely to our priorities to what Taiwan would want to be acquiring, which are things that will deter and slow a Chinese advance.

One issue that is always very prominent is that Taiwan always wants to acquire arms that are both useful and also very visible symbols of U.S. support. They have a symbolic element as well. We are not as thrilled with the symbolic. They want to get F-35 fighters. They want to get the short takeoff and landing (STOL) fighters, which we think is a really lousy idea because they will be usable for about an hour and a half. Then they will not have any place to land even though it is a short take-off and landing. It is a waste of money.

The other system that Taiwan wants us desperately to sell them is modern conventionally powered submarines. One significant problem is we have no conventional submarines in the U.S. Navy inventory. All of our submarines are nuclear. Every aspect of the sub's construction is completely different for our nuclear submarines than for any diesel submarine. Therefore, we can't even provide Taiwan the technology, and nobody else is willing to do it because the last folks that sold them submarines were the Dutch, who were ostracized at high commercial cost by Beijing. Nobody else can do it, and we can't do it, but the U.S. Congress keeps saying that we are going to do it. The U.S. Navy has no intention of allowing a single U.S. Navy officer to participate in designing or building a diesel submarine because they are terrified that the U. S. Congress would turn around and say, "That was an awfully good diesel submarine and they are a lot cheaper than nuclear submarines," and I am told by people who are knowledgeable about such things that they can be a lot quieter than nuclear submarines. I would think that would be a major selling point. Given that, there you go.

Q: Can I ask a question? Is there any value at this moment, while we are talking about providing arms and especially defensive arms to Taiwan, to discuss concerns Taiwan might have about an attack from North Korea?

KEEGAN: I see no evidence that Taiwan is concerned about an attack from North Korea. North Korea has two directions it is going in. Well, three. They are not aiming at South

Korea with missiles. They have so much artillery just north of the DMZ it doesn't matter. They are looking at Japan, the United States, and China, not necessarily in that order. If you are Beijing, you are worried about North Korean missiles, not simply because they are destabilizing, but because some percentage of them, especially if they are nuclear tipped, are pointed at you.

I will just mention that we were going to sell these F-16s to Taiwan in 1992. That was three years after Tiananmen, right in the middle of the campaign when Bill Clinton was referring to the "butchers of Beijing." George H. W. Bush and James A. Baker III were banging heads against the government in Beijing over human rights, over trade issues. I have been re-reading a lot of the mem cons, or Memorandums of Conversation, of those meetings. They were not fun meetings at all. Li Peng could be a blunt and acerbic personality, and he was very blunt and acerbic. If we had not sold those F-16s in 1992, I can't imagine another time since 1979 when we could have, when we would politically have made that sale. Now, having said that, it was also a good time to make that sale because Taiwan desperately needed those aircraft. You could make a good case that they still need combat aircraft today, but they also need to increase their percentage of GDP devoted to military security to meet this issue.

Once Bush announced his support for the F-16 sale, the Defense Department put together a rationale for the sale. That generally passed muster. Then the bureaucracy had to figure out how to implement it. I was the grunt on the Taiwan desk who wrote a lot of the memos out of the Taiwan Desk explaining how we would justify it within the terms of the Arms Sales Communique. First of all, we looked at the F-16s, and I think the Defense Department had figured this out before us, but we certainly concurred with it. There are two types of F-16s. There are light F-16s and heavy F-16s. The light F-16s are the A-B models and the heavy F-16s are the C-D.

Q: What distinguishes them?

KEEGAN: The light F-16 is an air defense aircraft, so it is optimized for air defense in terms of its engines and in terms of what it carries. The C/D is designed so that it can also carry much heavier ordinance for ground attack. The As and Bs are single seater and double seater, and the double seaters are basically training aircraft. The Cs and Ds are basically the same. Taiwan wanted the ground attack version, and we made quite clear to them that they were not going to get that, and there was a lot of back and forth on that.

The other major issue we had to deal with at that point was the requirement of the Arms Sales Communique about that quantity and quality. We basically set that aside. We essentially said we had failed to provide Taiwan with this essential equipment for so long that we were in violation of our Taiwan Relations Act. We basically said to China that, "If you average this out over time, you are right, there is going to be a sharp uptick in the value of our arms sales to Taiwan, but then it is going to come back down, and we will resume the downward curve promised in the Arms Sales Communique." But we didn't have a choice on this one, and, as I suggested, the nature of our relationship at that point was such that we didn't mind China's anger. The interesting question, and I am going

more into analysis than history, is that we are now paying a price for that. The Chinese are very conscious of what they refer to as a “Century of Humiliation” between the 1842 Opium War and 1945.

Q: Thank you for mentioning that because very few U.S. diplomats talking about their time in China refer to that era and refer to the effect that it had on Chinese thinking today.

KEEGAN: You may agree or disagree with their judgement of the history of that century. That is for the Chinese to decide, whether they are in or out of the government. Yes, the government put out propaganda insisting on emphasizing “The Century of Humiliation,” particularly after 1989. But this is a very sore subject. If you think about it, have we gone through something like that? I mean it took us three or four generations to get over British colonial rule, which is nowhere near what the Chinese went through. But the thing we need to remember, or at least I think we need to remember, is that up until June 4, 1989, we had a very cordial relationship, perhaps more cordial than was warranted.

We basically said to the Chinese, “We are a big power, and you are a little power, and we are pissed, so we are going to bring the ax down on you.” I have to feel a certain sympathy for the Chinese diplomats who had to go through these exchanges. James A. Baker III is a very effective diplomat and a very effective bargainer, but he can be an awfully blunt, direct, and tough negotiator. I am sure there were Chinese in that room who were fairly junior and are no longer fairly junior who felt embarrassed, humiliated, pushed around, and now that they are feeling stronger and more powerful, I think they are treating us the way we treated them, and that is why they have decided that Deng Xiaoping’s advice not to do anything prominent in foreign and defense affairs is advice for another era.

Now that they have the economic power and the military might to go with it, they have decided that it is their turn. You may agree with that or disagree with that but reading these transcripts, I imagine how I would have reacted if I had been a Chinese note taker or interpreter, which is what a junior diplomat would be doing in that room and watched the reaction of my premier Li Peng, my foreign minister, or Liu Huaqiu who was the very senior and very well respected deputy foreign minister take the brunt of this.. Imagine I had listened to them handle this and probably vent in fury and frustration afterwards. I might be carrying that around in 2017. Anyway, we explained to them that we interpreted the 1982 Communique to mean that this was a quantity issue, and in the long term that is how it would go down.

We argued that in terms of the 1982 Communique’s stipulation of not increasing the quality of military equipment we sold to Taiwan, that the F-16 sale was not a big jump up. We were still sticking to the quality prior to 1979 but the F-4s and F-5s that we had provided them in the 60s and 70s were the F-16s of the era. I was on the Taiwan desk writing these many talking points and coordinating with the China desk as the Chinese embassy came in expressing its frustration and as the China desk was writing talking points for Stapleton Roy, our Ambassador in Beijing. We couldn’t have had a better

Ambassador. I hope he is doing an oral history or has done an oral history. We basically took the approach with the Chinese that we understood their frustration, but this is something we had to do in terms of our legal requirements, and they should take the longer view.

One of the major issues we had with them was that they looked on the Three Communiqués as treaty obligations. If they were treaty obligations, they would supersede domestic legislation, and the Taiwan Relations Act is domestic legislation. The Communiqués are not treaties, and that is why we are honoring the Taiwan Relations Act, and our lawyers, like Jim Hergen and Mary Comfort, were saying, “Guys, those are not treaties. Those are statements of policy. Those are announcements of conclusions coming out after negotiations. That is all they are, and because that is all they are, legislation still takes priority.”

Q: Do you think the Chinese did not understand that or simply were using this argument as their come back to what they were doing because it seems odd that a country with a relatively sophisticated foreign service and Chinese students in the United States going back knowing quite a bit about how the U.S. government works, it seems odd that they would make this argument other than as a gambit. In other words, not understanding the nature of what a real treaty is.

KEEGAN: I understand the argument you are making, and I believe there were others who made the same argument, but there is a concept, which I have called “mirroring,” that if you look at another society and another political system, then you tend to look at it as a mirror of your own. You expect the other side to operate as you would, and then you get bewildered when they do not. I cannot tell you how often in talking to Chinese officials or Chinese commentators they would say something like “You need to stop the *New York Times* from . . .” or “You need to tell the Congress to . . .” We could only respond, “You know if the President of the United States or his chief of staff or his national security advisor would call up the *New York Times* and say, ‘We would like you to stop publishing this story,’ that would become another bigger story.” The Chinese would look at us and retort, “Not if he really meant it. He could put the thumb on them, and if he really meant to stop the Congress from passing something, then they would stop. You passed the Taiwan Relations Act because Jimmy Carter was happy that the Congress passed it.” Our response was simple. “In fact, the Congress was angry at the President over not involving them in the decision to end diplomatic relations with Taiwan. That is why they passed that law, and they were angry with you, China, for some of the stuff you did. That is why they passed it.”

The Chinese look at our response in terms of their own experience. In China, when they have someone in power, let’s take Xi Jinping, the current General Secretary of the Communist Party, who has just been given another five-year tenure, and if Xi says that the newspaper in Quanzhou will publish A B C, and the newspaper in Quanzhou for whatever reason chooses not to, there will be immediate and painful consequences. It will not increase that newspaper’s circulation. This difference was amusing in another way, because if you go back and look at those conversations that James A. Baker III had with

Li Peng, and we were pushing them to do some things on nonproliferation that were important in that era and are still important. We wanted them to adhere to the Non-Proliferation Treaty and to adhere to the Missile Technology Control Regime missile technology control regime. Some of their more sophisticated negotiators would play on our institutional expectations and say, "Well, we submitted to the National People's Congress, but they had their own opinions, and we are waiting to see what they say." I am sure James A. Baker must have looked at Lee Peng and said, "Yeah, right!" There is that issue. I think the Chinese seriously thought that if we wanted to control U.S. media or the U.S. Congress, that we could. That is a long way around to my answer. I think they do have some degree of sophistication, but mirroring is awfully difficult to overcome. That is where I will put that.

The other thing we tried to do, as we did with this arms sale, was try to restrain, and I am sorry to put it so flippantly, the Defense Department and the Office of the Secretary of Defense, who were pushing this very hard and wanted to move it very quickly and wanted to get very aggressive about how large the sale would be, what would be included and so forth, and how much publicity it would get. These were people who for understandable reasons believed that additional attention would be good for Taiwan's defense capability and would be a good signal to send China. We were trying to draw everybody back a little bit and say, "Wait a minute. We still need to work with China going into the future. If we don't work with them, everything is going to become a lot harder." I would suggest, recent events bear that out. Jim Lilley understood that as well as anyone, but still I think that was a little bit of a problem. And within the State Department, we had two conflicting impulses. Impulse number one was, "OK, we are going to sell these planes to Taiwan." That was the decision that was originally put forward by the Bush White House and was supported by the Clinton White House.

Impulse number two came from other people who wanted to restrain the sale more than we did and wouldn't have minded derailing it, prolonging it, cutting down the quantity. For very good reasons they wanted to protect our China relationship, and particularly in the years after Tiananmen, that bilateral relationship between the United States and the PRC was under considerable strain and was as close to breaking as it would be for a very long time. That was one of the two major issues that I faced during this two-year tenure as Assistant Director on the Taiwan desk.

The other issue was Taiwan's accession to the GATT, General Agreement on Tariffs and Trade, subsequently after the Doha Round, the World Trade Organization (WTO), an organization of world trading economies to set rules for the international trading system to begin reducing tariffs, essentially to avoid the Smoot Hawley disaster of the Great Depression. If you read some of the histories of the United States in the 1940s and 50s, there were still people who believed that restricting trade was a good idea. That idea almost took down some economies, including Great Britain, New Zealand, and others.

The PRC had been an observer to the GATT since, I believe, 1986, which of course was 15 years after they had been seated at the United Nations. They had expressed an interest in becoming members of the GATT. Taiwan had expressed interest in membership as well

and submitted a letter to the United States saying that they wanted our assistance in moving forward with their application. There were reasons why Taiwan's request happened right then. Some of them were that Taiwan had just come out of the era of Chiang Ching-kuo, who had succeeded his father Chiang Kai-shek as president of the Republic of China, and who had died in 1987.

Q: This is the direct family of Chang Kai-shek.

KEEGAN: Chiang Ching-kuo was the son of Chang Kai-shek. The Taiwan economy had been moving very carefully and very adroitly through an economic evolution of moving through various kinds of low tech, medium tech, import substitution, moving before the economy got saturated with import substitutions to an export economy. They had been, as I understand, involved in producing some of the equipment that was used in Vietnam by U.S. soldiers, not arms and munitions, but foodstuffs, clothing etc. Light goods.

They had seen this as a boom, and they also wanted to expand their international profile because they had been shut out of all United Nations related organizations, which included groups as diverse as the World Health Organization and the International Civil Aviation organization, which we will probably end up talking about when I get back into working the Taiwan issue in 2001. But GATT was not a member of the UN family, and therefore it was not a place where the PRC could so easily impose a veto. And since the GATT was an organization of trading economies, market economies, it was not an organization of states. The minute you say that you essentially say that Taiwan qualifies.

You have to negotiate tariff lines and all this stuff that the U.S. Trade Representative's office has experts in. But the essential issue was not whether Taiwan belonged, the issue was what were the specifics of the agreement that Taiwan was going to work out with the members of the GATT. The standard procedure is that some member of the GATT takes on the responsibility of organizing a working party which essentially is a committee of anyone who is in the GATT who wants to participate to negotiate a particular applicant's terms of entry. If you are negotiating the entry of some place like Belize, a working party might have something like three members. When you have a place like Taiwan which at this point was exporting to all of Europe, all of South Asia, all of the world, you had lots of people. Beijing was making sure that all of its friends who were in the GATT were on the Taiwan working party so they could slow this down.

Beijing had also been saying since 1986 that they wanted to be a GATT member. And they asked us to move their application forward. That was a much more difficult process because they were not a market economy. In fact, there is an interesting discussion to be had as to what extent they are now a market economy. But having said that, this is an enormous economy. Under Deng Xiaoping, it had moved into "reform and opening." This is their internal economic, and to some extent political, reform, their external opening to contact, trade, and investment with other, mostly Western, countries, and their resulting transformation into a more successful economy. All of this is in the vital interest of the United States. At that point I would say it was awfully near the top of our vital

interests at that time. That was clearly understood by Richard Nixon and Henry Kissinger, as well as Ford and Carter and even Reagan, and especially George H.W. Bush. Slowly, as he understood it a little better, it was understood by Bill Clinton. Having a stable prosperous country the size of China, rather than a Maoist unstable Great Leap Forward, Cultural Revolution type of country, is vastly in the United States' interests in terms of our values, our security, and our economy.

If I haven't used this illustration before, I will use it now. Whenever we have criticized China's human rights record, the simple statistic I offer to put our criticisms, justified as they are, in context is that, while Deng Xiaoping orchestrated the Tiananmen Massacre, he also orchestrated "Reform and Opening." Since 1979, it has brought 800 million people out of poverty. For that reason having the PRC enter the GATT was a good thing. It cemented Reform and Opening. Then the question became how would we negotiate with these two parties.

Beijing made it quite clear. Beijing's attitude at first was, "We are a large and powerful country, and we are becoming larger and more powerful, and we will eventually do what you ask so trust us and put us in GATT." We basically said to them, "That is not quite how it works. We negotiate the very specific and detailed terms of entry. You commit to honor them on day one, and then you enter the GATT." So that was issue number one with Beijing.

The second issue with Beijing was that they wanted us to commit that China would enter the GATT, and only after they entered the GATT would Taiwan enter the GATT as an independent customs territory, not as a sovereign country. We had a talking point that we pulled out and a number of us had memorized. It said, "We support the entry of the PRC into the GATT, and we support the entry of Taiwan into the GATT under terms to be negotiated by the GATT as soon as each qualifies. Beijing understood that, and everyone understood that, as code for we were not going to push Taiwan's GATT accession through first, but we were also not allowing China to determine whether Taiwan acceded or the conditions under which they acceded.

Q: That is the way I would take it.

KEEGAN: Now fast forward to 2001, and lo and behold, China's entry was approved 24 hours before Taiwan's entry was approved. They officially entered a month before Taiwan with a gun to their head that said if you block Taiwan's entry, everything comes apart. That is essentially the way we worked it. I think most people knew our preferred objective was to see both enter in terms that we could live with.

We had already negotiated the PRC's entry into the Asian Development Bank without kicking Taiwan out. It was primarily our doing, with the help of Japan. It was not fun, but we did it. We were subsequently going to do the same thing with the Asia Pacific Economic Cooperation Forum or APEC. That is pretty much a summary of what the GATT accession process for Taiwan was. The State Department was not the lead on this, USTR was, operating under the auspices of AIT, but we made sure that whatever USTR

said stayed on track with our overall policy towards Taiwan and did not give any of the signals that we were negotiating for a country rather than an economy.

It is worth adding that a bureaucratic sea change was happening at this time. I came on the desk in early September 1992, in the middle of the election campaign. Starting on the first Tuesday of November, all of our George H.W. Bush orientation began to change, and we saw one administration begin to unravel and another one come in, and that transition held both of these issues – F-16s and GATT – hostage somewhat. We just had to wait and see what the Clinton administration was going to do with it. As so often happens in new administrations' approach on Taiwan and China, they went through a period of deep soul searching and a period of changing all the terminology used by the previous administration, and then they essentially followed the same policy. I think it is fair to say that for folks at my level or a level or two above, there was a lot of discomfort about what this was going to mean, particularly given the rhetoric that the Clinton election had been using. It meant we were negotiating or beginning to negotiate some of these things without any political guidance or very interim political guidance.

It is worth adding that, as we were moving forward with this, Taiwan negotiated the purchase of 60 Mirage 2000 combat aircraft from France. And although there was no visible retaliation from China for our sale of 160 F-16s, France saw its consulate in Guangzhou shut down.

Q: Take a second or so to say why that was such a big deal.

KEEGAN: Guangzhou, from France's point of view, was a major commercial outpost. One of the things we forget at our peril is that for a lot of countries, diplomatic establishments are first and foremost commercial establishments. Larry Eagleburger, the Deputy Secretary of State under George H. W. Bush, referred to the State Department as "the Americas Desk," meaning that he expected the Department to advocate aggressively for U.S. businesses overseas, and generally Foreign Service Officers were quite comfortable with that assignment, but we were nowhere near as aggressive as some other countries who are particularly renowned for that. For France, the loss of its consulate in Guangzhou was a major commercial as well as a diplomatic blow.

These two initiatives, the F-16 sale and the GATT accession, meant that the period when there had been severe constraints on our interactions with Taiwan in the wake of "de-recognition" were basically being torn apart. There was no way you could negotiate or implement either of these agreements and keep the arms-length distance from Taiwan that we had attempted to keep during the period 1979-1991.

Just think about the combat aircraft. The United States sold F-16s to Taiwan. We only sell combat aircraft through the Department of Defense. There is no such thing as a commercial sale from the United States on combat aircraft. The commercial companies sell those aircraft to DOD, and then DOD sells those aircraft to the foreign purchaser. That immediately makes the transaction official. I could sell you a book, hand you the book, and walk away. I could probably even buy a iPhone 10, hand it to you, and walk

away. An F-16 doesn't quite work that way. No matter how good the pilots are who get into that F-16 for the first time, unless you are going to let them flame out, you are going to provide pilot instruction. You are going to have training for aircraft mechanics. You are going to have navigation instruction. The list goes on and on. Oh, and by the way, every single time that plane goes up, the pilots must be trained to do a fanatically detailed mechanical check. If there is anything that is even not quite perfect, you are going to pull it out and put a new one in there. Spare parts. How do you do all those spare parts? Upgrades, how do you do all those necessary upgrades, particularly safety-related upgrades?

The U.S. was left with two choices. Choice number one: you could bring all of the people necessary from the Taiwan side to the places in the United States where our Air Force does those things. Luke Air Force Base is where we did a great deal of the F-16 pilot training. Not only do you want the pilots to be able to fly it; you want them to be able to win air battles. It is not top gun because these are not Navy pilots or Navy aircraft, but it is the same idea: combat training. We either bring them here or we go there. That means we had U.S. military at least up to the rank of Lt. Colonel, because when you get up to the rank of Lt. Colonel and below from my experience, those are the folks who do all the hard work. Above that you are managing the people who do the hard work, which is a vital function but if you are a Taiwan F-5 pilot that is being transitioned to an F-16, you don't really want to talk to a colonel. You want to talk to a captain or a major who has put in 1000 hours in this aircraft in the last three or four years and who says, "I am going to teach you exactly how to fly this." How do you do that? You can't do that without very intense mil-to-mil contact. It cannot be done.

That is the way it was. We worked very hard to make sure that mil-to-mil contact was as unobtrusive as possible. Not to deceive Beijing. They knew what was going on, but coming out of the Century of Humiliation, coming out of the humiliation and frustration at some of the negotiations that were going on at the government level at that time, they did not want to lose face. And the intensive military interaction between the U.S. and Taiwan militaries came very close to recognizing Taiwan sovereignty.

That meant that very shortly after Tiananmen we sold Taiwan F-16s. We were negotiating their entry into the GATT. Across the United States Government bureaucracy, there was a pent-up demand to do things with Taiwan. Taiwan was the flavor of the month. Many people had been waiting for Taiwan to be the flavor of the month. Every agency inside the beltway had something they wanted to do with Taiwan. We in the State Department, in EAP, and especially on the Taiwan Coordination Staff, were in many cases saying, "We don't think so," or "OK, you can do that, but why do you think your undersecretary needs to travel there?" Their answer was, "Well, the undersecretary wants to go there." "Yes, we understand that your undersecretary wants to go. It is a lovely place. I would love to go, too, but why do that when that is going to create a headline, when that is going to be noticed by Beijing, when that is going to make our China relationship harder. What justifies it?"

This was happening just as the Clinton administration was coming in. The Clinton Administration was beginning to look at tough issues around the world, and the NSC was directing policy reviews on issues like China, on issues like Korea or Iraq, whatever. Lynn Pascoe was our Principal Deputy Assistant Secretary, former Deputy Chief of Mission (DCM) in Beijing, and the China Deputy Assistant Secretary in EAP. The three or four of us who were doing Taiwan worked with him, and we talked to him every day. We knew that the NSC was authorizing a policy review on China, and we approached Pascoe and suggested that our Taiwan policy was being subjected to considerable pressure for change. "Would it be helpful," we suggested, "to have a Taiwan policy review so we can figure out where the parameters are, draw them, and enforce them?" We would give Taiwan face where it deserved that, but we would also have some constraint. That led to the Taiwan policy review. The Taiwan policy review is one of those things that is looked back upon as a watershed in the U.S. Taiwan relationship. It is fair to say that, for those of us who were down in the weeds as this was being done, that was not necessarily our intent. I sometimes wonder, had we known what the final policy review was when it came out, would we have pushed for it. I think one could make an argument that we might not have.

Q: Because it was an honest review? People were not going into it with a preconceived notion of the way it was supposed to come out or how did it begin exactly?

KEEGAN: To the best of my recollection, it began with those of us who were doing China and Taiwan in the East Asia Pacific Bureau meeting with Lynn Pascoe and our Assistant Secretary and asking, "How should this come out? What do we want the White House to understand? What conclusions do we want?" The NSC was basically saying to us, "Tell us what you want." Then it became basically a food fight. I don't think that is too impolite a term with every agency insisting we had to clear our review with them. All the agencies with interests in China and Taiwan came in to tell us that they wanted some more leeway over here or some more authority or permission for higher level visits.

And the Taiwan representative here in Washington and the Taiwan authorities in Taipei knew this was going on; they had very good information. They were coming to us and telling us that they saw this review as their chance to correct some of the inequities that were imposed upon Taiwan at the time of U.S. recognition of the People's Republic of China, when the U.S. broke relations with Taiwan on January 1, 1979. As a result, there were an enormous range of pressures that were going into that review.

At some level this was a reflection of the time, and at some level this was being looked at as a road map to a more activist approach with Taiwan. We did not have to be as considerate of Beijing as we had been in the mid '80s because the other reality is the Berlin wall has fallen. The Iron Curtain has fallen. The Soviet Union was coming apart, and so a lot of the strategic imperative that has driven our relationship with Beijing had now dissipated. Many looked at this as a charter to manage the two relationships anew. However, there was still a countervailing pressure. Even though the Cold War was over, under Bush I you had the first Iraq war, and China as a member of the UN security council was an essential player. We knew that going forward they would be an essential

player in other issues. Therefore, there was still that need to make sure that we wouldn't do anything with Taiwan that would undermine that U.S.-China relationship unnecessarily.

Q: It is February 15, 2018. We are resuming our interview with David Keegan.

KEEGAN: Thanks to you, Mark, for checking the tape from the last time. I am going to start from where we left off last time and I will either overlap or fill it in later. One or the other. But we were talking about the way we were changing our Taiwan policy particularly in the early years of the Clinton Administration. I was on the Taiwan desk from 1992 to the summer of 1994. That was when the F-16 sale was proposed by the Bush administration and implemented by the Clinton administration, and adjustments to our military relationship with Taiwan necessarily came as a result of that. One result was that we could not simply sell planes. They are not simple off-the-shelf items. A plane is a package. You have to sell planes plus maintenance equipment plus training the people who were going to do the maintenance plus the pilots and so forth. Inevitably we ended up with a far closer and more complex military-to-military relationship. One of the things I think the Taiwan side was always proud of was that their pilots always got very high marks from their U.S. Air Force colleagues, which is always a good thing, and their mechanics got better marks than that. The U.S. side said, "Oh crap. I wish we had them maintaining our planes." That was not surprising. To me that was very typical of the kind of highly motivated and highly talented people we worked with on the Taiwan side. But it did pose a real challenge for explaining this to the PRC, the People's Republic of China. Remember at the same time we did the F-16 sale the French sold sixty Mirage 2000 and six Lafayette frigates to Taiwan. They got punched in the nose; we did not.

Q: You mean the Chinese reacted very strongly.

KEEGAN: The Chinese reacted very strongly to the French sale. They made them close their consulate in Guangzhou. They did not do anything commensurate to us but that was I think because this was still early years after Tiananmen. They needed to get their economy back up. Deng Xiaoping understood we were essential in that project. They wanted very much to join the World Trade Organization, and we chaired the working group to process their entry. I have just been reading a lot of memos in my declassification work from that period of James A. Baker III, Warren Christopher, and other U.S. officials talking to the Chinese, and the Chinese were being very polite, and you can see the steam rising off the page with their annoyance and frustration. I don't think we realized the intensity of their anger as much at the time as we could have. We were creating a problem that was going to come home to roost later. I could argue in a certain sense it has really come home to roost since 2008 but particularly since 2012 when Xi Jinping took office. But these were the seeds of that problem and Taiwan was the center of it.

On the Taiwan Desk, on the China desk, in the Office of the Secretary of Defense, and in the NSC, we were changing the China relationship in some dramatic unrecognized ways. We were adjusting it to reality as we wanted the reality to be at a cost the Chinese were not enthusiastic about bearing. We talked a little bit earlier about the Taiwan Policy Review and how that was created. What was striking to me in the two years it went forward as I was on the desk was how quickly bureaucratic dynamics can destroy a project. I believe there is a term, “a dog’s breakfast,” which is a senseless messy mélange. That is what we ended up with. We didn’t really review policy. We didn’t really make structured substantive changes on policy. We made lots of little tweaks on where officials could meet and what officials would wear, and we gave some minor nods to Taiwan giving it a higher profile. We acknowledged two major realities that had already begun to take shape – the need for Taiwan officials, including the president, to transit the U.S. en route to visits with their allies, and U.S. support for Taiwan in functional international organizations where they could benefit and offer benefits.

Q: And here you are talking about Taiwan.

KEEGAN: With Taiwan. We were trying to do this very quietly, but you have to assume that Beijing all the way through knew what was going on, and they were talking to us about it. But we changed the name of Taiwan’s representative organization in the United States from CCNAA, and there are days when even I don’t know what that stood for – Coordinating Council for North American Affairs. We changed that to TECRO, the Taipei Economic and Cultural Representative Office. We didn’t insert Taiwan in there, as Taiwan had sought, but we did get Taipei in there. We allowed for the Taiwan president to transit the United States en route to other countries. After I left the desk, that instigated a situation where Lee Teng-hui, the President of Taiwan, transited the United States and, after the Republicans won control of Congress, was given a visa to visit Cornell before Jiang Zemin got an official visit to the United States. Oh my God. So, there were changes, but they were nowhere near the changes commensurate with the amount of effort that was put into the review.

It did make a conceptual change. It made us think a little more clearly how Taiwan was changing. It was becoming far more democratic. It was continuing to boom economically. They had the largest foreign exchange reserves in the world in the 90’s. That title now goes to China, but at that point it was Taiwan. This is a place with somewhere around 20 million people. This is a place somewhere roughly the size of Maryland and Delaware. How was that possible?

The two things that made the difference were not the policy review. They were the WTO application which we talked about earlier. We always said we would not hold hostage to China all the while understanding that really, we would hold it hostage and when the two candidacies were finally completed, they came through within a month or two of each other. We could have pushed Taiwan’s WTO on its merits far earlier. Taiwan could have gotten in in ‘94, no later than ‘96. The other thing that made a difference was the F-16 sale which we had just been talking about. What struck me however as I was going back over some of this stuff today and thinking about some of what I have been reading is this:

a lot of people still turn back to that Taiwan Policy Review and say that was a turning point. I think it was not significant in itself, but it came at a very significant time. Our relationship was turning and if you put a pin in the date where it was turning, that is the Taiwan Policy Review. Whether the two had any particular functional relationship, I am less certain.

Singapore

My next assignment was to Singapore from '94 to '97. Singapore was the only assignment I took on a naïve quirky impulse. I saw it on the bid list. It was a Chinese language designated position, and it was two years out when I was bidding to go to the Taiwan Staff in 1992. I thought, "Oh Singapore, that sounds cool. Somerset Maugham and drinking tea on the veranda with the fan slowly spinning overhead and these British style buildings with tropical vines hanging down."

Singapore doesn't look like that except for the fact that it does have the vines and I will tell you it has more gorgeous native orchids than you might believe possible. They have a spectacular botanical garden. The most spectacular part is the orchid display. Even if you don't like flowers, it will take your breath away. They have pedestrian overpasses over the streets with flowering bougainvillea. I bid on it as a pure fluke and for the salary differential it offered as

a Chinese Language Designated Position (LDP). I have driven some folks nuts when I told them that I got a differential for going to Singapore.

For my wife and me, it had another attraction: it had good schools. All of the American schools in the southeast Asian countries were excellent. The Singapore American school was excellent. I had a son going into fourth grade and a son going into seventh grade so it all worked very well. My wife was happy because she could find one of her favorite jobs in her entire career. She taught at a small American college that was associated with the community college system of Broward County in Florida. She was in the English Department. She had a great time. I was very grateful for that. When we arrived in Singapore in '94, it was a booming city. For example, over the course of the past few decades, Singapore has added a higher percentage to its original area without war than any other country in modern history, all through landfill. You could stand at the front door of the Raffles hotel and look up Beach Road. Well, that hotel was built a long time ago and it was a long walk to the waterfront when we lived there.

Q: I am sorry, the year you arrived there is '94? OK, at that point were there concerns since it is a city state in the middle of a body of water, were there concerns about water rising and building stronger water walls and things like that?

KEEGAN: Not so much. The sea level rise was not the issue; the issue then, which is even more important now, was that a large percentage of the natural coastline in the tropics is mangrove swamp. One of the things that mangroves do spectacularly well is buffer the land when a typhoon comes crashing in. The mangroves trees have all of these roots spreading down into the muck and mire with knees which is what they call the roots

sticking out above the surface for oxygen. These form a natural breakwater. The problem with Singapore as with many other places was that as it was modernizing, it took all of the mangroves out except for one corner of the northwest part of Singapore. When I was there they were beginning to say, "That was not the smartest thing we ever did," and they were looking at places where they had done landfill, for example along the parkway from Changyi Airport into the center of the city where they had replaced mangrove trees with piles of large boulders as an artificial substitute for the mangrove. Some people were saying, "On the other hand this would be an awfully nice place for a mangrove swamp. I don't know if they have tried to restore the natural mangrove barrier, but this was a conversation I heard while I was there.

At that point the U.S. embassy was still in the first embassy building we had built there in the 1960's when Singapore became independent. It was one of these modernistic, glass-fronted glass walled buildings, very small, completely out of date, and completely impossible to secure. While I was there, we were already in the midst of building a new facility that we would move into during my last year. I was on the third floor of this small building. I was the senior political officer, and I worked with one subordinate who was a "rotational officer," serving one year in consular, one year in political. There was an econ officer and a Pol econ chief. The junior political officer had the honor of writing the human rights report. In Singapore that was a very interesting job. I could look out my window at the Armenian Catholic Church and graveyard. That really did look like old Singapore. It was utterly charming; about three blocks behind the embassy was Fort Canning Hill, where the British command had built their underground bunkers for their command center prior to World War II and from which they planned to defend the impregnable Singapore against Japanese. Well Singapore didn't prove to be very impregnable, so they didn't use it very long. It is now like Churchill's War Offices in London. They have turned it into a museum, and it opened while we were there. It was quite interesting.

That embassy location had two special charms in my eyes. One, it was about a two block walk down to a run-down shopping center where all of the Eastern European and Russian sailors would go shopping. So, it was the only place I have been in that part of the world where all the stores had signs in Cyrillic. But the important part was it had a multi-story parking garage and on the third floor of the parking garage was a street market or a food court. It was one of these street eateries that had just parked there. In the various stalls you could get Singaporean standard food like chicken rice which is a lot more yummy than it sounds. I don't know what they pump it full of, but it was yummy. But what I really went there for was the really good Indian food. They had an Indian stall with a tandoori oven. You would go there and they had the best garlic nan I have ever had. It was dirty and grimy. The food was clean and yummy. The other charm was directly across Hill Street from the embassy, the Chinese Chamber of Commerce and Industry, which in Singapore was a big deal. Many if not all of its members were native speakers of Chinese. They were the market, and they helped keep the two Chinese language newspapers in Singapore.

Q: Now the Chinese Chamber of Commerce. This is....

KEEGAN: These were local Singaporeans. They were not expatriates, like the American Chamber. These were Chinese who had been living in Singapore for generations. They did business in Chinese, but they didn't do business in Mandarin. They did business in the Minnan dialect, which is from far southwestern Fujian province, right up against northeastern Guangdong province, which is where you find Chaozhou and Shantou, which have some of the best cuisine in China. It tastes like French cuisine meets Chinese food. The Chinese Chamber would have open talks and events, and they were always in Chinese, so I would go. It was Chinese language practice. I remember once, and these were people for whom Mandarin was a second language. Their first language was their native Minnan dialect. One day finally I built up the courage and asked a question of the speaker. I was in the back of the room, and after I finished and after he finished his reply a woman stood up in the audience and basically berated the crowd saying, "We should be ashamed of ourselves. We have this American white guy in the back of the room who speaks better Chinese than we do, and this is an embarrassment." How much of that was standard Chinese courtesy and flattery of a guest I don't know.

My other favorite language story from Singapore was one occasion when I took the ambassador to speak at Singapore National University on U.S. foreign policy in Southeast Asia and China, a talk which I had written. This was part of my job. The ambassador began by saying, "I am happy to be here. I don't know much about Southeast Asia and China. I am a political appointee. I am doing my best. Most of this was written by Dave, who is sitting over there. When you start asking questions he is going to come up and help me answer. He is really helpful to have here because he has got really good Chinese."

After we finished, I got cornered by four or five Singapore National University students. "So, your ambassador said you have got really good Chinese." And they started talking to me in Chinese. At a certain point I forget what they used, but there was one term that I was consciously throwing in, to demonstrate the best vocabulary I could come up with to push back. It wasn't evolution but it was something like that. It was a little more obscure than evolution, perhaps Darwinian social determinism or something like that. One of the students turned to his friends and said, "Do you know what that means?" He said, "I know, but I never knew how to use it." So, the students looked at each other and said, "Never mind. We admit you speak Chinese."

I have to add one more story about the Chinese Chamber of Commerce and Industry. Apparently, the members of the Chinese Chamber of Commerce and Industry were real traditional Chinese. They believed in *feng-shui*. It means literally "Wind and Water," geomancy which I don't believe in, but it leads to really beautiful landscape architecture. because if you pay attention to its principles, you end up putting temples and other buildings in spectacularly beautiful places. You end up orienting things and designing things in ways that are beautiful, peaceful, and serene. The Embassy had one occasion where the employees in our commercial section which was in another building were complaining that they weren't feeling well. So, they brought in a *feng-shui* master who said, "You have got too much wind coming in through your front door. And with the

wind comes a powerful nasty force which is sometimes called *qi*, pronounced chee. Don't ask me why it is spelled *qi*, but it is. Our employees and Commercial Section chief listened and asked, "What do we have to do?" The *feng-shui* master replied that they had to put a barrier so the *qi* would still come in, but then it would curve around the barrier and slow down and it would all be OK. "What kind of barrier?" "Well what you really ought to do is build a platform and put a large fish tank on it." So, they came to the ambassador and the administrative counselor said, "We would like funding to build a platform with a large fish tank on it because otherwise our office *feng-shui* is bad." There was some discussion, and they pulled me in. I said, "Look, I don't care if you believe it. Do you want employees in that building or don't you? Besides that, the one thing the *feng-shui* master was right about is that it will look better."

Back to the story about the Chinese Chamber of Commerce and Industry. They approached the embassy and said we have a problem." "Well, what is your problem?" "When you guys built that embassy in the first place Hill Street was pretty narrow. It is now quite wide. You had a garden in front and in your garden, you had a flagpole. A vertical flagpole with the American flag. That was fine. Well then, the city took away your garden to widen the road. So, then you Americans built a flagpole angled out from the second story of your building. According to the Chamber's *feng-shui* experts, that angled flag pole is a proverbial cannon firing noxious *qi* at our building, and it is damaging our building and the people in our building, and you need to do something." So, we had a discussion about what we should do about this. The answer was, "We are here trying to represent the United States and make friends and influence people." So, the admin counselor found a plot of land in front of the embassy that was probably the size of this table and built a new vertical flagpole. The Chamber was happy, and I'm sure they told others in the Chinese community how unexpectedly reasonable the Americans had been.

The problem with the Chinese Chamber of Commerce and industry was solved and we made friends and influenced people, and that is the game. So, let me tell you about my job and a couple of the issues that came up at that time. My job in Singapore was typical political work; my rotation officer had the lead on human rights issues, although I did some of that as well. I focused on local politics and bilateral relations as well as military to military relations. When I got to Singapore in September of 1994 our portfolio was dominated by three issues. The first had started the year before I got there. It was a young man named Michael Fay. Michael Fay was an American citizen high school student in the Singapore American School. Michael Fay was arrested by the Singapore police for damaging a car, actually damaging a series of cars. So, he was held. Lee Kuan Yew was determined that he was not going to be intimidated by the United States, and this was a caning offense, and so the legal punishment was going to be imposed. Michael Fay was in fact caned. This for a certain group of Singaporeans was proof positive if they needed proof positive about the real character of Americans and American teenagers and what they were like. At one level, the Americans in Singapore they were up in arms over this. At another level, I had two kids in the elementary school. I hung around with these folks. Some of the American teenagers were wont to act out, and the Singapore authorities had

very little tolerance for acting out. What is particularly amusing to me is the car in question that he had damaged was apparently a Mercedes Benz, and the owner apparently took it to the dealership and they cleaned all the graffiti right off. It wasn't indelible at all. It appeared that he wasn't guilty of a caning offense.

Q: Oh, because it would have had to have been indelible, interesting.

KEEGAN: This tension between the American and Singaporean communities all came back during my third year in Singapore. At this point the Singapore American school had outgrown its two campuses. It had a high school campus and an elementary-middle school campus. So, the school board had decided to build a new larger campus. The government had given us some property in the northwest corner of Singapore. So, we had built a campus there. In the middle of that construction, I joined the school board representing the Embassy. As we are moving out of these older buildings, the international population was growing. Another international school came to the American School board and said, "Don't tear down the elementary middle school buildings. We can rehab them and save us a ton of money." We said basically, "We can work with that."

The American community continued to use the athletic field for our weekend soccer leagues. One weekend while soccer was going on some kids got through the chain link fence that closed off the building and trashed a couple of rooms of the school. The other school wasn't going to move in for a couple of months. What these kids did was juvenile delinquency, and it was ugly. It was very sad and infuriating. The guards spotted it and reported it to the American School, which still controlled the site, and they figured out who did it, and they got the kids and so the question became what should we do next. Well this is a criminal offense, so the school did the natural thing and called the police. The police came in, and they listened. They said, "We went through this once before. We know how Michael Fay played it, and you weren't happy, and we weren't happy."

I quietly reached out to a contact I had through the Embassy. I explained to him that, "We are getting some odd signals from the police, and I don't want to screw this up. So, could you go talk to your friends as one policeman to another policeman and figure out what the hell is going on. So, he did, and he came back to me and said, "Dave, they made one point clear. If the Singapore police take this case, they will investigate it thoroughly and professionally, and it will go to the Singaporean courts and, when it goes to the Singaporean courts, these kids will be punished, and you won't like it. The Singaporean police just wonder if the school community could find some way within itself to handle it." So, I went back to the board and said, "This is what I am hearing, guys. Don't do this." The school board all talked, and either the principal or the school superintendent of the system called in the families and the kids and said, "You are out of the School, and I recommend you leave Singapore. But it was an interesting way to watch the consequences of the earlier Michael Fay incident play out."

Another dimension of the political work at the Embassy was Singapore security. The Singaporeans were very happy to have the U.S. military around. Let me add a little bit of history to help this make sense. Singapore at one point was a very small fishing village in

a very strategic location at the far southern tip of the Indochina Peninsula. If you know anything about the Monsoons, you know the monsoons blow by season. If you are in a sailing ship going from Europe around the Cape of Good Hope and up the Indian Ocean, you sail in stages by season. You get to a certain point, and you are in India, and you get the southeast Monsoon, and you get down to Singapore. You pause there, and when the northwest monsoon comes up you go north to China and Japan. Singapore was a critical place. That is why the British were so eager to control it, and that is why they built the city of Singapore with a large number of migrants: Chinese from Fujian Province and a smaller number from Tamil Nadu in southeastern India. These two groups joined the Malays who had been living there. In the 1950's and 1960's a series of communist insurgencies broke out and were brutally but successfully put down. In the wake of World War II, the British were no longer interested in being east of Suez. They pulled the plug on India to disastrous effect. They were interested in getting out of Southeast Asia, so Malaya had become the independent state of Malaysia. The cities, such as Penang, Kuala Lumpur, and Singapore all had significant numbers of Chinese and Indians. The rest of this newly independent country was populated by ethnic Malays known as Bumiputra.

Q: The same thing is true of the exclave of Sarawak

KEEGAN: Yes. Remember Malaya was not a unified place. It was a series of sultanates, essentially, very small kingdoms. And the British took over a large number of them and unified them. All of these sultans agreed that they would continue their unity after the British declared them independent, and they would rotate through the kingship of the unified state of Malaysia. One place did not agree. The Sultan of Brunei said "Nah." It turns out Brunei offshore has a lot of oil and right in the middle of Borneo, right in the middle of Malaysia, you have this independent kingdom, and these are the folks who have not joined Malaysia. So, Malaysia became independent in 1963.

At that point there is a real issue about the balance of power between the ethnic Malays and the ethnic Chinese. The party that would become UMNO (United Malays National Organization) was led by a guy named [Tunku Abdul Rahman](#) at that point. In the 50's and early 60's a British educated Chinese lawyer whose family had been long in Singapore had gone to England and become a lawyer. His name was Harry Lee. He came back to Singapore in time I believe to live through WWII in Singapore which is a highly unpleasant experience from everything I heard. And as the British started indicating that they were going to lighten the reins and were going to pull out he became very involved in the ethnic Chinese pro-independence politics and in the politics of fighting against the Communists. He decided that to do this he needed to become more visibly Chinese. So, he took on the name of Kuan Yew.

No longer is he Harry Lee. He is Lee Kuan Yew. He doesn't speak very good Chinese, so the story is, and I think I have actually heard him say this – that he decided to learn Chinese. So, every morning he would get Chinese vocabulary and tape them on the mirror of his bathroom mirror so that he could look at them while he was shaving. Like most Chinese he didn't shave very often. Knowing Lee Kuan Yew he probably shaved every day just for the discipline of it.

But he became a very good, very successful politician, so Rahman basically said to Lee Kuan Yew, “Look, you have got Singapore, and that is fine. We don’t want to see the Chinese competing for control of the state of Malaysia with the Malays, OK? That is not acceptable. So, I don’t want to see you rabble rousing up in Penang and Malacca and building a party that will threaten Malay control. Lee Kuan Yew said, “Fine, we agree on that.” Well, he didn’t agree on that. Lee Kuan Yew kept rabble rousing, kept politicking, and the Malays got more and more nervous and Rahman called him in and said, “You are out. You can take that lousy little island of yours down at the southern tip, and you get out of here.” So, in August of 1965 the Malaysians kicked out Singapore. Lee Kuan Yew had the job of announcing the independence of Singapore to the Singaporean people in a TV address.

I have seen that TV address and it is amazing because he is in tears. This is not a celebratory moment; this is a frightening moment. This is a moment almost of despair. The reason for that is what matters for my part of the story. Singapore became independent, but its water supply was in Malaysia, so it had struck an agreement with the Malaysian government that Singapore would build and maintain a water treatment facility in southern Malaysia in return for water pipes that went across not a bridge but a causeway from Johor Baharu at the southern tip of Malaysia into Singapore. So, we are right down here [pointing at a map of Malaysia and Singapore]. Yes, so Singapore is right there. It is an island. There is what could be a bridge, but it is not, it is a causeway and as you drive back and forth between Singapore and Johor Baharu, which is the city right there, you will see that there are water pipes on either side of you. So, if you want to talk about a water war, this is a constant concern. In addition, any time a plane takes off or lands in Singapore, they have to fly through Malaysian air space. They have to get Malaysian government permission. So, the thing you have to remember about Singapore is that it is 24 miles by 14 miles. It is smaller, as my wife reminded me, than Fairfax County. So, if you can’t fly through Malaysian air space you have a problem. That is fine for commercial airlines that they allowed to fly but not for combat aircraft. So there was a military base, west of Changyi International Airport and if you were landing in this military base in combat aircraft, you either had to land from the south or you had to fly east or west toward the airport and then hang a sharp right or sharp 90 degree turn and come south and land. When you took off, if you took off to the north you had to take off and then immediately peel left or right to avoid entering Malaysian airspace. That is how small it is.

My wife suggested I tell this story. I had two sons in school, so aside from serving on the school board I did Boy Scouts. I did all the citizenship badges since I was at the Embassy and since I had commuted to work in DC by bicycle, I did the cycling merit badge. The cycling merit badge required that you had to do four 25-mile bike rides. We managed to find four 25-mile bike ride routes in Singapore that we could do. The last requirement was a 50-mile bike ride, which was the culmination. How do you do that in a place as small as Singapore? I don’t know who came up with it. It wasn’t me, maybe it was Sally or somebody else. There is this long parkway from the airport into the city. It has got a park between that and the seashore. It has got a nice hike and bike trail. If you go up to

the north end of it by the airport, there is a ferry to Malaysia. So, we ended up biking from Changyi airport to the city and back and then taking the ferry to Malaysia and biking to a beach in Malaysia. To do that, we had to make sure all the kids had their passports with them. I told them when we had finished that you are probably part of the only truly international cycling merit badge that has ever happened. That is how small Singapore was; we couldn't figure out another way to do it.

Compound all that with the fact that this is all on the north side of the Singapore Strait. The Singapore Strait at its widest point is about 2 miles wide. Or at its narrowest point, right where Singapore is, and the navigable part of that is about 2/3 of that give or take. On the south side of the Strait you have Indonesia. After WWII, the Indonesians looked around and said, "We are the biggest baddest guys on this block, and we don't know why Malaysia thinks they should be independent when the British leave. They are part of Indonesia and that means Singapore is too. So, you have Singapore, this place smaller than Fairfax County between the Malaysians who didn't like them and the Indonesians who didn't like them.

How small was it? Well, the Singapore foreign ministry, while I was there, was in a 40-story office block in Raffles Center. It was a big modern complex, two office blocks, a hotel, and a shopping center, and all of that right next to the old Raffles Hotel. The foreign minister's office was on the 40th floor and I will come back to a story about that later, but the story has to do with my taking a U.S. congressman to see the foreign minister. We were waiting for the foreign minister, and we were waiting in his very nice waiting room. I took the congressman over to one side of his waiting room and said, Do you see that hill over there? That is Malaysia. You see an island across the water over there? That is Indonesia." That is how small Singapore is.

Completely understandably, Lee Kuan Yew was the ultimate realist, and I will talk about Lee Kuan Yew in a few minutes. He realized that the U.S. had an interest in military security in that part of the world, particularly after Vietnam. Lee Kuan Yew worked very hard to make sure that the U.S. embassy and the U.S. military understood that we were welcome. We sold them F-16s and helped them figure out how to do that crazy take off. We were looking in the late 1980s and early '90s to build a naval regional resupply and repair depot in that part of the world. They said, "You know, on the northeast end of the island just west of Changyi Airport the British had a naval base, Sembawang. Would you like some of it? The U.S. Navy established a regional repair and re-supply center, and, I believe, we now have ships stationed there. That was just one way when the Malaysians or the Indonesians got a little rusty, they would say, You know when I was talking to Admiral Wilson yesterday...

The Singaporean government also made it clear that if the U.S. wanted to plan shore leave for any of our aircraft carriers, they would make sure the sailors had a good time. They would make sure they were all safe. Now shore leave in Singapore is pretty cool. It is lovely. So, we would routinely get aircraft carriers coming out. If you have ever taken a small boat out to an aircraft carrier it is perhaps 24 stories tall. It is a very intimidating thing as you pull up to it. They don't have any elevators by the way, not for people. So,

you get off at the water line, and you walk up to the flight deck up these great metal grating stairs, and they clank as you climb. But anyway, a carrier is very visible, and in this place where the strait is 3 miles wide and there are no high hills everybody knew the U.S. Navy was there, which is just what Lee Kuan Yew had in mind, thank you very much. So, every once in a while the U.S. navy would be about 15-20 miles offshore of Singapore. They would fly a small plane, about 12-18 seats, into Singapore, and the defense attaché and the political section would organize senior Singapore government officials and Singapore military officers to fly out to the carrier, and once in a while they would get one or two Malaysians or one or two Indonesians to get on this plane and fly out to the aircraft carrier. Probably the most dramatic moment is when your plane hits the flight deck, it gets caught with the arresting wire, and you go whack.

Q: Oh yeah, you have got to be ready for that.

KEEGAN: These Singaporean, Malaysian, and Indonesian officials and officers climbed out and got a better tour than the embassy got, to put it mildly. I remember one Singaporean officer whom I was walking with on the flight deck. He looked around and said, "Where are the officers?" The U.S. Navy guy escorting us said, "They are up in the tower over there." "But you have got several hundred people on this flight deck, and it looks like it is pretty important stuff they are doing." Our escort said, "Oh, it is. It is absolutely important," and he pointed to somebody who was an enlisted sailor of whatever rank and said, "He is in charge." Then the Singaporean said "How old are these kids?" As I recall, our escort responded, "The average age is 19." The Singaporean and the Malaysians were clearly stunned and thinking, "OI my god, this is what the most powerful military in the world does." Then the Singaporean said, "How many people do you have on this ship?" "Oh 5.000, give or take." The Singaporean looked at him and said, "You realize you have more people on this aircraft carrier than we have in our entire navy."

So, this was what they were looking at and I think this all came to a head in my last year. We were having some mil-mil talks with Singapore. They ended up in Honolulu. Our Defense attaché was a naval aviator. We were sitting around one night, we and the Singaporean military. I don't know if you are aware of this, but Naval officers drink like fish. I don't, so I was trying to be careful. Conversation floated here and there, and then one of the senior guys in the Singaporean side said, to our attaché or another naval aviator who was with us, who was fairly senior. "An aircraft carrier is a big ship. It must be hard to find places to dock for them." "Yup." "Well we are expanding Changyi Airport so we are doing more landfill. We are going to build a breakwater. As far as we can tell it is slightly longer than a U.S. aircraft carrier is long. I bet there is a standard arrangement for all the sewerage linkages and water linkages a carrier needs at its berth. I bet there is a standard plan." The American says, "Yeah, there is a standard plan, what do you want?" The Singaporeans basically said, and I am not quoting, but the punchline was we want all that information and when you give us that information, we will make sure that breakwater can berth a U.S. aircraft carrier.

The Singaporean added, "This will be a Singaporean pier. We are going to build it. We are going to pay for it. We are going to control it. We don't want a dime of your money. What we want is one of your experts to work with us and make sure that this is exactly what you want." Why did they do that? Because that was their survival kit. That is why they did that.

That leads me back to Lee Kuan Yew. My first point was the caning of Michael Fay, my second point was military, my third point was Lee Kuan Yew. All of these overlap. Lee Kuan Yew is the father of Singapore as I said. Lee Kuan Yew was a very tough politician, a very tough guy, the ultimate realist. This is Kissinger crossed with Metternich crossed with a Mafia don. I used to say you never want to walk down a dark alley if Lee Kuan Yew is out after you because it is not going to be pretty. He is the reason that Singapore survived. He enforced the discipline. He said, "Singapore's survival requires stability." What did he mean by that? He decided he didn't trust the Communists; he didn't trust the possibility that the Malaysian parties would find a foothold in Singapore. He said, "The People's Action party, the PAP, which I have created, we are going to govern Singapore."

But he did something fascinating. First of all, he built renewal structures into the party. So, they have a unicameral legislature. They have elections for the legislature. They occasionally will allow token opposition. But the real function of the elections is to move new people in and allow other people to step down or move into other jobs. It is like the recycling tube in the fish tank, it recycles the air. He meant that at senior levels as well. Well, when he got to a certain point he thought, "I could die as prime minister, and I ain't going to do that." So, he selected one of his closest subordinates, a very smart man with a very quiet personality, named Goh Chok Tong, as his successor, and Goh Chok Tong governed for fourteen years as a colorless but very efficient leader. After that Lee Kuan Yew's son Lee Hsien Loong, became and still is prime minister. Now if that pattern is going to continue, he should be stepping down before long.

Now, Singapore is an authoritarian government or authoritarian democracy without the problems that you see so often. This is not an African authoritarian country. This is not a South Asian authoritarian country. These are people who say, "Survival requires discipline, and discipline requires stability. So, we have to have a stable structure that is actually modern. And that applies to the bureaucracy as well." So, they basically said, "We need the best and smartest people we can get, and we need to avoid corruption." Or at least many kinds of corruption. There are one or two kinds of corruption that they were quite happy with. So, we will pay our civil servants well, in some cases very well, and as long as they do their job, and do what we expect. But if they take a dime from the wrong place they are out; just out."

Last semester I was teaching up at Johns Hopkins University School of International Studies (SAIS), and I had a Singaporean civil servant who was serving there. Just like in India they have what is basically their elite track in their civil service. That is what he is in. I looked at him, and I thought I know your kind. But it is kids like him who are the reason Singapore is going to do well.

Lee Kuan Yew had zero tolerance for American democracy. In teaching a class on human rights in China for the State Department Foreign Service Institute (FSI) I went back and looked at his bio and memoir. Doing that reminded me that Confucian society believes the individual exists in the context of the family. Governments should not take over the role of the family. Freedom can only exist in an orderly state. For Lee, parts of contemporary American society represented the breakdown of civil society with guns, drugs, violent crime, vagrancy, Michael Fay, and vulgar public behavior. Lee believed that people must reach a high level of economic development. Life must no longer be a fight for basic survival before that society could work under such a democratic political system. Singapore, he said, would have none of the above. So, it would have elections, but elections not for democracy, but elections for recycling. It was politics, but it was politics controlled by laws written by Lee Kwan Yew and the ruling PAP. It was using the laws to control.

There were a few dissidents in Singapore, and I got to know two of them pretty well, Chee Soon Juan and J. B. J. Jeyaretnam. Jeyaretnam was one of those Tamil lawyers I mentioned earlier, a very good lawyer. Both of them said, "Yeah, we think Singapore is doing very well. We think it could do better," and so they opposed the PAP in order to push it toward doing better. This is not the People's Republic of China. People don't disappear into jail for no reason. Instead they are accused of libel or defamation. This is a civil suit and even though a PAP official was a public figure he could still sue these opposition figures for defamation when they criticized his actions, and the government would sue these people and destroy them. They would bankrupt them and humiliate them and literally drive them out of their houses. And then they would say, "Because you are bankrupt you cannot run for political office either. I saw Jeyaratnam and he was at least 70 years old, and he looked like he was 140. The Singapore political leadership would find these people guilty. The laws had been written that way, and the judges had been picked for that.

If I claim that they are a compliant judiciary, and I am in Singapore I could be arrested for that comment and bankrupted, and they would have no qualms about doing it. All critics, whether they are political rivals or international news media, learn the costs of criticizing Lee Kwan Yew and the People's Action party. I had a friend of mine who worked for the Far East Economic Review, and another friend who worked for the Wall Street Journal. They were very careful. A guy named Christopher Lingle wrote a column basically saying what I just said about Singapore, and that column was published in the Asian edition of the International Herald Tribune. At that point the International Herald Tribune East Asia office was in Singapore. So, the IHT and Christopher Lingle were sued, and it was ugly. The U.S. embassy got involved. Due in part to our efforts, Lingle was released before he spent a very long time in prison.

We cooperated with Singapore on several things. Yes, a lot of what they do is quite admirable, and yes there is a really dark underside to it. And, as I mentioned, we wrote our annual human rights report on them, and I think we called it as we saw it. We did have diplomatic immunity, so we could comment on the judiciary. The rotational officer wrote it with my encouragement. He did a very good job for all three years I was there.

But it was one of these things that when the you-know-what hit the fan, I got to stand in front of the fan. That was part of my job, so, and we knew as soon as this was published, February, March, whenever, the DCM would get called by the senior civil servant in the Singapore foreign ministry, the Permanent Secretary, at that time a guy named Kishore Mahbubani, who is now a senior scholar in Singapore. He was later Ambassador to the U.S. and ambassador to the UN. So, he called us in for the annual rebuke of the human rights report. Our DCM was good and upstanding and pushed back, but whenever it came to a real question he would turn and say, "Dave can explain that." Which is fine. That is what I was there for. Our report was quite clear, and I had chapter and verse of what we had said and chapters and verses in reserve in case I needed those, and I pulled a few of them out. Finally, it came down to Singapore not seeing it our way. They did not consider it a friendly act that we saw it our way. We left it at that, and both sides accepted that, "You need us, and we need you, and we have to work with this, but we are required by Congress to make our assessment." And Lee Kuan Yew and Goh Chok Tong were not going to be happy. We didn't write this for Lee Kuan Yew to be happy.

I was just going to mention two more stories on the human rights front. One is the political officer, not just before me but the one before that was declared *persona non grata* (PNG) by the Singaporean government, and there had been a very dramatic late-night parliamentary session. Lee Kwan Yew was still prime minister at that point, ranting and raving about the U.S. trying to undermine democracy and the democratic process by buying politicians in Singapore. Lee's accusation was based on an audio tape of this officer talking to opposition politicians, talking about what their strategies were. He started asking hypothetical questions, which could be misunderstood, like, "If you had more money, if you were able to get more money on a steady stream, how would that help your agenda?" Well that could be considered a hypothetical just trying to draw him out, but it could equally well be considered an offer to provide that funding. He didn't know he was being taped, right? So, this is something we were always conscious of afterwards. It was a hard lesson about how you talk in those circumstances. You don't ask hypotheticals. You always assume there is somebody taping what you are saying. Because, if it can be misunderstood to our disadvantage, it will be misunderstood to our disadvantage.

There was one occasion where there was a Singaporean named Catherine Lim who was a short story writer and an independent voice. Everybody liked Catherine Lim. She was charming, and thoughtful. She could ask you what the hell you were thinking and make you consider it a compliment. She wrote a couple of essays in the local English paper, which if anybody else had written them, they would have been destroyed. She was tolerated because they reflected the personality I just described, but very penetrating and thoughtful. Her approach was, "You know, is this really the country we want our country to be?" So, I took the ambassador to meet her, and she suggested that we meet for coffee at the Shangri-La Hotel. It is not far from the new embassy, which we had just moved into. We met for coffee, and we are sitting in the Shangri la coffee shop having a lovely conversation. I looked across the coffee shop and there were two people sitting at another table and I suddenly realized they were being very intent and paying attention to what we were saying. Then I remembered that my predecessor when he had been talking to an

opposition politician and had been taped. He was in the Shangri-La coffee shop. I thought, “OK,” and I didn’t tell the ambassador until we had left. I made sure that as much as I had tried to be on the straight and narrow before then, we were even more so for the rest of that conversation.

And this brings me back to the Singapore foreign ministry and the Singapore foreign minister when I was in Singapore, Shunmugam Jayakumar. I was serving as control officer for a visiting congressman, the one to whom I had been pointing out Malaysia and Indonesia from the window, and who was coming to pay a call on Jayakumar. The congressman went in to give Jayakumar the what-for on human rights in Singapore and Singapore’s abuse of human rights yada, yada. Jayakumar was a very magisterial man, and when the congressman paused, he said, “Yes, I appreciate your comments. You know when I was in the U.S. teaching constitutional law these issues came up.” The congressman looked like, “What did I just walk into?” It was quite clear that Jayakumar knew far more about the American bill of rights than he did. But Jayakumar said, “Here is why we are doing it, and here is what we are doing.” Did we agree with them? No. But it was a reminder of the quality of Singaporean government structure writ large and all of its component parts.

It also struck me, as it did with every place I served in East Asia and the Pacific, just how deep American influence is through the real soft power that Joseph Nye was talking about. Here you are sitting with the foreign minister, arguing over human rights, and he has taught human rights and taught constitutional law in the U.S. and has a degree from Yale University. Whether or not we agree, we can communicate in a remarkable way. I always thought that if we did one thing right since WWII it was the F1 and J visas. It has been the only consistently successful foreign policy we ever had.

I want to just circle back for one thing before we wrap up. That is, there was one other story about politics in Singapore. I remember at one point when the election campaign was getting ready to be held, I was having lunch with one of the many Singaporeans who was very smart and very affable, and you liked to hear their opinions because it gave you a lot of understanding about what the real elites were thinking about. He said that he had been thinking about running as an opposition candidate. He had approached the PAP party leadership and said, “You are doing a great job, but having an opposition voice in the parliament that would just keep you on your game, and that would be good for everyone.” Interesting idea. Then he was quietly approached by someone afterwards who reminded him of where his wife was working. And that his daughter who was very smart was just about to move from one level of her education to the next level and probably was going to an elite school and an elite school in Singapore is awfully good. It would be really sad if any of that got screwed up. He chose not to run. Would you or I have done any differently? I don’t know.

So, a couple of images to wrap up with. I mentioned the new Embassy. I think we moved there during my last year. The Embassy moved from Hill Street to Napier Road. It was one of the Inman embassies. These were the embassies that were built to be secure. This building was secure, so secure and it was up on a slight rise above Napier Road, and it

had these incredibly intimidating wrought iron fences and the clear space of grass. Some of my Singaporean contacts and friends, and even some who weren't my contacts and friends, came up to me and said "You know, Singapore already has a prison. It is up by Changyi airport, and that was where the Japanese held the Singaporean elites during WWII. Why did you have to build an American Embassy that looks like a prison?" I thought that was the most apt and painful image. I liked to refer to it as our fortress on the hill.

Q: You know the thing about that kind of building is a little bit of thought could have made a big difference in still having the same security set up but you do it in a way where perhaps you could use flowering plants to cover the walls, something that makes it less intimidating.

KEEGAN: I was there when it was brand new. I haven't seen it recently. Maybe it has made those kinds of changes, but there was one other thing that was interesting about it. When they gave us that piece of land, they gave us that piece of land right between the British High Commission and the Australian High Commission. It occurred to me that they wanted to keep all the white folks in one corner, so I sometimes refer to it as "whitey corner." It was also right next to the old military headquarters of the British. That was a huge piece of land where they were about to build the foreign ministry. It had the most climate-appropriate attractive church I have ever seen. It was the Episcopal church, and it had no walls. All it had was a roof and a large overhang. It took full advantage of the glory of Singapore as opposed to Bangkok. In Bangkok you are lucky if you ever feel a breeze because it is locked in a river valley far from the ocean. Singapore is close enough to the Singapore Strait and the water, so you do get a breeze. The church was just an old brownish military building in the tropics; it was just lovely. I had to throw that in.

I just have to mention in my first year there the DCM said, "By the way the newcomer always organizes the July 4th reception." I said that is fine. It is my turn and somebody else will do it next year. So, I did it and then about two weeks later the DCM came to me and said, "Dave, you have a problem." "What is my problem?" "The ambassador. He thought that was the best damn run party he had ever seen in his life, so guess what, you get to do it next year." I did three July 4th receptions. They wouldn't let me leave until after the last July 4th reception was over. What did I do wrong? If somebody is reading these notes, please be careful about doing well on the July 4th party.

OK, this really is the final one. I had spent a lot of time in Northeast Asia, Korea, China, Taiwan. I had an academic background in those parts of the world. I was very familiar with Confucianism, Taoism, and Buddhism. Knew many people, in fact one of my dissertation advisors at Berkeley really was a Confucian, a guy named Du Weiming, who for many years afterwards taught at Harvard. So I got the Chinese cultural part of Singapore I got. The interesting thing about coming to Singapore was all of a sudden because of the Malay population there was a very strong Muslim element. I had never served in the Middle East. I wondered what this was going to be like. So, three quick anecdotes. If you decide they are not appropriate we will take them out.

One of the first years we were there, they said our Muslim employees were going to have an open house to sit down and explain Ramadan to any of the Americans who want to come. So, my wife and I went. This young woman, she was probably about 30-40 years old, somewhere in that range. She started explaining Ramadan. I was listening. She was doing a good job, and I suddenly had this flash back to Northern Virginia where I was the member of a Presbyterian church, and I was on what we called the nominating committee, which meant you had to find people who would be willing to do leadership jobs in the congregation. I went up to her afterwards and I said, "You know, if you were a Presbyterian, and quite frankly you and Presbyterians have a lot in common, you would be on my short list for the board of elders." I was just listening to her and appreciated how much faith and compassion matter.

The second story: I had a visitor from Washington. We were doing the normal sequence of meetings, and the morning meeting ran too long, and the traffic was bad so we would have to rush to the afternoon meeting. We hadn't had time for lunch, so we thought we would stop at McDonalds on the way over. Fine. Then we looked at the driver and I said, "Are you Muslim?" He said, "Yes." "It is Ramadan. Are you fasting?" He said, "Yes." I said to him and our visitor, "Skip the McDonalds, we can do this. You know, if I asked him to pull up to McDonalds, and if I had asked if we could eat our hamburgers in the car, he would have said yes.

Then the third one there were two occasions when my wife and I were driving into Malaysia. Two different trips, and both times we got lost. The first trip we pulled into a gas station in Johor Baharu. We were just on the south tip of Malaysia. We were trying to find the highway to go up to Malacca. The directions we had didn't make sense, and I was looking at the map in the gas station, and I was asking people to explain the map, and one of the guys in the gas station said, "Oh, I have got to drop a car off and it is right by the entrance ramp to the highway, so you just follow me and I will drop the car off and you will be all set." I agreed, climbed back into our car, and followed him to the highway entrance ramp. At that point he waves at me and hangs a U-Turn. He didn't have a car to drop off. If he told me he would just lead me there and take time out of his day I wouldn't have accepted. So, he figured he was going to use this little story to take care of this American he had never met.

We were going out to the east Coast of Malaysia on another trip. We were going to spend some time on some of these gorgeous islands that are on the east coast. We got lost. We pulled over and asked this guy. He said, "Oh, is that where you are going? I have a friend that I am trying to get to over there. Would you mind if I came with you?" So, he climbs into the car and directs us until we get there and drop him off. He immediately gets out of the car and starts walking back to where he came from. Again, I surmised that he made up a story and went way out of his way to take care of people he didn't know. That is part of the way they live their religion. I just thought that was cool for somebody who grew up as a Roman Catholic, this was different. Anyway, that is Singapore.

Q: Great. We will pause here and return to the next post.

Q: Today is March 15, 2018. We are resuming our interview with David Keegan. I think you had a little bit more on Singapore.

KEEGAN: Right. At the end of our last conversation, Mark, you asked me a question, and I wrote it down. Your question was, having had that much experience in Singapore both in terms of its politics and economics, what was my take on where it had gone since then? I am not going to pretend that I have covered Singapore as intensively as I did while I was there, but there are some trend lines that I think are essential and I think are worth reflecting on.

While I was there 1994-'97 Lee Kuan Yew, who was the founder of Singapore, was no longer prime minister, and he had gradually stepped back from active engagement in government. Goh Chok Tong was Prime Minister, and he gradually replaced Lee as the actual leader of Singapore, and then Lee Kuan Yew's son Lee Hsien Long replaced Goh Chok Tong as prime minister, as everyone expected. So, you can argue it is a dynastic environment, and perhaps it was, but I think it was something quite different than that.

Lee Kuan Yew had a lot in common with Deng Xiaoping, who replaced Mao after Mao died. Deng had been purged twice by Mao between 1949 and 1968. Both Lee and Deng were leaders whose politics were grounded in disappointment. Their politics was grounded in a sense they understood the weakness of personality-based politics. They understood personality-based leadership, whatever the cause. They feared the enthusiasm of mass-based movements.

Lee Kuan Yew's early experiences were fighting the Communists in Singapore and Malaya, and he was very much fearful of that because he was Chinese, and the Communist party rebellion was based on the ethnic Chinese in Malaya fighting against the British and the Malays. He was the one who helped found Malaysia and then saw his city, his base, kicked out in 1965. So that is a series of disappointments there. Follow it up with his disappointment and frustration with the United States, at our withdrawal from Vietnam, which exposed Singapore and other Southeast Asian nations that we had supported up until then to the Communists possibly again moving South.

That is to the north of Singapore. Then to the south you see a very proud domineering Indonesia under Sukarno and Suharto. These were people for whom the term running amok was coined. If you were Lee Kwan Yew you had to be very aware of what that ethnic enthusiasm can do and how destructive that can be. Remember from Singapore the nearest Indonesian Island is no more than three miles. So, as a result when he built the city state of Singapore, he structured a system that really allowed no room for personality, really not even any room for politics.

The People's Action party, the PAP, wasn't a political party as you and I think of it. It wasn't a party that was a Communist party like we now see in China where they are trying to dominate everything, although one can argue that the PAP did, or an electoral party. I tended to think of it as almost a school board. This was a group that was

determined to govern. Govern well, govern pragmatically, govern in terms of the nitty gritty. When they had the elections as they periodically did, it was as a way to cycle people through the government and cycle people through the legislature. There was never any competition to get into the legislature. If anything, there was competition to stay out of the legislature. If you have ever been on a nominating committee for a volunteer organization, be it a church or a school or whatever community organization, you know how much fun it is to keep calling people up and asking them to serve. So, think of Singapore and the PAP almost as that kind of school board. They are approaching good competent people and saying, "I know you don't want to do it, but you would be good at it, and we need help. So shut up, sit down, and run for office." They picked a lot of qualified people, and they had no qualms about going out and hiring people from private industry and paying private industry wages. Senior secretaries, senior civil servants in any ministry of the Singapore government earn two or three times what any of our secretaries earn. Which does two things: one it competes with private industry, but, two, it then gives them the opportunity to say there is no reason for anyone to engage in bribery or corruption. When I was there, I would talk to people who would say they asked me to run, and I really don't want to. I don't feel like I have any choice.

And Lee Kuan Yew's successors, Goh Chok Tong and Lee Hsien Long, as I mentioned, were both in the same mold without the fire of Lee Kuan Yew. They were serious tough leaders and consciously not enthusiastic leaders. They were severe leaders. They were and are colorless, but they are ultimate realists willing to criticize their closest allies and friends including the United States and China, but always conscious that they are the shrimp; Certain whales, China for example, would have no qualms about crushing them, and, to a certain extent, the Singapore leadership respects them for having that cold blooded attitude because they have that cold blooded attitude. That is how they have survived. They realize the need to ally with other small realist states like New Zealand and persuade the larger powers to support them. That is why, together with New Zealand, they asked the United States to join the trade pact that they had started and to create the Trans-Pacific Partnership, the TPP, that we then walked out of. As a result of these experiences, they have very little tolerance for what they see as the feckless character of untrammelled democracy. They disdained the Philippines. I don't really care which Philippine leader you are thinking about. Lee Kuan Yew had no time or patience for any of them. They were corrupt, and that was bad. They listened to the voice of the populace, to the crowd, to their enthusiasms, and he liked that even less.

Singaporean leaders were and are concerned about what China is doing in the South China Sea and its periphery and with what is now being called the Belt and Road Initiative. But Singapore and its leaders are prepared to make hard choices. They don't live in the world as they would like it to be. They accept that they are very much in the world they have to deal with and asking. "How do we make the most of it?" And certainly as they watch Beijing building rail lines into the Indo-China peninsula, Central Asia and South Asia, the Maritime Silk Road, they see that China is moving very rapidly to build rail lines and water projects in the Indochina Peninsula to knit that area into the Chinese sphere. Singapore doesn't like a lot of that, but they realize that it is what is happening, so they plan by saying, "That is what is happening. If that is what is

happening how do we take advantage of it? How do we survive, to use Nick Kristof's term, in that "bitter sea"?

So, this kind of sad tough realism, if that is what it is, was very attractive to another archetypal survivor, Deng Xiaoping. He saw in Singapore a model on how China might succeed as it evolved economically and develop a political system that might fit in with that economic growth without becoming a pluralistic democracy. So, Deng sent a number of delegations of Communist Party leaders to go down to Singapore and see what they were doing, take notes, and bring them back. Having said that, there was a joke that I believe I heard first in Singapore. Lee Kuan Yew had gone up to Beijing and explained to Deng Xiaoping what he ought to do and how he ought to do it. If you have ever heard Lee Kuan Yew, he is the stern father figure who will lecture you until the cows come home. The joke is that Deng Xiaoping turned to him and said, "You have some really good ideas on how to govern. I have a city I would like you to take over. You are not a national leader. You are a city leader.

So with that in mind and just to bring it up to the present, I think Xi Jinping's choice that was just blessed by the National People's Congress this week to abandon the restraints on mass mobilization, to install absolute personalist control over these constitutional changes, to essentially abandon many of the regulatory structures Deng Xiaoping put in place is something that has to scare the Singapore leaders because they know why Deng did it. But they will make the hard choices to adjust.

With that I am going to make a couple of comments about what I think is characteristic of Singapore today and then I am going to insert one thing I should have said last week. So, a couple of characteristics of Singapore. It sounds like a humorless place. It is anything but. There is a strain of Singaporean Chinese humor in Singapore that is like Saturday Night Live on some illegal narcotics. Very clever, very harsh, very sardonic. They know there is a red line, and like any good red line they are never sure where it is. But they develop a sense of coming close. The leadership allows that because if you want a vibrant place, you want people to have the ability to vent. Because if they don't vent that way, they are going to vent in other ways that could be a whole lot more dangerous. So that is one.

Two, as it is true in China, so it is true in Singapore. There are laws against everything. There are laws that you cannot jaywalk. There are laws that you can't bring bubble gum on the subway. There are laws that you can't bring bubble gum across the border although if you go to any port of entry for example the ferry from Malaysia or Indonesia, all of the shops in the terminal sell gum in large packages. You can't bring durian, which is a very smelly southeast Asian fruit, into any closed space. You can't bring it on the subways. That is of course the most famous one. So, 48 hours after our arrival in Singapore my wife's wisdom tooth suddenly exploded. So, we called the nurse practitioner in the embassy and got a doctor whom Sally could go to see on Saturday morning. We had arrived on Thursday, so we weren't quite there yet. I remember driving her down Orchard Road, the swankiest part of Singapore. There was no orchard anymore. I assume there had once been. But this is where all the most expensive shopping centers

had been. I remember driving down at nine or ten Saturday morning and people were jaywalking every which way. I suddenly realized, “Oh, that is what the laws are for. You don’t have to obey the laws until they have a reason to get you. At which point the law is there, and they can nab you for jaywalking or anything else. So that is Number two.

Number three, Singapore is predisposed to look for the hard, low-key way forward. My example of that is, and I think I mentioned that before, is the country that has expanded its territory by a higher percentage than any other country has ever done without war. It has done it with land fill. That is very pragmatic. We need more land, let's do it. That is why they offered the United States a very small naval base. Large enough to be useful, small enough not to be provocative. This is why their business environment is as good as it is. They work very carefully and very thoughtfully. They are doing all the sorts of small mechanical adjustments to their laws and to their business environment to make sure this is the best place in Asia to do business. One example of course is their airport, Changyi Airport. You can land and be in a taxi in 15 minutes. Any flight to Changyi is international by definition. I remember doing that. I remember my wife telling me after I had been gone for a couple of days, “I can come and pick you up. Just call me when you land.” I said, “Once I land, I will be home before you can get there.” It was true. How do they do that? One, by being very efficient and two, by finding ways to enforce security while still being efficient.

If you look at this week’s Economist there is an article about a Singapore bank DBS. It is becoming one of the most successful banks in East Asia in digital finance, and that is the kind of thing you would expect Singapore to do. Singapore was one of the first countries to use its foreign exchange reserves to build into a sovereign wealth fund and still is one of the most consistently successful sovereign wealth funds going. They then use the income from the fund to underwrite domestic expenditures.

Here is one other place where they spend their money domestically: if landfill is one symbol of Singapore, the other one is their Housing Development Board for public housing. Which is public housing like no public housing you have ever seen. It covers the entire range from housing for the very poor to housing to the quite wealthy. Now they could simply take the Hong Kong route and allow private enterprise to do it all, but they didn’t like what they saw of that kind of housing in Hong Kong, and while I am a strong advocate of private enterprise, they are right. And so, you end up in a situation in Singapore where an astonishingly high percentage of Singaporeans own the place they live in – it is well more than 60%. Some of them are mechanics or whatever, and they own basic housing. Some of them are lawyers making four or five times what we make, who have access to public housing at that level of finish. And it is all reliable and it is all clean and it is all very exciting.

I remember we got a tour of some HDB estates, because our econ officer wanted to see it. Our guides made a couple of points. One is we sell these with cement walls. That is literally all there is. There are holes in the wall where the pipes come in. But there are no sinks, no tubs no toilets. No appliances. You get the shell, and you do whatever you want. What derives from that is you had different people who had different approaches. One

Aspect of that encouragement of housing diversity is that every housing estate has a mixture of ethnic groups. They said, “Look, we learned this the hard way in the 50’s. We don’t want to have one HDB estate that is all Malays and another one that is all Tamil Indians, and another that is all Chinese. It breeds discontent. Our rule is that in each HDB estate we have a percentage ethnic breakdown, and we make sure they mix so there never could be any complaints. But it is extremely pragmatic and extremely cold blooded.

So that is my long answer to the question I asked. One issue I forgot when we talked last time was that one of the things I came up against in Singapore that was important was the Law of the Sea. The UN Convention on the Law of the Sea (UNCLOS). The reason it was important there in Singapore was, first of all, there was a guy named Tommy Koh who was your prototypical disheveled academic. I believe he was a law professor. But he was also one of the leaders in the evolution of UNCLOS. He was one of the prime movers in writing it and balancing it and negotiating it, so we had folks coming out from the Office of the Legal Advisor and the Regional Affairs Office in the Bureau of East Asian and Pacific Affairs to talk to him about where UNCLOS was going, what he had in mind, how that would affect how we could support him.

It was interesting because that was the kind of thing Singapore is and was very good at. They step into a problem, and they take control of it. You first take a look and say, “Why does Singapore care so much about the law of the sea given the fact that it really doesn’t affect the Strait of Singapore, because it is too close between Malaysia, Singapore, and Indonesia?” The answer is that it matters to stability across the broader southeast Asia region. So, if we open the map, here is Singapore and you go north and east out of Singapore and what do you have? You have the South China Sea. You have China’s, what was then an amusing curiosity, the 9-dash line that they had marked around the perimeter of the South China Sea. It is no longer such an amusing curiosity. And to Singapore’s south, primarily its south and east, you have Indonesia. Indonesia was one of the strongest advocates of the UN Convention on the Law of the Sea.

Sarawak and all of those other Indonesian islands form a complex series of archipelagos. Indonesia wanted a set of rules that everyone would adhere to and that would protect their right to the maritime environment. Because the absence of a law of the sea means pirates; it means trafficking; it means all sorts of illegal activity. It means no one has a clear claim to subsea mineral rights., It also means fishing, and I am sure Singapore looked down the road and said, “We need rules for when China expands its oceanic claims.” So, Singapore and Indonesia become major players. They were in at the creation, and they were shaping an international legal order in a way that made sense for their interests. It was fascinating listening to Tommy Koh because he had all of that. For me it was great fun because I was listening to people savvy and knowledgeable about something I had never been exposed to, including a Navy lawyer who worked for State. I have really great respect for Navy lawyers. They are about as good as any lawyers you are going to get on issues like this. I remember just sitting at the table listening to them talk. It was lots of fun. So that is Singapore.

WASHINGTON, EAST ASIA PACIFIC BUREAU, REGIONAL AFFAIRS

And now, let's talk a little bit about coming back to Washington. I came back to Washington for about six years which is one year over the limit. I did it for a reason that I think applies across the Foreign Service – kids in high school. My attitude was informed by an incident that happened on the shuttle bus at the Embassy in Singapore. I rode the Shuttle bus for several months with a woman who had a child, a son perhaps, in high school. She and her husband decided he would go to a boarding school back in the United States, perhaps because they weren't comfortable with the school in Singapore. I saw the amount of suffering she went through just worrying about that kid and particularly because that kid was a junior and senior in high school and trying to decide what to do next, and where to go, and no matter how many hours you spend on the phone it is not the same. And I watched that, and I would go home to our very nice embassy-provided duplex and talk to my wife about our son who was then in his last year of middle school and first year of high school. We had another friend at the embassy. They had moved to Singapore when one of their daughters, I want to say the oldest daughter, but I cannot promise that, was going into senior year in high school. And it is rough. She came into Singapore American School and they were holding their breath clearly about how she would settle in. They did not need to. She was captain of the softball team. She was either valedictorian or salutatorian. She won the award for sportswoman of the year. You know what I am talking about. So, this is a young lady who basically knocked it out of the park. Of course, they went to graduation. She has done very well, and she was going to college, and got into a good college of course. And, as he told it, after the ceremony she put her arms around his neck and gave him a big hug and whispered in his ear, "Don't you ever do that again."

So, we were looking for an onward assignment to go for three years so our older son could go to high school and not move more than once in his high school career. So, we came back here. We figured out the application process. He had been in a gifted and talented program since elementary school. Several of his friends had gone to the GT program in middle school and then had gotten into Thomas Jefferson High School in Fairfax County, which is a really remarkable school. So my wife and I looked into having him apply to enter when he was a sophomore, and the short answer was that TJ would only take as many sophomores as students had dropped out of the freshman class, and that year there were six. And he got in, and we were just thrilled. He really enjoyed it. For that kind of a kid TJ is a really great place to go. His brother who was three years younger than he was wanted to go to TJ too. We were thinking he would apply, but we thought he might not get in. But he did get in, so we ended up staying for his graduation. He said, "You can go overseas if you want but I will not." Fortunately, at that point the State Department was willing to be understanding. I am not sure they are now.

Q: Yeah, I don't know.

KEEGAN: The EAP Regional Affairs Office director had been visiting Singapore two or three times, and she sent me an email saying, "We have a job as congressional liaison for the bureau, do you want it?" I said sure that was fine.

Q: I don't know of any bureau that has its own congressional liaison office other than this one.

KEEGAN: EAP at that point did; I don't know if they still do. But when I was being considered for the job, Stanley Roth was the Assistant Secretary. Stanley Roth had been a senior staffer for Steven Solarz, a congressman from Manhattan who had been instrumental in things including Cambodia, including the Taiwan Relations Act. Stanley Roth had been moved from his office over to the National Security Council (NSC) to become a senior director over there, and he then came over to EAP. So, I ended up being the congressional liaison working for Stanley Roth. So, it was being a congressional liaison working for the congressional expert. He knew a hell of a lot more about the U.S. Congress than I was ever going to know. I figured the answer to this was very simple. I say, "You tell me what you know; you tell me what you want me to do, and we go from there."

I mentioned that in Guangzhou I had a tutorial under Mark Pratt on Chinese domestic politics. Well, this was my tutorial in that other foreign country known as the U.S. Congress. One of the things I realized very pretty quickly was that, although most Foreign Service Officers are pretty sure Singapore is a foreign country and we are pretty sure China is a foreign country, a lot of us don't realize that the U.S. Congress is a foreign country. If you don't learn their language and understand their culture, you are going nowhere. One of my complaints about the State Department is by and large we don't get that.

The Department of Defense had an embassy in the House of Representatives. They had another embassy in the Senate. They had an office that was staffed up. Anybody who called them and asked a question got an answer. Anybody who needed help with any military issue including military aircraft or help with a trip, they got it. They serviced, and I remember just standing by while they were just doing things. It seemed like the State Department just did not get it. So, Stanley Roth's instructions were very simple. Anything that we can do to make Congressional members and staff understand that we care about them, we do. It was fascinating to watch him work that, and figure out the key people, and cultivate them, and be very deferential to them, and figure out that a lot of times the U.S. Congress has an agenda that is very different from our agenda, or they have a very different way of pursuing their agenda even if it is one we agree with.

So, for example, the U.S. Congress, and it drives some people nuts, goes to work on Tuesday morning. They leave work on Thursday close of business. Why do they do that? They get on a plane or in a car. They go back to their districts, and they work Friday, Saturday, Sunday and Monday in their districts. They work their tail off. Monday evening after dinner they come back to DC and get six hours sleep and work their tail off for three days, Tuesday, Wednesday, and Thursday. You know, even the people who are interested in foreign affairs had a dozen other things that concerned them. So, every time they were going to a meeting on foreign affairs, they had a staffer walking with them telling them about a constituent. And, above all else, if a Congressman or a staffer calls you about a constituent you help.

Q: Oh God yes.

KEEGAN: So, all of that was interesting and educational. I can't say I did a whole lot that other people could not have done, but I serviced them. I helped them. I tried to make sure that they understood us, and I tried to be understanding of the fact that our two cultures have very different attitudes toward publicity. In the State Department if we do good work nobody outside the building notices. If we are on page one of a newspaper, something went wrong. If the secretary is on page one, it is probably a good thing. It wasn't a good thing this past week, but usually it is. But if an FSO-2, an O-1, or an OC is on the front pages it is probably not a good thing. From the congressman's point of view, he won't succeed unless he gets ink in a newspaper or a video clip. So, they have to do things publicly. We just have to understand that is their culture. That is their survival mechanism. So, we have to work with them to make that possible for them so that they can work with us.

I remember talking to one Congressman, Doug Bereiter from Nebraska. Nebraska is one of those curious states that has two senators and one congressman. Doug Bereiter was that congressman. He was the chairman of the East Asia Pacific Subcommittee in the House International Relations Committee. I remember saying to him, "You are from Nebraska. Why is the EAP important enough to you that you are willing to chair the subcommittee?" He said, "Dave, soybeans, pork, and corn -- where do you think our markets are? I want to make sure that our markets are in good shape and second, when they look to buy American, that they want to buy from Nebraska, and that is why I am in it.

I will tell one other Doug Bereiter story because I can't resist. Stanley Roth and I were going up to brief him on something. He had asked Roth to come up. I think what he wanted to discuss was, "OK, the session has just started." It was like February or March. "What are we going to do to advance EAP's agenda and what are we going to do to advance my agenda over the next nine months? It may not get there but let's talk about what we want. Are there hearings you want; are there things I want? Are there points you want to make?"

That day happened to be bring your child to work day. I had my second son who was in middle school, eleven years old give or take. It was the only time I was ever able to participate in taking your child to work. So, I knew I had this meeting at 2:00 in the afternoon. I had another meeting in the morning. I said, Matt, you can come with me to the first meeting. It is not anything anybody is going to care about. You are not going to be able to sit in with Congressman Bereiter, but let's walk around because the Capitol is really cool. I had a pass that I could get to wherever I wanted. You can get to see the committee rooms in the Capitol and all that.

He was having a blast. He understood that he would wait in Bereiter's reception area while we had our meeting. Bereiter comes out of his office, and he sees my son with me, and he says, "Oh you brought your son. Hi, I am Doug Bereiter. Who are you? Oh, it is

bring your child to work day? That is really cool. You know I have got a meeting in here. Why don't you come along and listen?" Doug Bereiter looked at Matt as a constituent's child. He thought, "If I want that constituent's vote or in other words, if I want Dave Keegan to eat out of my hand for the entire rest of his assignment, this is how I do it."

Q: Right.

KEEGAN: And by the way it sent a signal to Stanley Roth, as if he needed one, that this is what politics is. So anyway, I will just add on to that. The other thing is all of the staffers, even if they were committee staffers, understood the members' emphasis on constituents. We worked with some of the best staffers I have ever seen. Jamie McCormack had worked for the House International Relations Committee and did a lot of East Asian stuff. Really smart, really sensible. Frank Jannuzi, who was on the Senate Foreign Relations Committee used to work for the State Department in the Bureau of Intelligence and Research (INR) and had gotten one of these one-year rotations and had gotten a job with Senator John Kerry's office.

Q: Possibly, Sure.

KEEGAN: Kerry said, "No need to go back to the State Department. Just work for me on the committee." So, we had somebody who understood both sides of the street. But again, all of these staffers understood: you take care of the members, and we understood that you take care of the staff. If the staff called at 11:00 P.M. at night, you answered the phone. On a different issue – interaction with the Legislative Affairs or H Bureau. The guy I was working with was great. The H bureau was very suspicious of me because I was working with the Congress and they didn't have their talons into me. They could never quite figure out that if they were nice to me, they might effectively have this good stuff. But anyway, we did fine. It was a little frustrating at times.

The other thing that congressmen are very conscious of is outside influences, lobbyists and so forth. On Taiwan, TECRO (The Taiwan Economic and Cultural Relations Office) which is an office that would be Taiwan's embassy if they had an embassy, had some of the most active congressional liaison and some of the most effective congressional liaison anybody ever saw. So, you were constantly trying to figure out how they were trying to do an end run around the administration and around the State Department by getting to the Congress, and they succeeded often enough. The Taiwan opposition, the Taiwan independence folks, were represented by the Formosan Association for Public Affairs or FAPA, who were constantly trying to persuade the Congress to repudiate the Taiwan Relations Act and give us the Taiwan Independence Act or something like that. So, it was just one of these things. While we were trying to deal with the Congress, we were also trying to understand, to deal with, or to counter that kind of lobbying.

I will talk more about the Taiwan end of congress later, probably next time, but there was one incident that I think happened just at the beginning of my assignment as Congressional liaison. It was just after Hun Sen in Cambodia had toppled the government. The United States had to decide whether or not it was a coup. If it was a

coup, we then by law had to cut off all assistance. That might have been warranted, but it would have had the impact of forcing Cambodia to turn to China for help, which maybe they wanted to do anyway. Why that would be in our interest beats the living daylights out of me. So, we in EAP, and the Legal Advisor's Office, and the NSC were working as intently as we could to figure out how we could define this as not a coup. Was it warranted to call it a coup? Well, it might have been. Would it have been in the U.S. national interest to call it a coup? Absolutely not.

We had a very good ambassador in Phnom Penh, Ken Quinn. He had been a deputy assistant secretary on Southeast Asia. Congressman Dana Rhorbacher from Orange County in southern California said, "I think the U.S. embassy in Phnom Penh is colluding and maneuvering with the State Department in Washington to avoid declaring that Hun Sen launched a coup, the clear intent of congressional legislation. I consider this to be a violation of their duties. So, I want to see all email over X period of time, a month or two months, between Phnom Penh and State." This was early in the days of emails, but he requested all emails and I think all cables. And as Congressional liaison I ended up being involved in going through all of this. At first we went back to Rhorbacher's office and said, "We don't think you really want all the assignment cables. You really don't want all of the cables ordering paper supplies yada, yada. Can we narrow this down a little bit?" Other materials, we told them, would need to be read at the State Department. We got through all of that negotiation and that was fine. However, the people in Phnom Penh, and I believe including the ambassador, thought that one type of cables, "official informals" or back-channel messages, were actually private communications, so they were venting about the U.S. Congress and venting about Dana Rhorbacher. And do you know what? There is no provision of U.S. law that allows us to deny Rhorbacher access to that material.

Q: I mean you have that on the screen at least these days, I don't know if they put it on the screen at that time, but you have no assumption of privacy using this medium of communication.

KEEGAN: They ignored that. We had no choice but to hand over to Rhorbacher several communications that mocked him very personally. It didn't help him in our ongoing relations with the Congress. Stanley Roth was our assistant secretary. He was understandably livid. In every assignment I have had since then, people I have supervised, students that I have been assigned where I have taught, I have gone back to this lesson: never put anything in writing whether it is a memo, or a cable or an email that you would not want to see on the front page of the Washington Post because it might be there. The same thing applies when you talk to a journalist. "On background" is a nice term. It doesn't mean anything. If you are not willing to have it on the front page of the Washington Post with your name on it, then don't say it. Even if it is in house, if you feel you need to say something scurrilous, then say it orally and make sure no one writes it down and no one reports it.

Q: Now one important thing, when were you in this office, what years?

KEEGAN: this would have been 1997 to 1999. So, towards the end of the Clinton administration. I then had a one-year assignment in the front office as a speechwriter for Stanley Roth.

Q: OK, one last general question about this, the whole issue about Hun Sen. I had the impression that Hun Sen was Vietnam's man, not China's. That is not correct?

KEEGAN: Hun Sen was Vietnam's man in Cambodia, but Cambodia's situation is a little bit like Korea's situation in that they have been trampled for thousands of years. In Cambodia's case, who have been the prime trampers? The Vietnamese. So, Hun Sen had cooperated with the Vietnamese to the extent that it helped him topple Khmer Rouge and get in. He maintained the relationship with Vietnam, but the enemy of my enemy is my friend, and he looked at China and China looked at him and said, "You know between us, we could box in those Vietnamese bastards. That was the mentality that was going on. I have never read a good book on China's relationship with Cambodia. It is a fascinating evolution going well before the Khmer Rouge but one of the most dramatic periods starts with the Khmer Rouge. Go back and read the first volumes of *The Foreign Relations of the United States* on the end of the Vietnam War and the Khmer Rouge and the Vietnamese involvement in that. It is somewhere between fascinating and frightening.

OK. I am going to make one comment and then I am going to suggest we stop a little bit early. We can go on next time. That is, I spent a year as Stanley Roth's speechwriter which was a holding pattern. It was very kind of him. It was one of these things that I can only say was fascinating. I continued to learn about congressional relations, and it is a fascinating exercise to try and write in somebody else's voice. We all do it from time to time. He would say, "Here is what I want to say. Go talk to everybody, and figure out what I really want to say, and come back to me." I would go into anyone's office pretty much in the middle of the day and say, "Stanley Roth is doing testimony on this. I am writing it. Stanley said you on the country desks are not drafting, so help me. Everyone was very understanding. It was a great learning experience.

That was for a year, and I bid on my next assignment, and I did a stretch bid as director of the Taiwan office. I was an O1 and that job was an OC position. In fact, when I started the bid, I was an O-2. After I submitted my bid but before I was considered I was promoted to O-1. It was still an OC position, but the AP front office said fine. If you think you are the best person to be considered for this position, and we tend to agree, go ahead and bid. So, I got a single stretch. They had almost been willing to fight for me to get a double stretch, but they didn't have to do that. But it was one of the great jobs so I thought what we would do is pause here and then start that.

WASHINGTON, TAIWAN COORDINATION STAFF

Q: Today is April 12, 2018, and we are resuming our interview with David Keegan as he goes to the Taiwan desk. You were an 0-1 because when I listened at the end of the tape you mentioned that the front office agreed to give you the single bid stretch.

KEEGAN: That's correct. This was the second time I had worked on Taiwan during a change of administration. First from Bush I to Clinton and now from Clinton to Bush II. I think everybody who does this business ought to have the joy of working on a desk during the change of administration. It really is a fascinating window into the way in which our political masters affect the way in which we do our job and the dance that all sides go through before adjusting to one another. I was on the Taiwan desk from 2000 to 2003 but it was only starting in fall 2000.

Before I took on that job, in March of 2000, Taiwan had their presidential election. It was their second democratic presidential election. The first in 1996 had re-elected Lee Teng-hui, who had been appointed president on the death of Chiang Ching-kuo, the second and last of the Chiang leaders in Republican China, and then he was elected by the ROC National Assembly in 1990. Lee Teng-hui said that he would step down in 2000 after two terms. He supported the nomination of, or hand-picked, depending on how you want to read it, his vice president, Lien Chan to run as the KMT candidate. If he had been a little bit younger and a little less stubborn, Lee might have looked around the KMT and seen that nomination was not really going to work. Lien was Lee Teng-hui's choice to lead the pro-Taiwan faction or wing of the KMT, but there were other pretenders.

Q: Now when you say pro-Taiwan, what does that mean now at this time period?

KEEGAN: In the time period of the late 1990's?

Q: Yeah.

KEEGAN: The KMT, the Nationalists, had taken over Taiwan beginning in October of 1945 when Taiwan had been returned to China from Japanese colonial rule. They were a party from the China mainland. They were one of the two parties fighting for the future control of China. So, when they moved their government to Taiwan in 1949 fleeing the Communists, hundreds of thousands of people followed them to Taiwan. More followed as it became clear that the Communists were going to win on the mainland. They were simply a mainland party taking over or occupying this final bastion, this frontier province of China. But, over time in the 1950's and 1960's, they began bringing in Taiwanese as party members. It was simple demographics. The mainlanders were 10-15% of the population of Taiwan, and if you wanted to survive, you needed to recruit Taiwanese, and pretty soon the Taiwanese were going to be a very large faction of your party even if they perceived that they did not have control or equal voice. Some Taiwanese decided that there was value being in the halls of power.

Lee Teng-hui was one of those Taiwanese who was brought into the mainland party by Chiang Ching-kuo, who was obviously a mainlander, but who recognized that he needed to secure the loyalty of the Taiwanese if the Nationalist party was going to remain in control. Lee Teng-hui was picked as vice president by Chiang Ching-kuo at the same time that Taiwanese opposition politicians were forming a party. It was established in the 80's and it competed against Lee Teng-hui in the first popular presidential election in '96. Lee Teng-hui won because, one, he was a really good politician, he was very dynamic, and two, he provided the right combination of "I am Taiwanese. I care about this place. I am going to stand up to the Communists," which he did, sometimes to excess perhaps, while at the same time saying, "I am the party of stability. I am the Nationalists. You can trust me; I am not going to foul this up." So, by 2000 Lee Teng-hui was ready to retire. He had essentially followed the model of Chiang Ching-kuo. He wanted to make politics in Taiwan and presidential succession in Taiwan explicitly democratic to secure the support of people in Taiwan, to secure the support of the United States, without which Taiwan does not survive, and to establish a dramatic contrast between democracy in Taiwan and Communist authoritarian dictatorship on the mainland, particularly in the wake of the Tiananmen massacre of 1989.

In 2000 Lee Teng-hui turned to the Taiwanese politician and magnate Lien Chan, whom he had picked for his vice president when he ran in '96, and said, "You are my man." What he didn't take into account was that across the Nationalist party there was a wellspring of support for a mainlander politician, James Soong Chu-yu, who had been the governor of the province of Taiwan, elected to that post by being a really good politician. Such a good politician that, after James Soong won the gubernatorial election, Lee Teng-hui decided to make it an appointed post so that James could not run again and build a base of popular support. James Soong announced that he was running as a presidential candidate. He was widely liked both by Taiwanese and Mainlanders, a far better politician than Lien Chan. And that is not necessarily a high compliment, but in this case it is. James Soong was a very good politician, very well respected, including in the United States, and if Lee Teng-hui had backed up and thought strategically and gotten his ego out of the equation, which he was not capable of doing, he would have picked James Soong, but he did not.

James Soong, being a very ambitious man and having no doubt about his ability to win an election, decided to run independently of the KMT, so all of a sudden you have the two candidates competing for the KMT. This is going to become a theme. The DPP nominates a politician whom I will talk more about in a moment, Chen Shui-bian who was also a very good, experienced politician.

But, before I get to that, it is worth saying that this election, even more than the election in 1996, required the electorate an--required everyone else to think about fundamental questions -- how do we understand this place that we live in, identify with, and govern? Is it the Republic of China, the legitimate claimant of the rule of all China, and it happens to be on Taiwan because of the misfortunes of the late 40's? Or, is it the Republic of China-on-Taiwan? In other words, is it the present-day incarnation of that earlier Republic of China, or is it really something peculiar to Taiwan? In the latter case, should

it be treated simply as Taiwan or even as the Republic of Taiwan? Is it something perhaps Chinese in culture but really without any claim to the broader China and certainly not looking either to claim power in Beijing or to subordinate itself to power from Beijing?

The DPP or the Democratic Progressive Party was the opposition that had formed a party in the late 1980's competed against Lee Teng-hui in '96, and now it was competing in its second election. This party was historically and ideologically committed to the third option, that Taiwan was singular. It was not essentially related to the Republic of China. They might call it the Republic of China, but it really wasn't. It was Taiwan. But they quickly adapted to the pragmatic reality that an overt claim of independence, an overt claim that, "We are separate and unrelated to the People's Republic of China governed from Beijing" could lead to a military conflict with the People's Liberation Army. They knew that the U.S. might not support Taiwan in such a conflict if we perceived Taiwan to be the provocateur.

The people on Taiwan, and I am going to embellish some generalizations – you know I was just listening to a talk by Shelley Rigger yesterday. It was really good. But the success of Taiwan is almost impossible to comprehend. The people of Taiwan should have failed about seven or eight times. They always survived. They are better at dancing on the edge of a knife than almost any society I have ever seen. They are ingenious; they are stubborn; they work their butts off. And as Shelley pointed out yesterday, they are pragmatic. They look up and say, "Hmm, I would like to be independent, but that is going to start a war, so never mind." They were unwilling to fight for *de jure* independence when they considered they already had *de facto* independence. It wasn't their first choice, but it was a whole lot better than some of the other choices they might be offered.

James Soong was the first candidate who said this was the Republic of China, and it just happened to be in Taiwan. He was a highly talented politician. Many people saw him as the natural leader of the KMT in the generation after Lee Teng-hui. He was highly internationalized, fluent in English, and an excellent political manager. But Lee Teng-hui went with his ego and his client, Lien Chan, and he was closer to carrying the banner of the Republic of China on Taiwan, as had Lee Teng-hui. So, there you have it. All of a sudden you have a three-way race.

Chen Shui-bian was a lawyer specializing in maritime law. But in 1979 when the opposition, in fact the opposition party although I don't even want yet to call them parties or factions, organized protests on International Human Rights Day in the city of Kaohsiung. They were basically pummeled by the enforcers of martial law under the Nationalists. There were water cannons, fire trucks and buses full of paramilitary police. Over the three decades of martial law, the White Terror, the KMT had lots of practice in doing this. Chen Shui-bian did not participate in those protests, but he was one of the lawyers who defended the protestors afterwards. If you look at the protestors in the Kaohsiung incident in December of 1979, and at the lawyers to the protestors, you pretty much have the leadership of the opposition up to 2012. You go back and look at the pictures, I knew Chen as a bald president. What a shock to discover he once had hair. He looks completely different.

Chen turned out to be quite a good politician. He ran for magistrate of Tainan city, which was the third city of Taiwan at that time. It was the traditional capital of Taiwan. In 1994 Chen won election as the mayor of Taipei, which was extraordinary because Taipei was always viewed as the nationalist enclave. This was the place all the mainlanders had moved to. This was the place where the mainlanders had filled the political structure to serve their own ends, and who would have expected a Taiwanese sympathizer to win in Taipei city?. They might win on the outskirts but not in Taipei City. But guess what happened in 1994? The KMT couldn't get their act together, and they ran two candidates. As a result, Chen Shui-bian won with 40% of the vote.

Chen did a pretty damn good job. He turned out to be a reformer, improved the city government, got rid of corruption, and made the city much more livable. One of the things that I am personally grateful for his doing is he dramatically expanded park land in the city. He took some places that had been Japanese military enclaves and then KMT military retiree enclaves, basically slums. Cleared them out and made some lovely parks. You have the Keelung River that flows through Taipei and always floods. He was instrumental in taking the flood walls and moving them back from the river, which, one, gives you more of a flood plain which reduces flooding but, two, as long as you are going to do that, it provides parkland there. Now there is this lovely park and the levees on either side have lovely walks, and I credit him with making the move toward a greener Taipei. It may not be entirely his doing, but he was one of the instigators of that.

In 1998 the KMT woke up and smelled the coffee, or the tea maybe, and put up one candidate. They unified, and that one candidate was Ma Ying-jeou. He was born in Hong Kong to parents who had fled Hunan and then moved to Taiwan. He described himself later as a "new Taiwanese," someone who had been born outside of Taiwan, but who has identified as a person of Taiwan. He had been the Minister of Justice under the KMT, a very eminent lawyer. He was one of these people who went to the United States for a law degree, earning a degree first from New York University and then Harvard. He is the kind of person who if AIT had a visitor coming in and we needed to meet with somebody who was intelligent, fluent in English, and senior in stature, Ma was always on the short list.

Before he won election as mayor of Taipei, he had been minister of justice as I said. It was generally understood that he resigned as minister of justice because he was pursuing corruption investigations. As the story went, he was called in by President Lee Teng-hui who said, "You know you are going to tear apart the KMT if you pursue these corruption investigations. So just chill." Ma resigned or was dismissed, which as you would think got him points. He turned out to be another good mayor and stayed as mayor of Taipei through the end of 2006. He was there as mayor of Taipei the entire time I was in Taipei as AIT Deputy Director between 2003 and 2006.

Back to Chen Shui-bian. In 1998 he was defeated by Ma Ying-jeou, lost his post as mayor of Taipei and in 2000 ran as the DPP candidate for President. Shui-bian. When Chen ran to become magistrate in Tainan he lost in 1985. Afterwards he was going around thanking his supporters. His wife Wu Shu-chen was with him, and she got run

over by a tractor, and got run over three times by a tractor. By the time I heard this story from DPP supporters in Taiwan, the story was she was run over at the behest of the KMT. This, they said, is an example of KMT thuggery.

Accusing the KMT of thuggery is a valid thing to do. There is lots of evidence for it. They have murdered people in California, they have done all sorts of charming things. But in this case, the guy who was driving this tractor was apparently one of these home-made tractors out of parts which is why he was widely identified as simply a local laborer, and perhaps a pro-DPP person. So, was this an accident? Was he paid off? You pick your conspiracy theory.

Whenever Chan went to a rally, she was always there in a wheelchair. One of the things that Chan always did – if you have been in the Foreign Service overseas you know when you have a limousine and you are running for high office you want to have a driver so you don't have to think about it. The guest of honor, the passenger of honor, sits not behind the driver but in the seat on the other side of the vehicle, except when Chen Shui-bian was riding in the back with his wife. His wife got the seat of honor. Chen sat behind the driver, and when he got out of the car, somebody would help him open the trunk. He would take out the wheelchair, and he would himself pick up his wife who must have weighed all of 60 pounds by then, and he lifted her and put her in the wheelchair. It was, one, personally important to him, but two, if you wanted political sympathy vote that is a great way to do it.

Chen's vice-presidential candidate in 2000 was Annette Lu, one of the Kaohsiung incident defendants, a women's rights advocate, very much the representative of the deep Green, the most progressive, most leftwing element of the DPP. Chen was considered more the center of the DPP. Lu was his vice-presidential candidate, so he was solidifying his deep green credentials. Then there are two other people who need to be mentioned. One is Bi-khim Hsiao. Her surname is Hsiao. Bi-khim Hsiao is a Taiwanese, who went to high school in the U.S. so she speaks English as well as Mandarin and Taiwanese, and you can recognize her American accent, or at least you could the last time I talked to her which was several years ago. She went to Taiwan as the elections were happening to join the DPP campaign.

Q: Here is a quick question. I always thought that in Chinese it is the family name that comes first and then the first name. But has that changed?

KEEGAN: Not generally. For the name Chen Shui-bian, Chen is the family name. For Wu Shu-chen, his wife, Wu is the family name or surname. For Annette Lu, because we are using her English personal name, her surname Lu comes second. Lu Hsiu-lien is her Chinese name, and in that case the surname comes first. When Chen ran for his first election Bi-Khim was his American voice, so he commonly introduced her to most Americans, for example at AIT, as Bi-Khim Hsiao. That is what you do in the U.S. Now by the time she started running successfully for office on her own for election as a DPP legislator, it flipped. She was then known as Hsiao Bi-khim. Bi-khim is a Taiwanese

name rather than a mandarin name really. So, she was a Taiwanese American, fluent in Taiwanese.

She very quickly became Chen Shui-bian's interpreter of choice when he was meeting with Americans or English speakers and as very smart interpreters often do, James Soong being an example, Ma Ying-jeou being another example, the interpreter also becomes an advisor. Not only do you translate what the other side said but the principal looks at you and says, "Fine, you translated this. What do they mean? What are they getting at? What am I dealing with here?" She very quickly becomes an advisor. Hsiao Bi-khim became that advisor and a highly valued one and highly active in the DPP, and I think is still part of the future of the DPP. He is part of the present power structure.

The last person I am going to mention as an advisor to Chen Shui-bien throughout his early days and throughout his presidency is Tsai Ing-wen, a trade lawyer who had worked for Lee Teng-hui. She had been present when Taiwan began to negotiate its ascension to the world trade organization in 1992 and is now the president of Taiwan. So again, the surname is first. Like Ma she received a law degree in the United States, she then got a second law degree from the London School of Economics. As a result, her English is as good as Ma's, but the accent is different. She became one of Lee Teng-hui's chief advisors as he began to look for concepts that would distinguish Taiwan from the mainland but might still enable some sort of dialogue with the mainland. He was wrong. It turned out there was no way to do that. Tsai Ing-wen became identified with Lee's initiatives and with phrasing such as "special state to state relations," which the mainland opposed. She became identified with Lee Teng-hui, a figure that the mainland hated and subsequently with Chen Shui-bian whom the mainland also hated. But she is as smart as the day is long. If you have got to have a president for your country, and if somebody says, "You can have Tsai Ing-wen," just say, "Yes." She is that good.

Chen won election as president in March of 2000, and we were about to have the presidential election in the United States in the fall of 2000. One of the things that strikes me as interesting to do at this point is to consider the way in which this new DPP administration and the new Republican administration in the United States interacted and treated the issues. This was one of these things that I dealt with on a day to day and hourly basis. So, I am just going to offer a series of observations. I hope they make sense. If they don't make sense to you, let's talk about them and figure out what we need to do to make more sense out of them.

Q: OK, so before we go further into the new U.S. Administration and its relations with Taiwan let's go back one step and explain what it meant for Taiwan for this new party to come into office.

KEEGAN: Yeah, great question. You have the Democratic Progressive Party, the DPP, the party of Chen Shui-bian, the party of Taiwan opposition, which had been brewing since the 70's and 80's in opposition to the Nationalist or Kuomintang Party, the KMT. The KMT is the party of Chiang Kai-shek, Chiang Ching-kuo, and Lee Teng-hu. So, what are the differences between the two parties? We have red and blue states in the United

States. In Taiwan it was green versus blue. The green, as I mentioned, is the Democratic Progressive Party, the DPP, and the Blue is the KMT. If you look at the Republic of China flag, which is also the Nationalist party flag, and behold that the vast bulk of the flag is blue in color, it is not entirely a shock that they are identified with the color blue.

The color green is a little bit more interesting. When these opposition figures were getting together, oftentimes they were not able or willing to risk the crackdown that would come with forming factions or parties, so they were organizing magazines. They wanted to express that the KMT, as I suggested a few minutes ago, had come from the mainland. And to the KMT, Taiwan was first, and for many years exclusively, a bastion from which they would rebuild and retake the mainland. The DPP said, "We want to emphasize that our hearts are here in Taiwan. We care about this place. So, their party flag became essentially an image of the island of Taiwan, just an outline, in green. OK, why green? The reason is as I understand it is that the DPP said we love this place and therefore we care about the environment in this place. We want this place to be a beautiful island. That is what the Portuguese name for the island, Formosa, meant. This Portuguese name for Taiwan was translated into Chinese as mei-li-dao, or the beautiful island. Mei-li-dao was the name of one of the early DPP magazines that they used as a vehicle for figuring out what their platform and positions were going to be in opposition to the KMT.

The first time I was in Taiwan in the late 70's books on environmental issues were banned, because environmentalism had become a challenge to the ruling authoritarian nationalist party. People who sold books on environmental issues in English or Chinese did so secretly, sometimes from blankets on the street. Any time they saw the police coming they gathered up their blankets and ran, just as if they were selling banned Communist books. I remember going back to Taiwan for language study as a State Department Foreign Service Officer headed to an assignment in Guangzhou in 1987-88. Going to Taiwan, my wife and I did what we did as graduate students and started going to bookstores. Oh my God, there were whole sections of bookstores with environmental books. What the? Something has changed. This opposition group, which would become the DPP, had a very strong emphasis on environmental issues. They had a very strong emphasis on pro-democracy issues in contrast to the authoritarian party. They had a very strong emphasis on the rights of the majority because the Taiwanese at this point are somewhere around 85% of the population with maybe 15% of the power. This opposition was very much supported by Taiwanese intellectuals but also by farmers, shop keepers, small businesses etc. So, at this point what is the most natural thing for this party to advocate? Human rights because, one, they desperately needed it. Taiwan desperately needed it. Two, they knew it was a weakness of the KMT because they leaned very authoritarian. The opposition also knew because a lot of people had also fled Taiwan and had gotten university or graduate educations in the United States; they knew that this pro-human-rights stance would build sympathy and support for them in the United States.

The American Republican Party was a natural supporter of the anti-communist KMT nationalists. The Democrats became the natural supporters of the DPP, the Democratic Progressive Party. So, it was green versus blue. It is environmentalism versus a program

of developing Taiwan as an industrial base, which the KMT did very successfully. The KMT's economic stewardship of Taiwan from the 1950's through the 1990s, and I would add into the 2000's, is one of the remarkable success stories anywhere in the world. There may only be one place in the entire world where U.S. efforts at land reform actually worked. They worked in Taiwan. And they worked in Taiwan because the Nationalists made them work. Now they benefited from coming in from outside, so they didn't have any corrupt ties that they had to take care of in Taiwan unlike the mainland. Whatever the reasons, they made land reform work. They made import substitution economic policies work and then transitioned those into export oriented export processing, the lowest of the low priced. We are talking about making plastic sandals and buckets and stuff and working their way up the value-added chain. If you know who could do it any better than the Nationalists, you tell me who it is. The only people who might compete with them, but didn't have anywhere near their challenges, was Singapore.

Q: And this is in spite of the fact that the KMT had a fair amount of corruption.

KEEGAN: Right but Chang Kai-shek knew they had corruption. Chang Kai-shek was a very austere Protestant guy. They had corruption during the 1930s and '40s because they needed support to fight a war against Japan and then to fight a civil war. I think Chang Kai-shek's attitude was anybody who supports me, anybody whose support I can buy, I will buy, and once we get this thing straightened out, we will deal with it. So, Chang Kai-shek and Chiang Ching-kuo after him were very interested in reducing corruption on their terms because they knew it increased support with the Americans. The KMT ultimately becomes that sort of business-friendly conservative party. Think of the Republican party of the 1950's in the United States. That is really the contrast between the KMT and the Taiwanese opposition, at least through Chiang Ching-kuo. Lee Teng-hui begins to bring a little bit more of a progressive element into the KMT, but it was still very much that conservative approach – keep the status quo and improve the status quo slowly. Don't rock the boat too much.

The DPP was much more the left-wing progressive party and there was a range there. And the way in which the ranges are generally expressed are Light green to deep green. Light green being the most moderate element of the DPP. Deep green being both the highly rural highly southern Taiwan but also strongly progressive and pro-independence factions of the party. In the KMT again you have deep blue, those who believe they are the Republic of China, which just happens to be on Taiwan. "We govern all of China," and the light blue being those who believed, "We are the government of Taiwan, which is the Republic of China, and it is an awfully good name so let's keep it. Chiang Kai-shek was the deepest of the deep blue. Chiang Ching-kuo is deep blue, but he recognizes that lightening up would help extend the KMT control. The party, and the political consensus in Taiwan, became progressively lighter blue through the 90's.

The victory of Chen Shui-bian is when that majority consensus shifts from being light blue to light green. It is always curious to wonder to what extent Lee Teng-hui knew that Chen Shui-bian might win the election. Maybe he didn't mind. Maybe, he would rather have had a Taiwanese green politician win than a deep blue mainland politician like

James Soong win. Lee Teng-hui will deny that, but I tend to be skeptical of those denials. I understand why it is important that he makes those denials, but having said that, his attitude became clear by the time Chen was in office.

As Chen Shui-bian came into office, he was facing an enormous conundrum. The conundrum was, “I have been elected. My party has won. Finally, we have a Taiwanese pro-Taiwan party governing Taiwan. OK, let’s make a change. But wait a minute. If we make a change, we may be facing a war. Let’s think about how we can make that change.” You had people debating within the DPP. Some of them were saying, “Look, take this slow. We don’t like that we are named The Republic of China. We don’t like our international situation, but a lot of other things are good. Let’s not mess it up.” Other people were saying, “This is our chance. Beijing has too many problems. They won’t come after us.” Ultimately, Chen Shui-bian tried to thread the needle of that conundrum. Whether he did so successfully or not is an entirely different question. That is where we were as we came to those twin transitions of March 2000, and November 2000.

Let me start with the Republicans in the United States, and I am going to talk about it in terms of my experience in the Department of State, Richard Armitage became Deputy Secretary. James Kelly became Assistant Secretary for East Asia and Pacific Affairs (EAP). Colin Powell becomes Secretary of State. I had less visibility with him than I did the other two. Both Armitage and Kelly had worked in the Bush I administration in the Office of Secretary of Defense (OSD) as policy types. When Colin Powell looked around and said whom do I trust; whom do I know that I can work with? He brought in Rich Armitage and Jim Kelly. And I will just put this in terms of the physical image I usually use. Jim Kelly and Rich Armitage walked into the State Department and they said, “This is great! They finally upgraded the bathrooms, and it is about time.” They looked around and said, “Oh we are using different memo formats than we used to use. Well let’s think about that.” These are the folks he selected. They said, “Oh, I’ve got my phone book from my days in OSD. Could you give me a new phone book for the State Department and a new phone book for the OSD? Oh, so this guy or this woman who used to be a desk officer, they are an office director. Great.” Because they had that deep familiarity, and they were bringing in their own people obviously, they understood how the U.S. government worked politically and how the policy process worked. This whole triangle, if you want to think of it in those terms, NSC, State OSD, they understood it. They knew how it worked, and they knew how they wanted to see it fine-tuned. That was where they came from.

Contrast that with Chen Shui-bian and the DPP, the People’s Progressive party. These are people who have never been in power, and who are coming in to lead a national government heavily populated with KMT loyalists. For many years if you weren’t a KMT loyalist you couldn’t get a job in the ROC government, and if you got a job and weren’t a KMT member, the first thing you found on your desk was a party membership application. As a result, the DPP was very suspicious of the government, and the government was equally suspicious of them. They didn’t know the government people or process. This is not a criticism, it is just a natural fact. Chen Shui-bian, Annette Lu, Wu Shu-chen, they had all been outsiders. They had been the opponents. They suspected the

government, and the government suspected them. It was a very different situation between Taipei and Washington.

One example that leaps to my mind. The ROC presidential office under the KMT had a series of ten or twelve senior advisory positions. The idea was these were older members of the Nationalist party. You needed to pay them off for their service. You needed to allow them more time at the corruption trough. So, this honorary position gave them all that. I think if Chen Shui-bian had it to do over again he might have done what a number of people had hoped he would do, which is just eliminate that body and make a clean sweep. The problem was he had too many DPP members who had suffered. I think in this case their suffering was no small matter. This was being beaten, seeing family members murdered, having their careers destroyed, I could keep going. It was decades in prison. "Wait a minute," these folks said, "it is our turn." So, he appointed them to these advisory positions, and that set the tone. "It is our time to benefit from this corruption. We can clean it up later."

Let me just add a footnote here. An authoritarian government is not a government managed by bookkeepers. It is a government where the center controls the money, and the money goes where the center thinks it ought to go. That is standard across the world. But Taiwan had another issue, particularly after 1971 when they were pushed out of the UN, which is they were using money to protect their position internationally, and oftentimes the more quietly the money changed hands the more effectively it changed hands. So, you didn't want this on the open budget of the Ministry of Foreign Affairs or the Ministry of Trade. This was a slush fund, so that you could put money where you needed it as quickly as you needed it and as quietly as you needed it. The problem was that as you moved to a more democratic and a more transparent system you face a challenge: when do you start cutting that approach off and whom do you blame? That becomes an issue that will hit again when I talk more about my next assignment in Taiwan.

The DPP in Taiwan had accomplished what seemed impossible a decade earlier, the first peaceful transfer of democratic power in the Chinese world. From the Nationalist party, which had ruled in Taiwan from 1945 to 1996 as an authoritarian party and then ruled an additional four years to 2000 as a democratic party, although obviously when the KMT made that transition, that authoritarian legacy gave them a lot of votes. That transition was a direct challenge to leaders in Beijing and leaders in Singapore who argued there was an Asian form of civilization that was going to be different from Western civilization and that a real electoral democracy is not suitable for Asian civilization. Chen Shui-bian stood up and proved that false. Lee Teng-hui had done that a little bit, but Chen Shui-bian and those after him marked the definitive shift.

Oh, let's grant that it is unstable. Don't forget in Taiwan you have people throwing furniture in the national legislature. Yes, but then you also had elections that were freely and fairly contested, and that violence in the legislature was really a hangover from that authoritarian period when you had only a few democratically elected legislators who couldn't get time on the floor to make a speech, much less propose a law, and that

frustration provoked fights. But as that period of authoritarian hangover transitioned out, there was a very active, very democratic, very transparent, and openly debated democratic process. It had begun with the end of martial law in 1987. You have the first newspapers publishing freely only in 1988. So, you have a free, fair, and rambunctious democracy.

And it was a democracy that made a lot of sense to Americans particularly when you think about it from the point of view of the Clinton administration or the point of view of the Bush administration looking at China, looking at the Tiananmen massacre, looking at the crackdowns that happened in the 1990's, looking at mainland use of missile tests to intimidate Taiwan in 1995-1996. People in Washington were saying, "This is what we went to all the trouble for. We have a real democracy in power, and they did. The trouble sometimes with a real democracy is you get ideas that you might not be entirely comfortable with. Nonetheless, when the new leadership walked into the State Department and into the White House in 2001 the first question came right from the top, "What are we doing for Taiwan? What else can we do? What more can we do? How can we be more clear in our support for Taiwan? How can we be more supportive of their security and their economic interests?" When I became The Taiwan Policy Coordinator, effectively the Taiwan office director, our instructions had been, "Keep it quiet please. If you don't have anything to tell the Secretary about Taiwan, that is a good thing." Now we were flipping 180 degrees. They were asking, "What can you tell us? Do you have anything to tell us?" One year we were told to make sure we had no ideas. Well, that was last year. This year we had a democratically elected government in Taiwan. What were we going to do new? What were we going to do different?

Q: Is that because even in this early stage of George W. Bush, he is already on his democracy crusade?

KEEGAN: He came in with that crusade. Certainly, on Taiwan he did. We were getting those questions even before anyone was confirmed. They would come in for pre-confirmation briefings and say things like, "Dave, I'm not directing you because you are just briefing me on information. I understand that. But after we're finished, could you think about this. It is really not confirmed, but I may come back to you on this." The Taiwan side very quickly got the message that there was an open door to ask for more, politically, militarily. And that then brings me back to that contrast between the experience on the American side and inexperience on the Taiwan side. The Republican Rich Armitage and Jim Kelly, they knew where the limits were. They didn't need to have a red line drawn. They knew how far to push things without upsetting anyone. For a whole lot of reasons, the new team on the Taiwan side never had that experience. They had never learned that lesson, and so they were seeing their election as a new day. They had an unbridled enthusiasm that got ahead of what they were really capable of. So maybe we stop here. Next time I will talk more about what the Republicans actually did and what the Taiwan side actually did and what I think the consequences of that were.

Q: Today is April 26, 2018 with David Keegan. We are resuming our interview with David Keegan on the Taiwan desk.

KEEGAN: We are in the period 2000-2003. We had two new administrations. One is in Taiwan, the DPP, the Democratic Progressive Party, and the other is in the U.S., the Republicans have come back in. We are in the early days of that transition on both sides. I talked about the Taiwan side getting the idea that they could ask for more, and that would be a welcome request, and the unmoderated enthusiasm as I put it, on the Taiwan side, probably compounded by inexperience. We had a new administration on the Taiwan side that was radically inexperienced, combined with a new administration on the American side which could hardly have been more experienced.

The next issue came up, at least in my recollection, even before they were confirmed, but especially when the new team was confirmed – Jim Kelly who was the new Assistant Secretary for East Asia Pacific and Rich Armitage who was the new Deputy Secretary brought in by Colin Powell. I think because all three of them knew one another when they were working in the Defense Department, Kelly and Armitage wanted to find ways to signal quickly that things had changed, and that the Republican administration was going to support Taiwan and this new democratic party in ways that the Democrats hadn't. If I haven't emphasized it before, it is worth emphasizing that the victory of a new party in Taiwan was a banner day for U.S. democracy efforts globally. In 1996 you had a democratic election, but it was essentially reinstalling someone who had been put in place by a dictator. Lee Teng-hui had been put in as vice president by Chiang Ching-kuo, and there were a whole lot of reasons why, and he was a democratizing figure. But this is a new day. This may be an exaggeration but let me try it. In two remarkable ways Taiwan is virtually unprecedented in terms of U.S. foreign policy efforts. We were able to install in the 1950s a kind of land reform in Taiwan that we had wanted to do globally. It didn't work elsewhere, but it worked in Taiwan really well. Actually, the whole economic program of liberal economics moving from land reform to import substitution and then to export processing blossomed in Taiwan in a way that if we could steal those DNA and plant them in other countries, believe me, we would have. And despite some violence as it happened, this was a remarkably peaceful transition from one party that had one very definite idea of Taiwan, mainly that it was part of China – that it would reunite with China and the whole purpose of Taiwan's polity was that it would reunify with China – was being succeeded peacefully by a party that, to put it bluntly, was very skeptical of that project and looked at Taiwan as something in and of itself. The fact that George W. Bush and his team were enthusiastic about the transition of Taiwan was hardly surprising. It would have been shocking had they not been.

Q: Let me ask a quick question here about that whole issue of how much each of the two parties in Taiwan are relatively more open to reunification with China and relatively less. By now it is 2001. They had a few years to observe what happened to Hong Kong in a similar situation. Did they take any lessons from that and if so, what were they?

KEEGAN: When Deng Xiaoping took power, back in the late 1970s and early 80s, he was going to modernize China. He was going to make China into a kind of Communist

party led state that would be very different from the Mao Zedong's permanent revolution state. It would be prosperous. It would be stable, and it would do the one thing that it had to do to be truly legitimate, and that is to unify China. From their point of view there were five places that needed to be unified. One was Tibet. They unified that.

The second one was Mongolia. That was gone because the Soviets had come in 1921. This was right after the Bolshevik Revolution. They were helping the Chinese to start a revolution and the Chinese looked at them and said, "We want to beat back the Europeans and those folks. Moscow figured out how to do it, so let's work with them." The Soviets did the same thing to Mongolia as they hoped to do in China – create a state separate from earlier imperial powers, in this case Qing China, and subservient to the Soviet Union. This then gave them a buffer against China, and therefore Mongolia was lost to China.

So, there are three places left. One is Macau which had been occupied by the Portuguese since the 16th century. The second was Hong Kong that had been given to the British as forced war reparations after the humiliation of the Opium Wars in 1842. The third was Taiwan. Deng Xiaoping came into power and said, "Look. Hong Kong needs to revert to China in 1997 because the vast bulk of its territory is on a limited 99-year lease that was going to bring it back under Chinese control in 1997." It would have been almost impossible for Hong Kong to survive in its current form without that portion of its territory called the "New Territories."

The Chinese were negotiating with the British and came up with an agreement that returned all of Hong Kong to China, and the Chinese agreed that for 50 years Hong Kong's political, economic, and social systems would remain unchanged. Deng Xiaoping encapsulated this approach in the phrase, "One country, two systems." Hong Kong would be part of China, but it would have its own system, more democratic, more capitalist etc. He intentionally coined that phrase saying, "We are going to do this in Hong Kong, and, by the way, in 1999 we are going to do it in Macao. But Macao is a blip. What we will get in Hong Kong is a demonstration that unification can work. So, one country, two systems can work in Hong Kong, and, Taiwan, please watch because you will realize this is such a good deal that you will want to do it.

Taiwan effectively said, and this is under Lee Tenghui who was elected in 1996, OK, we will watch, and we don't think we are going to like what we see. And so, when you get to 2000, after Chen Shui-bian is elected, the Democratic Progressive Party, the Minjindang, the DPP. They were the party that was very skeptical of reunification. They said, "Yeah, we are going to watch." Fast forward, if I may, to 2018. Their attitude is, "Yeah, we have seen how Hong Kong has turned out, badly, thank you very much."

So, there was a very explicit linkage of Deng Xiaoping's objective of reunifying China and the fate of "one country, two systems" in Hong Kong to Taiwan's skepticism of "one country, two systems" and Deng's reunification program more generally. Even after Chen Shui-bian of the DPP is succeeded by Ma Ying-jeou of the Nationalists/KMT who identify with "one China," there is little appetite for the "one China" of the People's

Republic of China, Deng Xiaoping, and Hong Kong. To say to people on Taiwan, what do you think of “one country two systems?” Is the sort of question you only pose if you want to provoke a fight. OK. I know that isn’t what Beijing had in mind but that is the horse that has left the barn. You ain’t going to get it back.

When the Republicans came into power in 2000, they wanted to signal their clear support for Taiwan and their support for this democracy because for many years of the cold war Taiwan was anything but a democracy. At times it was a harsher dictatorship than the mainland. At times it was a milder one. The Republicans decided to show their support by recognizing that there had not been any high profile sale of defensive military equipment to Taiwan since the sale of the F-16s that had been proposed by George W. Bush’s father in the 1992 election campaign and had been implemented by Bill Clinton. These were 150 F-16s, air defense aircraft. They were not designed for ground attack bombing. So, there had been no high-profile sale in eight years. Essentially Jim Kelly walked in and Rich Armitage walked in and said, “OK folks,” They said it to DOD and said it to our military guys in AIT. The military at AIT were all retired military, not active duty military, but these were pros. They said to us in the East Asia Pacific and the Taiwan desk where I was director, “What can we do? What makes sense? What are they asking for, and besides what they are asking for, what do they need? If there are things, which we think they need but which they feel are too big and so they didn’t ask, let’s offer it.”

It is worth remembering at this point, that the mainland is enjoying double-digit economic growth. It is booming. The economy of mainland China has been growing at double digit rates since probably 1992, since it recovered from the economic withdrawal of Western business people after Tiananmen. The Japanese had come in, in an even bigger way than they had been before 1990. Hong Kong came in, and Taiwan came in. Western business came back. As their economy grew at double digit rates, they turned to military modernization, reducing the size of the people’s Liberation Army and making it more tech heavy and more modern, and although they hadn’t said it yet, this would be a new Chinese military that would be able to project power in a way that it had not earlier. It had earlier really been a ground defense force. They were routinely producing growths in the PLA military defense budget in the range of 14% per year.

We are desperately trying even today to get Taiwan above 2% per year. We are trying to get Germany to do the same. Both are places that, in my humble opinion, ought to know better. If you are Taiwan and you are not at a military budget that is 3% of GDP or better, then you don’t know what the world looks like. And we all knew that 14% was way underestimating the growth in China’s military because there are all sorts of military things that were being covered under other parts of the budget. So, with that in mind, what did Taiwan need? We offered them defensive radar, we offered them defensive missiles. We offered them all sorts of things to strengthen and harden their air bases, their military bases, to improve their radar capabilities and so forth. None of that was controversial from our point of view.

All of it was welcomed by Taiwan but they were really nervous about buying any of it. Perhaps, they hoped we would buy it for them. But we weren’t going to buy anything for

an economy that was doing quite that well, thank you very much. But the DPP was coming into power to prove that it could take care of the Taiwan people better than the Nationalists, better than the KMT. To do that, it really had to increase the government's social services budget, particularly in central and southern Taiwan where the party's base was. Straight, simple – is it guns or butter? That is what was on their minds, particularly with the Republicans in play. Remember this is before 9/11. They said, “You know, if the blank-blank hits the fan, the Americans will show up. They showed up in '96 with two aircraft carrier battle groups. They will show up again so we can slow down on our military acquisitions. It is all good stuff. We want it but let's just stretch it out.”

We were countering with two arguments: one, if you want us to come to your defense you have to prove you are serious. Two, you have to give us time. We may not have an aircraft carrier within ten days of steaming time to where you are. So, basically the rule of thumb was you need to give us two weeks. So, if we show up in two weeks you have got to still be holding them off.

Of all of these issues, the one in my mind that captured the issue most dramatically was submarines. Taiwan had two Dutch submarines. They were so old they could no longer acquire torpedoes that would fit in the torpedo tubes because torpedoes had gotten bigger and badder and greater in diameter. So, they had two submarines, but they didn't have any torpedoes that could go in the submarines and that is about all the submarines were good for. We knew that the Dutch had been hammered by Beijing for selling them those submarines. Even though they were outdated when they were sold. So, Taiwan really wanted submarines. In response, the Republicans decided to find out what they could do to give Taiwan subs.

That got into a very complicated issue because what they needed was conventional submarines. We do not have any conventional submarines, Zero. Every single submarine in our inventory was nuclear. This goes all the way back to the Nautilus, when we transitioned from an entirely conventional submarine fleet to an entirely nuclear submarine fleet. Admiral Rickover, who was sometimes referred to as the father of the nuclear navy, had no intention of going back. He had no intention at all of having a mixed fleet even though in the interim diesel submarine technology had evolved to a point where serious people would argue that for certain purposes nuclear submarines were less capable than diesel submarines. Basically, there is a technology called air-independent propulsion where you can get gas out of water. And they are very silent, very stealthy. These are the subs that the Europeans, the Japanese, and the Australians, all three of those groups, had developed and they were remarkably good. They had been driven by the Soviets. All of these folks knew there was a Soviet threat so they were competing against the Soviets to produce diesel submarines that could counter the Soviets.

Taiwan was not going to get nuclear subs. They were going to get conventional subs, which we could not supply, but the Republicans wondered, “Could we give them some technologies? The short answer was basically no, because every single thing in our submarine, every technology from the composition to the metal to the way it is welded together, was so highly classified that they weren't going to let it go anywhere where

someone who might be threatening us might ever get a chance to see it. If you are dealing with the ROC military, which I respect, you have got to remember they have been penetrated by the Communists since 1927. They have worked hard to counter that, but it is awfully hard. To get around this problem, we were working with allies in trying to say how we can do this. Was there a way the U.S. could be a cut out? We could buy the technology. We could adapt the technology. We couldn't provide the sub hull. We couldn't provide the propulsion, but we perhaps could provide the other technologies melded together in something that Taiwan can then use.

KEEGAN: So, we were engaged in a lot of discussions with a lot of different people about how we were going to do this. At the same time, we were trying to engage Taiwan in a discussion as to what they were going to do and how they were going to pay for it. There was one classic event that I just have to throw in. At that point I was getting to work by riding a bicycle 14 miles. So, every morning I would get on my bike and show up at work and get all ready and look professional for the first staff meeting at 8:00 or whenever it was. I learned, over the many years that I did this, that you wear bright yellow which now even construction workers wear. I had a bright yellow shirt, and I had bike tights and all that. I got to the office one morning. This was the very early days of the Republican administration, maybe March 2001. My phone rang, and my rule was that you always answer the phone, particularly when you don't have voice mail because you don't ever know. It was the OMS (Office Management Specialist) to the principal Deputy Assistant Secretary up in the EAP. She said, "You need to come up here right now." I said, "Can I put on a suit because right now I am wearing a yellow bike shirt." She put her hand over the phone and said, "Grab a notebook and come on up. It doesn't matter."

I went up to the EAP front office. It may have been Tom Hubbard at that point. His eyes widened a little bit, and I apologized. He said, "That is all right, Armitage wants to see us now." We go up to the 7th floor to the Deputy Secretary's office. It was this big palatial office, and the EAP staff assistant to the Deputy Secretary was standing there and he said, "Huh?" I said, "I just got off my bicycle." "OK, the boss wants to see you. I went in with the P/DAS, and Armitage looked at me, and remember Armitage was well-known to State Department employees at that point for driving to the gym before work, and bench pressing 300 pounds. He looked at me and said, "What are you doing?" I said, "I bike to work." He said, "How far?" I said, "14 ½ miles." He said, "That is pretty good. We like exercise." We sat down on his couch, and he said, "What do we know about submarines?" Tom Hubbard says, "Whatever Dave says is what we know." We talked for maybe 20 minutes, and he said, "Fine. You people will need to carry this ball." So, about a week later, I think it is about a week later, but I don't know, I am standing in the C Street lobby of Main State near the elevators waiting for somebody, and this voice comes up and says, "Be very careful when you are riding your bike in the garage. You never know who might be coming up behind you." It was Armitage. I said, "You may be bigger than I am, but I may be faster than you are." He laughed.

So anyway, I was perhaps an outlier on the sub issue. I did not understand the net value, and I still don't. Serious people may disagree with me on this, but submarines are incredibly expensive. They are incredibly expensive to build. You have to build them

right. If you don't build a cruiser right, you can get everybody on deck and into the lifeboats and you hope they will be fine. You get a crack in the hull of a submarine at however many thousand feet below the surface, and you have got a global crisis on your hands. So, they are incredibly difficult to build and to build well.

If we were in a situation where somebody had come to me and said X country, whether it is Italy or Spain or the Netherlands or Japan, is going to build them for Taiwan. All you need to do is put an American flag sticker on it and we are good to go. I would almost understand it. But we were going to have to do a whole lot of mixing and matching, which to me was entirely too expensive, time consuming, and difficult to do right. Again, one of the things I learned in my career is don't pretend you are professional military unless you are. I learned in Korea if you are not a tank driver, don't tell a tank driver what a tank can do. But what I got from the folks I talked to in the Navy – and we need to realize that the U.S. nuclear Navy was not enthusiastic about this – is that if you have a surface fleet and a sub-surface fleet, you essentially have two navies. You have entirely different staffing.

I have a nephew who was in the nuclear navy for 20+ years. He never had been on a surface ship. Not unless he was taking his kids out to look at one in the harbor. He was never assigned to one. He was always assigned to a submarine. Your surface officers and your surface sailors are never assigned to a submarine. You have to have two staffing patterns. You have to have two sets of people who have very different skills. You have to have two completely separate logistics chains. And logistics hurt. That is where the money is. You have to have two entirely different sets of weapons and designers. The people who design and build and take care of your submarines had nothing to do with your surface fleet.

Now if you have a military the size of the United States, that's OK. If you have a military the size of Taiwan with the kind of threat they face, you really have to ask seriously, "If I only have two or four or even six submarines, is that money well spent? Is that staff well used, or would we be better off simply having a greater more capable surface fleet that can fire on submarines and fire depth charges and do sonar and whatnot?" I am and have been of the opinion that, if this was simply a gesture to Taiwan, then as a gesture it was fine. But, as a reality it was to my mind, money down a rat hole. There may be a more polite way to say that, but that is my opinion.

Q: Were there any other missions that Taiwan might have for a submarine other than theoretically protecting itself against the Chinese attack because realistically they could have all the submarines they want; they could never really defend. I mean in other words defense against pirates, defense against drug traffickers.

KEEGAN: The only thing that I understand, and again I am not a sailor, the only thing that I understand that a submarine does for you is that if the PRC, if Beijing is looking at launching an invasion fleet, if they can't see the submarines and they don't know where they are, that is an enormous danger and uncertainty that they have to account for. That is

really what it does. Now whether or not the Taiwan Strait is the place for that approach I don't know, but that is what it is about as far as I can tell.

I was on the desk for three years. We never really made headway on that. Taiwan really wanted it. Whether or not Taiwan would have spent the money on that, I don't know. We never got to that point. If nothing else, the Bush administration was giving an unequivocal signal to Taiwan that we loved them; we cared about them; we were worried about their safety. Not a bad thing to do.

Fast forward to 2018 and the U.S. has announced about four weeks ago that we are willing to issue licenses to U.S. companies to market submarine technologies to Taiwan. It is an interesting situation because there are two stages. Stage number one, you allow them to market. Companies can go to Taiwan and say, "Here is what we can do for you. Here is what we can do, and here is what it would cost if we can do it." If Taiwan says, "Yep," and the two sides get to a point where they think they have a deal, then they have to come back to the U.S. government and ask, "Will you allow us, not to market, but to actually sell the stuff?"

I am still not convinced it is good. But we did do a lot of other stuff that made a lot of sense in terms of hardening and in terms of equipment. And we very quietly provided Taiwan through AIT's military retirees some very high-quality expertise. In the early days right after the 1982 arms sales communique we had a hands-off policy. Our initial attitude was, "We will give you things, but it is up to you to use it." If that approach ever worked, it stopped working when we sold them F-16s. Because being able to fly an F-16 from point A to point B, take off and land safely requires a lot of training. Being able to maintain it, fly it in combat, and prevail is amazingly difficult and complex so we had been training their pilots and technicians. They had been training at Luke Air Force Base, and to all accounts our people were very impressed. At one point one of them said, "You know, if we need an F-16 maintained, I will take that guy from Taiwan. He is my crew chief, OK. He is good."

We were going beyond how do you use the equipment to how do you defend? How do you fight? What are your calculations? When you are war gaming, how do you do it? And getting some people over there who could really talk to them in very sophisticated terms and very senior terms. I went to one war game in their combat headquarters underground. I looked over at a very senior retiree from the U.S. military sitting with his head bent over and with six three-star and four-star generals from Taiwan having their heads bent over in a circle around him and they were all talking. Quite frankly I don't know what about. I may have gone over and listened for a minute, but I wouldn't understand it anyway. We were doing that kind of stuff. So, there was a lot of good stuff going on. But having said that, that is about what I can say on military sales and the point I wanted to make.

The next big topic for me is that Chen Shui-bian was very much aware that Lee Teng-hui had traveled to Cornell. He was very much aware that he needed to establish his legitimacy. He wanted to travel to those few countries where Taiwan still had diplomatic

relations. The question became, as it was for Lee Teng-hui before him, how do you get there? If you are going to Africa or Latin America, even if you are going to some places in the Pacific, your aircraft has to stop and refuel, and particularly if you are going to someplace in the Americas, the only sane place to make that stop is somewhere in the United States.

We actually went through the exercise of asking some people in the U.S. Air Force who flew special mission aircraft, “You know what Taiwan has in its commercial fleet. Do they have a plane that could fly from Taiwan to this place in Latin America without refueling in the United States?” For one or two places they said, “Technically yes, but we wouldn’t fly it. It is just not safe. Don’t even ask us about in air refueling. You know that even for the most skilled pilots and air crews it is a highly risky operation.” Their short answer was that President Chen needed to land in the United States. There were a variety of places where he could land, but none of them were small. You are talking about Los Angeles, San Diego, Houston, Miami, places like that. For certain types of flights it might make more sense to land on the West Coast and then land again on either the Gulf or the East coast.

Chen Shui-bian, the new president, was very conscious that Lee Teng-hui had been humiliated on one of his transit trips in Hawaii when he had said, “I won’t go sit in an abandoned transit lounge to enable refueling, I will sit on the aircraft.” He did this because he had been refused contact with local Taiwan dignitaries. They weren’t even allowed on the plane. The incoming Republican administration was equally conscious of that precedent, and it didn’t want to send the signal to Taiwan that we disrespected the president it had elected democratically. So, they began talking about the “safety, convenience, and dignity” of the traveler. The Taiwan president, even if we don’t officially recognize him as a president of a country, he is entitled to a transit through the United States that is convenient, that is safe, and that shows him the respect that from our point of view he has earned due to his being elected democratically.

So, Chen decided in the summer of 2001 to test those limits. He asked to transit the U.S. en route to Latin America, and he actually asked to go through three cities. Two of which made sense, one of which did not. Los Angeles, Houston, and New York. New York doesn’t get you anywhere closer to Latin America, but it has a large, boisterous, and rich Taiwanese community that would probably support Chen in his future reelection campaign. They wanted to see their democratically elected president. So, after prolonged negotiations, we agreed to allow Chen to go through New York City even though it was not functionally required. We and Taiwan agreed that he would not have public events with the Taiwan community, but he could have private events. We said that, as in previous transits, the Taiwan visitor would be met by the Chairman of the American Institute in Taiwan, which remember is a corporation in the United States, so its chairman was in the United States.

At that point in the first year or two of the Bush administration the AIT Chairman was still a Democratic hold over, Richard Bush. He had been a Congressional staffer. Subsequently he had a job with the National Intelligence Council. In this case he was

assigned as greeter and escort. As Chen was going about New York, and we negotiated exactly what his itinerary would be, and then the private dinner with Taiwan people in New York, which we had agreed to, turned out to be in a ballroom with several hundred people. Chen's staff said it would be impossible to keep the Taiwan media out as they had originally agreed to do. What had been promised to be private became raucously public. So, this hold-over from the Clinton Administration got stuck in the middle. He is now Director of the Center for Northeast Asian Policy Studies (CNAPS) of the [Brookings Institution](#). You couldn't have asked for anybody any better. He knew Taiwan very well, and he was familiar to the people involved. Had good Chinese and so forth.

He had the thankless job of accompanying Chen and trying to make sure that Chen and his entourage honored the agreements that we had reached for a variety of reasons. You can read this either way, either they were inexperienced and weren't really in control or they had no intention of following limits, and I think it may have morphed from one to the other. So, Richard was accompanying them and is periodically calling back to me because I was on the Taiwan desk and his point of contact in the State Department and saying, "Dave, we need to get a policy decision, and we need to get it fast. Here is what I see is going to happen. What is the response from the powers that be?" The answer was that there was very little stomach at that point for putting any curbs on this newly elected president of Taiwan.

Q: It is June 14, 2018, and we are resuming our interview with David Keegan in the State Department in charge of Taiwan affairs.

KEEGAN: In the summer of 2001, I was the Policy Advisor on the Taiwan Coordination Staff of the Bureau of East Asian and Pacific Affairs, otherwise known as the director of the Taiwan Desk. There are all sorts of good policy reasons why we had used that unusual title but in functional terms I was the desk director. So, as we were saying last time, Chen Shui-bian was making this transit of the United States and New York City in particular, and his team were doing everything they could to expand this from a transit with private events for a little bit of relaxation en route into a full-scale public visit. Richard Bush was the Chairman at that time of the American Institute in Taiwan, operating out of its Washington headquarters, and he had been designated to escort Chen, provide guidance, and make sure he stuck to our agreements, which Chen was not doing. He was calling me and saying, "Here is what we agreed on, which I knew. Here is what they are doing. Here is what they tell me that they are going to do, but here is what I think they are actually going to do. I need somebody with more muscle than I have got, so help me out. Would you shake the trees down there in Washington?" And so I was then passing the potatoes and trying to get someone at a senior level to weigh in.

We had some degree of sympathy from the Republican leadership, but they also felt some degree of tolerance for what Chen was doing, feeling that, "This is the first democratically elected president in Taiwan. Let's give him a little bit of room." Unfortunately, we know where that little bit of rope often leads. We did allow Chen that extra bit of room and more, and let me add Richard was a Democrat. He was a

Democratic appointee who was kept on by the Republicans. He was kept on by the Republicans for a frighteningly boring reason, which is he knew the issues inside and out. He was very good and very reliable, and he was very easy to deal with. Rich Armitage and Jim Kelly said, "Let's keep him. So, they did. But the Taiwan side looked at a Democratic enforcer in a Republican administration and said, "Maybe we don't have to take this too seriously." They were wrong because I think Rich Armitage and Kelly and others took him very seriously. Taiwan's handling of this transit was one factor, which led to a growing distrust within the U.S. government, including in the Republican administration and among Taiwan's friends in the United States, of what Taiwan might do. That mattered because the U.S. government was providing essential support for Taiwan and doing it in a low-key way that would not increase tensions across the Taiwan Strait with China.

To me, this was an unnecessary tragedy. It was a tragedy that I ascribe in part to the eagerness of DPP and Chen to make clear to the people of Taiwan that they were going to be different. They were going to give Taiwan a higher profile than the Republic of China had been subjected to. And it was a tragedy also because they did not have experience in office, and they did not have a trusting relationship with the experienced bureaucrats in Taipei who could have told them, "Hey, don't take three steps forward. Take a half step forward this time." It was inexperience this time leading to overreach.

Chen made a second transit in October 2003, which exacerbated the problem, and I will just leave it at that. In September 2002, we received a request for Chen's wife, Wu Shu-chen, to be allowed to visit the United States. She was not requesting to make a transit but to make a visit. She would say hello to the DPP supporters. Remember she had been the one who had been injured in a car accident while he had been out thanking his supporters after losing an election in Taiwan. However it happened, it was considered to be a demonstration of the nasty KMT going after her, and therefore going after the DPP. So, she was a figure who elicited tremendous sympathy among Taiwan supporters in the United States. She was also a person of tremendous steel and also, it subsequently became clear, tremendous cupidity. Which is not part of this issue but we can talk about it if you are interested.

We essentially decided that, unlike the president of the Republic of China, she did not embody sovereignty. Therefore, she was not subject to the same type of rules on official treatment that had been fundamental to our relations with Beijing and to our agreement with Beijing as a condition of establishing official diplomatic relations. Once again AIT was the representative. This time it was the managing director of AIT, Barbara Schrage. Richard Bush was the Chairman. Barbara Schrage was the Managing Director, a retired foreign service officer. She was made the escort for Mrs. Chen. It was very much a festival of pro-Taiwanese sentiment in the United States. Most of it went fairly well. Barbara was on the road out there, and I would be getting phone calls back from her saying, "Here is what is going on. Here is what we are doing next."

We had one incident that probably colored everyone's perception of the trip as such incidents can do. This is a woman who is paraplegic. She is in a wheelchair, and she had

a woman with her who always helped her out when her husband was not there and pushed the wheelchair and all of that. Everything was going fine, and then she was leaving Washington DC. She would go to, I believe, Los Angeles, but don't hold me to that, through Dulles Airport. It was lunch time, and I got a phone call, not from Barbara Schrage but from C.J. Chen who was the Representative who headed the Taipei Economic and Cultural Representative Office (TECRO) in Washington. This was Taiwan's organization in the United States. He said, "Dave, we have got a problem. I called the Assistant Secretary (Jim Kelly) and I called the Deputy Secretary (Rich Armitage). Nobody is answering the phone." I thought, "It is 12:45. They, not metaphorically, are out to lunch." He said, "Well they are telling us that Madame Wu cannot go through the normal security gate because she is in a wheelchair, and that she has to be inspected with one of those wands, and this is an unacceptable affront for the first lady of a sovereign country, and you have to do something about it."

The long and the short of it was that the only way she got on her flight was to accept that treatment. I can appreciate both sides of this. You have to remember we are in 2002. This is a year after 9/11. Airport security won out over everything, and TSA was new and adamant. Going into it, it would have probably taken the National Security Council to weigh in to stop this, and in the time frame available that was not going to happen We could apologize, and we did apologize profusely. Everybody was pretty upset. I don't think our apologies were heard as we had hoped they might be. You know you could say the TSA reps were stupid. Well maybe, but you have to remember the environment in which they were operating.

They could have stopped and said, "OK, we won't inspect her. We will wait for instructions, but we are not going to stop the plane so, if you want to wait until we get a different answer, you can do that, but the plane is taking off for Los Angeles or wherever it is." Just as Taiwan's mishandling of the Chen Shui-bian's transit created distrust on our side, the handling of this created distrust on the Taiwan side toward the U.S. Now, those were incidents, unimportant in a way. What did they mean? What I think they meant, and there are those who would disagree, and I know many more would like to disagree, but the way in which the U.S. handled these two visits announced to Beijing, to Mainland China, that the U.S. would no longer honor its commitment to treat the PRC as the only legal government of China. It appeared that we were willing to treat Taiwan officials as leaders of a state by giving them more access to the United States coming on the heels of Lee Teng-hui's visit in 1995. This is 2001, 2002, 2003. Beijing, I think, drew from this transit and this visit the conclusion that the commitment they thought they had from us did not apply in the way they thought it did. China has its understanding of its historic place, and they consider it to be a historic fact that China must be unified to be legitimate. This means that the unification of Taiwan is simply the most important issue on the table.

Q: Could we not have said at the moment that we have a one China policy which means that Taiwan is part of China, however, other parts of China have governors and when those governors come to the U.S. we give them this treatment. It is not a different kind of treatment that we would give to a regional provincial authority of China, so in essence we

really aren't giving particularly special state level treatment, we are giving the same level of treatment we would give to any authority of a provincial government?

KEEGAN: Let me tell you the answer to that. If you have the governor of Guangzhou or the mayor of Shanghai or the party secretary of either place, who is more important than the governor or mayor, visiting the United States, we would give them certain honors. We would do that with the flag of the People's Republic of China flying, and so we would say their presence in the United States is a reaffirmation of our commitment to respect the nation of China.

When a president from Taiwan whether it is Lee Teng-hui or Chen Shui-bian, or the first lady of Taiwan Wu Shu-chen comes to the United States, whether it is a transit or a visit, that distinction may blur as it did in the case of Chen in New York. We are essentially saying to the leaders in Beijing, "We are giving these honors to an organization that claims not to be part of China as you understand it, so that organization is directly undermining your understanding of your sovereignty and your national unity and in a place where sovereignty and national unity in your terms is essential to your legitimacy and is not a peripheral issue." I have a high degree of confidence that from the Chinese point of view I am understating the case.

This then weakens Beijing's perception of the U.S. support for a one China policy including the fundamental idea that we would not recognize the Republic of China on Taiwan as a state. This then calls into question in China's mind any trust of the United States on this or other commitments. From their point of view is the central commitment. If you can't trust someone's central commitment, then you can't trust their other commitments. So, when you talk about, and we can, China's incremental efforts to chip away at or even re-shape the international order authored by the United States, I think that we are seeing one consequence of this distrust. Their reaction is, "If the international order is authored by, endorsed by, and led by people who handle the cross-Strait China-Taiwan relationship in this way, and it is clear we can't trust them on that, then why should we trust them on anything else?"

What I would like to do now is talk about a couple of other issues. They may be a little bit out of sequence. I was looking over my notes this morning, and I realized that I think I skipped something. That is in the winter of 2002-2003, but it really pops up to our attention in the spring of 2003. There were some travelers from South China to Vancouver who got sick. It was discovered by Canadian authorities that they had a disease, which people may have known about before, but the people who knew about it before were experts in the World Health Organization (WHO) and organizations like that. It was called SARS, Sudden Acute Respiratory Syndrome, which it turned out is a disease which is carried by, which is transmitted by, contact with certain animals and humans.

I just read today as I was looking this up. Apparently within this last year they have traced it all the way back to a certain kind of bat in a certain cave in Wuhan Province. I don't know how they do it. Guangzhou, which is where this disease was being

transmitted from animals to humans in open air markets, food markets in Guangzhou City in Guangdong Province, 125 miles north of Hong Kong. Guangzhou, fairly or unfairly, is known for having the most diverse animal food market in the world. They will sell things to eat that no place else will, pangolins, and certain parts of bears and deer, and other things that you can't buy anywhere else, and if you did you wouldn't eat them. And the sanitary conditions were practically nonexistent. So, it was tracked back to there.

The first problem was that the Chinese authorities, when they were informed about this, whether they did anything about it, they refused to share what they were doing or what they were learning about the disease with health authorities across China, much less with international health authorities. Normally what happens when a disease is discovered is that the people who find it will inform their national health authorities, who will immediately by the fastest means possible inform at least the World Health Organization (WHO). The World Health Organization will respond, "Here is our file on this. This is what we know about this disease. This is what people have done, maybe some place you have never heard of, to treat this disease. This is what has worked. This is what hasn't worked. Do you need help? How much help do you need? Can we send experts in; can we send materials in; can we send drugs in?" When you look at Ebola in Africa, that same process happened.

China wasn't providing the information to enable the World Health Organization to respond, and they weren't welcoming the World Health Organization to come in. The World Health Organization at a certain point said, "Look, you are not providing information. Maybe you don't have the technical skills or the personnel. We can send people and do this for you. We do care about you, but we also care about everybody else." So, months went by with people getting sick in Canada, Hong Kong, Vietnam, and Taiwan who were coming out of southern China, or being infected by people who came out of southern China. Eventually the Chinese did relent and began sharing information. Eventually they were pretty forthcoming about it. To their credit, subsequent to that, they realized they did not need that kind of humiliation again, and they have gotten very good at it. [Note: this was said before COVID-19.]

Q: So, it was a question of face to a large extent.

KEEGAN: It was a question of face, and it was a question of control. Face was absolutely central, and the need for control only makes it more difficult to handle. The World Health Organization kicked in, and Taiwan was beginning to see cases. The mortality rate was quite high. Taiwan had 260-300 cases and about 40 people died. It had a fairly high mortality rate. Everybody was trying to get information. Everybody was trying to get help. So, Taiwan went to the World Health Organization and said, "What do you know? What do we do? The WHO responded, "We have to go ask Beijing because Beijing won't allow us to talk to you. They are a member of the UN; they are a member of the WHO and, since you are a part of China in their eyes, any information we give you must go through Beijing." Beijing says to Taiwan, "We are too busy."

At that point our colleagues out in AIT Taipei under its Director, Doug Paal, have been shooting the information back to us in DC, especially through our science attaché, Erica Thomas, who subsequently did very good work in Beijing. They were in the health ministry; they were in hospitals. As a result of their work, we were seeing it in the press, but we were also hearing it from them. They basically persuaded the CDC; persuaded is the wrong word. They contacted the CDC and said, “Can you help?” The CDC first said, “Go to the WHO.” AIT said basically, “They told us that they would love to help, but they can’t.” The CDC said, “This needs to be negotiated out. But while it is being negotiated out, we have people on a plane coming your way.” So, the CDC essentially provided Taiwan the assistance that the WHO would otherwise have provided and more. So, any time the WHO told the CDC here in the U.S. anything about SARS, it was about 45 seconds later they were on the phone with our colleagues in Taipei, who did just a great job, and with the Health Ministry in Taiwan, who were also heroic.

You know it was a remarkable reminder. I remember the director and the deputy director, Pam Slutz, so it was Doug Paal and Pam Slutz went into the Ministry of Health at one point. They were being a little resistant about allowing access to a particular hospital or something. They basically sat down and shared reality as they and we saw it. They played a major role and that is exactly what diplomacy ought to be about, and what their face-to-face interactions were about. They did a great job. I remember at one point that it was coming to lunch time and, like any good desk director, I am going out to lunch at 1:30 or 2:00 pm in the afternoon. At that point everybody is back from lunch and you can breathe for a few minutes and have some lunch. I am about to walk out of my office and the phone rings. I answered it, which was a mistake, but I did. It was Erica Thomas, our science attaché from AIT Taipei. I said, “It is 1:30 in the afternoon. That means it is 1:30 in the morning. What is keeping you up?” If she was awake at 1:30 in the morning, I wasn’t going to like what she was going to say. I will be honest I don’t even remember what it was. The fact that she was on the phone at 1:30 am to Washington was simply typical. Anyway, it was just a reminder of what that kind of organization can do. We helped Taiwan to get SARS under control. About two years later we were going to confront something called avian influenza.

Q: Oh right. Of course.

KEEGAN: And coming out of the same places, the same food markets.

Q: That is remarkable.

KEEGAN: It is a different disease. But all the vectors are the same, so the way that Taipei reacted, and the way our community reacted, was very heavily informed by SARS, which killed a lot of people. From what we were reading of this H1N1, the fatality rate there was equally high. What were we doing? We will talk about that probably next time when I talk about what we did while I was in Taiwan. Just a few more things I would like to mention here.

As the Taiwan desk director I was constantly working with AIT Washington, Richard Bush and Barbara Shrage, who were very much involved in coordinating with Taiwan in DC. Taiwan does not have an embassy in DC. It has a representative organization. A Taipei Economic and Cultural Representative Office or TECRO. While I was there it was headed by a guy named C.J. Chen, and C.J. Chen was one of those very experienced Taiwan diplomats. He spoke excellent English, worked the Congress, did all of those sorts of things, and had instant access, but he did not have the personal title of ambassador. He was very conscious, as the Taiwan diplomats all were, that they were considered a half step down. His deputy was a guy named Shen Lyu-shun, who later became head of TECRO. He left two years ago which was probably 2014-2016.

C.J. and Lyu-shun were, like Chen Shui-bian had been, constantly trying to figure out how they could push the envelope to get a little bit more access, a little bit more face, a little bit more formality in the relationship, and they focused very intently on building relationships with Congress. Their congressional liaison office was probably the best in town. Shen Lyu-shun had been the director of TECRO's congressional office before he became deputy representative, and, like everyone at TECRO, he worked hard to improve relations with the Chinese community in DC and in the U.S. Interestingly, they have always had a problem with the Taiwanese community. Even when Chen was president the Chinese community, especially that part that identified itself as a Taiwanese community, had a distrust of the government and of the government bureaucracy.

The DPP had established in Washington its separate representative office that represented the party's interest. Even when the DPP was running government, they had their own separate voice here, and that voice was then the people who stayed in touch with the Taiwanese community. So, every year the Taiwanese community would have a Thanksgiving event, to which TECRO would sometimes send a representative, but it was a very tense stand-offish relationship. They would always invite some senior U.S. person to give one of the keynote speeches at their Thanksgiving gala, which was always interesting to negotiate because everyone was conscious that if you spoke at that gala you would be noticed in Beijing.

After I came back from Taipei and retired, they asked me to represent and speak on behalf of the U.S. government. The head of the DPP office was and remains Mike Fonte. Mike at one point had trained to be a Maryknoll missionary in Taiwan. He had very good Taiwanese, but he did not learn Chinese. He is now learning it. Mike is not ethnic Chinese or Taiwanese obviously, but he is one of these people that for a white guy he is awfully close to having the sensibilities of an ethnic. Very savvy and very balanced. So, I was invited to give this speech at the gala, and I said, "No skin off my nose." And I told them the truth. I said,

Realize your greatest friend is the U.S. government. Realize your greatest friend is going to be a lot more cautious than you would like us to be. We are not going to recognize Taiwan as a republic. We are not going to establish a Taiwan Republic of China embassy. There are reasons that you don't like this approach, but that you have to understand why we are doing this. If you want to know where

my heart is, that is one issue, but if you want to know where my head is, it is protecting my heart.

Afterwards, there was a Q&A session, and I got some harsh questions. There was enough interest that, after the gala was over, they found a small room for anyone who wanted to ask more questions. I remember I was getting a few more of these harsh, even accusatory, questions, and Mike Fonte leaned forward and said, “Can I just point out that Dave has been working on this for a long time and has been a good guy. He is on our side on a lot of things, so just listen to what he is saying. Even if you don’t like it, just listen.” That is where that DPP rep and that organization has always been. Maybe one way to put it is that they have been telling the truth to far off friends.

Let me add a brief comment about TECRO and 9/11. There was a premier of Taiwan who was on a business trip outside of Washington just before 9/11. On September 10, 2001 he lands in Honolulu and is planning to fly back on 9/11 to Taipei.

Q: Oh dear.

KEEGAN: I don’t remember what the details were, but he was not going to Taiwan, and no one was quite sure when he was going to Taiwan because the U.S. airspace was closed. The Taiwan media were going after the Prime Minister saying, “Oh he is having a holiday on the beach in Waikiki.” The answer was he was stuck. Yellow journalism would not be a totally inaccurate characterization, and I apologize to my colleagues in the Taiwan media, but yellow journalism does apply here.

The premier was just stuck, and TECRO was calling me and in fact at one point the Deputy Representative from TECRO, Shen Lyu-shun, called me. He woke me up in the middle of the night, 2:00 am, something like that, saying, “You have got to help us out. You have got to let the premier’s plane fly. You have got to let us bring a special mission aircraft in. He is really in trouble.” I finally said to Shen, “Look, the people who are really in trouble are the people who are in the Pentagon, the people in Pennsylvania, and the people in the twin towers. They are really in trouble. I am not going to make a pitch for someone to get out of Hawaii a day or two earlier than they otherwise would. If any of your media want to call the State Department, I would be happy to talk to them.” To me it was a reminder of the pressure that they were under because of this perception that if he had been the prime minister of China would he have been allowed to leave.

Q: Today is June 20, 2018, and we are resuming our interview with David Keegan.

KEEGAN: The last time we met I was talking about the policy issues that came up while I was serving as Director of Taiwan Affairs in the State Department. I want to talk a little bit more about some of the management issues, and that is going to segue into my time as deputy director in Taipei itself, which is what we talk about next. I am going to start with a story and, if it is repetitious, we will edit it out later. Every morning, I would usually get

an email from my director or deputy director in Taipei, my working counterparts. We used to have official-informal cables. Now they are emails.

Q: And he is emailing you tomorrow.

KEEGAN: Yeah, he is emailing me from somewhere between 6:00 and 8:00 pm on the day I am about to start. So, he is literally 12 hours ahead, which if you have to design a way to get maximum efficiency that is it. One of us was just wrapping their day as the other one was beginning theirs. These informal exchanges were a way to share ideas and requests for assistance, often ending with, "What do you think? Get back to me in the morning." It worked perfectly. One morning I arrived at work to find that the deputy director in Taipei, Steve Young, had sent me an email, which said, "One of our ELOs (Entry-level Officers) just found out that the personnel bureau has taken him off the list to be considered for tenure."

Q: Woah.

KEEGAN: Yeah, that was his reaction. So, this ELO called his Career Development Officer (CDO) and said, "I thought I was going to be on the list. Why am I not on the list to be considered for tenure?" His CDO looked up the file and said, "Well according to our records you resigned so your personnel file is now in storage in Beltsville." This is all a legacy of the creation of AIT, when it was supposed to be a nongovernmental organization, and therefore the Congress stipulated that people going out to AIT would resign from U.S. government service, and the State Department had interpreted that as a pro forma resignation. You would retain normal benefits. I think I mentioned this when I was talking about going to language school in Taipei a couple of sessions ago. Anyway, in this case the personnel system had seen the word, "resignation," but had not looked at the footnote.

Our deputy director in Taipei said, "Could you help us out?" As soon as I finished reading this, I walked across the hall, because the Taiwan desk is right across the hall from the EAP management office. I went into the personnel folks, who were just wonderful people, very nice people and very efficient. I told them the story. One of them picked up the phone and called the central personnel office and said, "Hi, we have this name for this issue. What is going on?" You could hear faces turning purple over the phone. This went on for a few minutes while I was standing there. She hangs up the phone and says, "OK, I have talked to personnel. You need to go back to your office and don't do anything. Just don't do anything. I will be with you as soon as I can." Several hours later, I imagine three hours later – it may have been more or less than that – she came into my office and closed the door and said, "His personnel file is in his CDO's office or will be shortly, and he is on the list for tenure consideration. Please don't ask how it happened."

As I interpreted your gesture, I had exactly the same reaction which is, if you solve a problem like that, I don't need an explanation. All I need to do is say, "Thank you." This incident had a lot of impacts. While I was on the Taiwan staff as director, I went to the

deputy and director's front office meetings in EAP. The next one was on a Friday, which meant that per EAP custom, the EAP senior staffers could attend, so we would get the EAP staffer from P, the Under Secretary for Political Affairs. We would get the EAP staffer from D, the Deputy Secretary, at that point, Rich Armitage. We would get the EAP staffer from DRL, the Bureau of Democracy, Human Rights, and Labor, and others. The idea was that Wednesday we would meet in the house. On Friday we meet with others, and that usually included the chair of the regional studies office in FSI, the Foreign Service Institute. The idea was that all of the office directors, and deputy secretaries, and assistant secretaries should go around the horn and say what was going on. That Friday, it came around to me and I described what happened. I said this is appalling and this is unacceptable. The guy who was the staffer for Rich Armitage came up to me afterwards and said, "Dave, anything I can do to help just let me know." One of the smarter things I did during that tenure was to say, "you know it would be really helpful if the Deputy Secretary was pissed." 45 minutes later my phone rang. It was the D staffer on the phone. He told me, "The deputy secretary is pissed. He wants it fixed, and he wants it fixed now." Thank you very much. I worked with the EAP lawyers in Legal Affairs to figure out what we could do. Very quickly it was clear that the only thing we could do was to revise the Taiwan Relations Act (TRA), which scared the living daylights out of everybody, because it is one of these things that once you open it a lot of people get very enthusiastic about other adds and deletes, any of which could enormously complicate our Taiwan policy and our China policy.

Q: Actually, also China, the People's Republic is going to know what is going on.

KEEGAN: Right. So, we worked with our colleagues in L. Jim Hergen and Mary Comfort. We worked with AIT Washington, worked with the front office of EAP, which was really worried, quite fairly, about opening this up. But, we finally came up with this solution. There was a State Department authorization bill. Everyone is familiar with the authorization bill for the Department of Defense (DOD). Because of the way they are structured, or their budget is structured they need an authorization. We don't get an authorization bill every year over here, essentially because we just don't need one. So, we approached congressional staff and said, "We have been dragging our heels on the State Department authorization bill for two or three years. Would you be willing to move one forward and add a line that essentially says that the only person who needs to be not a U.S. government employee is the chairman of AIT," and I will come back to that in just a minute. We proposed that all the rest of the people could be assigned to AIT in the regular way without resignation. We explained why, and then we went up and briefed House staff who poked and prodded and lifted the hood and did all of the things you would expect them to do to make sure this isn't going to blow up in ways we didn't anticipate.

One of the issues that came up was, "What about the PRC, The People's Republic of China? Are they going to know? How are they going to react? How are we going to explain this?" My take on this, and I think this prevailed, was that we have told the People's Republic of China that we have this unofficial relationship and we have this unofficial intermediary organization that is staffed with people from the State Department

and other U.S. government agencies. Some of these people who serve in AIT subsequently serve in mainland China. We had an economic section chief and a political section chief who I think went pretty directly from serving as AIT Taipei to serving in Beijing. This was not a headline to them.

If they asked why we were doing this, we would explain, "It is to take care of our people. It is a management issue. It is not a diplomatic issue, and in the long run it is in your interests and our interests, and Taiwan's interest that we have the best possible people at AIT Taipei because you want this from your point of view in Beijing. You want the smartest possible people in Taipei so that nothing screwy happens." We never got that challenge from China or its embassy in DC as far as I know.

Q: As a result of this, do the U.S. foreign service officers who go out to AIT go out on a diplomatic passport?

KEEGAN: No. They still go out on what we call a tourist passport, the blue passport. They are not going out as U.S. government officials who are on a diplomatic assignment overseas, which is how you get either a diplomatic or official passport. Again, we are trying to make the point that this is a management protection for our people. This is not a change in our political, economic, or strategic relationship with the other side. All of the symbolism is kept the same. For example, there may be an IT company, Microsoft or something like that, they may have a production facility in Taiwan. They may fly the American flag. I don't know if they do, but they might. The American school might fly the American flag. AIT did not. I was one of the people who felt strongly that we should not because this is a symbol. This decision not to require people assigned to Taiwan to go through a pro-forma resignation is not a symbol. This is protecting our people, which I felt obligated to do.

When I was out in Taipei a year or two later, all of the procedural steps were completed, and the Department officially stopped requiring the pro forma resignation. That change then had the subsequent corollary advantage that, since it was true for the State Department employees, it was also true for employees of other agencies. That meant, among other things, that we could change our approach when hiring people for our military assistance office and for our defense attaché office analog. We didn't have a defense attaché office because we did not have an attaché. AIT was not an embassy. With this change, we were able to hire active duty military officers, which meant that we had people who had a far better understanding of exactly what was going on in the U.S. military and DOD at the time. Again, what we were doing was increasing quality and therefore increasing the reliability, sophistication, and subtlety of our people working Taiwan issues, all of which was in Beijing's interest, Taipei's interest, and our interest.

That is one issue that concerns management. Let me mention the second issue which is also related to the peculiarity of AIT. AIT is not part of the State Department. It is not part of the U.S. government. I don't know how much you have suffered through this, but if you are now the DCM in Djakarta and you get to August, somebody in the EAP/EX (the EAP management office) is going to look at your embassy and your overall mission

and say, “Aha. You haven’t yet used one quarter of the budget we gave you for this fiscal year. OK, we have got this other place over here. I am making this up OK. In Kuala Lumpur maybe they had severe flooding. Maybe they had to manage an evacuation problem someplace nearby. Maybe some other post had three presidential visits. OK. They are not going to be able to cover their expenses for this fiscal year. We are going to shift over to Kuala Lumpur the money you have not yet spent, so everybody has been made whole. You don’t have that option in Taipei because AIT is not part of the State Department. AIT Washington and Taiwan are funded by a separate line item. It is, or at least it was, in the appropriation for State, the Department of Commerce and the Department of Justice. I think the State appropriation has now been separated out from the other two.

Q: OH, C, S, J.

KEEGAN: Commerce, State, Justice. Right. That is exactly what it was. So, that meant if we needed money or had extra money, the State Department couldn’t shift it around. The second thing that was peculiar about AIT was visa fees. As I understand it, whenever an overseas post accepts a visa application, be it immigrant or non-immigrant, whenever you issue a passport at post, there is a fee paid by the applicant. That fee goes into the U.S. treasury. It doesn’t go to your post account. It doesn’t go to the State account, it doesn’t go to the Department of Homeland Services (DHS). It goes straight into the U.S. Treasury or the general U.S. coffers. AIT, when I was there, was the exception, and it was for several years after. If somebody paid \$100 to apply for a non-immigrant visa at AIT it went into the AIT account, so when the visa issuance numbers went up our funding went up, and we were allowed to hold that money indefinitely. Now, that also meant that when visa numbers went down, we had problems.

Because the Congress knew about this, and they made adjustments in their line item appropriation to AIT. We also had because of this peculiarity if we had a Commerce Department office, a commercial attaché, they had to contribute to fund AIT’s operation. We had to assess them. But anyway, we had this visa fee, which meant that when visa issuance numbers were high, we could do all sorts of maintenance we had deferred when visas were in a lull. I was fortunate enough, and my management officer was fortunate enough, to be there when the visa numbers were quite high for a couple of years. So that then led to the issue of AIT’s office building. It was housed and still will be for another month or two located in a U.S. military assistance group command that had been established in the 1950s when the U.S. military was very active in Taiwan. And it was built on a rice paddy probably on a slab. It was built to last 3-5 years. That was 1950 something, and I was arriving in 2003, so it had been about 50 years. It was thrown up in a hurry to be used in a hurry. Nobody ever imagined that 50 years later we would still be in it.

Q: It is amazing that it lasted that long.

KEEGAN: I have no clue about how many millions of dollars we have poured into all sorts of interim fixes. When we get to the next part, I will tell you a story about what I

think is the funniest of all the interim fixes. But anyway. We, the desk, AIT Washington, and AIT Taipei approached the Overseas Buildings Office (OBO), which is the office of the State Department that built our facilities overseas and said, "We can't continue this. It is dangerous. My predecessor had asked, and we on the desk had supported, a request to the medical office to examine a rash of ailments that people who were working for us were having. It was concluded eventually that it probably wasn't the result of the building, but it easily could have been. We probably had lead paint in there like you wouldn't believe, and asbestos, and everything else that you would have done if you had been ordered to build this building in 1952 or 1953 and have it done in six months.

We approached OBO, and they said, You, AIT, are not State Department. You are not U.S. Government. You are not our problem. And besides that, we have a list of facilities that we are building and that we are planning to build over the next decade and you are not on the list. And, how are you going to pay for it because we are not going to pay for it because you are not part of the State Department. You are a separate corporation. Fortunately, Rich Armitage and Jim Kelly were strong supporters of AIT, and we had two very smart and supportive Deputy Assistant Secretaries overseeing China and Taiwan issues. The first was Darryl Johnson, who had previously been the Director of AIT Taipei, and the second was Don Keyser who may have been the smartest political officer ever to do China work, certainly, one of the best linguists, certainly one of the best writers, and one of the smartest. All of them were very supportive of us. They were all just what we needed to get this done. As a result, we managed to work our way on to the list of OBO construction projects.

Once we did, OBO wanted to know exactly how much we had in visa fees. They wanted to offset their costs. Every dollar they could get from our visa fees would mean that much more work they could do on our building or somebody else's building. I get that. So that was all the interesting parts of this, and it meant that the last six to nine months that I was on the desk and subsequently when I went out to Taipei, we were authorized to go out and begin exploring alternate properties, looking for another place to build AIT Taipei. We were fortunate in that the Taiwan authorities clearly understood that having good facilities for us was in their strategic interest. So, they were very supportive.

However, they were also dealing with a city that was booming. Real estate prices going up and the properties over which they might have control were limited or out of the way. For example, one of the properties they asked us to consider was the campus that the American School in Taipei (TAS) had just moved out of. They had a fairly large campus, basically K-12. One of the major reasons they moved out of the campus was it was right on the banks of the Keelung River, and it would flood when you got the monsoon rains as you would every year, every summer. When our older son, and this was back when I was a language student in '87-'88, when our kindergarten son was starting at the American School we were going to meet his teacher. He told us that they were starting a new year so they were taking all of our equipment off the top of the cabinets because when they left in May or June they put all of these things that might be damaged by a flood up as high as they could in order to protect as many as possible."

Q: Wow, it could get that high potentially?

KEEGAN: They had to assume that. It was a two-floor building, the old style two floor building with outside corridors, so the school library was on the second floor, and lots of things were on the second floor. The cafeteria was on the first floor because at a certain point that space was less costly to repair after a flood. But Taiwan said, "Would you consider that property?" You can imagine our going to OBO and saying, "So they want us to build on a flood plain."

Q: And basically, in order to really have a building that would be suitable it would have to be torn down and rebuilt because you couldn't go into it.

KEEGAN: Exactly. They would give us the property and we would level everything. One of the advantages to it would have been that we would have had set back. It was large enough that we could build a facility, and even build residences, and still have the necessary security setbacks, and remember this is just two years after 9/11. Setbacks were a big deal. That is the point when we put up all the bollards and cement flower boxes around the Main State building and closed 21st and 23rd streets. We closed C Street right about then.

Because of the flood issue, the American School property was written off. So, it was at that point I am winding down as Taiwan desk director and am bidding on my upcoming assignment. I bid on AIT deputy director knowing that I was not at grade. It was an OC slot, and I was an 0-1. But with some support, for which I am very grateful, from EAP and others at State I was assigned there. If you are going to go to some place as DCM, there are few better preparations than leaving the job of desk director a few weeks before. I know this has happened to a friend of mine on the Japan desk. It really does make life a lot easier. You walk into your place as DCM or deputy director and you sit down at your desk and your staff says, "Oh my God, this has just happened," and you respond, "Yeah we were talking about that three months ago, and here is how we thought we were going to work this out." Continuity. So, let me leave talking about my time as desk director and go straight into being Deputy Director at AIT.

TAIPEI

At EAP Don Keyser and my predecessor Pam Slutz in Taipei were key in my assignment. It is a reminder to me once again how important that corridor reputation and informal network is in getting jobs. And I was very enthusiastic about the job. It was in many ways a dream job. I was thinking this is my third or fourth time in Taiwan. I have been desk director. I have been a language student out in Taipei. Oh, by the way, before that happened, I was a graduate student out there, and now I am going out as deputy director. I felt like I could hardly have been more prepared for this assignment. Nonetheless it posed challenges for me, and it posed challenges for my family. I had stayed an extra year in Washington. I stayed a third year as desk director, which is unusual, but it enabled my younger son to graduate from Thomas Jefferson High School, which is a spectacularly good school. As I was getting ready to go to Taipei, he was getting ready to go to

Williams College in Massachusetts. My older son was in his senior year at Oberlin College out in Ohio.

Q: Two winners.

KEEGAN: The last thing I did was drive my younger son from Alexandria, Virginia, up to Williamstown in Massachusetts. Dropped him off and helped him settle into his dorm. Drove back to Virginia and parked the car. My bag was already packed, and it was either the next day or the day after that I flew off to Taipei. My wife stayed back in Washington until Christmas primarily to support our two sons in their transitions. But again, it is just a reminder of what the Foreign Service is all about. You go through that all the time.

Q: On the transition question, the only question that I had was how your family managed any stresses over separation.

KEEGAN: Yeah, I mean one of the things I am very grateful for in my life's timing was that this was our first assignment overseas where we hadn't brought our sons. It was a point in our lives. My mother had already died. My father was getting older. He was at that point still active enough to travel and come visit us. He visited us in Singapore. I am so grateful that we are in an era when those sorts of airline flights are readily available and when telephone call contact is easy and cheap. My wife and I had a day every week, I think it was Sunday, I can't remember. We had a three or four hour block on one day, and so we said to both our sons that we were going to try and call them or they could try to call us. Every week we could have what was basically an unlimited telephone conversation, which meant that we could stay in touch about things that were significant and things that weren't significant. Think about the folks who did this 50 years before us or even 25 years before us for whom those separations were much harder to bridge. It is not what it is now where you can do FaceTime, or Skype, or something like that. It was not quite that good, but it was a whole lot better than it had been. We were very grateful for that. It made a difference.

I arrived in Taipei. Yesterday, as I prepared for this part of our conversation, I was thinking about the notes I was going to write, and I had no idea what I would write. I discovered that the first thing that smacked me in the face was management. As difficult as the politics of Taipei was, the management of AIT Taipei was more difficult in some ways. I talked a little about this issue in reviewing my assignment as Policy Coordinator on the Taiwan Policy Coordination Staff, i.e. director on the Taiwan Desk, but it was much more immediate and pressing when I was in Taipei.

Q: Take one second and describe now how large it was, you know the basic things you had to manage.

KEEGAN: OK, let me start by noting we had two chains of command. We had one chain of command on the admin, finance, and personnel side. That at least in theory, and on finance, our chain really did go to AIT Washington.

Q: And that is part of the East Asia Pacific bureau.

KEEGAN: No, it is separate. I had one chain of command that went back to the Bureau of East Asian and Pacific Affairs (EAP) in the State Department just like every mission overseas. The deputy director at post and the desk director are tied together at the hip. The ambassador, or in my case the director, and the assistant secretary or deputy assistant secretary in the regional bureau are tied together at the hip. Still, everybody understood that periodically I would be talking to the DAS, or the director would be talking to the desk. So that is your standard arrangement, and we had that.

In addition, AIT is a corporation, incorporated in the District of Columbia, the only wholly owned subsidiary of the Department of State. It has a board of directors, and the directors are selected by the AIT chairman of the board in consultation with the East Asia Bureau. This board of directors is subject to the accounting rules of any corporation anywhere in DC. Its headquarters at least since the 1980's has been in Rosslyn Virginia, in part because it had a little bit of distance from Main State, but it still was on the Department shuttle bus route so people could move back and forth for meetings easily. It was, and in fact still is, in the building above the Rosslyn Metro Station. That was my other chain of command, so I was always going in two directions at once.

AIT Taipei was characterized by State as a medium-sized embassy. I would characterize it as a large-sized embassy. We had about 300 staff. In addition, we had a language school with anywhere from 20 to 40 students. Mostly USG, U.S. government employees. Occasionally other governments, the British, or the French, or the Australian, might send their people as paid students to our school simply because the alternative to them was Hong Kong where, particularly at that point, Mandarin Chinese was not the *lingua franca*. If you were going to language school at AIT Taipei, and you walked down the street you used your Mandarin because if you didn't you weren't going to go anywhere. The language school was called CLASS, Chinese Language and Area Studies School. Back to AIT overall, we had the main office in Taipei and a small secondary office down in Kaohsiung, which is a port down in the southern end of Taiwan and is one of the major freight container ports in East Asia. It would have been a consulate if we were an embassy, but we were not so it wasn't. That is essentially what I was moving into. It was a bit of a learning curve for me since, like most political officers, I hadn't managed large groups. A consular officer managing 100 people, if you are an 0-1 like I was, is probably not extraordinary. In fact, it is probably quite ordinary. But for a political officer the largest staff I have ever had I think was three. So, a hundredfold increase.

With that, I am going to talk first about management issues and then political and economic issues. Management to my mind is the inside baseball of the Department of State. Essential to our presence overseas, especially when the usual rules do not apply, and as I described earlier describing the change in the AIT assignment process, at AIT the usual rules didn't apply. I left Washington and arrived in Taipei in the middle of one of those small crises that bedevil our posts overseas otherwise known as housing and real estate. If you want to make people unhappy, talk about housing.

Before I left DC, I was told I was going to spend my first month in Taipei and maybe more than that living in a hotel room. I thought, “With a post that large, do I really need to be in a hotel room and have AIT pay for my hotel room?” The response from the AIT Taipei management team was, “Here are our alternatives, and none of them are good.” The backstory to this, I think, is interesting.

After the U.S. military withdrew from Taiwan when we broke relations on January 1, 1979, the military evacuated several large bases and housing compounds that they had used both to support their presence in Taiwan but also to support our activities in Southeast Asia and Vietnam. Taiwan was a major R&R location and a major supply and support facility. As a result, we had a lot of people there. And before that, when we still had an embassy, our ambassador lived in a small but really very elegant mansion on Chungshan North Road, the Fifth Avenue of Taipei, just a half mile or mile away from the President’s office building, which is centrally located. But, as part of our effort to demonstrate that we were breaking relations, when the last ambassador left that residence, we handed it back to Taiwan. I don’t remember, if I ever knew, all of the jockeying that went on. We and the Taiwan authority traded properties across Taipei and across Taiwan in the hope that it would all be a wash. We turned that residence back to Taiwan, and it was not until I was back in Taipei in the early 2000s that the building was used again for the first time. For decades it lay abandoned, on Taipei’s Fifth Avenue. Imagine you have an abandoned building with vines growing all over it near the Plaza Hotel in Manhattan. It was an awfully visible reminder of what had happened. Finally, in the early 2000’s Taipei turned it into an arts and cultural center. It had a small art style movie theater, coffee shops; they did a very nice job with it. But until then it lay abandoned.

Our director moved into a former U.S. admiral’s residence in about 1979. Let me give you a very little bit of Taipei geography. Taipei is a floodplain next to a river. In the 18 and 19th centuries a large part of what is now Taipei including where we built the office building, I told you about a few minutes ago had been rice paddies. They were really good rice paddies. I mean it was black soil. It was low. When the monsoons came, I mean it was everything you could ask for in rice paddies. Not necessarily the best place to build a city but that is what they had.

North of the river on the north side of town the floodplain continued a little bit and then there is a large mountain called Yangmingshan, a significant portion of which the U.S. military occupied for housing and support facilities. If you have ever been on a military base, you know you can drive to the military base and say just by looking, “Hello, I am in NCO housing. This is housing for the noncommissioned officers. Over here is captain through Lt. Colonel housing. Here is colonel housing, and there is general officer housing.” They had all of that up on this mountain. Some of that they sold off. Some of it went to AIT as we were getting started for our families. Our director took over the lovely house that had been the official residence of the most senior military officer in the island, an admiral. It had a swimming pool, lots of entertaining space, it had a beautiful view out toward the Strait of Taiwan and the hills; it was just gorgeous, and not too far away from that was NCO housing.

We put some of our junior staff and some of our language students in that NCO housing. Across the main road were the officer's quarters, which were basically mid-grade and upper grade officers, section chiefs and all of that. Beyond all of that was older NCO and enlisted housing, and we put our language school (CLASS) on that. So, all of that is up there. This is before I arrived. The only thing I will say is the language school was in these old duplexes that probably had been built in the 1960's. Not the best in the world, but they had a gorgeous view. They had a view at least as good as the director. So those of us who were going on to assignments where we would be in large bloated cities would come out between classes and look at the view and the green, and that is what you needed at that point.

The problem was the traffic up and down the mountain. This became over time a very attractive middle and upper middle-class housing area. It was out of the city's pollution. It was cooler, it was pretty, and it was green. There was one road up and that one road down, and the traffic became worse and worse. The director was spending more and more time in the car between home and office, and he said, "You know I don't want to do this." Doug Paal got there, and it took him about a month to say, "No, I am moving downtown. I don't care what I am moving into, but I am moving downtown." The only thing we could offer him downtown was old military housing, which we were otherwise in the process of moving out of. So, he ended up living there for at least nine months, if not a year. It is not housing that I would have voluntarily put any of our staff in, but he overruled us.

We were abandoning that one house, and my predecessor's house, because the years and years of deteriorating U.S. military construction plus flooding, and they had bad floods in the two or three years previous, plus Taiwan has some of the healthiest termites you have ever seen in your life. I am honored to say that I know what it feels like to have termites shed their wings and land on my head. The director was moving to a house we are just ready to abandon and saying to the rest of us, "Where is my new housing? Go find me something downtown." We were saying, "That poses an interesting funding challenge because we are going back to Washington saying we have a house up on the hill that had been occupied by the previous director, but the commute is growing impossible, so we are spending money to create a replacement director's house." A bit of a challenge. We managed it over time.

At the same time I was supposed to move into a house just like the house he had requisitioned but I am told that I cannot move into that house because they have just torn it apart. I was told that my predecessor when she left her residence said basically, "Nobody else is allowed in here." That is why I ended up in a hotel for a month. As a result, one of my first assignments is to find housing for myself and for the director.

We had good management folks who were working on it, but we had an overpriced Taipei housing market, and everyone was buying condos; they weren't renting them, and we could only rent. So, to my frustration it turned out to be easier to get a residence for myself than it was for the director. Our management property specialists basically took

me one day and said, "Here are three choices for you. They are all concrete shells because we are going to have to build an apartment into one of these concrete shells." They took me to one building. It was two blocks away from the Taipei city hall. It was I think four blocks away from the 101 Building which is a 101-story skyscraper, the tallest building in the world at that point. They said we can put you in here. I said, "In how many days?" they said "Likely six or seven weeks. We will show you one of the other apartments." I said, "This is OK, done. Get the carpenters. Go." So that worked out fairly quickly.

There are things you don't realize about deputy director/DCM and director/ambassador housing until you start dealing with it. Does it have representational space? Can you handle a reception? Does it have security? The place I was being moved into actually had security staff, I was told, hired from the presidential office building. When they retired, this place got them. Aside from having a large apartment, with a large living room area that could easily accommodate 60-80 people for a reception, this building had a floor of dining and entertaining rooms with options so you could have a sit-down dinner for 20. The management's attitude was, "Just give us three days notice." We actually hosted the president of Taiwan at Thanksgiving. For at least a decade and probably longer than that, the Director of AIT hosted the president of Taiwan for a Thanksgiving dinner. And since the Director was living in deteriorating military housing, I showed him this large dining room that my building had and said, "I think this will work." So, it was a nice enough building that we could host the president of Taiwan, and he was impressed, which was the whole point. So that was easily solved. Finding a residence for the Director was less easily solved, in part because we decided that he needed a commercial quality kitchen so that he could host dinners for anyone, and so we ended up finding a place eventually where we had to combine two apartments and build a commercial scale kitchen in there. Realize, I am a political officer, right, not a management officer

Q: I am thinking you basically become a contractor, a building contractor.

KEEGAN: Among other things. I remember a boss of mine when I was in Guangzhou, Mark Pratt. I talked about him several weeks ago. A very good political officer. He knew more about Chinese domestic politics than anybody I ever met. After he was made Consul General, he said, I was such a good political officer they made me an admin officer. But quite frankly I thought it was an interesting adjustment for me. I had good people and a really good management officer. OBO had assigned AIT a remarkable building management officer. They knew we were having such a problem keeping our old office building together. I mean if I had a nickel for every time we plastered a major crack in the wall or pumped water out of some place, I would own FSI at this point. In one of his previous lives, and he had several, our buildings management officer had been a professionally trained commercial chef. Had worked at Blair House. So, when we approached him and said the director wants a commercial kitchen he said, Really? I get to build a commercial kitchen?

Q: How many opportunities do you get like that?

KEEGAN: Right, and how many times as a management counselor or DCM/deputy director do you turn around and find somebody who just brings knowledge and enthusiasm to a project like that? I will tell you more later about his knowledge and enthusiasm on other things. So anyway, we dealt with that. Then we had to deal with the fact that the director was not the only person who was enduring a long commute. After the Taipei American school had moved off the floodplain, they moved into another plain tilted up to the foot of Yang Ming Mountain. In a place not in Shilin but in Tianmu. Remember I told you the old ambassador's residence was up Zhongshan North Road? Zhongshan North Road went from the center of the city literally due north across the river and up to the foot of Yangming Mountain and then up Yangming Mountain. So, it was a straight shot. And just as it was going out of the flood plain there was an increasingly swanky area of Tianmu. This was where a lot of people who had senior jobs for U.S. companies lived; this is where if you wanted to have a quorum for the U.S. Chamber of Commerce in Taipei, you would hold a meeting in Tianmu. You would get a quorum because they could walk to it. There were lots of nice apartment buildings going up, so a lot of our people were saying, "Wait a minute. We have our children in this American school. Can we move off the mountain and move down there so their kids have more attractions." It was a housing challenge to put it mildly. We actually ended up renting an entire building down there. It posed an enormous housing challenge and all the problems that go with it and a housing board. When I got there, they said to me, "Sir, do you want to be chairman of the housing board?"

Q: Wow on top of everything else.

KEEGAN: Right. I did what I normally do when somebody asks me that kind of question. I turn it around, "OK you are our management councilor. What is your opinion? Should I say yes, should I say no, what are the arguments?" Dave, who was my management counselor, said to me, "You know, we are better off as an institution if you are not on the housing board, because that way when the housing board makes a decision and people get upset, they have an appeal before they get to the director. I said that makes a lot of sense. So, we had to find a director of the housing board, which makes the housing assignments and deals with all of the complaints. The Foreign Agricultural Service Officer in Taipei, Scott Sindelar had already become head of the housing board, and who was really smart and very genial, and after a year and a half his tenure on the housing board expired. He had been on the housing board from the moment he arrived.

I pulled Scott into my office and said, "You are not leaving that job. I will be happy to write in absolutely glowing (and truthful) terms what a grand job you are doing. You will get tons of credit for this, but I really need you on that housing board." He agreed and did a phenomenal job. But again, there was a lot of turmoil because you had people up on the hill. In many ways the housing on the hill was lovely. Nice large houses with lots of play space, lots of yard, but the school bus ride and the commuting bus ride were not a lot of fun. Anyway, with other people living down in apartments who were much closer to the school so if they were playing on the baseball team it was a lot easier, but it was much more cramped. Significant numbers of people when assigned to one wanted the other.

The grass is always greener. That whole set of issues was in turmoil while I was there. I think by and large we handled it quite well. But that was just the beginning.

Let's talk next about a building in downtown Taipei that we had leased from, I believe, Taipei City. We had leased it probably when we were still an embassy, probably 30-40 years prior. It was designated as an historical landmark because it was one of the first real modern office buildings at that time. The entry was on a street corner. You went in and there was a sweeping staircase up to the second floor. When there was still an embassy in Taipei it housed our U.S. Information Agency section. When I arrived, it housed the media relations section, the cultural section, and one more thing that was even more important, the Fulbright office. Fulbright was incredibly important to us, both for people from Taiwan like teachers and everything we sent to the United States, and also for the Americans who came out either as scholars or teachers of English.

Every year we had a Fulbright reception there in a garden next to the building. The Deputy Director or the Director would host the reception to send off the Taiwan Fulbright Scholars and welcome the American Fulbright Scholars. I was there doing what you have to do there, working, saying hello to everybody and being gracious, and I recall talking to one of the young women. She said, "Oh yeah I am here and working on East Asia modern literature." I said, "That is great. Language is really important." She said, "Yeah but you (and she meant the Foreign Service) are not interested in me." I said, "Why not?" She said, "Well I have no political science background or no economic background." I said, "Tell me a little more." She said, "But I am fluent in Chinese and pretty close to being fluent in Japanese and Korean."

Q: Holy cow. Wow.

KEEGAN: I was like, "We need to talk. Are you aware that we will send you to these places, give you a bonus every year you are in these places because your language is so good, and by the way, you're near fluent in Korean and Japanese. We will send you to a year of language school." Her eyes were getting bigger and bigger. "You are our kind of people. So, think about us." But the other story of this building is that it was also the USIA library. Among the tragedies the U.S. government has imposed on our diplomatic presence overseas across the world, few in my mind exceed our closing libraries. It is just as if, because we had to save money, we cut off vital organs.

We did the same in Hong Kong. We had a library in Central which is the district on Victoria Island where everything happens. Literally if you were in Central you could literally walk from one end to the other end, through shopping malls without ever going outside which in a Hong Kong summer is exactly the right answer. If you did that you would walk right past the entrance to our library which meant that all the smart kids in Hong Kong were walking past our library every day. If that sounds good, we had it better in Taipei. Because this building was located halfway between two high schools within walking distance of both. One was the boy's elite high school, Jianguo. This was the Thomas Jefferson High School for boys. You had an exam entry. You had kids from Kaohsiung whose parents were paying relatives so that their kids could stay in Taipei all

week to go to this school. It was the best school for boys on the island. The girls' school was called Taipei Girls School Number One. Their uniform was green skirts, maybe black vests and white blouses. The boys had semi-military uniforms, Khaki slacks and a little hat. If you were from that boys or girls high school, people two blocks away would see your uniform and know you went to the best school in Taiwan.

The two schools were no more than seven blocks apart, within walking distance of each other. Our library was right in the middle. Also, at that time it was the only air-conditioned study space in the city. This is vital. So, we had American literature; we had American history. We had American college catalogues. We had counselors who would sit down and talk to students about American schools and what schools these bright students might want to apply to. Besides that, they got to flirt in an air-conditioned library. What is better than that?

I had an intern while I was director on the Taiwan desk. I think he was an intern; maybe he was a JO(junior officer). I apologize to whoever it is if I've gotten this detail wrong. He was clearly a Chinese American. His parents came to visit one day, and he was taking them around the State Department. He brought them to the Taiwan desk and introduced them to me. We are chatting. It turns out they are from Taipei. I know a little bit about Taipei. They said, we knew your library. " I said, "Oh yes it was the best library in the world because it was right between Jianguo, the boy's high school, and Taipei First Girls High School, and the boys and girls would hang out together and apply to U.S. colleges. They smiled sheepishly and said, Yes , that is what we did. That is where we met.

So, we were in this great old building, but we couldn't rehabilitate it because we didn't own it. This was another thing that is driving us to build a new building and move into it. So, until we could do that, we ended up moving the functional part of the Public Diplomacy office into what had been the cafeteria in our 1950s era office building. We closed down the cafeteria to squeeze them in. We left the Fulbright center and the English Language teaching center in this historic old building because nobody in Washington would pay us to do the basic functional work that we needed to do. Taipei was promising to restore it to its glory once they got their hands on it. I don't know if it did. I haven't been back. [Since this interview I have returned to Taipei and this building, and it has been restored and turned into a museum about the February 28,1947 incident.]

So we have got housing issues; we have got the old office building; we have got this old USIA building; we have got the language school, which despite its wonderful views is collapsing with mold and termites and everything else. We couldn't rehabilitate it because diplomatic security was saying you are going to have a new office building, and you are going to put the language school in there. Again, we are two years after 9/11.

We are doing all of that, and our consular section was an annex to this military assistance building. It was built so that you could step from the building out onto the sidewalk. It had zero set back. You open the door, step onto the curb, and then step down to the sidewalk. We were that far away. It also meant that if you had a line of applicants waiting to enter your consular section, and we did, we had enormous lines, or it was pouring rain

or 100 degrees in the shade. We had all of that. I am one of these people who believes that our consular section for many people is their first and strongest impression of the United States. How you treat them is how they understand the U.S. government. So, I mentioned the fact that visa fees were funding a good bit of AIT's budget. Demand for visas in Taiwan at this point was rapidly expanding, and we were getting more and more complaints because Taiwan does not have visa waiver.

Visa waiver is a program that says if you hold a certain kind of passport from a country that has a very low overstay rate on its nonimmigrant visas, then you don't need a visa at all. You take your passport. You can walk out of your plane at Dulles Airport and into immigration, and they say, "Oh you have a British Passport or a French passport." Notice I am mentioning European countries. "You don't need to spend the money on a visa, which is \$100 or more. You don't need to spend days applying, and picking it up, and getting it renewed. You just walk onto your flight to the U.S." Taiwan was saying, "Actually our visa refusal rate is about the right level. Why aren't we being considered? Is it because you need the money? Is it because we don't have official relations?"

We didn't want to do anything that damaged our relationship with the people on Taiwan, so we supported visa waiver, but on the other hand unless Taiwan got visa waiver we would continue to have long lines, and then we were going to have to spend money to improve the consular section. We had two very good consular Section chiefs while I was there. They ended up designing and opening a second consular section off site just to do the preliminary processing. They hired a company to do all the preliminary processing so that an applicant would get a visa appointment for Monday morning at 9:00 A.M. On Monday morning at 8:30 the applicant would go to this other site. They would make sure he had everything he needed. Get the application approved, do everything short of the fingerprints, the interview, and the decision whether or not to issue a visa. Then they would send him three blocks down the street where we were, and we would do his visa interview. It would save us space, meaning we could do more interviews without leaving a long line out in Taipei's torrential downpours and scorching heat.

That also meant that we had a very large number of consular ELOs or JOs (Entry level officers). Next time we can talk about staffing issues. Before I get to that, one final comment on the office building. We were trying to figure out how much duct tape we were going to put on this building before moving to the new building. The same officer who helped us build the director's kitchen was very good and very much an activist. He said at one point, "You know I am not going to run another set of wiring taped to the corner of the walls. We are going to rewire the building." Everyone said, "You can't do that." He said, "Give me three days and let me figure it out. He came back and said, "Ok we are going to have to dig a trench in the center of the driveway right here. But we are going to rewire the building." He did it.

And he also built one of the world's best barbecue grills for the employee association. Previously, including when I was a language student, we had two employee association commissaries, one on Yangming Mountain in the housing area there, which I talked about when I described being a language student at AIT, and one at the office building

downtown. When he proposed to build the barbecue grill, we had already closed the commissary on the mountain, so it was clear that this barbecue was going to be downtown. It was going to be in the office building. That way the families could still come out for any events, which was great, but it also meant because it was downtown instead of being in the housing areas and because he built it right, it became the centerpiece of a number of very successful activities for the Taiwanese staff and the American staff to party together. A great job.

It turned out that as he was preparing to redo the electrical system he said, “You know, we need an emergency generator. Power is a problem, particularly when you have typhoons coming through, and we do. We want an automatic generator. Here is what an automatic generator is going to cost us.” We said, “Oh, that is a lot of money.” He said, “Do you know where our generator came from? We have to start it manually every time, but do you know where it came from? It was the engine of a locomotive that was used on the Korean peninsula by the U.S. military during the Korean War. So, do you agree it is time to replace it?” The answer was obvious, thanks to him. Maybe we will stop here, and I will talk about staffing next time, and then go on to other things.

Q: All right.

Q: Today is July 12, 2018, and we are resuming our interview with David Keegan.

KEEGAN: This is basically my third assignment having to do with Taiwan. I was talking last time about some of the managerial issues facing the DCM or in this case deputy director. I am going to continue that. I am going to start talking about staffing. When I was director of the Taiwan Coordination Staff immediately before this, I led an effort to transform the resignation process that had been required for U.S. government employees to move to AIT. It was a pro-forma resignation, but I led the effort for that to be discontinued for almost everybody simply because it was a bureaucratic nightmare, and as a result we had one person who ended up getting double paid for three months. We had another person who did not get on the tenure list. Fortunately, that second person spotted the problem, and we were able to get them on the tenure list through the miracle work of very good people in the EAP executive office. When I got to Taipei that change had not yet been implemented, but we were doing the last organizational steps to actually make it happen in about a year or two. A year and a half into my time, we sprinkled holy water on everybody, and they all became U.S. Government employees except for the military because our military officers remained in fact retired officers. That was the only way we could do it, and so we still had people who had been retired defense attaches.

Q: So, in other words they were truly retired. They weren't "Retired in name only."

KEEGAN: They were really retired. They were getting a military pension, the whole nine yards. So, they were hired to come back as reemployed annuitants. We had retired military attaches who had served as attaches before, and they came back. We had officers

who had done military sales and assistance. They came in to help our military cooperation office. There was no way to make these retired officers into active-duty military. As these retired officers left in the natural course of things, we then replaced them with active duty. Now, the active duty had certain limits on their activities. The real limit was there could be absolutely no military uniforms and no reference in documents to military ranks. We were treating this quietly. Again, we were trying to be considerate of our military officers' policy concerns and their face so we weren't issuing this as a policy statement. We were doing this to function.

The other personnel challenge at AIT, as in any large post, you had to be conscious of what kinds of people you had and what they needed. I am just going to mention a couple of those. One of them were consular JOs, or entry level officers. Because of our requirements, which went away a few years after I left, they issued non-immigrant visas to all Taiwan travelers. They did not yet have visa free entry into the United States. They did not have a visa free waiver while I was there. As a result, we had to build an enormous complex organization in the consular section to enable us to issue all the visas as efficiently as possible recognizing that the vast majority of people coming in to apply for a visa qualified.

We were at a very interesting turning point in our relationship with Taiwan. Twenty years earlier when I had been in school, an awful lot of the Taiwan students would apply to come to the U.S. either for college or graduate school. They then worked very hard to stay in the United States. Many had children in the United States. Some of them had legal problems with U.S. visa requirements. We actually had someone who was very senior who had taken remuneration as part of a fellowship. He had been told that he had to help the professor with his or her research and because of university regulations they have to pay him for that. They thought, well if it is university regulations, I follow the rules. Then they found out that the university rules said one thing and U.S. law said the exact opposite. They could not legally be paid. Those folks were getting indicted, and so we had to connect it all up and explain to the U.S. side "Folks, you really don't want to bring these people back as criminals. No, it ain't going to work."

Many of these students of many years earlier had gotten green cards to remain legally in the U.S. after school and work. Now they had returned to Taiwan. All those folks now had U.S. citizenship or green cards. Those who had green cards were going into U.S. immigration at the border, usually as they were visiting their children and grandchildren who were now U.S. citizens. U.S. immigration officers were saying, "You are not really a valid green card holder, and we are going to take your green card away from you if you are not careful. You're clearly not an immigrant. You are just showing up every five months and spending three months with the grandkids and then leaving. You have to go to AIT and straighten it out." They came to AIT all trembling. We said, actually our JOs, said, "Hey you are not an intending immigrant. Do you know what that means? You are a perfect candidate for a nonimmigrant visa. We will do you a trade. You give us your green card and your passport, and an application and we will hand it all back to you with a non-immigrant visa."

Q: How long was the period for the visa given to the Taiwanese?

KEEGAN: Earlier than that it had been a multiple indefinite visa. But as I recall, and I am only recalling, multiple indefinites had gone away worldwide. So, we were giving them multiple-entry five-year visas with the clearly stated expectation that after five years they would show up, and hand us their passport and another application and another photo, and we would renew. It was heartwarming to watch. These were actual salt of the earth people. Some of them were friends of mine. But what this meant is we had a lot of JOs. One of the things that I thought was very important was to make sure that these talented JOs still wanted to work for the State Department when they left Taiwan. That meant giving them as good an experience as possible when they were doing a very tedious job. We had very good supervisors in the consular section, which helped, and I would regularly find some reason to go over to the consular section. I would just wander over there when I was having a coffee break and say hello to folks, listen to a couple of interviews. Whatever. If they had something they wanted to say I would listen.

Q: Pretty rare.

KEEGAN: Their consular chiefs understood exactly what I was doing, so they were grateful. And if they were having an issue with one of their officers, we could talk about it. I knew everybody's name and everybody's family, and everybody appreciated that. We had a regular brown bag lunch once a month in the front office conference room and once or twice a year I would move that to an evening event at my house and invite somebody from the outside whom I thought was worth listening to. From our guests' point of view, they were connecting with young people who may be rising up in the Foreign Service and could have a positive impact on Taiwan in the future. It was great good fun. Oh, I think I mentioned last time that AIT had ended up with a softball team. I am not the greatest softball player and so it evolved, and I think I pushed this, but I was pleased with it however it happened, that a JO was always the coach. It gave them a leadership opportunity. They always did all the organizational work. It also meant that as a result they got to decide where the Deputy Director played.

Q: What position?

KEEGAN: Yeah, they got to decide what position I played. I usually played right field, which is where you put the weak players. That was fine and I didn't play the whole game sometimes. But I did have a double play from right field, which is rare, because it was a very short pop-up fly and I raced in and caught it because nobody expected it. It was a long run, and they didn't realize I was a lousy athlete, but I was a runner, so sprinting in and catching a ball. I can do that. So, the guy who was on first was between second and third, I threw it to first and got a double play. But what it meant was our JOs got to show leadership. I think one of the most important things we do, as supervisors and managers, is how we handle our junior officers and entry level officers, and how we handle our staff. And how we handle our local employees. Colin Powell was right. That is the guts of your organization. If that part runs well, a lot of other things will.

So that was one issue. The second issue was the regional medical officer. We did not have a Regional Medical Officer (RMO) when I started on the Taiwan desk in 2000. For two reasons. One, the Department medical office said we didn't need one. Two, we weren't part of the State Department. But they had a series of medical issues in Taipei those three years I was on the desk, including SARS, so the director and the deputy director, ambassador and DCM equivalents, fought together pretty hard for an RMO, and they succeeded. Then came this curious rule that said the AIT RMO didn't work for the State Department. Since he was not a State Department employee, he couldn't be a Regional Medical Officer because he couldn't go to other posts in the region.

The medical office in State was apoplectic. They reacted with "Wait a minute. It is hard to get good doctors. You are stuck in Taipei which is pretty close to being a first world city." I would counter that "Even though Taipei might be a relatively comfortable city, trying to get good medical care pretty much requires Chinese language. If you are not a native speaker, even if you have 4-4 Chinese as I did, it is hard. Your vocabulary doesn't extend there." So, we basically said to med, "Look, you give us an RMO, and as far as we are concerned our RMO can take administrative leave and go do all of the things you need done in adjacent posts."

We were very fortunate in that we have got a first-time RMO, a retired general practitioner from Spokane Washington named Dan Muhm. If he wasn't the ideal family doctor, he was an awfully good approximation. He was very good for our morale. He was very concerned about environmental safety issues. That was very reassuring because we just had SARS earlier in the year. We were starting to hear about Avian Influenza. He very quickly stepped in, re-organized the medical unit, got some additional resources, and took care of people. I don't want to embarrass Dan or get him in trouble. He is retired again. He is no longer working for the State Department. But, he basically said "Yes, my stated role is to take care of the Americans, and if a local employee walks into my office, unless there is an American lined up in front of me. I will do what I can to be helpful. I can't give them prescriptions, but I have two really good Taiwan nurses working for me who can point them in exactly the right direction. With that attitude he took care of everybody, and when Avian Influenza became an issue he and I jointly sponsored a series of town halls. We had one in the residence area. We had one in the office building. I think we had one somewhere else. I can't remember where. Again, we said "we need everybody to be safe, so American employees and family members show up. Local employees, well you can't invite your family members but if there is room in there and there is somebody, we don't recognize we are not really going to worry about it." So, they all showed up, because one of the things we had to recognize was this thing could be extremely scary and, second, we had to build a staffing arrangement. What happens if people really do get sick. How do you staff the place? And Dan was as good as you could possibly ask for. He was very happy to be going to Manila or whatever because it just gave him more variety of experience for his considerable talents.

The third and I think last issue I will mention under staffing is guards. Because we were AIT, because of the Taiwan Relations Act, and because we had unofficial relations with the people of Taiwan, the Marines left when the embassy closed on December 31, 1978,

so we didn't have Marine guards. We didn't have a physical security problem, but we did have an informational security problem, and that is their primary role. So, we needed guards in the office building after hours.

Earlier the solution had been to ask staff members and language students to sign up on a roster and do a night every month or every two months as the overnight security guard. They would perform the security checks each night at closing. The problem was that it became more and more cumbersome and less effective. It got ugly. People were saying, "Why am I doing this every three weeks, and this person just won't help at all." As a result, we ended up hiring retired U.S. employees with a security background, and they would come out to Taipei TDY for three months, give or take, and sometimes we would get couples; One of them was a security employee, or maybe both of them were. We would put them up in a nice hotel, and there were lots of nice hotels nearby, and they would get to work every night but during the day they could go wandering around any place they pleased, and they would sometimes use some of the considerable amount of money they saved to spend another couple of days or weeks as tourists. And that worked OK during the time I was there. It is still not really the right answer because you need people who have the training and the attitude. The thing about marines is they are trained in a kind of discipline, and they understand that their chain of command really doesn't go through the deputy director, so if the deputy director leaves the wrong stuff out they have not a qualm in the world about issuing him or her a violation, what we call a pink slip. So, with the new AIT building coming online this summer that is one of the challenges we face.

And a final admin note. AIT is the only place I have ever worked where we had two sets of books. We had two sets of financial accounts. I think it is an interesting illustration of what I sometimes call the amphibian nature of AIT. Because AIT gets its funding from the Department of State and through a line item in the Congressional Department of State budget, they have to produce financial accounts that meet all government regulations. Because they are a corporation incorporated in the District of Columbia although their head office is now in Rosslyn, Virginia as it has been for many years, they have to produce books that will be approved by a corporate audit, and they are required to have a corporate audit.

What I did not know, and 90% of the world does not know, is the two methods of accounting could not be more different. Whatever the explanation, we had to keep two sets of books. We were fortunate in that talented and well-educated women, if they got hired by a corporation in Taiwan, regardless of their assignment, they were expected to make tea for everyone. It was a very low glass ceiling, about the height of this desk. We didn't have that rule, so we had all of these accountants. We may have had one male accountant in an office of 20 people. We had the smartest 18 or 19 women accountants in Taiwan, who were just so happy to be working in a place where they didn't have to make tea. They were respected for their talents, and, besides that, keeping two sets of books and making sure that it all lines up the way it is supposed to is fun. If you are an accountant, it is fun. For me it would be a nightmare.

Most of the time our management officer signed off on all of the accounts and performed spot checks. But we had a rule that periodically I had to go down and sign off on all of the accounts. That way, no one could accuse the management officer of cooking the books long term. Because if he did, and while I was there it was a “he,” at least in theory I might catch him. So, he had to be careful of that. So, it meant that once every month or two months I would go down and hang out with all of these nice people. The two bosses they had in the budget management office while I was there were both good. I made a point of saying on occasion, “I don’t understand this check. Why are we issuing this check in this amount?” They always had good answers.

Anyway, it was just interesting that the local glass ceiling worked to our benefit. That was true across AIT. You went to the AIT consular section, we had women in the consular section. Many consular sections around the world have this. You get really good local employees, and when a JO hits a problem, they would go to one of these local employees. The local employee would say, “Yeah, we get this once every five or ten years. Here is how we deal with that.” We also had very good male local employees everywhere in AIT. The economic section in particular is the one who comes to mind. Our senior econ local employee was a classmate of the head of the central bank. They played tennis together. Whenever we needed to see the head of the central bank, he would escort us, and the central bank chief would receive us all the more graciously because it was a chance to see his friend

I thought I would now shift into talking a little bit about the policy side of Taiwan. Because of the Taiwan Relations Act and our relationship with China we were not a formal ally of Taiwan. As a result, they regarded the 18, 19, 20 small countries including the Vatican with whom they had formal diplomatic relations as the first tier of their foreign relations, and we were in the second tier. But everyone understood that the hierarchy in Taiwan of foreign relations was very clear. We were number one, Japan was number two regardless of the unofficial nature of the relationship. Remember Japan had broken diplomatic relations with Taiwan and established relations with the PRC before we had. They had essentially built the structure of an unofficial relationship that we imitated with AIT. From Taiwan’s point of view Japan was a reliable partner in resisting the mainland, and the simple fact of proximity made them important.

There is more to it than that. There is also the fact, and I will talk about this later, that they had been a colony of Japan. Unlike the Japanese colonial experience in Korea, much less Mainland China, it had been on the whole a beneficial relationship in many ways for Taiwan, and it was in the memory of the older people on the island a much better period in memory than it was in reality. You know the sepia toned photos of the good old days. The other thing is that Taiwan clearly recognized that the United States had very close security ties with Japan and that was critical to our security posture in Northeast Asia, and critical to our ability, should we get to that point, to effectively assist Taiwan in its own defense. Taiwan understood absolutely clearly what Okinawa was about. We never were part of the conversation, but absolutely they talked to the Japanese about this. In many respects the Japanese ambassador or office director knew more about what was going on in Taiwan than we did. We would periodically meet with the Japanese because

they knew things we didn't know, and we knew things that they didn't know. We were all heading in the same direction, and it was an awful lot of fun. Besides, they always knew where the best Japanese food was. I didn't eat with them for that reason.

As I mentioned about the rules regarding our American employees, many of the strictures on AIT that started with the Taiwan Relations Act in 1979 had faded away by 2003 when I became deputy director. In 1979 we could not go into Taiwan government office buildings at all. They could not come into our office buildings at all. Over time we got to a point where we could go anywhere we were invited. We could go to the Ministry of Foreign Affairs. We could go to the Ministry of Defense. We could go to the Central Bank or the Presidential Office building, and we did on numerous occasions. These rules were never fully in sync with the rules in Washington, and this is one of the odd things about the relationship. In the United States they could go into USTR all the time. They could go into the Treasury. They could not go into the National Security Council. They could not go into the State Department.

If we were going to meet with them, if the Undersecretary for Political Affairs wanted to meet with them which was extremely rare, more often it was the Assistant Secretary for EAP. If the assistant secretary needed to meet with them, we would arrange a meeting at AIT in Rosslyn, or because that was a pain in the neck, we would meet with them in a restaurant or hotel near the State Department. I am sure there are certain places where their annual income projections were based on the fact that they were expecting us to have a certain number of meetings. So, rules were a little tighter here in Washington than they were there in Taipei. While we used AIT in Rosslyn for certain kinds of meetings with the Taiwan side, they almost never used the equivalent organization in Taiwan, which is called the Coordination Council for North American Affairs or CCNAA. We almost never met with a Taiwan ministry in that organization's office. I will note that. As part of the very peculiar arrangements when we broke relations with Taiwan, the building in which CCNAA was located had been owned by the U.S. embassy. It had been a residence downtown. There was some very complex property swap that ended up with them having that for free and we got other things.

Another reflection of our unofficial relationship was that we never flew the flag at AIT. A few years before I arrived, when I was Taiwan desk director, we had our first July 4th celebration. Even then we did not fly the flag. We decided we would use red, white, and blue bunting. This made the event celebratory without appearing official. There was at least one occasion while I was in Taipei when a group of AIT employees in Taipei came to me to protest. They said, "We have worked in embassies before. We know how this is done. We think we ought to fly the flag. If we are proud of being Americans, then we ought to fly the flag." My response to them was a very simple one which was that nothing about AIT is easy. The example I offered may not be a perfect one. It was that we have special forces in the U.S. military, and they operate in ways that normal forces don't. We are in a sense special forces. We operate in ways, and we face challenges that other parts of the U.S. government overseas, our diplomatic presence overseas, don't face. We do it well and that is something that we should take considerable pride in.

Quite frankly we had a closed compound with a high wall. We had a short flagpole. We could have flown the flag without being noticed, and we did for special occasions. If a Congressman or Senator was showing up, we would fly the flag while they were there. But nobody else was going to see it. The problem was if we then flew the flag the Taiwan side would then come to us and say, "Why can't we fly the flag at TECRO on Wisconsin Avenue in DC?" We would say, "Inside your office you can have a flag but if we see it from the outside of your building it is a problem." In fact, there is a building that they don't own, although again I don't want to get into one of these complex real estate shell games. They have control of the old Republic of China's ambassador's residence in Washington. It is a lovely estate near the national cathedral called Twin Oaks, built by the founder of National Geographic, the father-in-law of Alexander Graham Bell.

Q: Ah, interesting.

KEEGAN: A lovely old building. A couple of years ago a good friend of mine who was head of TECRO, the Taiwan office here in DC, Shen Lyu-shun, whom I have known for many years, became director, and he decided that they would fly the Republic of China flag on the flagpole at Twin Oaks. He didn't ask the State Department before he did it and got in considerable hot water.

This incident offers an interesting perspective on our relationship with Taiwan. Is that an ideal arrangement? No. Do we understand why they want to fly their flag at Twin Oaks? Yes. Is it worth the possible costs? My answer would be no. Do we care about Taiwan's pride and dignity? Yes. Do we care a lot more about their prosperity, stability, and safety? Absolutely. You have to make a choice, and we do. We make that choice every day. That is the way the choice has to come out.

So, with that some thoughts about Taipei Taiwan and our triangular relationship, I am going to start with some thoughts about Taipei. By the time I came back to Taipei in 2003, I had traveled there off and on in the preceding years. Taipei was a very different city than when I had arrived in 1977 or than I had seen as a language student in 1987. My wife and I used to comment that in 1977 and you could tell a Taiwanese person walking down the street because their attire looked about 10 years out of date and the colors were wrong. I am sorry this is a stereotype, but it is true. My wife and I got to Taiwan in about 2003 and we looked around and we were the ones who looked dowdy. These folks clearly do more shopping in Paris than we do at Saks or L.L. Bean or whatever. Very stylish, proudly so.

I remember when we were graduate students and we tried to buy cheese to make lasagna. It was very difficult. When we returned in 2003, they had very good lasagna. They had really good international wines. There was a store that AIT patronized as an institution, and it was an export import business, and what did they do? They imported Oregon and Washington State wines. They made a go of importing wines from those two states. Now they imported very good wines, but that is a comment all by itself. If you wanted to find good pizza in Taiwan it was not hard. There were supermarkets and all that kind of stuff. You didn't have to search out that rare place that made a good hamburger, you had

dozens. Much less the best Chinese food anywhere. We found rule number one, if it is really expensive, they are probably cooking something that ought not be food. They were just trying to prove to you that they can make food out of this. So, you don't buy the really expensive stuff. You buy the normal priced stuff because that is going to be your pork and your beef and seafood and so on. The second thing is that you look for places where ordinary Taiwanese people who look like us eat. You also look for places where the walls have bathroom tiles at least four to six feet up on all the walls. They are announcing that they are serving kitchen style food. And it is going to be awfully good. There are still two or three places, the next time I get back to Taipei I am going to go find them.

In fact, one of the problems we had while we were in Taiwan is that several years earlier a New Yorker correspondent had gone to Taiwan, and he had gone to Xinyi Road right near Xinsheng Road. There was a Chinese dumpling place right at that corner. It was Hong Kong style which means it was a narrow front four-story restaurant. It was in the New Yorker notes and comment section right at the beginning. This reporter announced that this restaurant, Din Tai Fung, has the best Chinese dumplings anywhere in the known world. That immediately meant that to go to Din Tai Fung you had to be prepared to wait for an hour. At one time one of our sons was visiting. We got a number to get in and eat. They gave you numbers. We realized it was going to be awhile, so we looked for another restaurant. We came back an hour later, and it was just about time for our number to come up, so we got in. But you could expect an hour wait.

They opened branches. They opened a branch in Paris. They opened a branch in Pasadena, California. And if you want to see what yuppie Chinese look like in Los Angeles, you just go there. I mean it is your upwardly mobile, suburban, urban Chinese with the four, five and six-year-olds running around. One of my sons was living in Los Angeles at the time we went there. It was very good. But my wife started laughing. "You want to know how you can tell it is in Los Angeles and not in Taipei?" "No." "Well in Taipei they would never serve you a glass of cold water, because cold water is bad for your system. But in Los Angeles you get ice water." If you asked for warm water, they would give it to you. And my wife did. They even opened a branch in a shopping mall in Dubai. I have a picture of the restaurant with the shop name in Chinese, English and Arabic. So anyway, lots of good food.

The place where the residence for the deputy director ended up being built was part of a very nice apartment complex. It was in an area that had been coconut plantations the first time we got there. Because the city had expanded outward. When we had been there as graduate students there was a performance hall called the Sun Yat-sen memorial hall, which was built on the far edge of the city. Beyond that were rice paddies and coconut plantations. Now our residence was about a half mile past that. We were also immediately adjacent to a very nice modern city hall, a very nice four-star Hyatt Hotel, where I stayed when I arrived, and the 101 Building was sufficiently close that if it ever fell over in an earthquake the top of it would have ended up in our bedroom. So again, it is just a very interesting, different, modern city.

The downside of that was when we tried to, we couldn't find our old haunts, the places we had lived as graduate students. My wife and I tried a couple of times to find them and never did succeed. The other thing I would say is, if you think Taipei resembled Los Angeles, I would suggest it looked more like Osaka. Because it was much more of a Japanese style than it was an American style. The elite American stores, the Saks Fifth Avenues, weren't there, but the equivalent Japanese department stores absolutely were. And again, that is partially proximity, but it is also partially because Taiwanese were more comfortable with it. This is part of their heritage.

When I arrived in Taipei as deputy director, I think there was a question both in Washington and in Taipei: was our relationship an anachronism? Was the way in which we had built the relationship between 1972 and 1979 still functioning the way it ought to function? I think part of that question was an outgrowth of something I mentioned last time, which is when the Republican party came in to power with George W. Bush there had been enthusiasm for doing more, but when I got there as deputy director and walked into that 1950's era AIT office building and you could almost feel, I could, the question of, "Is this relationship where ought it to be for all concerned?" And, like it or not, all concerned are three parties – the United States, Taiwan, and mainland China. It has to work within the tolerance levels of all three parties and to the advantage of all three parties. So that was the challenge.

There were two big political groupings in Taiwan that were evolving and that we had to deal with. One was what I called the big business and nationalist party, the Kuomintang KMT group. These were the groups that had helped keep the KMT in power continuously up until 2000. They had made a lot of adjustments; Chiang Ching-kuo and Lee Teng-hui had made a lot of adjustments. They had been very authoritarian rulers. I don't think anybody expected three days before the 2000 election that they were going to lose power. They were the establishment, and they had brought business leaders with them from the mainland.

They had also become patrons of Taiwan businesses., If you were a Taiwan business, I am going to stick my neck out a bit and say, it was almost a comprador type of relationship that some very successful Taiwanese business people had had with the Japanese and had figured out how to have with the Nationalists as well. Given the very ugly transition from Japanese rule to Nationalist rule at the end of WWII, that was quite a remarkable accomplishment. Not everybody did it. As a consequence, you had people who were ethnically Taiwanese but were very much KMT. That was the group, or these were the groups that more than anyone else wanted to see the director. He was the one who did a lot of that liaison at the very senior levels with the businesspeople who were very wealthy and enjoyed having the status of having the AIT director meet with them. It was also the group that played golf. These KMT and business golfers were the folks for obvious reasons who were accustomed to wielding power and accustomed to dealing with Americans.

The People's Progressive Party, the Democratic Progressive Party, the DPP, the pro-independence party that won in 2001, generally did not play golf. When I was

assigned to Taiwan, I began to learn how to play golf. I played regularly for three years, and I think I have played once since then. But if you were with the KMT, you played golf. If you were with the Foreign Ministry or the Economic Ministry you played golf. That is how you got things done. That is how you build relationships. If you were with the DPP they didn't play golf.

To appreciate the difference between the self-images of the two parties, you could look at old photos or at a very good video on Taiwan politics between WWII and 1998 called, "Tug of War." It is on YouTube. It only got on YouTube last year. But you see these old pictures of Chang Kai-Shek or Chiang Ching-kuo or Lee Teng-hui meeting with a westerner. There is a picture, I can see it in my mind's eye, of Chiang Ching-kuo meeting with Katherine Graham, the publisher of the Washington Post. Sitting between them as the interpreter is Ma Ying-jeou. When I was there, he was mayor of Taipei, and, after I left, he became president for eight years. It was that direct line and before Ma it was James Soong. They had been deep in the power structures of the KMT as a party and therefore of the Nationalist government. That is where they expected to be.

I am not saying they were bad people. By and large they were good people. They were people who were working hard at doing good stuff, and they were people who had recognized that is and was important for them to deal successfully with the Americans. It was not a surprise that James Soong and Ma Ying-jeou both had very good American English. There was an academic who I had met earlier, and I had met several times when I was deputy director, Su Chi. He was an academic politician or a politician academic. He never ran for office, but his academic analysis always supported KMT positions. When I was at AIT, the DPP, the former opposition party, was now the presidential party, and Su and I met several times and he would always explain to me why they were wrong and why they really ought to go back to the 1992 consensus that the Nationalist government of Lee Teng-hui had reached with the PRC government of Beijing in 1992 in Singapore. The only problem was that Su Chi was the one who coined the phrase 1992 consensus. He coined it in 2001 specifically to put pressure on the DPP president.

As I was making my notes, I realized that one of the people I did not at first put on this list is Lien Chan who was Lee Teng-hui's vice president between 1996 and 2000. He had run against Chen Shui-bian for president. He was a Taiwanese, the son of one of those very successful Comprador business people and a very successful business person himself. Very wealthy, and yet at a certain level he was not part of the expected succession of the KMT.

When Lee Teng-hui looked around after winning election as president in 1996, I am guessing he thought, George Washington had a really successful political system. George Washington had two terms. I am going to make a point. And so he stepped down. Everyone thought that James Soong was the natural next candidate for president. But James Soong and Lee Teng-hui for reasons that I somewhat understand, but don't fully understand, did not get along. James Soong was too much of a mainlander. He was too much in favor of long-term reunification. Lee Teng-hui was much less in favor. As a result, Lee Teng-hui selected as his vice president Lien Chan and supported Lien Chan to

run against Chen Shui-bian. A lot of people were stunned. James Soong was stunned. He said, "I am going to run anyway," which is why the opposition won. So Lian Chan, even though you could argue he was part of the KMT elite, was not part of that true KMT. I don't want to call it royalty.

James Soong was very savvy, very smart, very progressive, but a mainlander. Ma Ying-jeou, all the same and a decade younger, but neither one got along with Lee Teng-hui. It was part of the fracturing within the KMT. All of these folks within the KMT were very familiar with the United States, very familiar with the U.S. government, familiar with the U.S. Congress. Many visited Washington repeatedly. They understood, and Chiang Ching-kuo had made it quite clear to them when he was in power, that the survival of Taiwan depended on a relationship with the United States that would ensure that the United States would stand by Taiwan in every circumstance. They were all heavily academic. When the Nationalist Party had been on the mainland they had formed something called the Academia Sinica, the Chinese Academy with a Latin name, which had been their national think tank and academic institution. It did some ground-breaking research in the 1920's and 1930's on ancient Chinese history. They were the ones who found the oracle bones of the Shang Dynasty, 1600 to 1100 BC, which had confirmed the first Chinese writing. Everyone had thought the Shang dynasty was mythical until they started doing scientific archeology and found the stuff. Just mind boggling, still mind boggling. They also did some of the first paleography finding dinosaurs in China.

Q: Right.

KEEGAN: In conjunction with the American Museum of Natural History in New York and the Smithsonian. This was an institution that had real roots prior to WWII, prior to the Nationalists being driven to Taiwan. When the nationalists came to Taiwan Academia Sinica was a mainlander institution. They were writing their own version of Chinese history, their own analysis of the Chinese language. That was one of the centers of the KMT, so the power was held by the very realist and militaristic Chiang Kai-shek, together with the academics, and in association with the comprador business folks, and they felt they should control power. They were sure that they were the natural protectors of Taiwan's political evolution and Taiwan's economic growth, and they were. Chang Kai-shek, Chiang Ching-kuo, and Lee Teng-hui made a number of difficult tough decisions.

Q: Let me break in with a very quick question here. Since you are talking about archaeology and preservation of ancient Chinese culture. Even during the history of China there were periods where various empires or warlords destroyed aspects of ancient Chinese culture that were not supportive of their rule. Today are either the mainland or Taiwan or both working to find or restore bits of Chinese history that were destroyed?

KEEGAN: Absolutely fascinating question.

Q: Oh dear.

KEEGAN: No, it is. There is an Australian academic Geremie R. Barmé, who writes some of the biggest and most thoughtful essays today about modern China and modern Chinese history. He was a student of Simon Leys who was a brilliant historian and analyst of modern China. He was a big supporter of the Cultural Revolution, and then he found out what the Cultural Revolution was really about, and he became a really fierce critic. Geremie R. Barmé has recently written an essay on exactly that question. Because one of the things that is interesting is that aside from temples and some monasteries there are relatively few pieces of Chinese history that still exist. OK. Is that because it was all built in wood? Well, I am sure that has had an impact. Is that because a new dynasty came in, they basically burned everything to the ground? Yes, that is part of it. Is it because one of the things they always made sure was burned to the ground were the libraries and archives? Yes, that is part of it.

Barmé argues, and I can't replicate the argument as he would, that either because of that or enabling that was an attitude toward history that made history more of a theoretical construct. Sure, you had the libraries, and you had the archives. And every dynasty would write a history, a multi-volume history of the dynasty before as they wanted it to be understood. Rewriting history the Chinese had been doing this since before 86 BC when the Records of the Grand Historian were first written under the Han Dynasty and revised the history of the Qin dynasty of Qin Shihuang, who gave us the terracotta warriors. So, this is something that has been going on for ever and ever.

That gives you another point of view on the destruction that was visited on Chinese culture by the Cultural Revolution. Mao's decided, which I find sickening but makes sense, that he wanted to have a modern Beijing, so they basically took the grand city walls of Beijing and leveled them. You know we look back and think, "Oh my." But at a certain point if Barmé's article is correct, it makes sense. Now having said that, the Nationalists when they were retreating from Beijing under Japanese assault, they had not yet written that history of the previous dynasty, of the Qing Dynasty. They decided to take all of the art.

Let me backup a step. Not only were histories destroyed when dynasties were conquered, but art was destroyed, so people oftentimes would hear of great artists of the past and great calligraphers of the past and either not have a single example or they would have a rubbing. Someone's calligraphy would be carved in stone and so the calligraphy was gone but the stone was there, and students would come up and take rubbings and eventually wear the stone away. There was a priority placed on memorization; even if you burned all the books you had to burn all the scholars, and every once in a while they would do that.

With that background, the Nationalists when they were retreating from the Japanese onslaught in 1937, retreating from Beijing, what did they do? They're running for their lives. They take all of the art in the Forbidden City, in the Qing Dynasty palace, which became the Palace Museum in Taipei. All of the art in the palace, as much as they could carry, and they took all of the archives, the bureaucratic archives of the Qing dynasty, and

they put them in boxes, and they put them in trucks and on donkeys, and they carted them off to Chongqing and hid them in caves to protect them from Japanese bombardment.

When it was clear that they were losing the civil war, they got the U.S. military to put all of that on C-130s so they could take their history and art with them to Taipei to build the Palace Museum and to rebuild Academia Sinica. It is that line of orthodox succession which is what they were very conscious of. Which is why the best Chinese art museum in the world is in Taipei. Which is why if you are going to do Qing Dynasty Chinese history you have to go to Taipei for exactly that reason. It is one of these questions that we sort of touched on in the past month, and I should have really been thinking about because it really is an important issue.

It becomes even more important if you think about it from Taiwan's point of view because just as Beijing is rewriting China's history and rewriting the story of the rewriting of its history, they want Taiwan not to rewrite its history but to accept the Nationalist writing of their history that they are part of China. And so, there are different rules for different books. Taiwan is saying that, just as every government rewrites its history to make sense in its terms, we are relooking our history. They looked back and they realized that, in the 19th and early 20th century China had a century of humiliation under foreign occupation. Taiwan didn't. Taiwan had a very different experience, and I am toying with exactly what to call it. They had a history of outside intruders. The non-Chinese Taiwanese aborigines were there for centuries, perhaps millennia. Then you had the fishermen and farmers coming over from China's coastal Fujian Province in the 16th and 17th centuries, followed in turn by rebels who had hoped to escape the Chinese government only to have the Chinese government catch up with them and to try to impose its rules which it finally did by the mid 19th century. Lo and behold in 1895 the Japanese took Taiwan away from China as reparations for the Sino Japanese war. In 1945 they were defeated. All of this means you have a place that has had a very different history from mainland China. That is part of what is affecting the way they look at their history today. It is part of what makes the relationship between mainland China, Taiwan, and the United States so complex. Both sides have remained adamantly committed to history, and both sides have slightly different histories, and they read their histories in ways that make sense in terms of their present realities and present political agendas. Which is an enormously difficult situation. I will end with this, and I may have told this story before if so, we will edit it out. But Taiwan, the Republic of China, came out with an annual yearbook. Have I told this story before?

Q: Not that I recall.

KEEGAN: When I was first on the Taiwan desk in the early 1990s, we would get the Republic of China Yearbook, and it was a bound volume. It would have the most recent economic and social statistics and stuff like that. It would have the constitution. On the inside of the front cover, you would have a map of China, by the way including Mongolia. On the inside back cover, you had a map of Taiwan. I came back to the Taiwan desk in 2000, and I got a Republic of China Yearbook. We all did every year. I opened the inside front cover, and the map was of Taiwan. I opened the inside back cover, and it was

China. Then, a year or two after that, the inside back cover of the annual yearbook was blank. Again, it reflected that changing self-perception for current political realities and current self-image.

I want to say one more thing about the Nationalists. The Nationalists felt cheated by the 2000 election, even though they lost it because they fragmented. In the '92 consensus with Su Chi, they were saying to Chen Shui-bian and the DPP that, "You may be the president, but we set the agenda because we are still the rightful political elite." They knew how to work the U.S. very well. Interestingly, even though the Communists and the Nationalists were enemies, they were conscious that the Nationalists and the Communists shared a common understanding of history and of what China meant. Something that as I will suggest next time the DPP didn't really agree with.

Q: Today is August 9, 2018. We are resuming our interview with David Keegan with an anecdote about the no double standard rule.

KEEGAN: Well, let's start it out with the no double standard rule, but it went in a slightly different way. It started out with aviation security. It has to do with the time when I was deputy on the Taiwan desk just before I went out to Taipei as deputy director.

Q: So, what year?

KEEGAN: So, this would have been 2000, October 31, 2000. It is about 2:30 in the afternoon on an ordinary day. Like most desks there was a TV on tuned to a news broadcast somewhere. Somewhere between the Taiwan desk and the China desk because we were all basically one space and still are. This is our one China policy. All of a sudden CNN had breaking news. There had been an air disaster. It turned out that the air disaster concerned a Singapore Airlines flight, which was going from Singapore to Los Angeles via Taipei, Taoyuan International Airport, which was named Chiang Kai-shek International Airport. They landed at Taoyuan in the middle of a very bad storm, a typhoon, loaded up, and went to take off. Apparently, they got their signals crossed, and they turned on to a runway that was being rebuilt and had a whole bunch of construction equipment on it. They gunned the engines and flew the plane right into all this stuff. Eighty-one out of the 179 on board died.

It was flying to the United States and had U.S. citizens. I looked at my watch and thought, "It is 2:30 in the morning in Taipei. They are not going to find out about this at AIT unless somebody thinks to call them like a Taiwan official at the airport, who is panicking right now, or they get up the next morning and see it on the news by which time they are eight hours behind the power curve." So, I picked up the phone and called the consular chief. I said, "Hey you have probably turned off your TV. You need to get up and turn it on. Here is what I know." He said, "Oh my God, thank you. I am marshalling the troops now." I said, "I am calling the AIT deputy director, you don't have to worry about that. I am calling the Ops Center; you don't have to worry about that. Go take care of the people."

It was just to me a remarkable indication of how the world has changed. Somebody watching TV in DC knew of an event in Taipei before somebody on the ground in Taipei knew it. Anyway, so I just threw that in. It is just an interesting reminder of how we work when we work. And you know you call the Ops Center and say, "Guys, I just want you to know Taipei has learned about the Singapore Airlines crash in Taipei, and they're on it. If you can do something to help them, fine, but they are already moving." I knew Keith Powell who was the consular section chief at the time, good guy. I had no doubt that, before I finished talking to the deputy director, there were four people in cars already on their way out to Taoyuan.

That too was one consequence of Lockerbie, because we got a lot of grief, not for doing anything wrong but for not showing how much we cared. It was one of those critical reminders. What Taipei had to do was not simply take care of people but visibly take care of people. Not only do you get them into a hotel and get them a meal. You stop in the next morning and see how they are doing. Is it necessary? It is not functional, but boy it makes a difference.

Going back to my time as deputy director, I just want to mention one other thing on quality of life, and then we will go into policy. Sometime between 1988 when I left Taipei as a language student and 2003 when I got there again, there had been an American consular officer, I believe it was a woman. She liked to walk. There is a big tradition in Taiwan, as there is in Korea, for hiking clubs. You get out and go to the site on a hill and you hike all day and then at the end of the day you have beer and whatever and then you go home. She thought that was really cool and said to everyone in the consular section, "I am going to start one. Do you want to join?" By the time I got there she was gone. The Taiwanese employees of AIT said, "we don't need Americans to do this for us," and so they formed the AIT hiking club, and my wife and I joined that. This was hiking for hiking. This was not hiking to look at the flowers or look at the birds, this was hiking to go from there to there, and to go up that hill, and get some exercise. If you can keep the pace up and notice a bird, that is OK. But it amused me a little because since then my wife and I belong to a Monday morning birding club in Alexandria. In that club it takes us about two hours to walk two miles.

Q: Yes, but the reason in part is because you are looking through the trees to find.

KEEGAN: It is a bird watching not walking, and by the way if you are not watching the birds, you look at these flowers. But what I did at the end of last time is come back to talking a little about policy. Some of this came up while I was on the desk, but a lot came up when I was going out to Taiwan. It is 2003. At this point the Chen administration had been in power a little over two years. Their next election was going to be in 2004.

Q: Chen again is DPP.

KEEGAN: Chen Shui-Shui-bian is DPP, so this is the first time that a president of Taiwan has not been a Nationalist Party member, the party that has been around in one way or

another for 80 years, established in 1919, and driven out of the mainland in 1949. So, it is a big deal. As I said, this is the George W. Bush administration who famously said, “We will do whatever it takes to defend Taiwan,” and that meant against China. But remember they got turned on their head. They did not change that commitment, but it was changed for them by two things that happened in 2001. First year of the Bush administration, in the spring you have the EP-3 incident where we had a U.S. military surveillance aircraft flying the China coast. You had a PRC combat aircraft coming up and buzzing the plane. They always sortied and watched the U.S. surveillance flights. This guy decided he would get right up next to the wing, went tip to wing tip, and he got his distances wrong, and the wing tips hit each other. He died in a crash, and the EP-3 crash landed. It was interesting the way the Chinese foreign minister said to the press which was published in English, “When people do things like this, they usually say ‘I am sorry.’” This was forwarded to Colin Powell who went on the weekend talk shows and said, “I just want to convey to my Chinese friends we are sorry. It wasn’t our fault, but we are sorry the pilot died. That is just really hard.” All of a sudden, it was possible to begin moving. China and the U.S. realized that we needed some degree of cooperation despite our differences.

Then of course in September we had 9/11. We had Afghanistan. We needed the PRC. We needed them in the Perm 5. We needed them not to get in the way on some other things. And quite frankly they had a border with Afghanistan and into central Asia and we needed their help there. So prior to that, the PRC was essentially an economic partner, but now they became an essential security partner as well, and the PRC was looking on this as a way to use our interest in counter terrorism to suppress their Muslim, Uyghur minority in the far northwest of China in Xinjiang, who were not terrorists but were getting a little upset at the encroaching Han population moving in and taking over.

Taiwan at the same time said they were with us on Afghanistan and counter terrorism, and they meant it. They would do what they could. But what they could do quite frankly was not a whole lot. So, whatever they did do, we had to make sure it didn’t become a public issue in a way that would obstruct what China could do, what Beijing could do. So, in a sense our values and priorities were overtaken by our security priorities. Not overtaken but at least reappportioned. China understood that our focus was on Afghanistan and the Middle East, and they realized that a lot of our naval presence to support operations there came from the U.S. Pacific Command (PACOM). They realized that the PACOM presence along the East Asia coast and what we started calling after WWII the two island chains was going to diminish. That the U.S. Navy, which had been off the China coast, were concentrating forces in Afghanistan and subsequently Iraq. Therefore, their threat profile was different.

In a sense, while the idealist school had prevailed regarding Taiwan when George W. Bush entered his presidency, the realist school was now prevailing far more. This meant that we in Taiwan found that what I am going to call the KMT aristocracy became increasingly comfortable interlocutors for us because they had been experienced in this kind of security issue, and they understood a lot of this. I will talk in a moment about the second group we worked with, which was the DPP. The only point I want to make is that as I was coming off the plane in Taiwan as the new deputy director, as I am thinking

forward, one of the things I am thinking about at AIT is there was a conflicted analysis. On the one hand there was a great deal of respect and sympathy for the Democratic Progressive Party, the Taiwanese party that had come up under very difficult circumstances under the white terror of the KMT and who had been a driving force for democratization in Taiwan. Yes, the KMT, the nationalists had been part of it too. KMT and Nationalist are the same thing. But the message from Washington to Taipei was, "We are still with you. We still feel sympathy for your democratization and for your sense that the 85% who have been in Taiwan before the Nationalist arrived had been to some extent dispossessed. We still feel that, but we cannot afford a disruption in our relations with China in the strategic environment we face."

So, we were saying essentially, "Stand by your principles, guys, DPP, but don't be provocative." I may be overstating it a bit, but the bottom line from Washington was we have bigger fish to fry at the moment. This disparity in priorities was in turn reflected back to us from the people we were talking to in Taiwan. There were political divisions, but there were also divisions that transcended politics. One disparity that became very clear to me after a while. I knew it in the abstract before then, but it really became very clear, which was that people in Taiwan were conflicted about the United States, whether they were nationalist parties or democratic progressive KMT or DPP. Taiwan had lived, perhaps since the 17th century, on a knife's edge. They were marginalized by many, repeatedly invaded, oppressed, and exploited first by Europeans, then by the Qing dynasty Chinese rulers, and then by the Japanese who saw Taiwan as a strategic pawn and as an agricultural resource.

When the Nationalists arrived, Taiwanese thought they were coming home. They thought, "OK, we have been colonized by the Japanese. Now we are coming home. These are our Chinese brethren, our siblings." Instead, the Nationalist looked at the Taiwanese and said, "My god, they dress like Japanese. They talk like Japanese. They don't use Mandarin, which is the language that most of us understand. We were undermined on the mainland and are still undermined on the mainland." Remember the Nationalists arrived on Taiwan in 1945, and they were still fighting the Communists on the mainland until '49. "We are being undermined by communist infiltrators. How do we know these Taiwanese folks aren't communist infiltrators?" So, there was a lot of suspicion and a lot of brutality, and the KMT was looking to rebuild Taiwan to reinvade the mainland.

Both sides were looking to the U.S. to help them. From the KMT point of view we were both the indispensable ally and the frustrating restraint on what they wanted to do. We wouldn't give them as much assistance as they thought they needed or deserved. George Marshall had negotiated between the Nationalists and the Communists from 1945 to '47 when Chang Kai-shek thought he shouldn't have been negotiating. He should have been bringing in the U.S. military to help them put down the Communists. Once again, the KMT on Taiwan thought we were not giving them as much assistance as they wanted. We were not giving them as much freedom of action as they wanted. We are not threatening to conquer the mainland although in '55-'56, when the Communist looked like looked like they were going to invade some islands near the mainland Chinese coast that are

controlled by Taiwan, Eisenhower made it pretty clear we might use nuclear weapons if we had to. So, the KMT is conflicted; the Nationalists are conflicted.

The Taiwanese Democratic Progressive Party was very conflicted because, in the long run, they knew that Tom Lantos, Jimmy Carter, Steve Solares, and others had been advocating in the strongest possible terms for human rights on Taiwan, democracy on Taiwan, and they know that was one reason that Chen Shui-bian was in power. At the same time, they looked at us and said, “Oh yeah, you are the guys who have been supplying the Nationalists since ’45. The Nationalists say that you didn’t give them everything they wanted. You certainly kept them in power for a long time so they could abuse us for a long time, and now you are telling us that, although we are democratic, we can’t express the democratic will of the Taiwan people and go for independence.” We were both allies and oppressors. The United States had been a refuge for Taiwanese dissidents, but at the same time we had supported people who are getting in the way of Taiwanese human rights and democracy to put it simply.

Many of the most successful Taiwan businesspeople had the same sympathy that many of us had for this Taiwanization movement. I don’t want to call it Taiwan independence because it didn’t always mean that. Let’s call it, “Taiwan identity.” A lot of them had supported the victory of Chen Shui-bian and the Democratic Progressive Party, but at the same time they too wanted caution so that their economic interests in China were not battered. Their rice bowl depended on business with mainland China. Over the past 15 years or so they had worked to build profitable business ties in China when that was very hard, and they didn’t want to see Chen Shui-bian screw it up. They remembered that the Nationalists had tolerated and even supported them.

As I mentioned last time there were a lot of them who came from a different class than the core DPP. The DPP support really was a rural phenomenon. It was a small-town phenomenon; it was a small shopkeeper phenomenon. These were the people who had felt the thumb of the Nationalists. Those Taiwanese who had been very successful with the Nationalists, as before they had been very successful in doing business with the Japanese, didn’t feel quite that sense of embitterment. So, they were less likely to be deep green. In fact, Lee Teng-hui who was the previous president who replaced Chiang Ching-kuo as President, Lien Chan who was his second vice president and then the KMT candidate in 2000, were Taiwanese. Lien Chan was a member and a descendent of that class of very wealthy business people, that comprador class if I can use that term. They too looked to the US and AIT as allies. That is why they liked to play golf with us. We had a director who was a very good golfer, and that made a difference.

Q: Miniature golf.

KEEGAN: I graduated from miniature golf but when I was on the golf course I was trying to survive, and he was relaxed and consequently a much better conversationalist. That didn’t work with the DPP. The word had gone out that the DPP did not play golf although interestingly the officials in the Taiwan government still had the habits of their

KMT roots even after the DPP took over, and they played golf. The Foreign Ministry played golf; the economic ministries all played golf.

What I thought I would do next is talk about some of the characters whom I worked with in Taiwan and what they were thinking about. We will talk about that today and then next time we will talk about the election campaign. I'll start as we were coming up to 2000, then I'll continue with some perceptions as I arrived in 2003, and then a year later as we were going to have an election. I will do this in no particular order except as I thought of them. The first is Mark Chen. Mark was a Taiwanese who had gone to the United States for college. Stayed for graduate school and had gotten a Phd.

Q: So, a Taiwanese national, did he become a U.S. citizen?

KEEGAN: I suspect he did. I think he and his wife both became U.S. citizens. They were wonderful, very nice people, and they were old enough that his wife tended toward the mother when she saw Sally, my wife, and myself. Part of the reason he stayed in the United States was to escape the KMT White Terror. After things opened up in the middle to late 90's he came back to Taiwan, got involved in local politics in the city of Tainan which is down in southern Taiwan. It is the traditional center of Taiwan. Before the Japanese arrived, if there was a capital it was Tainan, which literally means south Taiwan, a very lovely city, a very deep green pro-DPP city. It had all those rural elements and small shopkeeper elements that were the core of the DPP. So, Mark, working DPP elements in Tainan was elected mayor, I think twice. Then Chen Shui-bian won the presidency, which he was very instrumental in. Chen Shui-bian approached him and said, "I would like you to be my foreign minister." Mark Chen agreed reluctantly. He knew how difficult a job that was. But he knew he could talk to Americans and say, "Hey, I have been a professional in America," and that made a difference.

Mark was someone whom we talked with repeatedly but always with that sense that, although he sounded like an American and knew a lot, he was on the DPP agenda. He could not understand, for example, why the United States would not be more supportive of Taiwan in the international environment and not like to get them back into the United Nations and stuff like that.

The one I found most intriguing was a lawyer, a woman named Tsai Ing-wen. Tsai Ing-wen is now the president of Taiwan. She had been a child of Taiwanese businesspeople who had lost a lot to the KMT. She went to Cornell and then the London School of Economics for a law degree. Very articulate, very effective as a trade lawyer. Taught at Taiwan's National Political University and was hired by the government economics ministry in the early 90's to help them negotiate their entry into the GATT/WTO (the General Agreement on Tariffs and Trade, which subsequently became the World Trade Organization). She was an advisor to that negotiating team.

One of the things that I didn't focus on at the time but occurred to me as I was thinking about this yesterday, was that she did something on that negotiating team that for a junior woman in a Confucian society was quite extraordinary, which is she sat at the end of the

table not at the center of the table and yet she was able from the end of the table to give advice. Whereas in the State Department that would be a fairly ordinary thing to do – most bosses I worked for in the State Department said, "If I didn't want you to say something, I wouldn't have brought you with me. Don't let me do anything stupid when you know the contrary." The Chinese don't look at it that way.

So, I am on the U.S. side of the table. Sitting across from Tsai, I was watching her do this and very effectively. Lee Teng-hui, the Nationalist Party member and vice president to Chiang Ching-kuo, who was president in the 1990s, recognized her talents and brought her into the presidential office, where she helped him while he was trying to craft the middle ground that asserted the stature of the Republic of China on Taiwan but still acknowledged it was part of China in a way that they thought would allow for dialog with Beijing. They called it "special state-to-state relations." Beijing's attitude was unforgiving – "What we are negotiating is part of the surrender process that wasn't finished in 1949, so this is not what we had in mind." But she did a very thoughtful and reasoned job.

Having been an advisor to Lee Teng-hui, when Chen got elected in 2000, she turned up as one of his senior advisors. Now, how that happened I don't know. My guess is Lee Teng-hui was talking to Chen Shui-bian and said, "As you are assembling your team, you don't have many people with government experience because the DPP has never been in government," and that was one of the real shocks they had. "So, try her." She was brought in as Chairman of the Mainland Affairs Council. She was one of the people that we met with fairly regularly as we tried to understand how the new Chen administration was evolving its cross-Strait policy. Tremendously smart, hardworking, a master of words and concepts, and able to parse both with ease in either Chinese or English. She had the enormously difficult job of trying to find ways to work across the Taiwan Strait because the job of the Mainland Affairs Council was to find a way to reach out to mainland China even though mainland China will not allow direct contact between the two governments.

The MAC was a government ministry that couldn't talk to its counterpart on the mainland. That counterpart, by the way, was the Taiwan Affairs Office (TAO) of the State Council of the Peoples' Republic. So, what MAC had done in the early 1990s was they actually took the Japanese model, which became the AIT model. They created an unofficial organization called the Straits Exchange Foundation (SEF). I think they referred to it as their white glove so you knew what the hand was, but there was a glove over it. SEF worked then with an organization that the PRC TAO had created, and this happened back a decade earlier in 1991-1992 called the Association for Relations across the Taiwan Straits (ARATS). Or ARTS. Tsai's job was to find a way to work through these organizations to stabilize cross strait economic relations, to find some way direct or indirect to stabilize political relations if for no other reason to allow the economics.

That would have been a difficult job in any case but was all the harder given that she had worked for Lee Teng-hui on an approach that the mainland Chinese felt was offensive, which Lee called "special state-to-state relations." That is how we explained ROC. It was not the PRC, but it was China. She was also working for Chen Shui-bian's party, the

Democratic Progressive Party that was clearly pushing a distinctive Taiwan identity, if not Taiwan independence and Beijing was worried that they would go toward independence and thereby end any hope of Taiwan cross-Strait unification.

The thing that struck me when I was in meetings with Tsai, she was extremely cautious, pragmatic. Always understood the balance or imbalance of power across the strait. Always understood that the interests of the United States might be different from the interests of Taiwan, and yet Taiwan knew the United States and knew that we were working with them. I had occasion to look at a cable that I wrote after one of my meetings with her the other day. The meeting ended and we had done the business of conveying U.S. demarche or opinion on something. She said, "OK, that is well and good. Here is what we are facing. I know what the U.S. government position is. You just laid that out. What do you think, what about this?" It was a remarkably candid, professional, thoughtful exchange. She was seriously trying to figure out how we could work together in ways that could help our mutual objectives that we might not have thought of when we came into the meeting. That she might not have thought of. Such a remarkably impressive person. Taiwan is very fortunate in that sense without getting into politics. I am going to say this about someone else in a moment, but you know during Hillary Clinton's campaign they always said that you campaign in poetry and then govern in prose. Tsai's prose was really good.

The next person is Joseph Wu. He taught at the same university as Tsai, the Political University, and it is not a political cadre school. It is a university oriented toward social sciences, economics, and current events. So, if you wanted to do trade law that is where you went. If you want to do international relations, well that is an awfully good place to go. Wu was brought in by President Chen as Presidential Office spokesman, his deputy chief of staff. And he later succeeded Tsai as head of the Mainland Affairs Council. Excellent English although with an American accent not with Tsai's London accent. He was one of the people who had spent time in the United States earning a Ph.D. from Ohio State. He wanted to be an interlocutor between the Presidential Office and AIT. He wanted, to the extent he could, to reduce our distrust of the Chen administration, recognizing our concern that the Chen administration was coming in without any government experience. They were coming in with an agenda that, depending on how you understood it, could be destabilizing. And he worked to reduce that tension and worked to reduce that suspicion. As he became President Chen's spokesman; he wanted to know what our line on everything was so that to the extent possible, he could ensure their public line wasn't out of sync with ours. Which is at that level a great idea. The problem was that sometimes the Taiwan media would go to him to find out what the U.S. position was on something. That proved to be a difficult thing to walk back. We had some awkward moments over that.

Later, when he became Chairman of the Mainland Affairs Council during Chen's second administration, he did something that was groundbreaking. Up until 2005-2006 at least, if a Taiwan business opened an operation in the mainland, all of their staff who were going to work on the mainland or to a meeting on the mainland had to fly from Taipei to Hong Kong, go into the PRC office in Hong Kong, get a document, basically a visa, and then

get on another plane and go wherever they were going in China. So, what might have been a 2-hour flight turned into a 24-hour flight, Even when the mainland simplified the process in Hong Kong, it was no less than an eight or ten hour flight.

This became an enormous difficulty for business but especially at Chinese New Year. Everybody in China goes home for Chinese New Year. Everybody goes home. That means every airport, every train station, is chock a block. All the Chinese knew that there was a week or two when they had to get on the plane, and they couldn't go without gifts, so, instead of one piece of luggage everybody had three, or four or five pieces of luggage, because if they didn't bring gifts, it was just not done. So, both sides were interested in facilitating the travel of Taiwan business people in China back to Taiwan for Chinese New Year. So, I think it was the Taiwan side who said, "Well we have the Straits Exchange Foundation, you have the Association for Relations Across the Taiwan Straits. We designed them for this. Let's have them work out a solution." The PRC said, "You know, we really don't trust your government and to make it clear how much we really don't trust your government we are not even going to work with your unofficial representative organization.", Instead they said "Well, we will have the mainland Chinese airline association work with the Taiwan airline association."

I am not sure the Taiwan side had an airline association, but pretty soon they did. They ended up in Hong Kong or Macau having a series of meetings to do this. Needless to say, the association representatives to this meeting on both sides both had a number of government employees who were not using their government titles at the moment. Wu did a remarkably good job of moving that forward under some very stressful conditions. You are dealing with one or two removes, and you have to do this in ways that the other side is comfortable with, and that your political base is comfortable with. Perhaps because of his experience working in Chen's political office, he kept the United States a little bit more at arm's length at that point. A little bit more cautious in dealing with us at that time than he had been beforehand.

Next person in my mind is Chiou I-jen. Chiou I-jen was just an interesting person. He did not look like a politician. He looked like an overaged jazz musician who was running a small shop, maybe a tea shop. He was head of the New Tide faction inside the DPP. He had served as campaign manager for Chen Shui-bian when he ran for governor of Taipei. Chen had brought him into his administration in part to take advantage of his exceptional political skills and to keep the DPP all behind him. Chiou quickly proved to be one of the most subtle and thoughtful people in the administration. Over time he became the head of Chen's National Security Council. Chiou was one of these people who understood the politics of the green base and who could explain it. He also understood jazz music. That was not a complete throw away when I said he looked like an over aged jazz musician because rumor has it that every time he went to the States he came back with an extra piece of luggage that was vinyl records. A fascinating guy.

Chiou was one of these people you could talk to and get a sense of why the Chen administration was thinking the way it was. He was also very good at discerning whether or not he agreed with us, why we were thinking the way we were. He was one of these

people who played chess at six levels to relax. Every time you came out of a meeting with him you felt like, “That was very thoughtful.” Whether we agreed or not, that was very thoughtful. I also had the honor of having lunch with him during one of the worst earthquakes while we were there. We were in a traditional Taiwanese restaurant four or five blocks from the presidential office building. The whole building went rattling from side to side as we were about to sit down. We laughed, made a few jokes about the shaking, and went about our business. I got home that afternoon, on the sixth floor of this brand-new apartment building where we lived, and there was water all over the bathroom floor. My wife explained that she had called the building plumbers to find out which pipes were broken by the earthquake. They finally figured that no pipes had broken. The building had swayed so much that the water had slopped out of the toilet onto the floor.

Q: Oh my God.

KEEGAN: A very different person from Chiou I-jen was Hsiao Bi-khim who is a Taiwanese American. I think she lived in Taiwan and then in New Jersey to Taiwanese and American parents speaking Taiwanese. When she finished a master’s degree at Columbia it was just about the time Chen was running for president in 2000. She went back to volunteer. They very quickly discovered that, one, she had very good English and really good Taiwanese, and there weren’t many on their campaign team who had both. Again, the DPP and Chen’s coterie were a group of people without much international experience. And with very little experience in dealing with Americans. These were people from the south. Not to say they were unsophisticated, just to say they had different experiences.

Hsiao very quickly became Chen’s interpreter when he met with foreigners and Americans. It didn’t take them long to realize that, yes, she was an interpreter, but she also had some very perceptive intelligent things to say about the Americans and very quickly became an advisor. After Chen got elected Hsiao brought groups of young DPP activists just out of college, her age or a few years younger, to meet the people in Washington. She was clearly trying to build that bridge. In fact, the first time we met in Taipei we realized that we had met when she had brought a group to Washington and as Taiwan desk director I met with them and talked about U.S. policy, because that is one of the ways you build bridges. I would talk to almost anybody.

She then moved over to the Legislative Yuan, which is their national legislature. Taiwan has a very peculiar system of multiple candidate constituencies, plus a party list, all inherited from the Japanese. So, each party had to figure out in each constituency how many seats they thought they could win. Let’s say there is a constituency with six seats. How many do we think we can win? If we think we can win three and we put three candidates in, our votes are distributed to win three seats. You don’t put in six to win three because you risk over dispersing your vote, Hsiao moved over into the legislature and began running as a local candidate. If you think of her American as well as Taiwanese background it was a tremendous challenge.

But again, she was perfect for explaining to Americans how the politics of Taiwan worked at a local level. Because she was one of these people who could say, "I know you don't understand this. Because I didn't understand it either. Here is how it works." Having coffee with her was a great way to understand what was happening, and some of the folks in the political section did that quite regularly, and every once in a while, I would come along. Very extraordinary. The last couple of years she was put into a constituency on the northeast coast of Taiwan called Hualien. It is probably the prettiest place in Taiwan. It is certainly the prettiest tourist spot in Taiwan. It is also the place where a lot of Nationalist soldiers retired after they came over from the mainland. It was quite Nationalist. She won a constituency. They gave her an uphill slog and she got up the hill. I am not making any predictions but if she ends up in a higher office in Taiwan I will not be surprised at all. She was one of their youngest people moving into leadership. [Note: Since I recorded this oral history, Hsiao Bi-khim has become the Representative at the head of TECRO in DC. An excellent choice.]

And I am going to complement her with the last of my DPP figures, Su Tseng-chang. When I was taken to meet him, he was magistrate of Taipei County. If you think of Taipei as Los Angeles, there is Los Angeles City and Los Angeles County. He was magistrate of Los Angeles County, so it is this area surrounding the city of Taipei that is greater Taipei. The fact that they had two DPP mayors of this quite blue (i.e. pro-KMT, pro-Nationalist Party) area was interesting. Chen Shui-bian had been mayor of Taipei as a Democratic Progressive Taiwanese. And Su had won the mayorship of this area. If Tsai Ing-wen was not a natural politician, Su was. When Chen was running for his second term, every time he had a big rally Su was his warm up act. Su Tseng-chang would get out on the platform and rev up the crowd which he loved doing.

He was one of these people who, if you dropped him at one end of one of these enormous wet markets, traditional food markets in Taiwan, about four hours later he would come out at the other end having talked to everybody in the wet market. Just slapping backs, laughing, having tea, telling jokes, and everybody in the wet market would think it was the best thing that ever happened to them the day he showed up. He was just one of those people, but also this was a person who understood the strategic dimensions of politics and understood how his party, the DPP, had to lead Taiwan if they were going to maintain the kind of cross strait dynamic they needed to maintain. He was one of those rare people who could do both and did quite well.

That is my cast of characters for the Chen Shui-bian administration. I haven't talked about the official levels below that. By and large they were all very competent people, but let me do an interlude here. One of the things that happened as part of the democratic movement in Taiwan was corruption. They were trying to overcome a history not just of government corruption but a history where the Nationalist Party was the same thing as the government. The party coffers were the government coffers. They were also in an international situation where a lot of the things that they needed to get done were best done without too many receipts.

This was particularly true in international affairs where they knew that Beijing was trying to buy out their diplomatic allies, and they were trying to spend enough money to keep them, but also domestically vote buying was the way you did business in Taiwan. Sometimes it was just making sure that anyone who showed up at your rally had a good meal. Sometimes it was more than that. Sometimes, a party loyalist would get money from a party boss, and he would say, "How many votes do you think you could get in your neighborhood? I will give you this much money to secure them." That posed a real challenge for both parties and the government, the government at the bureaucratic level. They had to move from an environment where receipts were the exception to an environment where receipts and accounting and accountability were expected in every case.

Without judging Chen Shui-bian's conviction for corruption or his wife's conviction, or his son's conviction, or Ma Ying-jeou's trial on the same issue, this led up to what Taiwan is now going through redistributive justice. The government is looking at the Nationalist Party and asking, "In a democracy, are the properties owned by the Nationalist Party, are the funds owned by the Nationalist Party, are they party assets or are they government assets that were moved into the party?" A very difficult situation, and the answer is some of both, and when this was happening this was a question that occurred to people. But it also affected people down in the bureaucracy because in the past you weren't expected to be accountable in quite that way. You were expected to show results. We had one particularly awkward moment where one of my counterparts in the foreign ministry was accused of corruption, and I don't believe he was corrupt. But he had been operating in this environment, and all of a sudden he was told that he needed receipts. There was a story in a Taipei newspaper one morning that said that one of his receipts said that a certain amount of money he had expended was for a case of wine that he had given to the AIT deputy director.

Q: Ooooo.

KEEGAN: And so, somebody came in and said, "Dave, do you have a case of wine from the foreign minister?" "No, I don't. Would you please go back to the foreign ministry and tell them that one of us is going to walk the story back. I give them the option of walking it back before we did, but we will walk it back in no uncertain terms if we have to." At that moment, all of a sudden, I was part of this mess. In one sense it was very disturbing, but in another sense, I understood what they were going through.

Q: They just put it down, a case of wine for AIT, why not.

KEEGAN: Well, they didn't say a case of wine for AIT, they said a case of wine for Deputy Director Keegan at AIT. Now, if I were not with AIT, I still would have had a problem with it.

Before I talk about the Nationalists, and I will only talk about a few of them, one thing that one has to understand is that when I got there, the Nationalists were still suffering from a feeling of shock. They were the natural party of government. The DPP was the

natural party of opposition. They didn't mind having an opposition party. They were adjusting to one. But their attitude was, "We are the party of government. We built the Republic of China. We built the Taiwan economy." Well, they built the Taiwan economy because they had some incredibly talented entrepreneurial people in Taiwan to do it with. It was a partnership, but they could not believe that they had lost the mandate of government.

And when you would have a conversation, they would say, "Chen Shui-bian only got 39.3%, James Soong, the KMT member who ran without the KMT endorsement, got 36.8%, and Lien Chan, the KMT candidate, got 23.1%. That means the pro-blue or KMT and KMT-like candidates got 59.9% of the vote. James Soong only lost to Chen Shui-bian by 2.5%. Overall, we won." There was a continuing sense of injustice and inappropriateness, and they were feeling that even though they didn't win the presidency they should still be running Taiwan. Chen Shui-bian at first selected a senior army general with KMT ties as his premier trying to say, "Hey can we run a government that is a DPP led but has the guy in of the KMT?" That worked for a few months, but the agendas were just too different, and it did not survive.

The first KMT figure I want to talk about is Ma Ying-jeou who in 2008 would win the presidency after Chen's two terms. When I got there, Ma Ying-jeou, like Chen before him, was the reformist mayor of Taipei City and like Chen was a lawyer. Ma actually wrote his graduate dissertation for a Ph.D. in law on the Senkaku or Diao-yu Islands, which are disputed between China and Japan and Taiwan. So, he wrote his thesis on the legal ramifications of that. His English is every bit as good as Tsai's with an American accent. A clean politician. I mentioned earlier that he had resigned as Minister of Justice when Lee Teng-hui ordered him not to pursue a criminal investigation against a corrupt politician. Again, if you campaign in poetry, he was a lousy poet. Prose was his strength. There was a sense that this was the next wave of the KMT, and, if the KMT came back, Ma Ying-jeou was probably going to be the person at the head of the pack bringing it back.

Every time we had a senior person from the United States, Congressman, Senator, whoever, and we really wanted them to have some sense of what the KMT, the Nationalist camp was like and why they made sense, whether or not we agreed with them, we would bring them in to the mayor's office in Taipei and have them talk to Ma Ying-jeou, and you ended up with a half hour or 45 minutes or an hour of really just thoughtful high-level discussion. They would come out saying, "Wow. He would make a good president, and this is somebody that if he were president a U.S. government could deal with." So that was the Ma Ying-jeou that we saw. He was very critical of Chen Shui-bian, and I could never tell how much of that was analysis and how much of that was politics masquerading as analysis.

The exact opposite of Ma was Wang Jin-Pyng. He was Taiwanese. He was from Tainan, which was the old capital before the Japanese colonization. He was a Taiwanese from a city which is identified with the Taiwanese Democratic Progressive party, but he was a Nationalist politician. He was very much an old-style politician. He knew the

organization; he worked the organization. He worked all those informal connections. If there was vote buying, I am sure he knew how it was done. If there were local thugs who helped out occasionally, and I am not criticizing him, but I am sure he knew. I am just saying he was the old backroom politician. He could be very affable, very pleasant to deal with. If he had any English, I never saw it. We always talked in Chinese. When there was a rally, he would get up on the stage for as much as he had to, but he was much more comfortable behind the stage, talking to supporters, schmoozing, that sort of one-on-one retail politics. He was one of the people, let me backup before I get to that.

It was interesting when I was there, we had a relatively junior political officer, Forest Yang, join our political section, which was called the General Affairs Section or GAS. Great name for a political section. She was like Hsiao Bi-khim, a Taiwanese American. So, she came out to AIT with no training in Mandarin but speaking Taiwanese. She wanted Mandarin. We wanted her to learn Mandarin, but that didn't happen for that tour. She spoke Taiwanese. At that point the secondary portfolio in local politics was the KMT. She was the junior officer, so we somewhat reluctantly let a Taiwanese speaking officer be our KMT contact. Wang Jin-pyng couldn't have been happier. There is this nice young Taiwanese woman, who is smart, who speaks Taiwanese, who knows all the Taiwanese idioms because she spoke family Taiwanese, and he spoke family Taiwanese.

I remember I was driving back from something with Forrest Yang, and the subject came up on how we were going to reach Wang Jin-pyng. We wanted to mention something to him, whatever it was. She said, "Oh, I have him on speed dial on my phone." I said, "I beg your pardon?" She said, "Yeah he gave me his telephone number and I gave him mine." This is dropping gold coins.

Wang was the kind of person who would do that, so assigning a junior officer with no Chinese to the Chinese Nationalist Party was one of these things we never expected to work, but it really did. Wang was at the forefront of the KMT resistance to Chen's administration. He basically said, "The legislature is run by the Nationalist party. We have the majority. This is our seat of government, and we are going to do everything we can to run the government of Taiwan from the legislature without regard to the president."

Chen, who tried to establish a bipartisan administration, felt very frustrated by this sense of resentment from the Nationalist Party, by Wang's implementation of that resentment, and by this instinctive distrust from Beijing no matter what he said. No matter what anyone in the DPP government said, the people in Beijing said, "We know where you are going whether or not you are saying where you are going, so we are not going to play ball with you." The leadership in Beijing won't play ball with him. The leadership in the Nationalist party won't play ball with him, and that leads I believe to some of the extreme steps that will become much more evident when we get next time to the election.

Just a couple more people if I may. Eric Chu, mayor of Taoyuan, which by this time was a large city. You have Taipei City and then Taipei County, which is where Su Tseng-chang was magistrate. Chu is a Nationalist and Taoyuan is just south of Taipei.

Eric Chu, again like Ma Ying-jeou, is extremely telegenic. Excellent English. Excellent Mandarin Chinese. A little bit of Taiwanese. You thought this was Ma Ying-jeou 2.0. Ma became president in 2008. Eric Chu could be the next KMT president. I am not criticizing anyone else, but he is just articulate, English speaking, reform minded, and he wanted to appeal to the younger educated voters, to the people who were coming out of the elite universities to the people who were coming back from the United States. He was looking to that IT generation.

Chu really looked at that point to be someone with a stellar future. He stumbled over that in the last election in 2016. If he had a weakness, it was almost that he was too much on the mainlander side of the Nationalist party, and demographics tell all. The Taiwanese side of everything is 85%, minimum. You know you need to reach out to them. As a result, although Chu looked like he was riding the next wave, by the time Ma Ying-jeou stepped down in 2016, that wave had ebbed. You almost had the sense that the moment for somebody like Eric Chu had passed, we are only in 2018, so I may have to withdraw that comment at some point, but I don't think so.

And James Soong. I mentioned him before but James Soong like Ma Ying-jeou was one of the consecrated elite. If there were princes in the KMT in the 90's, he was one of the princes, and really a prince who was senior to Ma. I think everybody expected him to run for President under the KMT banner in 2000. But he and Lee Teng-hui could not get along. I wonder if Lee ever wakes up in the middle of the night and thinks, "You know, if I just gritted my teeth and let James Soong run in 2000 Chen Shui-bian never would have won." James Soong was one of these people who could do the Chinese/English interpreting. He could get elected as mayor of Taichung, which is another of the big cities. If Tainan means Taiwan south, then Taichung means Taiwan central. He had been elected when they created a provincial government for Taiwan. He had both the poetry and prose, but because Lee didn't nominate him, and he chose to run anyway, the net result was that Chen won. James Soong would be back in 2004 but he became part of the problem rather than part of the solution.

I will just mention the name Su Chi. I already talked about him. Su Chi is the academic politician who created the term "1992 consensus." The idea that two sides, Taiwan and mainland China, the PRC, had reached a consensus in 1992 on political relationship, in which they agreed to disagree but they both agreed that they were China and that allowed business and commercial negotiations to go forward. But he only created it in 2001. He created it, I think, with the understanding that it would be part of the KMT backlash against Chen Shui-bian. So, well I hope what I have done by now is to set the stage for the election in 2004 which is probably one of the two most fascinating things that happened to me while I was there. We will talk about that next time.

Q: Today is September 20, 2018, and we are resuming our interview with David Keegan. David, where did we leave off?

KEEGAN: I believe we left off talking about some of the personalities that I met when I went to Taiwan on both sides of the political spectrum. I think we covered that. If not, we

will go back and as the Chinese say, bu-yi-bu, or add a little more. What I wanted to start this time, and I think it will be this time, and maybe next time is just talk a little bit about what I thought was happening on the policy side. I was the desk director before I went to Taiwan and became the deputy director or DCM. So, in one sense it is a remarkably smooth continuum. On my first or second day in Taipei I actually answered an OI email that I had sent from the desk.

Q: An OI email is what again?

KEEGAN: Official informal. That overnight desk director to DCM email, which said, "I am not authorized to send this as a formal reporting cable, but you might want to know that." It is official but it is very informal, "Watch out for this," or "What do you think of that?" So, in one sense it was very smooth, and, in another sense, it was really stepping through the looking glass. Because once you get to Taipei, once you become immersed, your world changes. I think this is true in many capitals in many overseas assignments. Even if you know the situation very well from the Washington point of view, you don't fully absorb the motivations and constraints people feel on the ground.

This simplest summary of how it looked on the ground is that Taiwan was a place that existed at least 1895 on a knife's edge and had danced on that knife's edge with remarkable skill and success, and it continues to do so. But, there are things that people in Washington think they understand, and you get on the ground in Taipei and you start talking to people and a different reality becomes absolutely clear. You wonder, "How could they not understand in Washington?" Bridging that divide is the challenge for every reporting officer, political or economic, in Taipei or any place else.

Before I get there. I remember talking to the guy who was going to be our economic section chief before he actually went there, and before I actually went there. I was doing language study here at FSI and congratulated him on being fortunate enough to be econ section chief in a place with a real economy. Sure, there are politics involved, and we will talk about those in a moment, but you are dealing with real economists who have a real impact. You are dealing with people who are proud of a heritage that really dates back to 1945 of economic, development, and management technocrats. They know they have gone to the best schools in the world, almost all to the United States. They have come back to Taiwan to manage important economic affairs, and they are respected for doing that. So when you hear the chairman of the Taiwan Central Bank, the Bank of China, saying, "This is the way I think we ought to run our monetary policy," he knows, one, that he knows about as much about monetary policy as anyone in the civilized world. He knows, two, that the people he is talking to and the people who are elected to direct him know that he is that good, and so when he is talking to a president or a vice president or a premier or vice premier he is being listened to and treated with deference. I saw that when we went into the central bank

It was the same when we talked to somebody like Vincent Siew, who had been a Nationalist party KMT senior official, but also an economic technocrat, and who was kept on by the DPP the People's Progressive Party, under Chen Shui-bian who was

elected in 2000. They looked at him and said, “You are the opposition party, but you are a damn good economist.” Being a really good economist was more important than his political leanings, so he ran one of their think tanks developing economic policy even though he was from the opposition party. At that level, all of our economists, and we had a large econ section, felt exactly the same way. They could go and talk to people, and they could talk about economics knowing that the people sitting across from them, eating lunch with them, understood them. We had really good economic officers and they had really good counterparts.

I remember a number of occasions when I and the econ section chief or someone from the section would be going to lunch at my house. We would be driving back to the residence to host some economic officials. My standard question in the car at that point was “What are we talking about, and what are we supposed to do? Where is my value added other than my hosting? Where do you, the experts in AIT, want this discussion to end up?” Political discussions we normally did in Chinese. Econ issues we sometimes had to switch into English because it was harder. I couldn’t keep up, as good as my Chinese was. Also, our Taiwan counterparts learned a lot of the economics in English and were almost happier to discuss it in English. As a result, people from the U.S. Trade Representative were really very happy talking to Taiwan economic officials. But despite that, and particularly under Chen Shui-bian, but it was also true under his predecessor Lee Teng-hui, there were very tight political constraints on what they could do. It was different from mainland China, the People’s Republic of China where politics drive economics. Economics drives politics but politics was always a formative factor in economics.

I will just give you two examples. The first example is that Taiwan really wanted a free trade agreement. They had already gotten into the World Trade Organization (WTO) in 2002 which had been their primary objective, and in all honesty they could have been in the WTO eight years ago before. We accepted that, but they were in the WTO. They belonged in the WTO. They had set up special constraints with their trade with China, which were part of their WTO accession because they were concerned about China’s commercial aggression, the use of commercial factors to put pressure on them. We are seeing the same phenomenon in our current administration where economics becomes a matter of national security. Well, when a country of 1.4 billion people is 100 miles away from a country or a place of 19 or 20 million there is a tremendous risk involved. They wanted to get a bilateral trade agreement with us for security against that pressure.

But they had a president who had been elected, President Chen Shui-bian, fairly and above board, but with only 39.3% of the vote. So, he was looking around saying, “I want to run for re-election, and I have no political latitude. I need every single person who voted for me last time to vote for me next time. That means we will negotiate nothing that is going to hurt the farmers, no concessions that will hurt small business, no concessions that would hurt what was, and to some extent what still is, a remarkably dynamic IT sector of the economy.” So, they had no flexibility to negotiate, and USTR guys said wait a minute, “I gave you something, now you give me something.” Their attitude was, “Nope, I can’t give you anything.” They didn’t put it in those terms. They didn’t say,

“Sorry, I can’t afford the five votes that concession is going to cost. The president can’t afford the five votes.”

USTR said, “We will start with something called a Trade and Investment Framework Agreement, a TIFA. A TIFA is essentially simply an agreement to have periodic economic consultations, perhaps with limited mutual agreements. That was supposed to be the follow on to the WTO accession negotiations perhaps leading up to a bilateral trade agreement. A bilateral trade agreement made a lot of sense, but they had no room to give, and USTR, as you know on 17th street, is a small place. Their constituency is U.S. business, and they say, “Unless I am going to get real bang for my buck. I don’t have the time or energy,” so they basically said to Taiwan, “We are not going to do a trade agreement.”

In the simplest possible terms, it was USTR’s limited capacity plus Taiwan’s unwillingness to make any concessions that scuttled any progress. Sitting at AIT in Taipei we understood that in a way that folks back in USTR, NSC, State Commerce did not. We understood why Taiwan was talking about that position.

Q: But now Taiwan was now the demander for a trade agreement. We weren’t encouraging that. It seems odd, given their economic acumen, that they would ask for a trade agreement when they knew they didn’t have the negotiating room to be able to engage the U.S. in a way that would be a typical kind of economic engagement.

KEEGAN: That is a great question. It reveals something of, one, their thought pattern and, two, their constraints. Anything that is going to strengthen their trade and investment position and their economic security is going to improve their overall political security, and a free trade agreement would do that. It says, “The U.S. thinks our economy is significant. When Chen Shui-bian went out to run for re-election, he could say, “I got a free trade agreement, and that is great stuff.” At the same time this reflected an instinctive reaction for Taiwan, which was, “The United States is our big brother, and in Confucian terms the big brother takes care of the little brother.” With that mindset they came to the United States saying, “You are our big brother, you have got to take care of us. Yes, we are asking you for some unusual concessions, but you have such a large and dynamic economy you are never going to notice. Now show us a little love.” They did this knowing full well how USTR would react, and again their technocrats were looking at the politicians and saying, “We are doing everything we can, guys, but realize we don’t have much leverage.”

I think there is a rule in USTR negotiations that you can’t do anything before midnight and pizza. We were doing the equivalent of midnight and pizza. You don’t get very good pizza in Taipei or at least you didn’t then. But we did do the late nights and long discussions. Even if the Taiwan negotiators didn’t get what they asked for, they could go back to their political masters and say, “We stood up for us. They should have acted like a big brother, but they did not, and we held their feet to the fire and stood up for us.” This is the Rodney Dangerfield complex – We are the little guy. We don’t get no respect, but we are still tough folk. That was one of the things we saw play out in those three years.

The other issue we saw play out, in 2003. I remember it was Christmas Eve, and I was in the noodle shop across the street from AIT where they made some really good beef soup. It was one of our AIT lunchrooms. It's Christmas eve, our two sons were visiting from college, so my wife and I took them out for good beef soup. I got a phone call from Scott Sindelar, our agricultural section chief. As you know agricultural section chiefs are not doing analysis. Their job is to sell U.S. agriculture. The ag section chief told me that Taiwan had heard of reports of mad cow disease in U.S. herds. I believe this started in England, but they had heard reports that it had occurred in the United States, so they were putting a ban on U.S. beef. It was Christmas Eve, and he was in the office, and he wasn't going anywhere because that is a lot of money involved.

Beef really dominated our agricultural relationship with Taiwan for the entire rest of the time we were there and beyond. Taiwan was absolutely determined that they were not going to allow any unsafe beef. In 2006 they got into pork and concerns about the safety of growth hormones in pork called ractopamine. They were also looking at it as a competitive issue because if Taiwan didn't have a lot of U.S. beef or U.S. pork on the market it would have a much bigger market for its domestically produced beef and pork. The DPP, the ruling party at that point and for the first time ever, was based largely in southern Taiwan and largely in farm communities. The farmers were saying to them, "You know, if you don't let in U.S. beef and pork, it is OK. There are five votes there at least."

Q: Was there enough domestic production to more or less substitute for the imports?

KEEGAN: No. They were looking at importing from other places, Japan being one. Japan produces relatively little beef, but it is very high-quality beef, and we must remember that Taiwan was part of the Japanese empire between 1895 and 1945, and so it burned in their DNA that Japanese products of any kind are high quality products. We had a lot of scientific exchange on, one, was there mad cow disease? Two, if there had been mad cow disease, we were able to show, I think pretty conclusively to the impartial observer, that we had done everything that could be done and was needed to be done in order to protect any consumers.

We pointed out that no single U.S. consumer had gotten ill from eating beef of any kind. They always say that ground beef is the riskiest. Nobody in the U.S. was sick from this. Just nobody. When the president of the United States had a steak dinner what did he serve? U.S. beef. Did the U.S. president eat hamburgers from American ground beef? Of course he did. But their point of view was "We can't afford to lose five votes, and we can't afford to have anybody sick who might claim that it was because of imported beef. We have farmers who would be just as happy getting a higher price for their pork." Over time we were able to get certain cuts of pork and beef allowed in; other cuts were not allowed in. There was a large market for beef bones and offals, and all that kind of stuff. That was the one area that was banned for the longest period of time because apparently that is where the illness of mad cow is found.

Both the bilateral trade problem and the mad cow problem are illustrative of the fact that in this very successful economic society, the heads of their biggest companies are all U.S. trained. Many of them had long and very successful careers at American companies like Intel and places like that, and yet those political constraints just lock things down. I think it was extremely frustrating for Washington, and it was difficult for us to explain to Washington. I always say the true overseas mission is a little bit like a simultaneous interpreter. You have to be not only translating language, you have to be translating culture, intent, and everything else. So that was one of the interesting things on the econ and trade side.

And again, foreign commercial service. We had a significant Foreign Commercial Service presence. I believe we had two or three officers and a large local staff. As I said about the econ section the other day, our commercial section was brilliant. The FCS chief was in another building several miles away because we didn't have room. He said, "Do you want to come over?" He brought in a local woman employee who was in charge of their aviation account – Boeing, Lockheed, et cetera. She came in, and he said to her, "Would you explain what you've been doing." She said, "Well I was talking to the chairman of China Airlines on the phone the other day." OK, we had a local employee in the Foreign Commercial Service section who says she is talking to the head of China Airlines. She didn't say that to impress, but she hadn't talked to him in a couple of weeks, so she was calling him just to stay in touch. From my point of view, I just smiled. Life is good. With the local staff we had in Taiwan life was good.

Apparently, China Airlines was coming under pressure to buy Airbus instead of Boeing. That geared up a whole issue. They are trying to make friends with the Europeans and put a little pressure on Boeing, and that was one of those cases in which we got very directly involved in terms of commercial advocacy. AIT spent a lot of time on economic and commercial issues. Doing that in Taiwan was different than any other place in the world. Given the sensitivity of the issues and given the high stakes, you would expect to have cabinet officials coming through every three to six weeks. You would expect to have a fairly large chunk of your staff supporting those visits. We didn't, because we had virtually no official visitors. All of those people who would have been coming through knew that if they came through it would hurt their ability to do business on the mainland, and they were equally leery of having Taiwan cabinet officials meeting in their offices in Washington.

Even though, after the Taiwan policy review of the early 1990s, these kinds of visitors were allowed except for the State and Defense Departments, still they were very cautious about it. The good news was that we didn't have to support all those visitors. The bad news was that we could not use those very senior official and corporate visitors to carry our water. You had people in responsible positions in the United States who had never been to Taiwan or hadn't been there in a long time. We will come back to the implications of that in just a moment, but it meant that they didn't know there was a gap in understanding; there was a gap in reality. That sense of going through the looking glass becomes even more intense.

If you were in Beijing and you were talking to someone in Washington you could say, "Here is what it looks like." And the person in Washington might respond, "But when I was there six months ago it looked quite different, so now I have to adjust my approach a little bit." If you had someone who had never been there or hadn't been there in four or five years it was a very different equation, and that is what we faced. We compensated for that by having a lot of retired U.S. government officials who would come through with think tanks. Think tanks and commissions were looking at cross-Strait security issues, economic issues, whatever. Cross-Strait meant involving Taiwan and Mainland China. These visitors had a degree of access that they wouldn't have had in a place with lots of official visitors. They were the substitutes, and there were some very good substitutes.

The thing that was striking was before 2000, every time they came in the past, they had been meeting with the Nationalist party leadership, Chiang Kai-shek, Chiang Ching-kuo, and Lee Teng-hui. This was a mainland party or mainland-led party or a mainland-oriented party, although that was changing. They knew those people. They knew James Soong, Ma Ying-jeou, Su Chi, and many others like them, the people I was talking about in the last couple of times, people who had been in the Nationalist party and had risen through the ranks. When Chiang Ching-kuo told Katherine Graham, who was publisher of the Washington Post, we are going to end martial law, you look at the picture. There was Chiang Ching-kuo, there was Katherine Graham and who was sitting between them? A young American educated Taiwanese lawyer named Ma Ying-jeou who in 2008 would become president. Who in 1996 got elected mayor of Taipei. All of these are people whom senior Americans would know.

They don't know the Democratic Progressive party, the DPP. The Taiwanese identity opposition party that had been formed back in 1986. They had never been part of that coterie of people that Americans had been introduced to. In part that was because they grew up in Taiwan. They were educated in Taiwan. Most of them didn't go to Harvard, Yale, NYU, Cornell, UC Berkeley. All of which meant they were uncomfortable using English. They hadn't done internships in the U.S. Congress. So, while we were there and had people come there, many of them were meeting some of these Taiwanese leaders for the very first time or having extended conversations with them for the first time. There was this sense of first contact.

One of my gods in the China pantheon is a Stapleton (Stape) Roy. James Lilley is another of the gods in the pantheon. Stape Roy was leading a group, and it was coming from the leading think tanks in Washington. And he and the other five or six or seven members of his delegation were meeting with President Chen in the formal reception room in the Presidential Office Building. They were all seated in protocol order. And I remember President Chen saying to Ambassador Roy, "You need to realize that things are very political here, and there is a perception within everybody in the media, and I will even say within my party, that you are on the blue team." Blue being the color of the Nationalists, the KMT, that had dominated for so many years. Chen continued, "other people are afraid you are against the green team." And God bless his cleverness and balance," Stape Roy just looked at him and said, "From my point of view I am just on the red, white, and blue team." Everybody smiled; it was the perfect answer. But Chen

Shui-bian didn't know Stapleton Roy. Amb. Roy and all of the others who were with him were people whom the KMT leadership did know. As a result, when Ma Ying-jeou received a delegation like this between 2008 and 2016 when he was president, he was seeing them again. They were, to use that wonderful Chinese term, old friends. For the DPP they weren't. So there really was a lack of understanding and a lack of connectivity.

I noted earlier how Chen and the DPP was coming into political leadership over a government that had been populated by the KMT. It is worth adding that the political system that the KMT had inherited from the Japanese turned out to be a very KMT friendly political system. As I noted when talking about Bi-khim Hsiao, in all the legislative elections every constituency had multiple representatives. Each party had to figure out how many seats they could win given their number of supporters and then just nominate that many, and make sure that nobody else in the party ran as independents so they wouldn't take votes away, and then they had to go out to their supporters and convince them to allocate their votes because each person only gets one vote. These were "single vote multiple member" constituencies.

The KMT was very organized, and could afford to pay people for their votes, and with its intensive grass roots organization, it could be fairly confident that if it nominated four candidates in a four-member district, it could get people to vote 25-25-25-25. That is much harder for a less organized, more fractious opposition like the DPP. By 2008, Chen Shui-bian and the DPP and the KMT led legislature had moved to single member districts. But I was sitting in Taipei before 2008 listening to some of the really smart young DPP legislators and listening to the way they were talking about local politics. I realized that this difficulty is a dimension of Taiwan political reality that people back in Washington, no matter how much we explained it, found it hard to believe that people really sat up late at night thinking about this kind of election, and they did.

We were fortunate enough to have good relations with a lot of these people. I was fortunate enough to be invited into groups that hosted domestic political and security discussions which, believe me, improved my Chinese really fast. That was some of the political reality that we were dealing with. I wanted to go on to talk a little bit about how I perceived the relationship between the United States and Taiwan at that point and AIT's role in it. Again, I am going to speak in general terms. Taiwan was always very conscious of having official diplomatic relationships and the fact was that they were losing those to the PRC, mainland China, as the Chinese economy grew and as its ability to prevail grew. The two of them were in a bidding war. As China's economy grew, even though Taiwan was doing fine, its ability to buy those relationships grew. And yet Taiwan understood very clearly that its two most important relationships were not formal diplomatic, they were the United States and Japan. We were the one who was always working with them to make sure they were heard in international organizations. We did not at that point do what the current U.S. administration is doing which is to lean on governments to not have relations with the PRC but to maintain relations with Taiwan. We chose to say that was not our role. We focused on multilateral organizations and technical lateral organizations.

Q: It is interesting that Japan understood the Taiwanese understood, and we understood that in its region and on the international stage it was a big brother from the Confucian point of view to Taiwan and that part of its foreign policy is to consider the effects on Taiwan. This is something that I don't think comes out awfully clearly in U.S. media so many Americans might not realize that.

KEEGAN: I am going to reserve comment on that observation. Unlike Japan and Korea, Japan and Taiwan at this time had a by and large cordial relationship and a cooperative relationship. Japan looked at Taiwan and thought, "They are like us in a lot of ways." They encouraged it too, Japan and Taiwan. Japan was conscious that Japan and Mainland China were not alike even though a lot of their economies were tied together. They were quietly supportive of Taiwan. They would never say, and Taiwan would never call them, a big brother because a big brother is a Confucian relationship and from a Chinese point of view it is a moral relationship. Given Japan's role in two wars with China and occupying Taiwan as a colony you could not simply call Taiwan "little brother." Were they cooperative? Did Taiwan rely on a certain level on Japan and its cooperation? Absolutely. But there was that little bit of distance that I think they were both very conscious of.

It was also a contentious alliance. From the 1960's at least. Japan never went into international organizations publicly advocating for Taiwan. Part of the reason they didn't do it was they thought that was the United States' role. Japan was perfectly happy to have the United States carry Taiwan's water for them. But the second reason was that, had Japan gone into any of those international organizations and spoken on behalf of Taiwan, Beijing would have stood up and said, "You see that? What kind of place is Taiwan? Taiwan is the kind of place that our enemies, our former invaders, the Japanese, like to stand up for. Does that tell you why we are the legitimate rulers of China and they are not?"

We looked at our legitimate role advocating for Taiwan in international organizations in two ways. First, we wanted to make sure their voices were heard because we thought they were constructive members of the international society in international political, economic, and technical arrangements. We wanted them to be heard because we found it valuable, because they were doing good things. They were providing assistance directly and indirectly on all sorts of health issues. So, we wanted to see them in the World Health Organization. We wanted to see them have a role in the annual World Health Assembly. We wanted to see them have a role in ICAO, the International Civil Aviation Organization, because they had one of the international civil aviation air control hubs in Taiwan.

Taiwan looked at this a little bit differently. On the one hand they said, "Yes, we want that role so that we can contribute. Remember SARS, Sudden Acute Respiratory Syndrome. That is 2002-2003 so we are still right there. And Avian flu is already rearing its ugly head. We need to know." But the other reason was that, as they lost bilateral relations; they wanted more visibility in the international arena in unilateral organizations.

Our point of view was that we wanted this to be a substantive relationship. We wanted to go to other members of these organizations and say, "Taiwan is not playing cheap politics, it is trying to help." And from Taiwan's point of view, it was both and. Particularly if you were leading a party like the Democratic Progressive Party, and you were planning to run for re-election as Chen Shui-bian was. You only got 30 some percent of the vote in the last election, and you only won because the KMT, your only opposition, split. Being able to beat the drum for greater international credibility for Taiwan and Taiwan identity and telling voters that their efforts to claim their legitimate position were blocked by those people from Beijing, that was all good. There was not a single thing to complain about in that.

So, we and Taiwan had slightly different objectives, and this is my second point on the U.S. position on Taiwan in international organizations. We had no interest in seeing them charge every year at the windmill of UN entry, which they always wanted to do. Why? Because it was good public relations back home. So, we in AIT were the ones who were going in and talking to the president, talking to the national security advisor, talking to the foreign ministry folks saying, "We understand your domestic political needs. If you want our support, then the more you can tamp that down the more we can help you with things that we think you need." It was one of those awkward things, and still is, where I completely agree with the U.S. government's point of view, and I advocated it relentlessly. I also understand Taiwan's point of view. If I were Chen Shui-bian and particularly when you, Chen Shui-bian, won by a thin margin and the party that you defeated won't admit that you are the party of government because the Nationalists have been saying, "we have been the party of government since 1945 here and actually before that."

Q: It is a big legitimacy issue.

KEEGAN: It is a big legitimacy and a big face issue and Wang Jin-pyng, whom I talked a little bit about last time and who was head of the legislative assembly and head of the Nationalist party in the assembly, made no bones that his job was to make sure that President Chen didn't get anything done. Because, one, it was political but, two, he really shouldn't be president. He was only president because, he thought, "We in the nationalist party couldn't get our act together. We in the nationalist party should be the government." At that level I get it. I am just going to add one more thing and then suggest that we stop, and that is I talked about Ma Ying-jeou. Every time we have those unofficial delegations coming in, they see the president, in many cases for the first time, and they are struggling to understand him. They have good interpreters, but President Chen never had a reason in his life that he needed to speak English, and he didn't. Quite frankly Mandarin was not his first choice either. He preferred to speak in Taiwanese, and he is speaking from an intensely Taiwan-centric point of view. They see him and then they go to Taipei City Hall, which is a relatively new building. They meet with Ma, in many cases for the third or fourth time. He has been on these Nationalist Party delegations to the United States. He has been educated in the United States, and he speaks to them in concepts that are very familiar to them, that are very Americanized, in English that is very Americanized, and he strikes them as a very intellectual, very thoughtful American political leader in

Taiwan. Now, do you think that President Chen and his folks knew that all of those delegations had been struggling to understand Chen and then sat down with Ma and felt right at home? Well, that hurts.

Let's stop there and next time I want to talk about the election.

Q: Today is November 15, 2018, and we are resuming our interview with David Keegan.

KEEGAN: We are just at that point where I have talked about the set up for the major presidential election that happened in March 2004. I am just going to do this impressionistically but essentially the incumbent, Chen Shui-bian, was the leader of the Democratic Progressive Party, which was the party that had been in opposition when the nationalists were in power until 2000. By now, Chen Shui-bian had been in office for four years. He had won the election in 2000 simply because the KMT had split and had run two candidates, Lien Chan who was the Nationalist party candidate and James Soong, the long-time Nationalist Party member and leader who formed a new party, really a personal faction, called People's First Party, so he could run. He knew he was the better candidate. He was right. But be that as it may, the incumbent in 2000, Lee Teng-hui who was in power from 1988 to 2000 had chosen Lian Chan, and so the party split. That is why Chen Shui-bian won with 39.3% of the vote.

So, in 2002 and 2003, Lian and Soong's factions got together and said, "We can solve this problem," and so they did, almost. They agreed that those two people would run as a ticket. However, Lian Chan insisted he was the chairman of the Nationalist Party and even though he had come in a distant third in 2000 was about as exciting as a white painted wall, and forgive me Mr. Lian, but it is true. You were a good premier but not a very exciting candidate. And not a very popular candidate. So, he ran for president, James Soong ran for vice president, and they were for much of 2003 and into 2004 leading by 10-15 points, which was not a surprise. You look at the data from 2000, and you say they should win by 20 points. Then you look at the fact that the Nationalists, even with Chen in office, had dominated the legislature, and you think, "They really ought to win this election."

What they didn't count on is the fact that they were dealing with a president who was about as skillful in manipulating popular opinion as anyone you could name, including in the United States today, and he had an extremely effective electoral mechanism behind him. His party, the People's Progressive Party, the DPP, had really good energetic young politicians and really good pollsters. They knew exactly where they had to go and exactly where they had to do, but still they should have lost. Lian Chan and James Soong were campaigning very aggressively. The Nationalist Party, having been like the Communist Party, an autocratic party for many years and coterminous with the government, had an enormous bankroll. And it still does actually. Up until recently, which is an issue for someone else to talk about in today's politics, but they had more cash than they knew what to do with. They had more local organization, more corrupt local organization, more

connections to organized crime, and all sorts of local fixers who would persuade people to do what they had always done, which is to vote their way.

But aside from that, Chen's first term in office had been, to put it kindly, chaotic. We talked about that, I think, a little bit last time. As a result, there were three kinds of people who were supporting the Lian Chan/James Soong campaign. One looked at the DPP and said, "You are pro-independence, pro-Taiwan identity, and you are scaring the mainland. You are scaring the Communists in Beijing, and they are going to threaten to invade us, and they are going to cut us off internationally. This is going to be painful." Second were those who saw themselves as Nationalist Party (KMT) traditionalists. They believed in the idea of having a Republic of China. They were very proud of the fact, with considerable justification, that the Nationalists had brought democracy to the Republic of China where the Communists had not done anything remotely similar in the People's Republic of China.

I think if you went around and did a poll in 1951 right after the Communists took over on the mainland and asked "In 50 years which is going to be the place people are going to look up to?" They would have said Beijing, the PRC. Taiwan is going to be a province, or it is going to be irrelevant. Fast forward 53 years, give or take, and Taiwan is a democracy, a real democracy with a real economy with market mechanisms that work superbly well. So, in 2003 if you said to anyone, "Where would you rather be?" By 2003 the Communists had done well enough that maybe you could have made an argument, but on balance Taiwan would win out. That leads me to conclude that people who were proud of the heritage of the KMT would vote for them, and those were both Taiwanese and mainlanders.

And third, I think we are beginning at that point to see a differentiation of the DPP of Chen Shui-bian and the KMT along income and political leaning lines. Up until then, and you could argue up until 2015, you could argue that the KMT was the party of unification. It was the party of Chinese Nationalism. The DPP was the party of Taiwan independence, Taiwan identity, but you could also see that the two parties were fracturing along generational lines, and they were fracturing along ideological and income lines. The KMT was becoming the business party. It was the Rockefeller Republican Party, that one, remember? And the DPP was the party of the shopkeepers, the small farmers and the workers. The KMT supporters were looking at the KMT and saying, "You are the party of stability, of business-friendly policies. You can work out something with the mainland that will benefit everyone." In fact, when Ma became president four years later in 2008, he was going to do that much more successfully than I think he will be given credit for.

Chen knew clearly that he was on the wrong side of this election, and so he and his team began to figure out how they could win. They planned two strategies, and there was a third strategy they didn't plan, but it helped too. What they did plan was a highly identity driven campaign. They said, "Do you love Taiwan, or do you love the mainland? Who are you with? Whose side are you on boys and girls?" They didn't use that old labor organizing song, but they could have. The election is going to be in March, I believe it is March 20 of 2004, and that is three weeks after February 28.

February 28 is the day in 1947 when peaceful mass protests erupted across Taipei and Taiwan after a Nationalist policeman had tried the night before to seize cigarettes outside the Taipei train station from an old woman and killed a bystander. The Nationalist government brutally crushed the protest, which started the forty years of the White Terror. It is the single darkest day in Taiwan history.

Building on that, Chen Shui-bian and his team said, “You know we should do something for 2/28. Instead of making it a day of division, we should make it a day of unity. We are going to have a human chain of people holding hand in hand on 2/28.” Taiwan is shaped like a tobacco leaf, north to South from Keelung down to Kaohsiung, down to the southern tip of the island, Eluanbi. Just brilliant politics. What was equally important was that they arranged very good weather for the day. It was one of those days in February in Taipei, it can be a little bit like today. One of these days where you look outside and say, “Do I really have to be inside?” It was bright. It was sunny. It was a day for a picnic.

The DPP organizers were very effective. They knew where most of their supporters were, where they didn’t have to worry about getting the human chain. They figured out where the gaps would be and how they would bus people to rural areas to get the chain formed there. They even had ropes so if they had to spread out, at least could hold the two ends of a rope between them. It was a huge event and just perfectly timed. It was a way to motivate the base and to expand the base. To say, “Really, whatever party you vote for, don’t you love Taiwan, and don’t you want to find reconciliation after the horrors of 57 years earlier?” They did that, and we went out there, and all of AIT were out there looking at various parts of it. Our reporting officers got to the rural areas, and people like me got to go to the urban areas, and I went with my wife who speaks Chinese. We were out there talking to people, and it was just a great good time and the DPP was basking in the goodwill, and what could the KMT do? Shut up and be quiet is what they did. It was all they could do.

The other thing that the DPP did was far more contentious and, in a certain sense, divisive. That is, the People’s Progressive Party portrayed itself as the party of Taiwan identity, and by being the party of Taiwan identity, it asserted it was also the party of Taiwan democracy. Its identity was in making sure that the fate of Taiwan is decided by a vote of the people of Taiwan. “We are resisting those mainlanders who are in Beijing with the Communist Party, but we also know we were taken over. We thought we were going to be liberated. It turned out we were occupied by the Nationalist Party in 1945 and even more in ’49.” There was always that underlying anxiety that the KMT was going to cut a deal with the Communists. So, Taiwan identity became a partner with Taiwan democracy.

There is nothing more democratic, as the State of California will tell you, than referendums. In Taiwan referendums were also connected back to identity and independence because Chen was very adamant about this and others in the DPP were as well, that if there were ever going to be a change in the arrangement between the mainland and Taiwan it would have to be approved by the people of Taiwan by a direct

vote. It could not even be decided by the president or the president and the Legislative Yuan, the national legislature. It would have to be done by referendum. As a result, referendum became a code word for independence, and all of those ideas got tied together.

Chen during his first term proposed a national referendum law because referendum was part of the Republic of China constitution that was approved back in the mainland. But there was never a law on how to do it. The people have the right to referendum. Thanks, now what. So up until 2003 there has never been any lay down of how Taiwan should conduct a referendum. What makes for a legitimate referendum? What makes for a legitimate referendum topic? This is despite the fact that they want to use referendums as a possible means to adjudicate independence or reunification. President Chen and his team in the executive branch propose a referendum law, which then goes to the legislature. Remember the legislature is then controlled by the Nationalists. The lead Nationalist happens to be Taiwanese, Wang Jin-pyng, who actually hailed from a DPP stronghold, the city of Tainan. But, be that as it may, the Nationalists in the legislature say, "OK we are going to pass an independence proof referendum law. OK so what they say is right, we need a law to implement the constitution, so you want to have a referendum, you have to have a percentage of the population sign a petition, and they have to be legitimate signatories, and so forth and so on.

Q: Brief question here. In creating this law did they turn to us in any way, or did they request any extra advice or anything like that?

KEEGAN: No. Let me back up on that. They did not come to AIT and ask for our advice. The DPP had, and still has, its own representative office in Washington. Even when they were in power and are in power again, they still maintain an office separate from TECRO, the "unofficial" Taiwan representative office in DC. It was then and is still run by a guy named Mike Fonte, an American who speaks Taiwanese, who was training to be a Maryknoll Missionary at one point and is as smart and as balanced and as good as they come. I bet Mike was asked, "Would you wander around DC and wander around George Washington University and all those places and ask what they think about referendums?" I don't know that. I have never thought to ask Mike and given your question. I may.

Q: Just curiosity.

KEEGAN: By and large, the referendum law they passed was not a bad referendum law as best we could tell. But it did say that the executive, and by that they meant President Chen, could not put up a referendum proposal independent of these signatories. Except, there is one exception, and I actually looked this up because I thought it was sufficiently interesting, when the country is under threat of foreign force, and national sovereignty is likely to be changed. Only under those conditions can the president with a resolution of a meeting of the executive branch call for a national security referendum. The Nationalists in the legislature thought this was the eye of the needle, and the camel won't get through. Chen Shui-bian was one of those people whom you tell something is politically impossible, nothing more needs to be said. That is all he is going to think about. So, he

came up with a way to call for a referendum, and he actually proposed two referendums he said were driven by the PRC threat and so he came up with two national referendums. One of them said, "If the PRC, China, the Communist party of China, refuses to withdraw the missiles that it has targeted at Taiwan and to openly renounce the use of force against us, would you agree the government should acquire more advanced anti-missile weapons to strengthen Taiwan's defense capabilities?" Why you need to ask that as a referendum is entirely beyond me.

The other one was whether the government should engage in negotiations with the Communist Party of China on the establishment of a peace and stability framework for cross-Strait interactions to build consensus and for the welfare of the people on both sides. Both of these are utterly harmless, but they are ways to motivate your base. The referendum law says you have to have more than 50% of eligible voters on your side. That means you have to have 50% of everybody who is registered to vote has to vote yes. Highly unlikely to happen, but it is a great way to say "Hey, you have got to get out and vote, and while you are there, why don't you vote for President Chen." It was quite clear what he was doing, and it was also quite clear that the DPP was going after the Communists.

Q: Poking them in the eye.

KEEGAN: Thank you. Poking them in the eye. We can use that instead. This campaign was perceived by most people in the United States and most people in the United States government as an effort by the DPP to destabilize the cross-Strait balance and relative tranquility. Remember this is 2003-2004. China had just gotten into the World Trade Organization, Taiwan had just gotten into the World Trade Organization, and we were four years away from 2008 which would be the Beijing Olympics. That was going to be China's coming out party, "Hey, we are on the world stage. Aren't we wonderful?" Chen was perfectly aware the Chinese were not going to bother Taiwan. However, he remembered that in the United States he had a president, George W. Bush, who had begun his term by saying he would do whatever it took to defend Taiwan, and he is also poking at us.

AIT was trying to remind people that, "You have friends back in Washington. Give us some breathing room. It is in your interest. Yes, we would like to supply you with the military defense equipment you need if you can get the legislative end to pay for it." But this is all about motivating the base. Now what was interesting was you would have thought this strategy would have fractured everyone and it would have contributed to Chen losing votes, and it would have contributed to Lian Chan and James Soong, and remember that James Soong is also a very good politician at collecting votes. You would have thought the gap would have widened. It didn't. It just went flat. Two percent difference.

Chen was making President Bush extremely uncomfortable. Uncomfortable enough that on December 9, 2003, the PRC Premier Wen Jiabao was in Washington, and he was in the oval office, and there was a press opportunity. With Wen standing next to him, the

Chinese Premier, President Bush was asked a question, I don't know by whom, but I am going to guess it was by a PRC reporter, saying "What do you think of what is going on in Taiwan? Does that bother you?" He said that he hoped that both sides would understand the importance of stability and do nothing to undermine the status quo, which was code for, "I wish President Chen Shui-bian would be a little less provocative." You could not imagine a more direct slap in the face. Wen Jiabao then echoes Bush's expression of concern. What is interesting is it may have been staged by the Chinese press corps to ask that question. It was not staged by the United States. But certainly, the people in Taiwan thought it was staged by the United States, and the DPP was despondent, and the KMT was thrilled, and Beijing was thrilled, and they figured, "OK, we have solved that problem

Another complication in the election campaign was Chen's vice president Lu Hsiu-lien, Annette Lu, one of the oldest and most senior members of the DPP had been arrested by the KMT police at the Kaohsiung incident in 1979. She was, and really still is, one of the strongest advocates for women's empowerment and women's rule and women's rights in Taiwan, which is why she was on the ticket in 2000. And she was still on the ticket in 2004 even though many people said, "In an election where we need to swing the middle to us, Annette Liu is not the one we need. Let's replace her with somebody else." We kept hearing ideas that the DPP was going to replace her with somebody else. People were right in the middle of that debate and were clearly conflicted. They really respected Annette Liu for what she had done and really regarded her as toxic, to use the Oxford English Dictionary word of the year.

We were getting close to the election, which was going to be on March 20. It was a Saturday. Unlike the United States, they think it is a good idea to have people vote, so they hold elections on a weekend. Friday, March 19, Chen Shui-bian was holding his final election rally. It was a parade, a vehicle parade through Tainan, which as I mentioned before is the heartland of the DPP, the heartland of Taiwan identity and Taiwan independence, and all of that. He was standing in the back of a jeep with a roll bar that he could hold on to. So, he was holding on to the roll bar and waving to the right and to the left, and Tainan is one of those cities where most of the streets are about as wide as your office. I mean I love Tainan; it is a wonderful place to be, but running a parade through Tainan is not something I would want to do. Standing next to him was Annette Liu, and Annette was waving. I am pretty sure this was early afternoon. I was in my office doing something, and the TV was on at the other side of my office. My office is about half the size of a football field for wholly structural reasons.

All of a sudden, somebody took a shot at Chen Shui-bian, a pistol shot. Now how many people do you think you can squeeze into your office. Fifty? Sixty? Well, that was about how many people would have been in a space that size, so no one knew, but somebody took a shot at Chen Shui-bian, or at least two. He was hit, and Annette Liu was hit. Chaos ensued. They were rushed to the hospital. "Are they alive? Are they dead? Can they run for election? Is the election going to be postponed, and who is running the government by the way?" U.S. presidential security would look at this and say, "The president and the vice president in the same vehicle? Not on your life." They probably would never do it

again. As we learned in probably the next 2½ hours, President Chen had been hit just above the waist on one side of his body. Essentially if you took a burning hot poker and hit me right there, you would create a path not all that dissimilar from what the bullet did. Annette Liu, I believe, was hit in the knee but she was OK. Well, stunningly it was chaotic, but everybody was alive. Nobody knew who fired the gun. It was a very low powered pistol, which is why nobody got killed. There were only two shots, maybe three, but I thought it was only two. The question was, “Are you going to have an election the next day and if so how?” We didn’t know how big a group was involved. You know, it is the standard question: “Do you have one terrorist, or do you have multiple terrorists?”

Taiwan’s presidential office and executive made two decisions. Decision number one, they were going to hold the election. Decision number two, they were going to put the police and military on active-duty alert. Which, if you were to say that to someone in the FBI or someone in the Secret Service in the United States in comparable circumstances, their attitude would be, “well at least.” The problem was that the police and military were looked at predominantly pro KMT, pro Nationalist Party, votes. Was the Taiwan government and the DPP skewing the election with this decision?

How close is the election? Like every AIT or embassy around the world, when you have a national election everybody back in Washington is going, “Excuse me, the election is in 72 hours, what is your prediction? What is going to happen? The election is in 24 hours, and you’ve just had a crisis, are you going to revise this?” We had had a meeting earlier in the week, the political section, and I had the honor of chairing it, to decide what our prediction was. We all went into that meeting saying, “Awfully close” is our prediction. But we debated it out, and we finally said, “This is how we think this is going to come out.” We thought it would be close. We thought the momentum was with the DPP. Friends in the DPP seemed quite confident, and we had worked with them long enough. The KMT, we had worked with them too, but they weren’t the polling mavens that the DPP were. The DPP polling mavens kept telling us “it ain’t going to be pretty, but we are going to pull this one out.” And we thought, “Maybe, maybe not.”

In that situation, suddenly factor in that all the security forces, predominantly KMT, are on active duty. They cannot vote. You have an outcome that is less than a quarter of a percent. Chen wins by less than a quarter of a percent on Saturday. As you would expect everybody was trying to understand what happened exactly. Were we sure that was the right number? The thing I have to add is, and let me be fair about this, the Taiwan media is as prone to conspiracy theories as any media I have ever seen anywhere.

Just this morning I was answering an email from a student who was pointing out the director of our AIT Kaohsiung office had just left Kaohsiung and also apparently retired. That officer found some pictures of Kaohsiung 30 years ago and paired them up with pictures he had taken of Kaohsiung now and put them on his Facebook page and said, “Wow, Kaohsiung has changed a lot in 30 years, and I was really lucky to be there.” And let’s be clear. He was right. Kaohsiung really has changed remarkably for the better. Well, they are having a mayoral election in Kaohsiung, and people began wondering if this is a signal by the United States government that we support the incumbent. I finally sent back

a note and said to my student, “You know, if the U.S. government were going to send a signal, it wouldn’t be from someone who has left as the director of the Kaohsiung office and is retiring. We wouldn’t do it that way.” Nonetheless, on social media that is exactly what is spinning there.

In that same conspiratorial vein, we had people saying to us in the wake of Chen’s re-election victory that the assassination attempt was staged. My answer to that was very simple. “If you think it was staged, re-create it. You get two people to volunteer and make the two volunteers stand on the back of the jeep. I recommended that the two volunteers in this reconstruction should be James Soong and Lian Chan, the two KMT candidates, and have a little drive down the street in Tainan, and get whoever you want, whatever marksman you choose, to do the same thing, injuring your two volunteers in the same relatively minor way Chen and Lu were injured so that the election could still be held. If you can do that, then I will listen.” It is absurd. The same conspiratorial naysayers said that perhaps it was staged so that the government could declare an emergency so the pro-KMT security forces could not vote. Again, go ahead and stage your recreation. That leads to the question, then were they right to increase security for election day? I think most security folks would say, “Yes they were.”

The election happened in much the normal way the next day, and we did all the normal stuff. We stayed in touch with all the polls, and we were going around and talking to people. We were listening and communicating with people who were doing poll watching, and all of that. It all seemed to be by and large about what you would expect – somewhat chaotic because of what had happened the day before but calm and orderly. By about 1:00 in the afternoon, we were all back in the office to start the reporting back process, and we were churning that out. In the evening, they had the two post-election rallies, the DPP rally and the KMT rally. Neither side was sure what was happening. But it became clear that, although it was close, Chen appeared to have won.

The KMT presidential candidate, Lian Chan, got up to give what we all expected to be a concession speech. He started talking and it sounded like the slow windup to “I am really disappointed et cetera.” Just about that point, he put his fist in the air and shouted, “Bu gong ping.” Unfair. He says it, I think, three times. One of our very best political officers, Ray Greene, who was following the DPP and Chen, came rushing in. I was in the director’s office immediately adjacent to my office, and we were both watching the TV, and Ray Greene came charging in, saying, “What the hell is going on?”

Lian Chan and James Soong announced that they were going to have a sit-in to protest the election results in front of the Presidential Office Building and in front of the Foreign Ministry and they were going to occupy Ketagalan Boulevard, which is a big expanse where they do the national day parade, and all that kind of stuff, and the inauguration, and they announced that they were going to occupy it. They were going to do a sit-down strike. This is March in Taiwan. This is not when you want to be sitting outside all night, but there you go, and for about a week we have a sit-down strike of various dimensions. At the same time, the election commission was doing a recount, and it was an incredibly tense situation. We basically put the word out to staff and families, “Don’t go downtown.

Don't go to that part of downtown. Just stay away. We have got the right people there. We have got our local employees; we have got our political officers who are really good in Chinese and Taiwanese talking to people, so we know what is going on. We don't need any extra Americans down there right now."

AIT had a custom, and I am sure many U.S. missions around the world have this custom. The day after a presidential election we would call on both sides and express the support of the United States for the process and congratulate the winner. In this case, given the remarkably close results, only a quarter percentage point separated the winner and the loser, and the electoral commission was still processing the results, we decided we were not ready to offer congratulations. We chose instead to say we are honoring the process, not the results, so we are not congratulating either candidate. We are simply expressing our support for the democratic electoral process. We had a very good strong message, I thought, which was, "We have never seen an election this close. Despite the protests, and we can understand why people are upset, as far as we can tell, the bureaucracy, the legal establishment, and the courts are doing exactly this right." We decided to just wait out the process. We said, "we are not going to congratulate anyone, and please understand this is not critical of either one of the candidates. We respect the democratic process of Taiwan and so we are going to honor it."

Without issuing the standard congratulations, we tried to schedule our courtesy calls the day after the election. The KMT candidates, Lian and Soong, said, "Great, come see us on Ketagalan Boulevard." We made it clear, no, we were not doing that. That was a photo op we were not going to be part of. "We would like to see you, but it will be in another setting." They said, "OK, we will do that," and so they met us at KMT party headquarters, and the director and I went and had a conversation that as far as I can recall was very tense, very intense, but cordial. They made it clear that they still had trouble accepting the outcome. They were not convinced that what happened on Friday really happened. We thought, "OK, but you have a very good police service, a reliable police service, a reliable legal service. We are going to respect your process and your authorities. If they find there is a problem, we will be with them. If they need any expert help, if they need any forensic investigators of whatever kind, and if there is anything we can do to facilitate that, they will come to us and tell us, and we will see what we can do."

It appeared at that moment that President Chen was the victor, and normally we would have seen him first, but in this case, we paid a call on him second. I think it was their choice because there was some difficulty with timing and so forth. We met him in his official residence, and we thought he might not see us. Don't forget the guy was shot the day before yesterday. It was Sunday, and he was shot on Friday. But Chen was one of those people, and this is not a comment on anything else. He was built of iron. And what the will power said up in the brain was what he did. He decided that the Director of AIT wanted to pay a courtesy call on him and it was going to happen. The way the Chinese do a courtesy call is the host walks to the door of their residence; they welcome their guests in; they escort them to their living room, and you have a conversation. That is what he was going to do. And, he did it. And I was watching Chen do this, and I was thinking, "It

is clear this guy is not having fun.” But we had pretty much the standard discussion. He knew the United States had a lot of concerns about the way he had run his campaign., which wasn’t absent from the conversation. So, we had our conversation and Doug Paal, the Director, said, “Thank you very much, it is time for us to let you get some rest.” That led to the moment that I remember more clearly than any other on that day. He was sitting in these incredibly ugly padded velour armchairs that they have in Chinese reception areas. He put one hand on either arm of that chair. I felt that I could read his mind running in subtitles across his forehead. It said, “I am going to stand up. It is going to hurt like hell, but I am going to do it anyway.” I watched him just grit his teeth and stand up. At that moment I thought, “Friday, that was real. This is a man who is in real pain.” The gun and the injury were not faked. I find it almost impossible to imagine it was faked.

Could they have found some way to get the security service to vote? If they had planned two months ahead to have everybody on alert, they could have figured out a way to get them to vote, but because they were doing this on less than 24 hours’ notice it was a little tricky. They didn’t know what the security threat was, and they didn’t know whether they could let half of the police and other security officers vote in a first tranche and then let the other half of them vote a little later? Did they have that flexibility? How could they do that organizationally? So, they went ahead.

If there had not been a shooting on Friday, would Chen have won? I don’t know. But the elections commission did go through the process, and they finally concluded that Chen had won by, I believe, 0.22%. All things being said, the KMT protested. The KMT finally accepted. The KMT was bitter and angry, and that was going to play out over the next four years, but they did accept the results of the election. Sort of.

What was interesting at that point is that AIT is a peculiar institution, and AIT has two leaders. It has the Director of AIT Taipei, who is an analog to an ambassador. He is not an ambassador, but he has got roughly that position inside the institution where he was serving. Everybody thought of him as the American ambassador. In addition, you had the chairman of the corporation of AIT who is back at AIT headquarters, which is in Rosslyn Virginia, which as you know is right across the Teddy Roosevelt Bridge from the State Department, and that is not a coincidence that it is not in Washington. It is just far enough away. Under the Clinton administration they had picked a former Congressional staffer, Richard Bush, not George Bush, Richard Bush, to serve as their chairman. He did a really good job, as I think I said earlier. Then after him the Republicans appointed a political supporter named Therese Shaheen. Therese Shaheen, as had other directors before her, came out to Taipei periodically because she could say, “I have political relations with the president of the United States.” Therese Shaheen was a political type. She was involved in campaigns, organizing campaigns. Director Doug Paal was a foreign policy pro, although he was very well connected into the Republican policy establishment, and one of the things I always said about Doug Paal is if Doug Paal takes a policy position think hard before you disagree with him. Particularly if it is in China and Taiwan because he is very solid, and very smart, and straight down the line. Therese Shaheen and Doug Paal were oil and water.

We had clear instructions from Washington in the days after the 2004 election: “Thou shall not say anything. Thou shall not even appear to say anything. D.C. understands that you are going to be harassed to creation on what is the U.S. position on the election, and your answer is ‘we respect the process.’” Therese Shaheen during a previous trip to Taiwan had assured the DPP and the Taiwanese that, despite what they might have heard about the U.S. administration’s present concerns, President Bush was their guardian angel. We didn’t get into partisan Taiwan politics. As we were being very patient and carefully saying nothing about the outcome of the election, Therese Shaheen sent a written note of congratulations to the Taiwan representative in Washington asking that he convey AIT’s congratulations to President Chen on his election victory.

Q: Did we do that as a matter of policy or were we...

KEEGAN: We always congratulate democratically elected victors, but the problem is we didn’t have a democratically elected victor. They were still doing what we were doing in Florida in 2008. They are counting the votes. OK, both sides were going through all the legal maneuvers and legal appeals that they are allowed to go through. We were saying, “We respect your process. We are quite confident that when you come up with your answer, Washington will issue the appropriate congratulations,” and she had jumped the gun. Remember I mentioned a minute ago the Taiwan media believes in conspiracy theories. As do many media that evolve under authoritarian governments. Not what we needed, and shortly afterwards she resigned.

I just want to consider in closing on this issue, what did it tell us? It told us that the voters in Taiwan were incredibly evenly divided. The KMT message to voters resonated. They wanted stability. They wanted good business relations with China. Remember at this point you still could not fly to China from Taiwan. You still couldn’t ship directly. If a container ship left Kaohsiung for China, How did it get to China? Maybe it went to Hong Kong. Maybe the bill of lading had an extra zero at the end or something. And Taiwan had a ton of business in China. China was still in the later stages of reform and opening. They were trying to build their economy. It was the only legitimacy that China had, and who was the key to that legitimacy? All those Taiwanese businesspeople. So that is incredibly important. The DPP message to voters also resonated. Taiwan's identity is incredibly important. The fear of the mainland and the mainland threat were incredibly important. So, all these things divided up the electorate, and now what happened to our two referendums? They both narrowly won but with less than 50% of the voters.

Q: So, neither of them passed.

KEEGAN: Neither of them were passed and if you think that is ancient history, with the current Taiwan 2018 election, which is a local election, which is going to happen November 24, they are going to have 10 referendum issues on the ballot. They are trying to compete with California, and all of them were approved to appear on the ballot according to the referendum law with that number of eligible voters signing.

Q: So, we will pause here and then conclude the next time.

KEEGAN: We will conclude it the next time and then I will pick it up and talk about being DCM in New Zealand.

Q: Today is December 6, 2018. We are resuming our interview with David Keegan.

KEEGAN: Thank you, Mark. We wrapped up last time talking about the outcomes of Taiwan's presidential election and referendum in 2008 and how that played out afterward in terms of other things, including the U.S. response. I just want to add one observation, which is how strikingly different AIT is than any other organization in the United States government. You had Doug Paal, who was effectively our ambassador. He was our Director of AIT in Taipei. He was a political appointee who left the CIA to go to work for Bush I and then came back under Bush II. Although he was a political appointee, he was a foreign policy professional and a very solid foreign policy professional. And then you had a Secretary of State and an Assistant Secretary of state, and then you had another political appointee, the Chairman of AIT in Washington. At that time, the Chairman was Therese Shaheen.

In addition, there is one other thing you had in this situation, which we tend to ignore and that was vital during the period of 2000 to 2006, when I was on the Taiwan desk and then out in Taipei. You had an AIT Managing Director, Barbara Schrage, back at AIT headquarters in Washington. That meant that if you were out in Taipei, you always had a professional and an ally at AIT Washington. Not only did you always have an ally, if you needed a sounding board for an issue, it was there. If you had an issue, such as we had with Therese Shaheen, you were given a heads up immediately. You picked up the phone, you sent an OI, you sent an email to Barbara and you said, "OK, what is going on?" You came into the office the next morning, and everything you wanted to know was there. AIT generated some frustration with its multiple layers, but in this particular case it also gave you the advantage of having a dedicated full-time professional back in Washington. Foreign Service Officers know that you always rely on the desk director and the deputy desk director. Well, with Barbara Schrage you had that support at times two.

But moving on to the 2004 presidential election in Taiwan, the way that Taiwan had structured it then, the presidential election was in March. The election for the Taiwan *Lifa Yuan*, the legislature, was in the following December. Chen and the DPP, having won the presidential election, expected to win the legislative election and finally get control of both operational parts of the government. Chen had announced in his inaugural address that he hoped to revise the constitution of the Republic of China and approve it by referendum. That was an incredibly incendiary opening to the legislative election campaign, portending a possible constitutional revision that moved some or all of the way to declaring Taiwan independent. You had a very fierce election campaign leading up to that November, and it unnerved people in Washington. Remember, in December 2003 President Bush had stood in the oval office next to the China PRC premier Wen Jiabao

and had expressed concerns about what Chen Shui-bian and Taiwan might be doing to destabilize the status quo.

We in AIT Taipei were nervous. We were constantly going into the National Security Council in Taiwan, going into the Mainland Affairs council, and talking to them about what was going on. Usually we met with Chiou I-jen, who was on the Taiwan National Security Council in the Presidential Office Building expressing our concerns and at the same time watching this legislative election go forward. The discomfort was also evident on the PRC side, and there was discussion that the National People's Congress (NPC), China's rubber stamp legislature, was going to pass some sort of law about Taiwan. It was unclear what that law was going to be, and it was a source of tremendous nervousness. We began to hear suggestions that it might be a reunification law saying that China had an obligation to reunify Taiwan under certain circumstances, and Taiwan had an obligation to cooperate in that, and if it did not meet that obligation there might be consequences.

And not to everyone's surprise, when the election finally happened, and it was hotly contested, the KMT won the election. They maintained their majority in the legislature. There was therefore relief from the U.S. point of view that Chen Shui-bian faced limits on what he could do. From the PRC point of view the same thing held true. So, this impending crisis we had all been anticipating over what would Taiwan do with the DPP in full control of the government writ largely abated.

After the legislative election concluded, China's National People's Congress announced in the beginning of 2005 that it was not going to pass a reunification law. It was going to pass an anti-secession law. It is a perplexing difference, but let me try and explain briefly. A reunification law essentially would say, "Thou shall reunify." The two sides were not unified, so there must be movement forward. The anti-secession law said that Beijing considered Taiwan part of China. Taiwan considered itself to be part of the Republic of China, and therefore it was China, but not that China. Therefore the status quo is unclear. They have not seceded from China. They have not declared a Republic of Taiwan, so this law clearly said that if Taiwan legally declared itself separate or seceded from China there would be consequences. When it came out, our colleagues in Beijing were following it very closely, and we both immediately went out and were talking to everybody we could in order to figure out what their take on it was, and the general take was that Taiwan was going to be under more pressure from the PRC as a result of this new law, but it was pretty much not a big shock to the system.

At that point the chairman of the KMT was still Lien Chan, who had lost the Taiwan presidential election the previous March. He went to Beijing, as did a series of KMT officials, including James Soong. They went in April and May of 2005. And they were treated as essentially heads of government. They saw the President of China, Hu Jintao. Lien Chan met with Hu Jintao on April 29. They saw Premier Wen Jiabao. They saw the head of the Taiwan Affairs Office. They were given calls at that level because Beijing was trying to suggest that this was still the civil war. It could still negotiate the future of Taiwan between the two parties, the Communist Party and the Nationalist Party. That part

of it is profoundly destabilizing because Beijing was essentially saying, “We will not deal with the government on Taiwan. We will deal with these party representatives because resolving the cross-Strait issue is not about the governments. It is about parties. The civil war is not over.” So that was worrying (and they are doing the same thing now in the wake of the Taiwan local election of November 24, 2018).

At the same time, there was something that was reassuring about it. For the first time, as far as I could tell, the PRC, instead of using threats against Taiwan, began to offer inducements, incentives for greater cooperation. They began to say, “We will give preferential prices or preferential access for Taiwan agricultural goods coming into China. We will welcome Taiwan tourists and send more tourists to Taiwan.” All good. And of course, the clincher was, “We will offer the Taipei Zoo two pandas.” Who can’t love a panda? It was the first time that Beijing actually recognized that instead of rubbing salt in the wounds they had to offer sugar, and they did. And so that was admirable.

The other thing that was going on at that point was that up until this very late date, January 1, 2005, there were no direct flights; there was no direct contact between the two sides to arrange direct flights. We talked about that last time. And you have all these Taiwanese businesspeople living and working in mainland China. That problem led to the negotiation of what was called the Macau Model. The Macau model is called that because that is where the direct flights agreement was negotiated. It wasn’t even in fact the unofficial representatives of the two sides. Mainland China insisted that it was the airline associations for the two sides which would do the negotiations. The only problem is that Taiwan did not have an airline association. They had to create one, and they had to staff it and then they had to make sure there were officials in their unofficial capacity serving as advisors. The net result was the two sides worked out direct flights between cities in the mainland and cities in Taiwan for the Chinese New Year. They were not regularly scheduled airline flights; they were charter flights for the exclusive purpose of getting Taiwan business people in the mainland to Taiwan for Chinese New Year’s. And then they would turn around and take another charter flight back to their jobs in China. The air carriers on the two sides split the flights just about 50-50 so that everybody got the benefit. It was a reminder that, even in the depths of antagonism between Chen Shui-bian and the Communist leadership in Beijing, practical interests could occasionally prevail.

Both sides had an interest in taking care of those businesspeople for different reasons. Joseph Wu at that point had succeeded Tsai Ing-wen as the chairman of the Mainland Affairs Council in Taiwan. He had previously been an advisor in Chen’s presidential office, spokesman, and so forth. One of the striking things as we listened to Joseph work his way through this series of Macau negotiations was just how difficult, and minute-to-minute hour-to-hour, day-to-day it was. You didn’t know if it was going to work. Every single step of the way was fraught. I give Joseph a lot of credit. I am sure he is five years older than he otherwise would be because of that negotiation. Both sides managed to pull it off. It is one of those reminders of that degree of stability that can exist when both sides choose it to be. For example, right now, you have a lot of cross Strait political tension, but the cross-Strait economy is still booming. I think that was one of the

key things that were going on in 2005. I would add two other things. One was the continuing concern over corruption in the Chen administration, and the other was the provocative rhetoric that Chen Shui-bian continued to use. Even when there were ordinary speeches and ordinary events, he would use them in ways that were destabilizing. So, for example he took a New Year's speech in 2006 and turned it into a call for a Republic of Taiwan.

Q: And typically, a New Year's Speech is good news. It is happy talk, and no one would expect it would get heavily political.

KEEGAN: That is right. In fact, that was at a point where I had left Taiwan to go on R&R leave even though the director had returned to the United States. Normally we would avoid having both the Director and Deputy Director away from AIT at the same time. Doug Paal had made it clear that he was departing. But he didn't decide when he was leaving, so I couldn't take R&R. Finally, he had left AIT, but I had not had my R & R. I appealed to EAP, and they said, "Now you can take R&R." So, I took ten days. Because this speech came up in the middle of my R&R travel to England, and I had to go back. Fortunately, I had an excellent public affairs officer whom I made *chargé* in my absence, Dana Smith.

But let me just talk about three other issues briefly about Taiwan. One is the second half of 2005. We had a routine inspection. It was a very interesting event because, one, the inspectors had a lot of trouble understanding AIT. They made a number of recommendations about how to reorganize AIT that we had already told them were contrary to law and contrary to policy. If you can imagine someone who has spent their career in the EU, Europe or Africa and they come to AIT, and they can't understand why it can't be an embassy, and why it can't act like an embassy.

Q: Oh.

KEEGAN: That was fine, and we worked through most of them. But the real problem we had with the inspectors in retrospect was their misunderstanding the AIT financial structure.

Q: Ah I see.

KEEGAN: The fact is, as I mentioned earlier, that we kept parallel books, and we were funding operations out of consular fees. We were at that point the only place in the world which did that. That was a major challenge for the inspectors. The inspection posed one other challenge. I will say this briefly because I think it is worth saying. They went out of their way to exacerbate tensions within the mission. Were the tensions there? Yes. Did they do anything to help them? No. Did they foment them? Yes. And the fact they did it in two places [Taiwan and Hong Kong] in the span of six or eight weeks was at least deeply troubling. So I will just leave it at that. One of the things they say is, "If you become a DCM your curse is if you get an inspection."

Q: Oh yes.

KEEGAN: I was DCM twice and got two inspections. They could not have been more different in tone if they had tried. But that one at AIT was profoundly troubling. AIT and EAP had, some time before Doug Paal departed, already made clear that Steve Young was going to succeed him. Steve Young had already been made deputy director of AIT and had been ambassador in Kyrgyzstan, he was a China hand, good guy. He had been Director of the China desk at one point when I was working on Taiwan issues in the Department, so we knew each other. We were exchanging emails as he was trying to sort out what his plans were and when they could go forward and so forth. I think Steve came in and did a very good job and I think addressed some of the issues that had come up during the inspection in terms of morale within the embassy.

When he came in, and again I am skipping some time here, until the first quarter of 2006, then I started to wind down. I will just mention two things that I am pleased about. The first is about our local employees. During my time at AIT, we had cooperated in ensuring that the local employees felt they were heard, and that the American leadership tried to address their concerns. A few days before I departed, we had a little reception for me in the consulate waiting room. It was the only large room we had, a situation you find in many other embassies and posts overseas. So that was very nice, and Steve was very gracious in saying things about me. My favorite moment was that after I thanked everybody, unplanned to my knowledge, the employees formed a receiving line to say goodbye to me. The receiving line to the best of my knowledge went on for about an hour and a half.

Q: Oh, good Lord.

KEEGAN: From my point of view the reason it went on so long is because I had all these people I had been working with for years who wanted to say, "Thank you." So, in that sense it was a very moving experience for me. The DCM is the thug. You are the person who does things that nobody else wants to do. And if you are smart you try not to be a thug. I had certainly tried not to be a thug, but still you have to make some tough choices. It was a very special afternoon. My second happy event was my last significant event at AIT, the July 4 reception. The July 4 reception was interesting at AIT because we could not have an American flag. So, we had red, white, and blue bunting and red, white, and blue colors. I think I talked about this before. Steve asked me to make some remarks and the question came up who would translate my remarks into Chinese. I was part of the post language program and I talked to my teacher and said, "Do you think we can get away with this?" So, with my teacher's help and patience I did my own translation paragraph by paragraph, English and Chinese. I wanted to put a marker down, one, that I have decent Chinese, but two and more importantly, that AIT was an organization with a leadership that thought Chinese was important and that we worked at helping our employees be able to converse in Chinese. Several people, including my language teacher, said I did a good job, so, "Whew." I think I will stop on AIT there.

NEW ZEALAND

I had been trying to figure out what my onward assignment would be, and I had a few options. Some of them I liked, some of them I didn't. Then EAP called me and asked, "Would you consider going to New Zealand?" I think that was their way of saying, "We know you have a tough tour there, so we will give you something good." The new ambassador was a political appointee who had been confirmed and was going through his consultations in Washington. He interviewed me over the phone. When you do an interview over the phone with somebody you know that is one experience, with someone you don't know it is a very different and a little unnerving experience. He offered me the job, and I think he offered me the job because everybody in EAP said, "This is the guy you want to have," for which I was very grateful to EAP. It was a much smaller post but still a good one. You could not pick a more different environment than Taiwan if you tried. Without offending anyone, let me suggest that at a certain level it is roughly like becoming ambassador to California. New Zealand is very much like the United States and completely different.

Q: They still drive on the opposite side.

KEEGAN: They still drive on the left side of the road. I hadn't realized this, but it would be my third assignment driving on the left hand side of the road, because I was in Jamaica and Singapore before that. Both drive on the left. It made it a lot easier when we took a trip to Ireland a year or two ago and they asked to drive on the left side of the road. Sure. And the other interesting thing I will just say briefly. In the American Foreign Service, we work for political appointees. I had done it during my first assignment in Jamaica although I didn't know the ambassador; I also worked for a political appointee in Singapore. I had done it in Taiwan, although Doug Paal was an interesting variant on a political appointee because he was a foreign policy professional as a political appointee. So, with Doug you got both the connection into the political juice and the foreign policy expertise. The newly appointed ambassador to New Zealand was William McCormick. I think that is the only time I will refer to him as William. Bill McCormack, as he likes to say to me and others, was chairman of the other NRA, the National Restaurant Association. He was one of the two owners of a chain of very successful high end fish restaurants called McCormick and Schmick. It was like Ruth's Chris Steak House, like that but serving fish. His business had been very successful as I discovered subsequently, and he had contributed a lot of money to the Bush re-election campaign.

Q: Now before you go on too much further, I interrupted you when you said it was like being ambassador to California. I don't want you to lose that analogy if there are other aspects of it you wanted to mention.

KEEGAN: We will talk about this again. Let me just say that New Zealand and the United States disagree on a whole host of issues, and yet we are family. We are both derived from the British empire at some level at some time. We both come out of that British common law tradition, the British constitutional democracy tradition. It is not an ethnic family; it is an ideological family. And yet New Zealand and the United States have some very stark, very fundamental disagreements which I will talk about.

I just want to talk about working for a guy who comes in as a restaurant executive. A number of people told me when I was taking this job, “You do know that taking a job with a political ambassador like this is very risky and subject to a lot of stresses and strains and they don’t understand and yada, yada.” I have heard stories of any number of political appointee ambassadors who have fulfilled all of those negative expectations. When I got to Wellington, probably within my first hour and a half inside the embassy chancery, Bill McCormick welcomed me into his office. The door to my office and the door to his office were ten feet apart. It was a common suite. And he basically said to me, “Look, Dave. I am a very successful businessman.” If I keep getting Bill’s words wrong, he is welcome to correct me, but he said essentially, “I know public relations. My job here in Wellington, in New Zealand, is that we have incredible tensions between the United States and New Zealand. My job is to make friends for the United States. Your job, Dave, is to run the administration, to make sure we keep our policy straight, and to keep me out of trouble with D.C.” I said, “You know, I think we can make this work.”

Q: Sounds like a good start.

KEEGAN: And we pretty much did that. Just before Bill McCormick left two years later, we had a farewell party for him at my residence. Bill McCormick understood how to persuade people, how to listen to people, and how to make friends with people. Just about the time he was leaving there was some article in the *Foreign Service Journal*, I believe, with people debating the shortcomings of political appointee ambassadors. I wrote in a long letter, I don’t know if they ever published it, saying, “It ain’t necessarily so.” Bill McCormick was the counter example,

Q: Right absolutely, and that is true in general.

KEEGAN: He walked in, and I don’t think it is unfair to say that he charmed New Zealand. I told him during our first meeting, “Look, you do the public relations. I am going to sit back and take notes and learn,” which I did because he was very good at it. Let me tell you one story. He was nervous about making a policy speech. But it turned out that our Pol Econ counselor was a Foreign Service Officer named Catherine Hadda, who had been a JO doing consular work in Quanzhou when I was the political officer.

Q: Oh, so you were acquainted.

KEEGAN: We were acquainted and friends. She persuaded, and I helped, but she persuaded Ambassador McCormick that he could make a policy speech. So, he finally agreed to do one. Cathy wrote the text. I probably did some editing, but it was largely her work. He gave the speech. What we were worried about was the Q&A to follow.

Q: Oh of course, absolutely.

KEEGAN: We had drilled him on it and practiced on it. So, we got to the Q&A. I don’t think Bill will mind if I say that he didn’t say a bloody thing we asked him to say. He was

asked all the most sensitive questions, and he answered them the way he wanted to answer. None of them tracked particularly closely with what we had urged him to say or with U.S. policy as we understood it. But he did something special. As the event was wrapping up, one of the most senior people came up to me. I believe it was Gerald Hensley who was probably New Zealand's most senior foreign policy practitioner, expert, and a wise man. He was walking out, and I thought, "Oh my God, what is he going to say?" He clapped me on the shoulder and said, "Dave that was Great. Bill did a bang-up job. How did you do that?" This goes to what Bill McCormick did so well. He had a podium. He wasn't really comfortable with a podium. When he started doing the Q&A, he leaned and put one elbow on the podium as if it were a bar. He was a restaurateur, and he had owned a bar. He just leaned on the bar as if he were talking to his friends and they were all having a pint together. They weren't, but that is how he cast it, and he made them realize that the American ambassador, embodying the U.S. Government, cared about New Zealand.

One of the things about New Zealand is that if you are a good mate, that is it. You are in. New Zealand had an organization what was it called the the *Royal New Zealand Returned and Services' Association*. . It is like our American Legion. Bill McCormick told me, "Dave, before I leave, I am going to visit every single one of their halls in the entire country of New Zealand." I don't know if he made his goal, but he came awfully close. He would lean up against the bar, and he would talk to people, and they would think, "The American ambassador, he is a good mate." That schmoozing, that making friends for the United States, that is what he did during his policy speech. When he got to the Q&A, he wasn't just about answering the substance, he was also about making friends for the United States, and he did it superbly well.

One more story. Person for person, New Zealand's policy making establishment is as solid as any place on earth. John McKinnon, who was their ambassador twice to Beijing, was one of the senior secretaries in the Ministry of Foreign affairs and Trade while I was there. Senior secretaries are essentially the senior foreign policy, the senior professionals in a ministry under the minister who is a political appointee. Later he moved over to be the permanent secretary of the Ministry of Defence. It is a parliamentary system. In New Zealand the people like that, a permanent secretary, are just absolutely competent, thoroughly.

Helen Clark was the Prime Minister at the time and was on her third term. Helen Clark was by our standards a left-wing Labourite, and the idea of her and Bill McCormick getting along was oil and water. Bill McCormick decided that it was important that he and Helen Clark be friends, so he got together with the cultural affairs local employee in our public affairs section, Richard Bengé. He heard through Richard, and Richard probably initiated this, that there was an American composer, a New Zealand American composer, who was resident in Los Angeles or someplace like that, and did modern jazz classical music, that sort of stuff. He was visiting New Zealand. Richard, because he was Richard, knew that this guy was someone whose music Helen Clark really liked. She thought he was grand. Richard used the persona of the ambassador and the U.S. embassy to invite this composer, and I think one other instrumentalist, to play at the ambassador's

residence for a private dinner that Bill McCormick hosted for Helen Clark. With that Amb. McCormick invited the Prime Minister saying, “If you come to this private dinner, I will have so and so playing his composition. I am guessing that Helen Clark thought, “Clearly, I should go to the American embassy, but as long as I have to go, it is really great that this composer shows up.” Richard and the ambassador made sure that the composer had the sheet music for one of his compositions that they knew Helen Clark really liked. The guy played it for Helen Clark, and the ambassador and then said, “Oh I just happen to have an extra copy of the sheet music. Can I autograph it for you?” And Prime Minister Clark noticed. She realized, “You care about me, and you are being nice to me.”

Q: Beautiful.

KEEGAN: That was the kind of stuff that Bill McCormick did. You just have to say that is diplomacy, really good diplomacy. I am not sure we will talk in more detail about this over the coming interviews, but that in a nutshell is what Bill McCormick brought to it.

Just one thing, sorry. When I got there, Richard Benge was about to oversee the opening of a special exhibit for the embassy that he had put together. I don’t remember off the top of my head the name of the exhibit, but let me tell you a little bit about it. The embassy was uphill in Wellington from the old Anglican cathedral. If you are ever in New Zealand, you will see that it is a glorious building. All wood, just very striking. It is small enough that it could be just a parish church but stylish enough that it is very distinctive.

During World War II the British empire had called on Australia and New Zealand, yet again, to go fight for England. All of New Zealand’s young men – teens, 20s, 30s, even 40s – went to North Africa. They went to Italy, and fought hard and bravely, and lost a lot of people. And then all of a sudden, the Japanese came south. There was nobody left to fight. Who was going to defend Australia and New Zealand? It was going to be the U.S. Marines. The U.S. Marines, and I am sure they did it along the Queensland coast in Australia as well, built a lot of camps staging for the island-hopping campaign in New Zealand. They built camps all along the west coast of the North Island. They did their training there. They were also in the cities, and of course the New Zealand women of a certain age, whose boyfriends had all gone away, started dating Marines, so now you have a lot of children of these Marines, second and third generation, who were New Zealand Americans. While these Marines were stationed in New Zealand, you had a lot of the ugly camp incidents as you would expect, a lot of the fights on the docks, but you also had a lot of families in New Zealand who took in Marines, who said, “It is Sunday. Come to church. Come to dinner. You are fighting for us. Can we feed you?” It gave them a homeish environment. The Marines, many of whom were injured in the island-hopping campaign, were brought back to medical camps in New Zealand and recuperated there.

As a result, if you go into this old Anglican cathedral, there is an American flag and there are the Marine Corps colors hanging in the nave. Richard designed an exhibit about that experience, because he knew that cathedral had been deconsecrated when they built a

new, larger cathedral, so now it became a place where you could do an exhibit about U.S. New Zealand friendship. Again, a brilliant piece of diplomacy. It was a reminder that, even though we did have many differences that we will talk about, we also had a shared history, and it was one of the things that steadied the bilateral relationship my entire time in New Zealand. I was told when I went to New Zealand that they had a lot of anti-Americanism. In fact, before I went to New Zealand when I met with Chris Hill, who was the Assistant Secretary for East Asia and Pacific, one of the last things he said to me was, “We have got to fix this.” And we did. Anyway, we will stop there.

Q: OK so we will pause and pick up again in New Zealand.

Q: Today is January 17, 2019, and we are resuming our interview with David Keegan about his time in New Zealand.

KEEGAN: I am going to talk essentially about the period when I was DCM and chargé in Wellington from 2006 to 2009. I had been hired while I was still in Taiwan by the political appointee who was then undergoing briefings before going out to New Zealand, which like Australia is one of those places that they tend to send political appointees. It is foreign enough to be interesting, but not so foreign to be terrifying. It is an easy place to send political appointees and their families and to have their influential friends visit. You are not going to the end of the world with your choice for the ambassadorship in New Zealand. I think Bill McCormick, who was the political appointee, would forgive me for saying that. There are lots of bad things said about political appointees, and I have worked for some bad ones.

Q: Yeah, we all have worked for some bad ones.

KEEGAN: Bill is not. Bill is basically one of the good ones. Whoever picked him for this job picked him for the right job. He knew exactly what he was good at. He knew what he was not good at. When I got there, he called me into his office and said that his job was to schmooze, to make friends for the United States in a place where our reputation was suffering, and where we didn't have many friends. There were lots of tensions between the United States and New Zealand which I will talk about. His job was to mend fences, build bridges. He said that is what he was going to do. My job was to do policy, do management, and keep him out of trouble. That seemed to be our arrangement, and by and large it worked. I may have told you this story last time, but the government that we faced in New Zealand at that time was a left wing Labour government headed by a very competent prime minister, not an especially competent politician, but good enough to get elected three times as prime minister, Helen Clark. She was quite clear that she didn't like the United States, and she was especially clear that she didn't like the Bush administration. She and Bill McCormick seemed to have little in common. Bill McCormick thought it was his job to overcome that.

Q: I am sorry, what year?

KEEGAN: We are talking about 2006.

Q: That makes it the year of the surge in Iraq.

KEEGAN: Yes. We had been in Iraq for a couple of years. Helen Clark famously said that if Al Gore had been elected, the Iraq War never would have happened. That got around Washington, got around the White House, and it didn't help. Bill McCormick said, "I am the ambassador, she is the head of government. We need to be friends." And he worked at it. My wife noticed Bill's attention to others when our two sons arrived for Christmas one year, which was the middle of the summer. We had a barbecue out in the back of the embassy, so she brought our two sons. Bill McCormick went over and talked to them as if they were the most important people in the world. While he was talking to them, my wife commented, he didn't look at anybody else. He looked at them. They were getting all of his attention. He was naturally good at it.

I should add that his attention was genuine. Bill McCormick liked people. He liked being at parties, liked being with people, and it showed. But he didn't like the policy. He understood we had problems with New Zealand. He understood that we should try to overcome those and how we got into this mess, but he didn't want to give a policy speech. There had been a farewell July 4th speech for the previous ambassador that had ruffled more than a few feathers with the ambassador basically saying to New Zealand, "Wake up and smell the coffee. You need us." That was not what New Zealand wanted to hear and probably not what he needed them to hear. Bill McCormick wanted to give a very different kind of speech. Cathy wrote a very good speech for him. As I mentioned last time, the problem was this was going to be largely before a largely foreign policy expert audience and there was going to be Q&A to follow.

Q: OH. So, let me ask you, in a situation like that, was this ambassador comfortable in saying, "Our general policy is X, and now I am going to have my expert embassy political analyst explain it in more detail"? Some ambassadors are comfortable with that, and some are not.

KEEGAN: I worked for one of those in Singapore, who basically at one point gave a speech, and somebody asked a very technical question, and he pointed at me in the front row and said, "David is our China expert. David, why don't you answer this question?" Bill would have done it, but Bill also had certain opinions he wanted to get across. When he gave a talk and a question-and-answer period followed, he leaned on the podium as if it was a bar at the local retired servicemen's association. So, he talked. He talked about his feelings and thoughts about this issue. What Bill did was persuade them all that we were mates and that we cared about them.

I also want to talk a little bit about New Zealand, talk a little bit about the U.S.-New Zealand relationship and then go into some specifics. I want to start with the observation that New Zealand is different. It is not Australia. It is not the United States. If you want to compare it to anyplace in its relationship to the United States, you would say, "It is the same and different in the same way California is the same and different."

Forgive me, for a moment I am going to offer some thoughts that may seem like pseudo history, but they reflect my understanding as I was in New Zealand, and for better or for worse they affected some of the choices I made at that time.

In the 19th century when the British were trying to persuade people to come out to New Zealand as immigrants, as colonists through direct appeals, through missionary associations, through companies, they basically described it as “Britain only better.” It is very much like Britain in climate and environment but actually nicer. And you could escape from a lot of the political and economic suffering that was endemic in Britain in the 19th century. They built an industrial strength botanical garden in Auckland. It was an agricultural extension service, and they were testing whether or not crops that these colonists were accustomed to in Great Britain could be grown in New Zealand. And the answer was over 90% were.

In that sense it is very different from the origins of Australia. Whether it is true or not, Australia’s origin myth is of criminals. Most of them were actually starving and poverty stricken. “Horrors! They stole a loaf of bread, so let’s throw them to the other side of the world.” And in a way worse than that, they were Irish. The only thing worse than stealing a loaf of bread was being Irish. When Captain Cook and others after Captain Cook sent the first prisoners to Australia, by and large the aboriginal people in Australia would flee. There was some confrontation but by and large the British were able to occupy wherever they chose. The Australian aborigines moved into the outback and faded away.

Not in New Zealand. New Zealand was populated by Polynesians, whom the British called Maori. Maori was not a term that these Polynesians recognized as a capitalized word; Maori simply meant an ordinary person. In New Zealand you had Maori, in the Cook Islands you had Maori, and in Samoa you had Maori; it just meant you had people, Polynesian people. But the New Zealand Maori were different from the Australian aborigines. If you landed on their beach, their attitude was, “That is our beach, and we are going to kill you if you don’t get off our beach or pay us.” The coin of the realm was muskets.

The colonial government in New Zealand had to confront the Maori in a way the Australian colonial government didn’t have to confront the aborigines. In some respects, and I don’t mean to overstate this, they have done so far more constructively over the past two hundred years, especially the last fifty years, than their contemporaries in the United States dealt with African American slaves or with Native Americans. In the 1840s they recognized they had to find some modus vivendi with the Maori. The reason was simple – the Maori now had muskets and were fighting back, and getting into a fight with Maori is not something one did lightly. These are the Polynesian equivalent of Genghis Khan. These are tough individuals, and they will protect their terrain and they will protect their families, and they will protect their clans. As any number of other groups would.

In 1840 the British came up with the idea of signing a treaty with the Maori. They wrote up a treaty. Maori at that point did not have a written language. They had an oral

language, and it didn't have a whole lot of the concepts. The only way they got a written language was the missionaries needed something to print Bibles in, and I am horribly simplifying and probably misunderstanding the process, but this treaty was written in a language that few Maori could read, in concepts that few Maori had ever been familiar with. They were told essentially, "There is a great emperor named Victoria, and she is granting you protection, and you will continue to have the terrain you have, but you will have more protection and more rights." That wasn't quite what the treaty said. They signed it first in the northeast corner of the North Island, a place called Waitangi, in February of 1840 and put the treaty on a ship and went from inlet to inlet around the two islands, the North Island and the South Island, getting different groups of Maori to sign on to it.

That is the founding document of New Zealand, and as a result, the national day is Waitangi Day. The national day is the day this treaty was signed. They picked a day in February. It happens to be February 6. I give them a lot of credit for centering that critical issue in New Zealand's national story. The Maori are still and particularly were, abused, mistreated. Their lands were taken away. They suffer a lot of poverty, obesity, drug problems, et cetera, much the way native Americans and African Americans do. On the other hand, I would argue they fought back in the 70's and 80's and 90's and made real progress and are now much closer to reaching a decent, respectful place in society. They had done some very successful things by the time I was there. Winston Peters was the foreign minister. Winston Peters was a Maori, and a pretty good foreign minister, and we will probably talk about that next time.

But the divide between the Maori and the British was a source of conflict. For example, all the diplomats were invited in February for Waitangi Day in a Wellington suburb called Porirua. This is mid-summer, so Waitangi Day became the occasion for town fairs and country fairs, and the diplomatic corps was invited, so we went. This guy, who looked like a big New Zealand rancher, was in charge of the Waitangi Day celebration and this fair. He got up, and he thanked everyone, and then he said he truly wanted to thank our Maori host who was the head of the local Maori group, which had occupied the land of Porirua before the Europeans arrived. and invite him to say a few words. So, this Maori chieftain who also looked like a New Zealand farmer-rancher, perhaps slightly darker, got up and said, "I would like to welcome you all today, not that I have much choice."

That is how it begins. The first non-Maori European New Zealanders were colonists; they were farmers, they were ranchers. They were people who had moved to and grown up in a very isolated place. New Zealand is east of Australia, 1000-1500 miles away. The Kiwis used to tell us that their closest neighbor is actually the Antarctic. Christchurch is less than five hours away from the Antarctic by air. It's almost four hours away from Australia. New Zealand was a cold, isolated, and difficult place to settle, so the people who moved there were tough individuals. If they weren't tough, they didn't survive. They were described as people who relied on something called number eight wire. It is eight-gauge wire and it is the wire you use to build fences. If you are a rancher, that is what you use. If you are a farmer and want to keep the sheep and the cattle off your fields, you use number eight wire. In the past if you had equipment on your farm or ranch

and it broke down, you probably couldn't get a spare part, so you used number eight wire, and you figured out a way to jury rig. It is like duct tape. It is grey, and it holds the world together.

Sir Edmund Hillary, known in New Zealand as "Sir Ed," who conquered Mount Everest, is the epitome of this kind of tough individual. There are two kinds of people in New Zealand. There are Maori and there are Europeans who are known as Pakeha. Pakeha basically means light skinned folk. But back to Edmund Hillary, Sir Ed is the closest thing New Zealand has to God; he was the epitome of that tough rancher, that tough famer. A beekeeper. Who Knew? The All Blacks, the rugby team, comes from farm boys playing after school in these tiny small towns, and if you are a good rugby player you are tough.

You are way down in the farthest southern reaches of the antipodes of the southern Pacific, but Britain is still considered home to the Pakeha. I am thinking of some friends of ours in particular, 5th generation New Zealanders. At one point they told us they were "going home." Home meant going to England. New Zealanders still retain, at least for some, that sense that they are part of Britain. When Britain in the 20th century wanted to move from an empire to a commonwealth, the Australians were all for it. "The faster we do this, the better." The Canadians were perfectly happy. The New Zealanders, the Kiwis, were dragged kicking and screaming. The other thing I would note about New Zealand is that from New Zealand's point of view they are on the frontier. Looking at a map, down here is the southern end of New Zealand. If you are in Wellington, and you go due south, the next thing you hit is the Antarctic. So, when you get bad weather, it is a southerly because anything that is coming out of the south is colder than hell.

I once went on a morning run with a group. I will assume it was winter. We ran for two hours or a little bit more, and we got rain, snow, sleet, bright warm sun, more rain, and then we got back. That is all the different kinds of weather you can get. The Cook Strait, just south of Wellington, on a map the area from 40 to 42 degrees south latitude, is known as "the roaring forties." This is where the trade winds go east-west, and they are rough. To go from Wellington over to the South Island, you take a ferry out into the Cook Strait and do a loop north, and then west, then south. That is, if you are going to the South Island. If you got on a ferry and the winds were wrong, you were sorry. I had one employee in my Embassy who went to see her mother on the South Island and came back and called in sick the next day because what should have been an hour and a half trip on the ferry had taken 12 hours, because they never should have left port. In 1968 the ferry called the Wahine should never have left port from Picton but did and then sank at the entrance to Wellington Harbor because of the winds. Wellington airport was right at that harbor entrance on the edge of the Cook Strait, so landing at Wellington Airport is like riding a roller coaster and one of those twisty curvy things.

Q: In that case, why did they choose that region to put a major city?

KEEGAN: Great question. And the answer is: Auckland, remember I mentioned Waitangi? Auckland is up here near the north end of New Zealand's north island. This

was one center of New Zealand's population and business. The other center was down by Dunedin which is two-thirds of the way south on the South Island. That was where all the gold mines and silver mines were. As a result, you had an economic center near the bottom of the South Island and an economic center near the top of the North Island, and when it came time to pick a governing center, they split the difference. The compromise capital ended up at Wellington on the south coast of the North Island, which by the way is a gorgeous place. It is not the prettiest place in New Zealand by any stretch of the imagination, but in most countries it would be the prettiest place. They put it there so everyone could get there by ship or train within a reasonable period of time, and neither the rich miners in Dunedin nor the rich merchants in Auckland felt diss'd. They put it in the middle. That is how we got Washington DC. It is the same logic.

One other point needs to be made about New Zealand, and it can also be made about Australia. Their front yard is the South Pacific. It is Polynesia; it is Micronesia. It is Melanesia. Micronesia is farther north. As a result, much of New Zealand and Australia's foreign ministry staff serve at their embassies in these very tiny places. From their point of view, their single most important relationships are keeping that area friendly and peaceful. You have got some idea about how big the Tasman Sea is, or "the Ditch" as they call it. But I had to fly once from Auckland to Bangkok and I flew a very long time over a very brown Australia. Sydney is the nearest city to New Zealand. And after that, getting to China or Singapore or any of those places involves enormous distances. Island fever is real, and every Kiwi at some point does the big OE, the big overseas experience.

Q: Like Australians.

KEEGAN: Like Australians, only more so. That wraps up my couple of points about New Zealand. Let's talk more about the U.S.-New Zealand relationship. It was founded essentially during WWII. The thing to remember about New Zealand and Australia is that they are intimately connected through their shared service in the British wars – the Kiwis and the Diggers, the Anzac, the Australia/New Zealand Army Corps. A friend of mine said, "Do you know what they called New Zealand in the British military? 'The Prussians of the South Pacific.'" These were tough people. If they weren't tough people, they wouldn't have survived. When they joined the military, they were tough people.

Just to add one little detail to what I described earlier, a New Zealand woman, who was a young woman in WWII, collected stories from her friends and her friends' parents and published a little book called *A String of Pearls*. When Richard Bengé organized the exhibit in Wellington's old Anglican cathedral, he arranged a reception where he had her presented with a string of pearls. There was a sense, expressed in that exhibit and in that book, that when they needed us, we showed up.

There was a sense that in spite of all of our subsequent differences, we were very much blood brothers, if you want to use that term. That was the basis of the ANZUS Treaty of Australia, New Zealand, and the United States that was signed in 1951. This was a mutual security pact. They and we knew that we faced China; we were fighting a war in Korea. And it says, "The three of us will stick together." We knew that Britain was

pulling back, so we were going to provide security for ourselves in the South Pacific. At the same time, Australia and New Zealand were forming what is called the Five Power Defence Arrangements with Australia, New Zealand, Malaysia, Britain, and Singapore. Singapore became independent in '65. We were fighting the Vietnam War. The French had already lost in the Indochina Peninsula, and the British were withdrawing to the west of Suez, and they were looking to create new very strong security ties. At the same time, Australia and New Zealand were going in a very different economic direction than we are. They were following the labor socialist government approach of Britain after WWII. We were not, so there were differences in that. You know the Australians and New Zealanders fought in Korea. If you go to the Korean Memorial on the Mall, they are there. They also fought in Vietnam.

There was a lot of the same anti-war reaction against the Vietnam war there that we saw here, I think more strongly in New Zealand than in Australia. New Zealand in many ways was closer than Australia to the Pacific Islands. New Zealand tended to be more inward focused and more British focused. New Zealand tended to be closer to Polynesia. It identified itself as a Pacific Island, although in the last year or two it has now been identified as a continent.

Q: Ah, but I was always taught in school that it is a continent.

KEEGAN: Australia is a continent. New Zealand has now been classified as a separate continent.

Q: Oh, interesting.

KEEGAN: Yes, and this is a new finding by geologists in the last two or three years, I don't understand it, but I am sure my New Zealand friends are not objecting. What is interesting is that this antiwar feeling in New Zealand was compounded by the fact that the British, the French, and the Americans were all doing open air nuclear testing in the Pacific. Bikini Atoll, all of these places. You may be familiar with a book the British author Neville Schutte wrote called *On the Beach*.

Q: Oh yeah, absolutely.

KEEGAN: OK, it is about Australia. It is about a U.S. sub that surfaces in Australia. But it is saying that the risk of nuclear war is real, and so the New Zealanders were saying, "We don't want to get wrapped up in that." The strongest part of our ANZUS alliance was naval. If you think about it, it makes a great deal of sense. We didn't have planes at that point that could fly those distances. It was a naval alliance first and foremost. At that point, New Zealand was governed first by a conservative party, the National party, and then by the Labour party at certain points. In the early 1980's, the Labour party came back into power. And they said, "We don't want nuclear ships in our waters. We don't want nuclear *powered* ships. We don't want nuclear *armed* ships. The U.S. navy is welcome as long as they don't send nuclear armed ships." Well, we had a policy, and still do, called NCND, "neither confirm nor deny," which is to say that we do not indicate

which ships have nuclear weapons on them, so if we ever got in a war with the Soviets, or the Chinese, they cannot be targeted as nuclear-armed.

In 1985, this was a big deal. There was a young Labour politician in the New Zealand legislature who was organizing an anti-nuclear movement. Her name was Helen Clark, and she would be prime minister when I was there. David Lange, David Longe is the way it is pronounced, was a surprise Labour victor for prime minister. Lange had a mercurial personality. It was hard to predict on any given day what his policy was going to be on the next given day. We were trying to negotiate something so we could try to keep ANZUS alive and keep our ships moving. We decided that we could not tell them whether a ship was nuclear or not, but we could send a ship that was so obviously non-nuclear that they wouldn't have to ask.

Previously we had sent nuclear subs into New Zealand. They had been wildly welcomed although there had been some really ugly protests on some other occasions. There is a story we heard from a friend of my wife's whose father was arrested because his son went out in a boat to protest against a U.S. nuclear sub coming into Wellington Harbor. He took his father's boat. The boat lost power. His father went out on a friend's boat to help him. The two of them arrived back at dock, and they both got arrested by the police.

Anyway, we essentially said to them that we were sending the USS Buchanan. They said, "Is it nuclear?" We said, "Do you have a copy of *Jane's Fighting Ships*? Why don't you look at it?" "No, no, we need an official statement." They wanted an official statement from us. We wanted to make it so obvious. The long and the short of it is David Lange was not willing to make a firm decision. George Schultz was our Secretary of State, Ronald Reagan was President. That incident led to the collapse of the alliance. In February 1985, they refused to allow the USS Buchanan to come into their waters. By October of 1985, the Reagan administration had issued a national security decision that we would suspend New Zealand's participation in the ANZUS alliance.

Just to add one little fillip to this. The Buchanan incident was in February, 1985; the Alliance was broken in October. In July the French decided they were going to conduct one of their nuclear tests in the French Polynesian islands. Greenpeace was going to try to stop them. They sent a ship called the Rainbow Warrior, which they sailed to Auckland, planning to re-provision to go out into the test area. Without telling New Zealand, the French landed special forces on a beach in New Zealand to sink the Rainbow Warrior, so it wouldn't get there. They learned that the crew was going out to party and have a farewell dinner. There were lots of nice restaurants in Auckland even in 1985. The problem was that one of the crew got sick and stayed on the ship. The French sank the ship and killed that crew member. New Zealand found out that one of their allies had infiltrated with secret special forces and conducted essentially a crime on their territory. This just reinforced everything they felt about nuclear issues.

Fast forward to 2007, and we are trying to rebuild a relationship with New Zealand. The War Memorial Museum in Auckland, which is a big national museum in Auckland, hosted a symposium on U.S.-New Zealand relations entitled "very, very, very good

friends'?"(sic) At that moment they were having a display of photos of the 1980s anti-nuclear protests. One of the photos was of protestors who tried to form a human chain in Wellington from the American Embassy which is downtown all the way up this enormous hill out into the suburbs of Karori to the Soviet Embassy. There were children and mothers hand in hand holding anti-nuclear posters. And so, they had a photo exhibit of all of this. I was there for the symposium, and we were having a reception. As part of the reception, we were looking at these photos. One of the organizers of the exhibit of photos knew who I was, and came up, and started debating U.S. nuclear weapons with me in the middle of the reception. It was quite clear she remembered what happened, and her position hadn't changed, and her opinion of the United States hadn't changed, and that captured for me the knocking of heads between our two sides, to a point when in the 1980s, particularly prior to 1989 Tiananmen, there were people who said we had a closer relationship with the People's Republic of China than we had with New Zealand. If you realize that New Zealand is a constitutional democracy, that makes no sense.

Q: Let me ask a quick question. New Zealand's policy, the basis for their policy is understandable, but at some point, do they ever consider the civilian use of nuclear energy for their islands because of the great distance and the cost and so on of fossil fuels?

KEEGAN: That is a great question. You would think they would. They are in a very peculiar position. They are on the ring of fire. The ring of fire around the Pacific goes right through, you can see on a map of the Pacific, the west side of the New Zealand islands. That curve is awfully close to parallel to a fault line. The city of Auckland has some fifty-three dormant volcanoes inside the city limits. They do not call them extinct. They call them dormant. The city of Wellington is right on a fault line. There is a road that goes along the west side of Wellington harbor from the City of Wellington up to Petone and Lower Hutt, which is where we had our ambassador's residence. That road was on land that was lifted out of the harbor by an earthquake in the nineteenth century. So that is issue number one. You don't want to build nuclear power plants near an earthquake fault. Issue number two: because they are on this fault line, they have geothermal energy. They have steam energy; they have geysers, they have hot pools. They have figured out very effective ways to generate energy from that. They had essentially said, "A, it is too risky, and B, we have alternatives." The alternatives were not sufficient in and of themselves, but nuclear power wouldn't be either. It is a great question and a natural one, but that is why they managed to avoid it.

I talked about the differences between New Zealand and the U.S.. Let me talk about the similarities between us. After WWII we had built something called the Five Eyes. Those were the five intelligence services: Britain, Canada, the United States, Australia, and New Zealand. These were and remain the intelligence services that are pretty close to interoperable. We give them everything. They give us everything, and we essentially look around the world and say, "We are good at collecting intelligence here; you are there, and they are good at the other place. We will tell you what we've got, you tell us what you've got, and we will all be a whole lot safer." The problem came after New Zealand's participation in the ANZUS treaty was suspended. What did we do with New Zealand's

participation? Bill McCormick had this great phrase. He said, “The Five Eyes are actually like four eyes and an eye patch.” But still they did participate in it, and they did some very valuable stuff, and they still do.

It got to a point where I saw more intelligence chiefs as DCM from the United States than I saw anybody else. It was because they had reasons to show up. After 9/11, New Zealand felt a renewed affinity with the United States. There was a huge New Zealand flag that apparently was in one of the twin towers and was recovered from the wreckage and given back to New Zealand. They hung it in their parliament building. The only place large enough they could find in their parliament was in the staircase that had a big wall, but it was a place of honor. Every time a visitor, especially an American visitor came in, our guides would be sure to take us to that staircase and say, “That was in the twin towers.”

And when we went into Afghanistan, New Zealand came in with us. New Zealand has a very small military, but they have one unit they call the Air Force Special Air Service, their special forces. That is their equivalent of Green Berets or Delta Force. They are, I am told, widely considered to be among the very best in the world. They were assigned to provide a provincial reconstruction team (PRT) in Bamyan province, and they were generally considered to have the best PRT in Afghanistan. It was a model. If somebody said, “How do you do a PRT,” we’d say, “Why don’t you go talk to the Kiwis in Bamyan and see how they do it?” Now, Bamyan was not the most dangerous part of Afghanistan. But one of the things that New Zealand does very well is it refuses to wall itself off behind heavy equipment. They go out person to person. Yes, it is very dangerous, but when it works, it really works well, and it really worked well in Afghanistan.

One of the things I got used to was going to the Defence Ministry saying, “Hi, how about sending more of your Air Force Special Air Service units to Afghanistan?” The basic answer was, “Dave, we will do as much as we can, but it is a small group, and they need to rest. They need to re-provision. We need to rotate them in and out, and by the way they have other things they need to do.” We were always asking for more and they were always saying, basically, that they would give us everything they could.

Let me add another thing still on the military. It comes back to February 1985. The USS Buchanan could not come into New Zealand waters. However, the U.S. navy also had an air wing, and it was flying from the United States to the South Island of New Zealand to the city of Christchurch. The U.S. Navy had a facility in Christchurch because that was how they flew down to the Antarctic to a base that we had on the edge of the Ross Sea. The Ross Sea is, and I hope it remains for many years, a solid ice shelf. The planes would land in the middle of the sea on this solid ice shelf that was 18 feet thick. The New Zealanders had a base there, we had a base, and we basically flew down together. But we relied on the U.S. Navy landing planes at Christchurch even after ANZUS was suspended.

At a certain point in the 1990s, the Navy said, “Hey we don’t have enough of that type of planes to do it anymore. The U.S. Air force, Air National Guard, said, “Actually we land on the north shore of Alaska,” so they showed up. They began staffing this facility in

Christchurch where New Zealand has its Antarctic base and the U.S. National Science Foundation has its base. When the U.S. Air National Guard started going to Christchurch, it said, "You know, this is a whole lot easier if we work with the community." To make that happen, they would have special events. School kids would come and look at the planes. They would have pilots go in and talk in classes, Christchurch thought the Air National Guard was part of Christchurch. I find it interesting, given the opposition to the U.S. Navy in 1985, that this U.S. military presence was welcome in Christchurch.

A lot of what had happened in 1985 happened when the U.S. Naval officers who in the 2006-2009 period were three- and four-star admirals had been junior lieutenants. A lot of the best of them had been aides to the then three- and four-star U.S. admirals who felt they were being insulted and demeaned by the New Zealand attitude, so they had some pretty fierce attitudes towards the Kiwis. When I arrived, Helen Clark had recently won re-election to her third term. She had defeated the more conservative National party who had famously, it was reported, told the American Ambassador, Charles Swindells, that the ban on U.S. military in New Zealand would be gone before lunch time if they won. That then leaked out. It hurt us, and it hurt the National Party, so any mention of ending the ban became, and I am sorry to use this term, radioactive.

At the same time, New Zealand was doing a lot of things in international organizations advocating transparency and human rights. In the World Trade Organization, Tim Grosser, who is now the New Zealand ambassador here in Washington, was the New Zealand ambassador to the World Trade Organization. When we were trying to negotiate the Doha Round he and his colleagues were among the very best and staunchest allies we had. The Kiwis were playing a very constructive role internationally on lots of different issues, the kinds of things that were very valuable to us, and the nice thing about having New Zealand do it was that everybody knew that New Zealand and the United States were at odds, so nobody could blame us for setting them up. Everybody knew that if we tried to set up New Zealand, they wouldn't listen to us. Before I arrived in Wellington, when I was doing my consultations, I was in the EAP front office, meeting with the EAP Assistant Secretary, Chris Hill, whom I had served with in Korea. He had been the econ officer, and I was a junior officer in the political section. He said to me, and he said to the head of the Australia, New Zealand and Pacific Island desk in State, "this is nutty. Why are we in a better situation with China than we are with them? Go fix it."

We took that as a tasking and having Bill McCormick as our ambassador, to put it simply, gave us a leg up. If Bill McCormick can't befriend someone, they cannot be befriended. And you know I make a lot about his personality, but he was also smart and strategic about it. I will give you an example. Bill came from the northwest United States; he and his wife, Gail, were big business. They ran McCormick and Schmick, a big and very good seafood restaurant chain. They were also very interested in their local community. They were big supporters of the opera and the museum. Bill and Gail became very interested in Native American art of the Northwest, and they were big supporters of it. When an ambassador goes overseas, the ambassador is invited to select artwork representative of the United States from a collection that the State Department has. Bill and Gail looked, and they said no. They said "Actually, we have access to Native

American inspired art from our own connections. We would like to bring some of that collection with us and show that as representative of the United States.” They discovered, and again Richard Benge helped with this, that there were very close ties between parts of the Native American artistic community and parts of the Maori artistic community. What they arranged in their residence was a display of art that was half to two-thirds Native American art and the rest was Maori art, and they arranged it so that artists who had been influenced by the other side were put together. You had a Maori artist who studied with a native American artist who was influenced by a Maori artist, and you would have their work side by side, which said to everyone in New Zealand, “Hey we are closer together than you may have ever thought.”

Let me tell you a side story. A year or two after I arrived, the State Department Public Diplomacy Bureau had gotten hold of a collection of photos by Edward Curtis, a late 19th century photographer from Philadelphia, and that was the point where people were actually experimenting with how to do photographs.

Q: Oh, so this was the mid-19th century.

KEEGAN: Mid to second half of the 19th century. He decided that he would learn how to do photographs. He went out west and started photographing Native Americans. He ended up doing some truly remarkable photos. You know how there are certain people who can get the subject to actually look into the camera like they are right there connecting with the viewer? He figured out how to do that, and he took photographs and wrote anthropological reports of Native American ceremonies. There was a three or four day long religious ceremony that the Native Americans did in the Southwest, but by the mid-20th century they had lost track of it. The people who knew how to do it had forgotten or died. Well, Native Americans found Curtis’s photographs of this event, one of the last times it had ever happened, and his very detailed descriptions of what it was, and then based on that they recreated it for the first time in 50 years or something like that. State had this exhibit of photographs. They were going to send them around the world. We got perhaps eight weeks’ notice. There was a scheduling gap as this art exhibit was moving around the world. Would we like it? Our Public Diplomacy section puts out the word to all of the museums in New Zealand. A local art museum on the South Island, I believe it was in Oamaru, responded, “We have a gap, and we can take your exhibit.” On very short notice, they set up an exhibit.

Q: Edward S. Curtis. The reason I am interrupting you is that we were in Hungary as you are talking about this. When I was in Hungary in the mid 2000’s we also got the same exhibit. Maybe there were different photos because there were many photos that Curtis did. We got the same exhibit. It was probably our most popular exhibit in the three years I was there. We contracted with a venue to show the photos. We had something like 350,000 visitors. In Budapest that is a lot of visitors.

KEEGAN: It was a local museum on the South Island that was able to take it. I went to the opening. There was a photograph in that exhibit of a Native American woman making a pot. It turns out that one of the curators in that museum was part Native American. She

looked at this picture and said, “I have seen this pot someplace before.” She was able to find out that that pot, or one done by the same artist as part of the same series, was in another New Zealand museum, perhaps the War Memorial Museum in Auckland. All of a sudden, she had staged this beautiful dramatic Curtis photo on the wall and, in a glass case right in front of it, she placed the same pot.

This very directly reinforces what Bill and Gail McCormick had done. They were saying, “Hey, there is a very deep connection between the United States and New Zealand that goes way beyond security issues.” When they opened their exhibit of Maori and native American Art in the ambassador’s residence, they were informed by the Maori artistic community that it could not be opened without a religious ceremony. As a result, on the lawn in front of the embassy right in front of the Ambassador’s residence, we held a Maori and native American religious ceremony. Which was great. I ended up being the master of ceremonies. If you can imagine running an event in a foreign language you had never learned to speak, that is what it was like. Nobody knew that I was scared out of my wits, but everybody else thought it was wonderful. The Native American religious sensibility and the Maori religious sensibility seemed seamless.

I talked about the anti-nuclear photo exhibit that happened when I was at the War Memorial Museum to participate in a symposium on U.S.-New Zealand relations. Whether or not there was any immediate prospect of rebuilding the relationship, this was something we were encouraging, something that we were thrilled to participate in. I was asked to give the keynote address on the American side, and the keynote address on the New Zealand side was given by John McKinnon, a senior New Zealand diplomat, who had been their ambassador to Beijing and was now the Secretary at the Ministry of Defence. If John McKinnon isn’t the best diplomat in the New Zealand diplomatic corps, please tell me who is better. He is a great person in every single respect. It was after that discussion of how we rebuild the relationship that we are looking at these photos of our conflict over the nuclear issue and this woman saying to me, “Why won’t you give up your nuclear weapons?” At that point, Obama has not been elected yet. I said, “Here is the problem. The issue is not do we want a non-nuclear world? The issue is how do we get from a nuclear world to a non-nuclear world. How do we talk about that? How do we get there? Do you want to win the Nobel Peace Prize? Answer that question.” Of course, Obama would in a sense win the Nobel Peace Prize for asking the question.

In short, we and the Kiwis had all of these very close relationships and very deep conflicts. Just a couple of other observations on deep ties. I mentioned the Returned and Services Associations. They are the New Zealand equivalent of the American Legion. There are halls in every town and city across New Zealand. And if you go to any town in New Zealand you will find two plinths with the names of the dead, a plinth for World War I and another plinth for World War II. You go into these towns, and you see it’s got a population of 350 people and there are 40 names on that memorial. You start looking at those names, and you realize there are seven or eight names in a row all with the same surname. This is a big deal. Bill McCormick made it his objective to go to all of these local chapters to honor that sacrifice and connect with those who had also served.

There was one town he should have gone to, but he couldn't go, I think he was travelling, and it was New Plymouth on the west coast of the North Island. This is near where some of the World War II Marine Corps bases had been. This town apparently every year had an old car, antique car weekend and at least this one year they called it Americarna. Apparently, for many years in the 1940s through 70s you couldn't import cars into New Zealand. They established this ban to support the domestic industry. As a result, people had gotten older cars and kept them going and refurbished them. You couldn't import a car, but you could import car parts, so people had cars literally taken apart in the United States, all the parts shipped to New Zealand, where they would rebuild it. Having been told about all this anti-American sentiment in New Zealand, my wife and I had to fly to New Plymouth to represent the ambassador.

We landed in the evening and, if you are flying from Wellington to New Plymouth, you fly in a putt-putt. This was a very small plane. We landed and were greeted by a college age woman who has been designated Miss Americarna. A very attractive young woman. She was dressed in a bright white suit with a bright white American cowboy hat and a bright, white, glossy boots, mini skirt. We thought, "This is straight out of a very bad movie. Who is she?" She said hello, and we immediately realized it was time to toss out the stereotype. This was a very intelligent, well-educated young woman, and she had been designated as Miss Americarna. We were riding in a Buick airstream, a 1954 Buick so brightly polished that you could have combed your hair just looking at the gloss on the paint. It was just perfect. She and the owner of this antique car were bringing us into our hotel in town. I couldn't do it, but my wife could. We were talking to the driver and this woman. My wife asked her, "How did you get this job?" I don't know if she actually did this, but I recall she just put her head in her hands and said, "It is not my fault." She said, "The head of the Chamber of Commerce who was organizing this went to my father and said, 'Would you ask your daughter to do this?' and I couldn't say no." And the three of us just laughed. We said, "Got it. You are part of the community, and you are doing something for the community. We understand your father was probably embarrassed asking you to do it, but you are doing it in a good spirit, you are a wonderful kid. Good on you."

The next day they had a parade, and we sat in a seat of honor in the parade in a 1962 Cadillac convertible and smiled and waved as our car went down the street. Every storefront in the entire town had an American flag in the window. Stores that couldn't get an American flag painted an American flag on their windows. My conclusion? Don't tell me about anti-American feeling in New Zealand. Just don't. They were thrilled to have us and thrilled that we were having a good time. One of the cars they had was a California Highway patrol car. It had everything, and it was just great good fun.

I will give you another example. At every Embassy where I have ever served, I have been the American politics expert. Simply by reading the New York Times and being an educated American, I know more about American politics than anybody else. I got to New Zealand in 2006. We were about to have a presidential election. Hey, everybody wanted to talk about American politics. Fine. I discovered that the local employee in the Embassy's pol-econ section, Craig Greeves, who was maybe in his mid 20s, knew much

more about American politics than I did. Any time the issue came up I just said, “Craig, how does the primary system in Nebraska work?” Craig knew everything. This was a place where the American was no longer the American politics expert. It was the Kiwi. That year I didn’t stay up to watch the results on Super Tuesday. I am sorry. I had to work the next day, and the next morning I went out to the curb to get the paper, the local New Zealand paper that we got. The guy across the street is a good friend of ours, Nick Bridge, who is a retired diplomat. He was the guy who wrote the memoir I was telling you about. He was coming out to get the paper, and he just shouted out to me, “Was that dramatic or what?” I said, “Was that dramatic or what?” He looked at me and said, “You didn’t stay up to watch the returns on Super Tuesday?” “Nick, it was 2:00 in the morning. 3:00 in the morning.” He said, “How could you sleep?” I said, “Nick, I am an American. I went to bed. Why did you stay up?” He said something to me that was very interesting. He said, “Dave, your American presidential election is more important to our future than our prime minister’s election.” Why don’t we stop there? All I wanted to do at this point is give you a sense that this was a relationship between the closest of relatives who hadn’t been talking to each other for 40 years.

Q: Today is January 30, 2019. We are resuming our interview with David Kegan. Take it away.

KEEGAN: Last time, we were talking about the Embassy in New Zealand, my assignment there, and the intense interest that New Zealanders have in United States politics. Part of that has to do with the nuclear issue back in the 80’s, but they just feel that what happens to the United States matters to them. Last time I said that U.S.-New Zealand relations were like the closest friends or relatives who hadn’t spoken in 40 years. I was asked to go down to Christchurch, New Zealand. Christchurch, which is where that horrible earthquake happened a few years after I left. It is a lovely city, one of the real centers of New Zealand. I was asked to talk to a foreign affairs group there about U.S.-New Zealand relations. I gave my little talk, and this is actually a case where my wife came with me, which probably encouraged people to be a little bit more courteous than they might otherwise have been. People don’t feel like being obnoxious around my wife, so it is very helpful when she is willing to join me. I did my little spiel about U.S.-New Zealand relations, and then the question-and-answer period followed, which I recall, perhaps incorrectly, ran an hour and a half.

Q: So, there was a great deal of interest.

KEEGAN: There was a great deal of interest, and I got questions like: “OK, you are in the Bush administration. Why is the Bush administration doing this in Afghanistan?” “Why is the Bush administration doing this in Iraq?” “Why are you doing this over here?” My general tack was to say, “You may agree with what we do or disagree with it. I understand that, but let’s just try to explain why this makes sense. Whether you agree with these policies or disagree with them, think it through from the policymaker’s point of view.” I was talking with somebody at the end of it, and my wife was with me, and somebody else came up to me and said, “You know, I came here hating you, and I really

wanted to skewer you, but you did a very good job, and you are a very nice man, and I really appreciate it.” I think he literally used the words, “You disarmed me.”

Q: Now one question here about the attitude of New Zealanders here to the U.S. I mean I understand that a lot of it is based on the issues related to the nuclear question. But at the same time, we were still cooperating with New Zealand as one of the Five Eyes, one of the intelligence services that we cooperate very closely with. Were they aware of that? Did that have any impact at all on public opinion?

KEEGAN: You mean were people in New Zealand aware of it? By and large, no. Most people weren't. Most people knew that New Zealand had intelligence services, particularly a National Security Agency type of intelligence service – communications and information intelligence and all that kind of stuff. It had two different impacts on two different groups of people. One group of people were the policy professionals and much of the educated elite. That reinforced in their mind the value of the bilateral relationship and reinforced the sense of common purpose and camaraderie. These were people like Simon Murdoch, who was the Secretary of the Ministry of Foreign Affairs and Trade; Nick Bridge, who was the retired ambassador who lived across the street from us; and John McKinnon, who was Secretary of the Ministry of Defence, the senior civil servant in Defence, twice ambassador to Beijing. Their perspective was, “We are making a contribution; the Americans value it. We have our differences. We can work through them, and it is important that we do so.”

Having said that, there was also the group of people like that woman who came up to me in the War Memorial Museum in Auckland to explain to me why I was evil and full of sin. She was speaking in just about those terms because of my refusal to insist that the U.S. should ban its nuclear weapons. I understand her point of view, and I get it. I understand the point of view of all those people who were at those demonstrations. Whether or not I agree with them, my feeling is that you have got to like anyone who is willing to come out and be counted on an issue of public policy, whether you agree with them or not. Step number one is showing up, which they did.

Here's another example. Wellington is on the southern tip of the North Island, and across the Cook Strait is Spy Valley. It sits in the middle of an idyllic bucolic area called Marlborough, which produces some of the best white wines in the world. If you ever find yourself there, please enjoy. My wife, our son, and I spent a lovely day cycling around Marlborough. The place we rented our bicycles from gave us bicycle bags, panniers, to put on them and each pannier held six or eight bottles of wine. At lunch time we took out all the bottles of wine we bought along the way and refilled them for the afternoon.

Anyway, in Marlborough is Spy Valley, where New Zealand had two of those golf ball like installations, and inside they had intel collection satellite receivers. One day, a group of peace activists, including a Dominican friar, rented a cherry picker, and used the cherry picker to back up to the fence of the base containing these receivers. They used the cherry picker to go over the fence so that they could slash the golf ball covering so that it all collapsed down to protest the New Zealand intelligence collection and its connection with

the U.S. Many people in New Zealand were glad they did it. So, there were both New Zealanders who understood the importance of the U.S. relationship and New Zealanders who opposed our reconciliation.

I thought I would switch gears for a moment before going back to policy issues. And talk a little bit about how the embassy worked for a DCM. This was one of the places where a decade earlier they had decided they would reduce or eliminate staffing so that it went on a program called “the Special Embassy Program.” That meant a drastic reduction in admin support and a reduction in support for the Ambassador and DCM to do representation.

Q: In New Zealand?

KEEGAN: In New Zealand. Just before I got there, they realized that was a big mistake, so they restored some of the support for representational activities, completely refurbishing the DCM’s residence and providing the funding to staff the DCM’s residence. They also upgraded vehicles and security on vehicles, built a secure entrance with a hardline inside the Embassy chancery, and all the kind of stuff that they had failed to do while Wellington was part of the Special Embassy Program, and they brought a Marine detachment back in.

This is the first time I had ever been up close and personal with the Marines. Most people in the Embassy don’t really notice them, but if you are the DCM, and you don’t notice the Marines, you shouldn’t be a DCM. And we were in an interesting situation because a lot of places where you put Marines as security guards you say to them, “This is a threat environment. You do not go out without two or three of you at a time. You do not fraternize with locals. Whoever you fraternize with you must report to us.” And Wellington was a situation where we could by and large say to them, “Every one of you in our detachment has been in some very rough places.” Two tours in Iraq. Two tours in Afghanistan. Served in the Marine security guard in Mogadishu, something like that, or Kabul. These were people who had put in some hard time.

As a result, when they came to us, I sat them down and said, “Look, you have put in some hard time. Relax, breathe, enjoy the fact that you are here. Don’t do anything stupid, but enjoy the fact that you are here. I want you to relax. You have a driver. Use the driver.” They had a Marine house and were generating money with all their Friday evening events and Super Bowl parties, and they hosted the Marine Ball. If you don’t like the kids who are Marine security guards, boy, I have got to talk to you. Anybody who has a 19-21-year-old like one of these kids, you can count your blessings. These are really good kids. All of them are saying, “OK, the Marine Corps is telling me I am really good. Do I stay in or do I get out? If I leave the Marine Corps, what do I do next? I spent a lot of time at the bar in the Marine House during these events listening to these kids and talking with them about what they might do. The Ambassador, Bill McCormick, had them over for dinner to talk to them. Not to talk to them, but to just listen to them, and provide a little bit of *loco parentis*.

At the same time, I was told by someone, who had an absolutely good reason to know, that an American who had just left the embassy said we “need to take back the Embassy.” They felt the New Zealanders had so much sway in the Embassy, that it was becoming more of a New Zealand institution than an American institution. I thought that attitude was completely off base. I thought that the New Zealand employees who worked in the Embassy ranged from the few who were OK, to the many who were very good, and to the few who were just spectacularly good. Educating the Americans as to the value of the local employees was key. Making sure there were no unnecessary frictions between them. There were a couple of local employees whom I jokingly told that they should never let me get my hands on their New Zealand passport because I might seize it and hand them back a U.S. diplomatic passport instead because they were doing FSO quality work and were doing FSO roles. Pol Econ, commercial, military sales, public affairs, I have already mentioned them a couple of times. Admin and management.

We had some accountants there. I remember I came into the Embassy once on a Saturday or a Sunday, and there were three or four of our local employee accountants there. They said, “Actually something went wrong with the books. We sent them to Washington, and they did something crazy. We are here to straighten it out before they come to work on Monday.” If you are a DCM, you smile, and you say thank you very much. Our senior management local employee was there as well to support them. Our senior management officer, an American, was a former B&F (Budget and Fiscal) officer, so she was also there to provide moral support. She wasn’t telling them what to do, because they knew better than she did.

Our lead local management employee, Mary-Lou Forrest, was a marvel. When Secretary of State Condoleezza Rice visited, we had all the sorts of problems you should expect for the Secretarial visit, and she could pick up the phone and call somebody somewhere who could straighten it out from the New Zealand side without fingerprints. I requested all American onward assignments because my father was 92 years old and had been sick. The doctors had said he was OK and had a few more years to live. One morning, two weeks before I was due to leave to return to D.C., my sister tried to call me by phone, but she couldn’t reach me so she called my son who was in an Arabic language immersion program. Because he was in immersion, he was not supposed to answer the phone in English, but he looked at it and saw that it was his Aunt Jane and thought, “I better answer this.” She hadn’t been able to reach me. My father was dying. My son called me, and I called my sister. Then I called Mary-Lou and said, “I was about to leave for a final representational swing around the North Island, flying out of Wellington this morning. I am not doing it. I have got to fly home.” She said, “You probably won’t be able to get out until tomorrow. We will do what we can.”

She called me back a half hour later and said, “On the other hand, there is a flight in an hour and a half out of Wellington to Auckland. There is a flight from Auckland. You are routed all the way through, taking off in an hour and a half. We’ll get your car to your house to drive you to the airport.” And when I told other people what she did, they responded, “Well of course she did. She does that all the time.” Those were the kind of people that we had. I think it is kind of important that we recognize the value that our

local employed staff give. Even in a place like New Zealand, they catch grief from both sides. The Americans think they are too local. They have friends and relatives who think they have sold out to these evil nuclear weapons carrying Americans. They do a phenomenal job.

We had an Agricultural attaché. Occasionally people would ask, “Why do we need an Ag Attaché in New Zealand?” Because we were selling agricultural technology to New Zealand farmers, and they were educating American farmers on how you can run agriculture without subsidies the way New Zealand does. They have zero agricultural subsidies. And they are among the most successful agricultural operations in the world. Fonterra, which is their dairy cooperative, is renowned. Kiwi fruit is actually Chinese gooseberries. They grow more of them in Australia, but New Zealand got the branding rights by moving fast and being nimble. The Ag attaché built us a lot of relations that we might not otherwise have had.

Another feature of our Mission in New Zealand was that we had people coming out of Baghdad, Kabul, who were very good officers and staff, who had seen some really hard times and were suffering the effects of it. It was good that we could offer them that environment. We had two subsidiary posts. One was the Consulate, I don’t believe it was a Consulate General, in Auckland. When State had gone through this paroxysm of Special Embassy downsizing, they took the consul’s residence in Auckland, which was a spectacularly beautiful residence with a spectacular view and sold it. Of course, within three or four years the amount they spent leasing new properties for our Consul in Auckland completely used up every penny they had gotten from selling it. Every time I went up there, the house was more or less on the way from the airport to the consulate offices, the driver always liked to drive past there to express his annoyance at that decision. But we had a consulate there. It is the economic and political center of New Zealand. New Zealand has a four million population and one point four million is in metropolitan Auckland.

Q: Interesting. I thought it was higher than that but OK.

KEEGAN: I think that is the number. It may have changed. One quarter of the human population in New Zealand is in Auckland. Up until very recently the number of sheep and cattle in New Zealand outnumbered the people.

Q: With such a relatively small population, are they interested in increasing the population through immigration? Was there anything like that going on while you were there?

KEEGAN: New Zealand is very closely tied to Australia. It was explored by Captain Cook, who also explored Australia. When it was first settled by Europeans, it was settled out of Australia, essentially out of Sydney, I believe. The Australian constitution there has a provision for New Zealand to become a part of Australia. It was thought of, but they are such different places. Still, that sense of a combined space is why most New Zealanders and Australians call the Tasman Sea “the ditch.” There is an enormous

distance here – pretty much 2/3-3/4 the east-west distance across Australia. It is a long way. And New Zealand is a very different place.

One of my best friends' and best contacts was the DHOM, Deputy Head of Mission at the Australian High Commission. It was not an embassy because they both recognized the queen as the head of state, but it was effectively an embassy. The High Commission was right around the corner from our Embassy. These folks were really good, and it was nice for us not being the big dog in town. All the grief that flowed to the big dog landed on the Aussies. I remember he and I had an agreement that every month or two we would get together and have lunch. Sometimes we would invite somebody else along, maybe a New Zealander from the Ministry of Foreign Affairs and Trade who was tied into what we were doing. Maybe not. We were just trying to make sure we were triangulating things on the same level.

I remember one particularly fine lunch we were having, and he finally said, “You know this is an awfully frustrating job because my job is to manage relations between Australia and New Zealand, but none of the New Zealand ministries want to talk to me. It is far too easy for the minister or the secretary to call the minister or secretary in Canberra, and so these things are flying back and forth, and I may or may not know about it, and if I do know about it, it's probably going to be long afterwards.” The two places are very closely tied together at all levels. We will talk about the military level later.

One of the ways in which they are closely tied together is that they have a common labor market. If you have Australian citizenship or right of residence, and you get a job in Wellington, you climb on a plane, go to your job, and start working. If you are in Wellington or Auckland, or Oamaru, or anyplace in New Zealand, and you decide to pull up stakes and move to Australia, you can do so and get a job, no problem. The problem became that the economy in Australia for the last several decades had been booming in a way that few other places had been, and certainly New Zealand had not been, although they had been doing just fine. That meant that by going to Australia a Kiwi could get a 20% wage hike. Pick your job, everything from truck drivers to pediatric oncologists.

That reality made it very difficult for New Zealand to hold on to some of these very high skilled positions. I didn't pick pediatric oncology accidentally. I remember that, while I was there, Wellington could not keep one, and this is a city of 400,000. Every time they got one, they would build new facilities to attract one, and the doctor would say, “Well this is all very nice, but what is wrong with Brisbane, and they will give me a 25%-30% salary hike.” New Zealand would sponsor high capability immigrants, Indians, South Asians, Fijians, or Americans who for one reason or another would like to move down there. It would require four or five years under New Zealand law before you could have the right of residence. As a result, New Zealand had you until you had the right of residence, at which point you would be eligible to and probably would move to Australia. That was one of the really interesting and challenging aspects of New Zealand immigration policy. Yes, they did encourage immigration. At that point they were quite happy with the fact that they were isolated enough that uncontrolled immigration was not a real problem.

Some of the Polynesian Pacific Islanders also have right of residence in New Zealand: Samoa, like Tonga, or Kiribati, places that are several hundred to a few thousand miles north and northeast of New Zealand. New Zealand did have a lot of immigration out of those islands. Numbers of immigrants are relatively small, simply because the places are small, not that much population, but still the largest population center of many of these small island nations was Auckland. These island populations generally integrated with the Maori population of New Zealand, but their arrival exacerbated some of the health problems and social problems that plagued portions of the Maori community. Anyway, that is an extended answer to a very good question.

Auckland was the center of that Polynesian group. It had also by far the most ethnically diverse population. If you wanted good Chinese food, there was a fairly significant Chinese population in New Zealand, and most of it was centered in Auckland. You could walk down the street, and I did occasionally, and see three or four pretty good Chinese restaurants with signage and so forth all in Chinese because they were appealing to the Chinese tourist population, and, when you think about it, what a gorgeous place to go from Wellington for Chinese food, and it was fairly close. Auckland is also a major port. In colonial times, New Zealand's two economic powerhouses were Auckland, which is three quarters of the way north on the North Island, and Dunedin, which is three quarters of the way south on the South Island, which was the gold mining center. Auckland still is New Zealand's economic powerhouse. Auckland is where the America's Cup is always sailed when it comes to New Zealand. We had a VIP visit, and he said one day, "I'd really like to sail on one of those yachts." Lo and behold, they had converted some of the practice yachts – not from the current round of the America's Cup, but from the previous one – and you could get on there and they had a crew, and they would sail you out of the harbor and do a loop and come back in under full sail. It was very cool.

Q: Before you go on to other topics I wondered since you mentioned there was a Chinese population in New Zealand, how would you characterize New Zealand's relations with China because obviously China is reaching out everywhere and trying to increase at least its commercial penetration.

KEEGAN: That is another great question. Let's start back with China's effort to join the GATT/World Trade Organization. They finally joined in 2001. The U.S. led the working committee that oversaw their accession. New Zealand had, and continues to have, a very active presence at the World Trade Organization headquarters in Geneva. Tim Grosser, the current ambassador for New Zealand, was at the WTO and was their lead trade negotiator during the Doha round, so New Zealand got very involved in China's accession. The fact that China entered as a non-market economy meant it was easier to put certain constraints on their ability to claim the benefits of being a market economy in the World Trade Organization when they really were not. It made it easier for other nations to bring claims against them if they felt they were using their non market economy, in other words their state sponsored, state funded, economy to evade competitive rules.

New Zealand was aware of that. As a very active agricultural economy, they exported large amounts of produce. They exported large amounts of fish. Japan absorbed a lot of that. They also exported large amounts of lamb, mutton, beef, deer, and deer meat. If you have never had deer meat, go there, and have it. It is just lovely. But their primary agricultural exports were dairy – milk, butter, cheeses – and wines, especially high-end wines. Australia by and large tended to produce large amounts of adequate, less expensive wines. New Zealand produced much smaller amounts of just spectacularly good wines, not that I am prejudiced. But they worked very hard on their economic relationship with China with the idea that this was a great export market for something they were very good at producing. They were right.

The Chinese were very eager to have a free trade agreement with one of the leading free market economies. New Zealand decided it would be a good way to cement its relationship, its trade relationship, with China by approaching them and saying, “You want to figure out how to negotiate a free trade agreement with an advanced market economy. How about we do this? We will negotiate a free trade agreement with you. We will do it straight up, fair and square. In the process, you will see how a government like ours with a market economy does business and business policy. We will essentially give you a tutorial in negotiating agreements with countries that have a market economy like us.” While I was there, in 2008, they signed that free trade agreement. It really did give New Zealand a leg up. It also led some people to think, including in the U.S. government, that New Zealand was entirely too sympathetic to the Chinese and not holding their feet to the fire on certain issues.

Then, also in 2008, New Zealand had what can only be described as a gargantuan trade disaster. That had to do with the fact that any foreign commercial or productive activity in China had to be a joint venture between a Chinese partner and a foreign party. Fonterra is their dairy cooperative, which I believe came up with the marketing slogan, “New Zealand Pure.” It was intended to reflect the concept of New Zealand they wanted foreign consumers to have. It spoke to what New Zealand was as a place, but it also said something about the quality of these dairy products they were selling to you. In China, Fonterra was required to establish a joint venture. One of the major products they were selling into the Chinese market was milk powder for baby formula. Who better? It goes long distances. You don’t have to refrigerate it. And it was being packaged in China for sale to the Chinese market. Their Chinese partner decided that they could make more money if they adulterated the milk powder/baby formula so that they could stretch it and sell more of it. They decided to adulterate it with something that would also have a protein content to milk powder. It was something called melamine. Melamine, to put it simply, is poison. All of a sudden, these products with a Fonterra label were sickening and, in a few cases, killing Chinese babies.

I remember talking to my friends who were in the Ministry of Foreign affairs and Trade. Obviously, Washington wanted to know what was going on. MFAT officials were sick. They were thinking, “Not only does this affect us in commercial terms, this threatens our sense of how we do business and the ethics with which we do business.” Our agricultural attaché was talking to them, talking to the Ministry of Agriculture and seeing how they

were seeing things. It was just horrible, and they were scrambling. In the early stages of this crisis, I remember that they were saying to us, “We don’t know very much. We are finding out this, but we know there is more.” That really soured the New Zealand/China relationship pretty badly.

The relationship continued. The Chinese continued migrating into New Zealand, just as they had been doing in Vancouver, California, and New York City, buying high end real estate, and therefore changing the structure of the pricing of real estate in New Zealand. New Zealand was also where there were Americans who wanted to come and establish second residences. They’re of course the people who can afford to fly first class or rent a luxury “batch,” a holiday home, or have a private plane to fly to New Zealand from the United States or from China. It was creating a lot of social tensions.

This is slightly outside of what we are talking about, but I think it is important to say. Let’s fast forward to 2017, 2018, 2019. China has, like Russia, become increasingly involved in influence operations and cyber operations and the like, and they have used their student populations overseas to advance their influence operations. Let me just be clear. We should not be anti-Chinese about this. The students, who were doing that, were doing it only under the most onerous of duress. But it is clear the Chinese were doing it. It was clear that the Chinese were funding political allies and playing dirty tricks on political opponents. It happened in Australia in some very ugly ways, and it happened in New Zealand in some ugly ways. New Zealand has Anne-Marie Brady, one of the world’s leading scholars on Chinese propaganda operations. She teaches at the University of Canterbury in Christchurch. (It says something about New Zealand’s continuing ties with Great Britain that they named their university Canterbury.)

When I went down to Christchurch, I would go and talk to her and get her take on things. Her Ph.D. research was on propaganda and publicity mechanisms in China, and she did a remarkable job on a topic where most Western Scholars would just be tearing the Chinese apart. She said, “Let’s try to understand what they were doing, why they were doing it and how they were actually doing it.” She had a much more objective balanced view. She also became involved in looking at the issue of what China was doing in the South Pacific because, from Australia and New Zealand’s point of view, China was becoming more increasingly interested in the Antarctic as a place to do science, but focusing more importantly on the fact that the Antarctic Treaty may lapse and if it does, the prohibition on commercial activity in the Antarctic may lapse. There may be mineral resources in the Antarctic, and China wants to be in a position to take advantage of those resources. Also, they need fisheries, and there are some very abundant fisheries immediately adjacent to the Antarctic. The Chinese were also working very hard to persuade Pacific Island nations to support them and their various activities, to be reliable votes in the United Nations, and they were basically building infrastructure on these islands, often far in excess of what these places needed or could support in order to win votes. That then was a big concern for the United States because of our Pacific presence, but even more so for Australia and New Zealand. Officials in all three countries had all been watching that very closely. Anne-Marie Brady is the one who has done the best research, and continues to. I think last year she published a book on China’s role in the Antarctic.

Q: Just a quick question. Since you are talking about her expertise on propaganda, the Confucius Centers, China's essentially cultural centers, which they have been putting in places, are being closed in places because people are beginning to see that they are not just cultural centers but they are also locations from which China is doing other things. Maybe spying or maybe trying to exert influence in a not particularly legal way. Has she looked at that as well, the phenomenon of the Confucius institutes?

KEEGAN: I believe that she has looked at that, but as far as I know she has been far more focused on the other issues I just mentioned. Confucius Centers are a big problem here in the United States. For all sorts of excellent reasons, including the fact that the Chinese are insisting on the right to open these cultural institutions at the same time they are denying the U.S. government the right to have cultural institutions in Chinese cities and universities. They are blocking us off at the same time they are insisting on the right of having these places. It is my feeling that we should be insisting on reciprocity.

Anne Marie Brady, as I recall, hasn't been looking that much at what is a major issue of Chinese influence in the United States, which is Confucius Centers. She has been looking more at Chinese use of subversive funding to buy influence and manipulate the political environment, which is a major issue in both Australia and New Zealand. She did an excellent study of Chinese influence buying in New Zealand, probably the best thing going on China's efforts. Almost all of the analytic observations she is making apply beyond New Zealand.

What becomes slightly horrific about this is that her office was broken into, twice. Electronics, computers, laptops, and cell phones were stolen or damaged. Her house was broken into. She is concerned. This is in a story that came out in either *The South China Morning Post* or *The Australian*, or maybe both. As I recall, people were following her and trying to intimidate her institution. She complained to the police, and the police refused to do anything. It has gotten to the point where she has written a public letter to the Prime Minister of New Zealand saying, "We have a problem." Some people looked and asked, "Is this a case where New Zealand is prioritizing a congenial relationship with China in Beijing above its posture as an open society? And is this a society that protects its own people?" This is an issue in which New Zealand is exposed to a very troubling extent. I certainly hope that Jacinda Ardern who is the Prime Minister, who has done some very good things, will take this seriously, because if Anne Marie Brady gets to a point where she says, "I can only feel safe if I transfer to a university in another country," that will be a real black mark on New Zealand. Let's stop there.

Q: Today is February 12, 2019, and we are resuming our interview with David Keegan in New Zealand.

KEEGAN: At this time – September 2006 to September 2009 – I am the Deputy Chief of Mission in Wellington. We have talked about a number of different aspects of what I did while I was there. When we concluded our last conversation, we were beginning to talk about our consulate in Auckland, which is the city near the north end of the North Island.

It is the major population center and New Zealand's major port. It is where all America's Cup activity takes place, but it is not the capital. The capital is at the south end of the island in Wellington. Auckland – yes, it is a population center; yes, it is an economic center, and not coincidentally it is a political center. Three of the last four prime ministers of New Zealand have all had their political start as members of parliament from Auckland. The present one, Jacinda Ardern, who is famous for a number of things including being the first prime minister that we know of to take maternity leave, is a Labour Party prime minister. She is the epitome of what New Zealanders like to think they are. Very modern, very well spoken, very internationalist, she goes to London to meet with Theresa May, and she is a rock star. She is that kind of person, and clearly very articulate. I do not recall having met her. I may have met her while I was there because she was a staff person for Prime Minister Helen Clark who was prime minister for the first two or three years that I was there.

I am going to tell a Helen Clark story and then go on. There is no better way to understand the difference in scale and formality of the U.S. government versus the New Zealand government than to understand the way in which the prime minister operates. My standing example of that occurred when I was going out to the airport in Wellington. I had my driver; he was taking me out there. I was going someplace in New Zealand. I got out of the car, and I noticed there was a guy coming out of the car behind me. I thought I recognized him, “Oh yeah you are on the security detail over at the Beehive,” which is the head of government building. I said hello, and he did not smile. Then I realized Helen Clark was getting out of the car behind him and walking into the airport. She got out of the car and walked into the airport with as much informality as I did. She had one security guard with her. Enough said.

Clark was succeeded by John Key, a National Party politician, also from Auckland. All of our consular operations, including immigrant visas, were handled at Auckland. When we went through the State Department paroxysm of budget chopping I described earlier, they closed the consular section in Wellington and moved all the consular operations up to Auckland including immigrant visas, which made sense in terms of population.

Auckland is also where we supported Embassy operations in Samoa. It was under the jurisdiction of the Ambassador. It was technically not under my jurisdiction because I was not accredited to Samoa, but de facto I was the guy who made sure that it all ran and that they got the supplies they needed and everything else. Samoa had a standing complaint that Samoans had to come to New Zealand to get a visa to the United States, which was a bother because it is four hours away, and it is not simply in a different time zone, which it is, but at that point it is a different day, meaning you had to cross the International Date Line. One of my big assignments going out there was to work with the consulate in Auckland, which was to start up a system for Samoa that basically was a visa in a suitcase. Through Consular Affairs in the State Department, we bought enough very compact electronics to travel to Samoa once every month or two to do all the visas there. We couldn't issue the visas in a day, but we could bring them back and get them out a week later so that people didn't have to come to Auckland.

The only reason we could do it by then was that Samoa had secured enough internet bandwidth so that we could do all of the security checks we needed to do. And the Consul up in Auckland was usually a very good 0-1 officer. The one we had when I was there had just come out of Iraq. As I mentioned last time, we had a fair number of officers out of the Middle East and Afghanistan as their reward/ decompression tour. He did a really good job. He was an economics officer, and it was a great place to have an econ officer. I mentioned Apia, Samoa, an independent Embassy to which our Ambassador was accredited. There was a single chargé who was resident there, usually an 0-2 officer and perhaps a dozen local staff. And Apia, if you talk about an isolated post, this was isolated. If you are subject to island fever or if you don't work well in small towns, you don't want to be there. It was a real challenge. Having said that, as is so often the case, the local staff we had in Apia were really good. They took very good care of our officer there, but they needed a lot of admin support and a lot of back up, a lot of guidance. As a result, even though I was not officially in the chain of command, I was the one who called our chargé in Apia every two weeks and said, "Hi, how is it going? What can I do for you?" The Ambassador wrote the personnel evaluation of the chargé, and everyone knew that he didn't write it, that I wrote it. It made sense. But I was the one who made sure that Apia got the resources it needed and on those occasions when, I don't know how to say this politely, but when you are in a very small place all by yourself you think your issues are the center of the world. Sometimes they got a little too insistent on getting stuff out of Wellington, so I got to do a bit of conflict resolution, which was fine.

Q: Is there an example of that that you would like to share or was it too much of the daily routine?

KEEGAN: To be honest, I don't remember them. It was things like office supplies. Nothing dramatic. But it was sometimes about how soon were we going to get somebody from the Wellington admin section up here to help them with a problem they were having. I have a real sympathy for the folks in Samoa. I can give you an example of the kinds of difficulties you hit as it affected me the first time I went up there. I flew up to Auckland so that was an hour or hour and a quarter flying. Then I switched planes and flew to Samoa, and there are only about two or three flights a week. And Samoa being over here on your map. It was at that point the other side of the date line. I went up there and I landed one night about 6:00 or 8:00 in the evening and got to my hotel. I stayed through the next business day and flew back to Wellington via Auckland at 6:00 or 7:00 at night. Then we had to file my travel voucher. The State Department paid for the airline ticket, but they initially didn't give me any per diem, which meant that I couldn't pay for my hotel. We had a very good admin person, whom I've mentioned before, Mary-Lou Forrest. She was just wonderful. She contacted Main State and said, "What is the problem?" Their answer was, "As far as we can tell from the dates and times Mr. Keegan travelled, he arrived back in Auckland before he arrived in Samoa. We actually had negative time." That is why over the last three years they have rejiggered the date line. This was a small reminder of the nonsense our Apia staff faced routinely.

At one point there was a push to realign Samoa and put it under our embassy in Fiji, with its capital in Suva. We argued that Samoa is more comfortable and closer to New

Zealand. Fiji is a slightly different ethnic group. It is Melanesian. It is actually the place where the Melanesian Islands, which are north of Australia, and the Polynesian islands, which include New Zealand and Hawaii but are slightly east, overlap. But all the air connections from Samoa are down to Auckland, and if you ask Samoans, they will tell you quite bluntly that the largest Samoan city in the world is Auckland.

It is not a coincidence that New Zealand has a good rugby team. They are not just European players. There are also Maori and Samoan players, and Samoa plays a kind of rugby called rugby sevens, which means that you only have seven players on a team as opposed to 15, but if you can imagine having a sport in which NFL linemen are your running backs, that is what rugby sevens is. Samoans are very good at it.

When I went out to New Zealand, my marching orders from the EAP, East Asia Pacific, Assistant Secretary were to reestablish a reasonable relationship with New Zealand, which had been derailed for decades due to the nuclear testing issue; they wanted to denuclearize the entire Pacific. We wanted to be able to have nuclear weapons and nuclear-powered naval ships, so we had broken our alliance relationship. The ANZUS Treaty had been suspended with New Zealand in 1986, and bilateral tensions had grown to a point where several people, including the Assistant Secretary, commented that we seemed to have closer ties with the People's Republic of China than we did with New Zealand. He basically pulled me in and pulled in Steven McGann, our new director of the Australia, New Zealand, and Pacific Island desk and said, "Hey guys, fix it." I went out to New Zealand with that charge. Steve worked with the New Zealand embassy here in D.C., and I worked with the government in Wellington to structure a series of interactions to persuade officials on both sides that we can work together more closely. This effort began in Bangkok on the margins of a regional meeting there of ASEAN, and we basically designed a series of confidence building measures. These confidence building measures for those people who knew the relationship well were not a surprise. We did things like having U.S. naval officers come down and work with New Zealand naval officers on training issues. We did things like co-sponsoring activities at the United Nations. We did things like highlighting the fact that New Zealand had a Provincial Reconstruction Team (PRT) in Afghanistan, which at that point was a big deal, because from the United States government point of view, succeeding in Afghanistan was what mattered.

New Zealand put together a Provincial Reconstruction Team or PRT in a province called Bamyan. It very quickly became the gold standard. What we were trying to do was build habits of cooperation, visible habits of cooperation so that politicians in both capitals and third parties could say "Yes, those two had a problem over nuclear issues, but there are other things on which they are cooperating." Interestingly, one of the parties we had to work to convince was the Australians. The Aussies looked at us and said, "The Kiwis walked out [of ANZUS]; we didn't. We are still your security partner in the South Pacific." And they were, and they are, and this was still the George W. Bush administration where the administration referred to Australia as "the deputy sheriff." Whether or not they were thrilled with that term is an entirely different question.

In rebuilding that Yankee-Kiwi partnership our political Ambassador, Bill McCormick, was just remarkable. For example, one of the iconic pieces of our relationship was that all of our activities in the Antarctic were based in New Zealand.

The National Science Foundation had a headquarters operation right outside Christchurch, right in Christchurch Airport. For many years, first the U.S. Navy, and then the U.S. Air National Guard flew into Christchurch Airport and then flew to the Ross Sea where we supplied the National Science Foundation, and by the way we also supplied a New Zealand station that was there. Part of the mutual benefits of our being in Christchurch was that they helped support our activities in the Antarctic, and they had certain capabilities in the air, Antarctic capabilities, that we didn't always have. The agreement, and I don't even know if it was ever written, but the agreement was "We help you, you help us, and we will worry about the details later." On one of the anniversaries of this cooperative agreement they decided they would have a special ceremony and Prime Minister Helen Clark would take Sir Edmund Hillary down "to the ice." It was, I believe, the 40th anniversary of when he led the first motorized overland team to reach the South Pole. He has supposedly been in support of a British team, but at a certain point he realized he could beat the British to the South Pole, and so he did. As I said earlier, and I have said to others, Sir Edmund Hillary is the New Zealand term for God. Sir Ed got to the top of Mount Everest; he got to the South Pole, and he was the nicest man you could ever imagine.

To continue the story, Sir Ed was going down there for the 40th anniversary. We were at the NSF headquarters in Christchurch getting everyone properly equipped for the extreme Antarctic conditions. He is going down with Prime Minister Helen Clark and with Ambassador McCormick. We had almost gotten our Assistant Secretary to go down, but he couldn't go for some reason. We were flying in a U.S. Air Force Air National Guard plane. Of course, our Embassy worked hard to use Sir Ed's trip to remind Kiwis of our history of cooperation. Bill McCormick recognized the importance of the symbolism of the US flying the Kiwi god, Sir Ed, to Antarctica. He was very supportive of him, and treated him with the enormous respect he deserved, again to underscore that Kiwis and Americans were mates. I actually met Sir Edmund Hillary as we were helping to arrange his trip, so this hand has actually touched Sir Edmund Hillary. It is one of the ways in which we rebuilt our relationship.

Another time, Ambassador McCormick gave a policy speech. One of the points of the policy speech was that we have a whole lot more in common than whatever divides us. We share a lot in common on international policy issues. If you go to the UN or you go to the World Trade Organization or you go to the Asian Development Bank, and New Zealand is advocating an issue, the odds are extremely high that we support the same issue. They don't have the kind of international responsibilities we do, so they can be a little bit more activist than we can be, and that benefits everyone. None of this was intended to displace our relationship with Australia or New Zealand's relationship with Australia, but we were sensitive to the idea that the Australians felt the Kiwis might be getting a free ride. We worked very closely with the Australians to make sure they

understood what we were doing every single step of the way. Let me mention another way in which we tried to coordinate with the Australian-New Zealand relationship.

From our point of view, one of the things we do with Australia is to supply military equipment: naval, air, ground, the whole bit. New Zealand has a much smaller military. We do supply them some stuff, but if they are thinking of buying something, they will work with the Australian military. For example they might say, "We are thinking of buying night vision goggles. What night vision goggles do you have in your inventory?" They did this because everything breaks, everything needs maintenance, everything always needs upgrades, so the New Zealand military was always very strongly inclined to buy stuff that could be serviced in Australia.

Q: Let me ask a question here since you mention the New Zealand military. What is its principal mission? Obviously, it is going to protect the homeland, but given the size of the country and the relatively small population, I can't imagine the New Zealand military could protect every possible point where an invader might land. How were they generally handling their mission?

KEEGAN: Great question, and you know it was one of the questions that they thought about a lot. Essentially, they had three missions. Mission number one was territorial protection. They didn't expect an invasion any time soon. You know their closest major power, Australia, is a few thousand miles away. You are going to have some really ugly rugby and cricket matches, but you are not going to have an invasion. But they had seen World War II. They had seen the Cold War. They were aware that at a certain point you have to have the base from which to build a military capability.

Two, they felt that they have a special responsibility for the security and stability of the Polynesian Islands. This sounds very far away, but it is their front yard. One, they feel a moral obligation but, two, if those islands have domestic instability, several of the Polynesian island nations have right of residence in New Zealand. A few of them even have New Zealand as the state that provides their foreign relations. The Cook Islands is the one example that leaps out at me. With all of that New Zealand wants to be in a position to provide security assistance to those places if they have problems. In addition, New Zealand wants to be able to support the islands' protection of their EEZ, Exclusive Economic Zones. All of these extend 200 nautical miles off their coasts.

For all of these countries, fishing rights are a major source of revenue, and they can only collect revenue to the extent that they know that people are fishing in the EEZs. They can hope people will be good citizens, but they really need to be able to watch them. Both Australia and New Zealand supported a coast guard capability, fisheries monitoring capability for all of these places. The New Zealand navy worked at being able to provide some of that. Thinking of humanitarian assistance, disaster assistance, these are places where it doesn't take much more than a big storm and they could be without power, they could face a major disaster. Who is going to provide that humanitarian disaster relief? It is going to be Australia and New Zealand first. They wanted to be able to do that.

That is why the New Zealand Navy began planning the acquisition of an amphibious ship while I was there. This was one of the first long range ships they had had in a long time. They had one or two frigates, but most of what they had in the navy were coastal vessels. As they began their planning, they needed to answer a few key questions: "If you are going to acquire that large ship, what are you going to acquire it for? How are you going to use it?" The New Zealand Navy brass were thinking, "we have never had a ship like this, so what do we do?" Well one thing you do is to go to the Australians, and you say, "do you have ships like this? How do you use them? Let's cross train."

The next thing they did was to consider, "who has more amphibious ships?" Amphibious ships are ships that are roughly on the scale of a WWII aircraft carrier. These are not small ships. These are helicopter carriers. The thing that in my mind distinguishes them is that they are capable of carrying a certain number of marines and ground forces and the amphibious craft. They have the capability to ferry in supplies to a place that has been hit by a disaster. Or they can ferry troops in if you need to do this. They have a well in the ship, and they can flood the well in order to sail out their amphibious craft. I don't know how it works, but we worked to contact them with Pacific Command up in Honolulu, who are probably the world's experts on this.

But this posed a challenge because they could not sail one of their ships into Pearl Harbor because of our nuclear dispute. They could sail into Honolulu but not into Pearl Harbor. That has since changed. Once we got to that point where they could sail their ships into Pearl Harbor, we could not sail our ships into Auckland harbor. Nonetheless, we could do joint training on the high seas. We could send down our naval experts to help them learn to use this capability and by using this capability reduce the strain on our military. That was really the second big role of the New Zealand military.

The third role of the New Zealand military is and was to be able to do expeditionary military activities: to go to a place like Afghanistan; to go to a place like East Timor; to go to a place like the Solomon Islands, which has been wracked by warfare and internecine strife. And they would help get them back on their feet and provide additional security. They felt and still feel very strongly that is part of their role in the international order. And Australia was very keen, and we are very keen to see that continue. They could often deploy the Special Air Service, the unit they send into Bamyan, which was their premier unit. One of the things I found out as I was going down there was that U.S. Special Forces looked at them and said, "Hey if we need to do a mission we would just as soon do it with the Kiwis. They operate at our level or better. They are really capable."

I remember I was at a reception and talking to the Chief of the New Zealand Defence Force, Jerry Mateparae. Mateparae was a Maori, not a European, very capable, and very experienced. We were just chatting, and he was talking about their experience in East Timor. I am not sure it wasn't the Solomons, but I am pretty sure it was East Timor. I remember him saying to me that one of the things that distinguished the New Zealand military is that they often knew more about what was going on than other militaries did. I asked why., Other militaries, he explained, and he cited as an example the Australian military, would move around in armored personnel carriers (APCs). The Kiwis often felt

more secure in jeeps than they did in APCs, and the reason, he said, that they felt more secure is that because they were in jeeps, they talked to more people. And because they talked to more people, they had a better idea of where trouble was coming from. You say that to the U.S. military, and they smile and say, “OK, these are people we want to work with.” That is what they had their military for and that is one of their calling cards of our increased cooperation.

I am going to talk about a couple of other issues that define the growing renewal of friendship between our two countries.

I am going to start with Helen Clark. Helen Clark was a Labour prime minister in her third term, and, as I mentioned before, again had been involved in the New Zealand political response to the U.S.S. Buchanan back in the 1980s. Since then there had not been a visit by a New Zealand prime minister to Washington. We thought this kind of a Prime Ministerial visit would be a really effective way to signal the changes that we and our Kiwi counterparts were driving forward. The issue became that Helen Clark was at one end of the political spectrum, and George W Bush was at the other end of the political spectrum. And when the U.S. invaded Iraq, Helen Clark famously said that would not have happened had Al Gore been elected. Neither President Bush nor Vice President Cheney appreciated that.

Despite that, Helen Clark was a realist. She knew that for New Zealand to be an effective player on the international stage, it needed U.S. cooperation. We wanted to signal our recognition of their role in Afghanistan and of their cooperative role in international organizations more generally. And we realized that they could often raise issues that we could not. We invited Helen Clark in March of 2007 to visit the United States. We worked very hard in the run up to the visit with the backing of the National Security Council in Washington, with the Ministry of Foreign Affairs and Trade, and with the Prime Minister’s office to structure the visit so the two sides would talk about areas of cooperation and not talk about areas of difference.

Needless to say, the New Zealand press was fascinated by this coming event and was perplexed. And it was trying to figure out how much conflict would come up. The Ministry of Foreign Affairs and Trade had done a press briefing, but clearly they had perhaps been on a tight leash, so that even after that briefing, we continued to have these overly imaginative and unhelpful stories coming out of the New Zealand press. We were fortunate enough to have a very talented local press person, Janine Burns, in our Embassy. Janine suggested we have a background briefing for the New Zealand press. To make it as unofficial as possible, we did not do it at the Embassy; we did it on the sun porch at my residence. We basically did it on background, with coffee, tea, and snacks. Janine knew whom to invite and so on, and she said to them, “Look, the DCM is going to give you a briefing. It is not intended to conflict with what you have heard at the Foreign Ministry, and it is on background. If you honor the background rules, that means we are going to talk to you a lot more in the coming months. If you don’t, we won’t.”

Most people to whom we told this plan said, “You are going to be blown out of the water with leaks within forty-eight hours.” OK, you take a swing, and you see what happens. I just played it straight. I said to the reporters, “I am not going to tell you any secrets, but here is why this visit makes sense now. Here is what we want from the visit, and here is what I think the Prime Minister wants from the visit. I think this is a good news story from top to bottom for both countries.” What was interesting was that as soon as we did that briefing, we started to get a whole lot of what I would call more balanced, much more sensible, much more insightful reporting out of the New Zealand press, and nobody blew the background. Now I did get a little pushback from the Foreign Ministry saying, “Why didn’t you coordinate with us?” My response was quite simple. “You gave your briefing and didn’t coordinate with us.” But Simon Murdoch, the MFAT Secretary, was kind enough to note that our briefing mattered, and it gave us a much more constructive media tone leading up to the visit because the last thing you want in a visit like that is to have false fights created.

What was interesting to many of us was that Helen Clark went to Washington, and we had it all laid out. The PM will talk about everything but Iraq. The President will talk about everything but Iraq. That will avoid a confrontation, which we do not need. George W. Bush sat down with Helen Clark, two experienced international leaders. What topic do they think of? Iraq. For two hours over lunch they talked about Iraq. Damn. Then we started getting feedback from both sides, and it was a really good conversation. Two smart people talking about something they cared about and coming out of it feeling like that was worth it. I think, although the content wasn’t very visible, it sent the message from the top all the way down that these were our kind of people. Let’s work with them. I think that made an enormous amount of difference, and I think the fact that Bill McCormick had become for Helen Clark by that time her image of what a Republican was made an enormous amount of difference because he was just someone who had built a relationship with her, and she trusted him.

I am going to mention just one other person, Winston Peters. The last term Helen Clark won as Prime Minister she won just barely, so she needed to build a coalition. One of the parties that she brought into the coalition was the New Zealand First party. Winston Peters is a Maori, but he is also a person who said, “You know we shouldn’t let too many foreigners in, and we should protect our own,” which provided an interesting tension with her point of view. But he agreed to bring his party into the coalition, for what they call “for confidence and supply.” Essentially, as I understand it, in the parliamentary system that is a promise on his part that he and his party will vote, and there are only perhaps one or two MPs in his party. They agreed that they would vote with the Labour Party on all budget resolutions and all confidence votes. On other votes, they could go their own way and build their own separate identity and so forth. Winston Peters negotiated that he would be in charge of two ministries. One was racing and sports. The other one was foreign affairs. Winston Peters had a reputation as someone who was not too worried about breaking a little china. He is a little rambunctious, outspoken. Some would say he was someone whose ambition exceeded his grasp.

But as foreign minister, Peters realized the importance of New Zealand-U.S. cooperation. He made clear to the Ambassador and us that he regarded our relationship as a partnership. He valued it, and he wanted us to find New Zealand useful. He did this not only with Ambassador McCormick, but also when he went to international meetings. He made a point of making friends with the U.S. representatives. On one occasion, because they have a different foreign policy and they have diplomatic relations with North Korea, he was invited to Pyongyang. We got news of this, and we decided that we know a lot about North Korea, and maybe we could offer him a briefing. We expected to be turned down. We weren't turned down at all. It was basically "Could you do it tomorrow?" He was receptive. He was interested. He basically said, "It is important to us in New Zealand that North Korea and the United States find a way to mend relations. How can I contribute to that?" A lot of people looked at Winston Peters as someone who was a bull in a china shop. He did very well by our china shop in my analysis, and we will talk a little bit more about that when we get to the Condoleezza Rice visit. Just a final fillip to the Korea visit story. After Peters concluded his visit, he placed a phone call to Secretary Rice and briefed her personally. It cemented their relationship, and it told us in the Embassy that Peters had built ties with the secretary.

I just want to mention one additional thing. Peters used his position as Minister of Sports to overlap into foreign affairs. The All Blacks, the New Zealand team, are generally the best rugby team in the world. The joke in New Zealand is they are the best rugby team in the world except during the World Cup, when they are the second or third best rugby team. He decided when it was coming up to the World Cup in 2007 that he would have a reception for all of the ambassadors and embassies who were participating in the World Cup. Believe it or not, the United States was one of them, and he invited the French because the French were the hosts. It was one of the little reminders that sports can be important. That was before France knocked New Zealand out in the quarter finals. Let's stop there and we will talk next time about Condoleezza Rice's visit.

Q: Today is February 19, 2019, and we are resuming our interview with David Keegan.

KEEGAN: We finished last time talking about the role of New Zealand Foreign Minister Winston Peters, who was and remains a very dynamic and sometimes irascible figure. There are a few events I want to talk about. The first is the visit of our Secretary of State Condoleezza Rice to New Zealand July 25-27, 2008, and then to Samoa on July 27. She left New Zealand on July 27 and arrived in Samoa on July 26, another one of those peculiarities of the international date line. I was almost two years into my tenure and more importantly into our ambassador, Bill McCormick's tenure, and two years into Assistant Secretary Chris Hill's efforts to rebuild the relationship with New Zealand.

Both sides were looking for a way to put a high-profile seal on this relationship, and Winston Peters in particular was looking to crown his tenure as foreign minister with this visit. Remember he was not a member of the ruling party. He was not Labour, and he was a member of a single MP (member of parliament) party called New Zealand First. One option he might have considered to seal our relationship was for the U.S. Navy to sail a ship into Auckland Harbor. We weren't there yet. In the Obama administration, which

followed, that would actually happen. We sailed a ship onto Auckland Harbor for the 75th anniversary of the New Zealand Navy, and Vice President Biden visited separately. In 2008, neither side was ready for any diplomatic proclamation.

A presidential visit was not really in the cards. First of all, the level was higher than I think we were ready for. Also, George W. Bush was not an eager traveler. It is worth noting that Bill Clinton had been there in 1998 for the APEC summit. He was the one who had convened the first APEC summit. Vice President Cheney would not have been welcome in New Zealand; the Secretary of State was the obvious choice, especially considering that Winston Peters had very carefully built a relationship with Condoleezza Rice. Both sides were eager for the visit, even pushed it, but it was clear that Winston Peters' intervention with the Secretary was what pushed it over the line. He was the one who sold the visit. He knew she was coming out to the ASEAN Post Ministerial and ASEAN Regional Forum that was going to be in Singapore in July. So, he approached her with the idea of visiting New Zealand.

She was thinking of stopping in Australia, which was natural on the way back, and he persuaded her to stop in New Zealand as well. Then he told us that he was going to try to persuade her to stop in Samoa. And we all reacted "Yeah, right!" And he did. He made a very good argument in terms of U.S. foreign policy. He said, "You don't have that many opportunities to strengthen your relationship with the Pacific Islands and the Pacific Island Forum. Here is a natural." George W. Bush, in fact, early in his presidency had met with Pacific Island leaders in Honolulu. It was a good idea on Peter's part.

A lot of these trips are certainly not driven by, but are affected by, travel times and distance. That is part of the reason that she did not come to Wellington, the capital of New Zealand. She flew from Australia into Auckland. It's a little farther north, and Auckland was the major international air hub. It made a certain amount of sense from the New Zealand point of view. Wellington was a capital by compromise, the same way Washington was, and the same way Canberra was, actually. Auckland is the economic hub of New Zealand, the population center, and the political hub. There are more constituencies for members of parliament in Auckland than anywhere else in the country, and there are more Labour Party seats in Auckland than anywhere else. From Helen Clark's point of view, this was her home. I am sure that New Zealand would have preferred the optics of a visit to the capital, but they understood why Auckland was the right answer.

The challenge it posed for us in the Mission was how to support the visits. For Samoa, we wanted someone a little bit more senior in Apia than the 0-2 officer resident there, someone with a little bit more experience. We had two choices – our Pol/econ chief from Wellington, or our Consul who was an 0-1 officer in Auckland. We decided to send our Consul to Apia and have Cathy Hadda, our pol/econ officer, support the major part of the visit, which was in New Zealand, and which was quite frankly the higher profile part of it. So, we had to move all of our Embassy support up to Auckland and run the visit out of a hotel. We had our opinions, and the government of New Zealand had their differing opinions about which hotel to use, but they basically said, "we are paying for all of this,

so let us pick the hotel, and by the way we know which hotel is really going to cooperate.” The hotel was just lovely.

Q: Was there a lot of press to deal with?

KEEGAN: In New Zealand terms, yes. Yesterday I did a Google search to make sure I had the dates right, and I discovered a photo that we took among the large on-line cache of photos. I will tell you about that in a minute. The vast bulk of the photos were of protests. We barely noticed them. They were raucous protests by New Zealand standards, and forgive me everyone in New Zealand, but only by New Zealand standards were they raucous. There was one event where the visitors and senior New Zealand officials could hear the protests in the background, but only in the background could they be heard. They never interfered.

The reality was that the vast bulk of Kiwis were thrilled and honored that the Secretary was coming. New Zealand took some pride in the fact that Helen Clark was the second woman prime minister of New Zealand, and that neither of the two were spouses of politicians. They won on their own. Jacinda Ardern, who is the current prime minister, is the third woman prime minister, and her husband is not a politician either. For all those reasons, the idea that Condoleezza Rice, the woman Secretary of State, our second, was coming meant something.

They still talked in glowing terms of Bill Clinton’s visit to the APEC meeting and even named a highway after him. It is a highway on the South Island that goes between two small towns. The smaller of the two is Clinton; the larger of the two is Gore. So, they declared the road between them the Clinton Gore Memorial Highway. The fact that it was two women leading the two sides of this visit underscored the social political issues, commonalities, and shared values that in a sense were and are the bedrock of our close ties. Much more than the military.

I am going to talk a little bit about a number of different events related to Rice’s visit. But I thought I would first talk about some of the issues that came up, and then we will go to the events, and if I miss anything we will circle back around. The DCM is the chief admin officer. The ambassador is the face. He does all the public stuff. The DCM does all of the stuff behind the scenes. Uzra Zeya, one of the Deputy Executive Secretaries, was coordinating the visit for the Department, and we had known each other when she was in the Bureau of International Operations and I was on the China desk. By this time, she was in the deputy exec sec, and we got to be very good telephone friends in the weeks leading up to the visit.

The first issue we had was the Secretary of State needs an armored car, actually needs at least two armored cars. So, the Kiwis initial attitude was “Who are you protecting against?” Saying that kind of thing to State Department Diplomatic Security is not something you want to do, so we had to fly in these cars. Then we had to come up with special certifications, and safety waivers, New Zealand required because these cars had all kinds of things that New Zealand did not allow, including all tinted windows, both

sides. Their attitude was “Tinting means you cannot see inside.” Our attitude was, “That is the point.” They said, “No, not in New Zealand it isn’t.” We had to work that out. It also became an issue when later it became time to replace the ambassador’s car, and State brought in a BMW 7 series, which is a lovely car, and I got to ride in it for nine months. I never got to drive it. But, we had the same problem because it had all tinted windows, and it took us months to get it authorized.

This is when I began to understand what a New Zealand friend had cautioned me about. New Zealanders are very nice and friendly until they feel it is an important issue and then don’t even imagine you are going to push them. The second issue was drivers. DS’s attitude was, “The Secretary’s limo is our car. This is our Secretary. We drive. By the way, the steering wheel is on the left. Their steering wheel is on the right. It doesn’t matter. It is our car.” New Zealand police responded that, “No, it is our city. We know where we’re going. We are driving the car.” This food fight got to the point where Diplomatic Security and New Zealand police came to me together and said, “Hi, you are in charge of this visit. You have to resolve this one.” I talked to both sides. I talked to Uzra in the Department. I said, “Would you check with DS. I have a feeling DS is going to win, but I need to know.” She called me back and said, “Dave, you know what, DS is going to win. In fact, if DS doesn’t win, we don’t have a visit.” With that in my pocket, I called my counterpart in MFAT and said, “You need to sit down with your police counterparts and explain to them that you don’t want to break the visit over this.” We finally worked out. These are both professionals and both police. They agreed our guy would drive, their guy would be in the front seat and would ride shotgun.

Q: Yeah, that is acceptable. That seems like a very simple solution.

KEEGAN: Well, DS had to take a very deep breath before they let somebody else in the car, and we had one clear understanding. It was more important to Winston Peters that this visit go well than it was to us, or at least as important. There were two real crunches, and this was the first of them. Agricultural quarantine was the other.

New Zealand is, in terms of biosecurity, the most fierce place that I have ever hit. Because it broke off from Gondwanaland before reptiles, it has only one reptile. It has a skink. It has one mammal. It is a kind of bat. Until the Maori arrived and introduced rats, it was all birds from ground level up to the clouds. And beginning with the Maori and accelerating with the Europeans, New Zealand had suffered ecological devastation the hard way. The Europeans had imported trees. They were now trying to clear them out. The Europeans brought stoats and other mammals. The Kiwi birds were almost exterminated. As a result, the New Zealand government said everything that comes into New Zealand must be inspected for biohazards. They told the Secretary’s advance party, “We have a machine we run it through just like an X-Ray machine.” The Department said, “No one inspects the Secretary’s luggage.” We were like OK, and we went back and forth on this one.

I had to call the exec sec and say, “Look, we won on the car, but they are going to win on this because if they don’t win, there won’t be a visit because biosecurity protection of

their flora and fauna is a deeply felt national pride and emotion protection issue. We can work this out there are ways to do this.” The Department relented. The plane landed at night, in the rain of course, and rolled up onto the apron outside the terminal. The Ambassador walked up the stairway and into the plane and chatted with the Secretary for five or ten minutes while her personal assistant and everybody else on the plane went through biosecurity. Her personal assistant was carrying the Secretary’s bags. They all got into their cars except her personal assistant. Secretary Rice came down the stairs, and the personal assistant handed her the bag and all was well. She was happy.

The thing you have to realize is the principals’ attitude. The Secretary’s attitude was, “We are happy to be here. We are going to make reasonable accommodations, of course we are.” What also was interesting was Winston Peters was waiting to greet her. The two of them met on the tarmac. She came down the stairs, they met, and they hugged. It looked as if they were running into each other’s arms. It was like the two of them were signaling that this was going to be a good visit. One of our New Zealand employees, who is our IT specialist and who is also our photographer, caught this iconic photo of them just about to hug.

He and Janine Burns, our public affairs and media person, came to me and said, “This is the media photo we are going to put out for the visit.” I just stopped them and said, “OK, we are going to run this as the photo for the visit if the Secretary agrees. This is a very personal shot.” We had her staff take it to her and say, “We think this is a great photo to start your visit with. Do you agree?” It took about ten minutes for her to agree, and they came out and said, “It is great. Go for it.”

The next big events were the following morning at the Governor General’s residence in Auckland. The Governor General of New Zealand has two residences. He has a residence in Wellington and a residence in Auckland. The Governor General was [Anand Satyanand](#), a real gentleman. He is the kind of person that when you meet him, you feel as though you just want to have dinner with him, and he makes it quite clear that he can’t think of a nicer thing in the world than to have dinner with you. But he is also very dignified, a very remarkable and yet very natural combination. We headed over to his residence.

The next event is the Secretary is going to be greeted by the armed forces Mauri Battalion Guard of Honor, who are going to give her a haka. A haka is a dance, song, chant of welcome and warning all combined. At a certain level it is like a rap. It has got that same driving cadence to it. Essentially it says, “We welcome you if you come in peace. If you come to threaten us, we are going to slit your throat. Which is it?” The way you do a formal haka, which is what they were going to do for the Secretary, is they take one of the points of their spears, just the spear point, and they lay it on the ground in front of the visitor. If the visitor is coming in peace, the visitor picks it up. The problem is only men can pick up the spear point.

Once again, we went around and around and around, and finally the decision was, with the Secretary’s concurrence, and the Secretary handled this with real taste, forbearance, and diplomacy. She said, “The Ambassador can pick it up for me. I will empower him to

pick it up for me.” And so he did. It was a way to signal that, despite the fact this is a very powerful woman, she can delegate, but it is also showing sensitivity toward Maori cultural expectations. I don’t know if those cultural expectations have changed in the past eleven years. Maybe now a female secretary of state could pick it up but then, no. You can remember that Helen Clark was the prime minister. It was fascinating.

The visit was as smooth as you could imagine because New Zealand was committed to it. I told you a little bit about the photo on arrival. She had the haka. She went into a meeting with the Prime Minister that was congenial and substantive. She had a brief lunch with the Governor General. She met with John Key, the leader of the opposition, in a hotel in Auckland. We thought that meeting was important because an election was coming up, and it was quite clear that John Key was likely to win. Helen Clark had won three terms as prime minister, and it wasn’t “Throw the bums out,” because she has done a remarkably good job. But the administration was tired, and people were ready for a change. I will talk a little bit about that when we get to the election of John Key. But it was a signal that we understood which way the winds were blowing.

Then there was a state dinner. The state dinner went very well as you would expect it to. This is another case of several where our New Zealand Embassy staff did something that I would not have thought of. I wasn’t even sure at the time that I agreed with it. Richard Bengé was our cultural attaché, who had designed the exhibit about the U.S. marines during World War II at the deconsecrated old Anglican Cathedral in Wellington. He came up with the idea that there was a pianist who could do a classical piano trio as an interlude at the end of dinner. It was the kind of music that he thought Secretary Rice would like. She of course was trained intensively in classical piano. I said to Richard, “I am not sure this is going to fly because she is going to go to a reception as well that evening. New Zealand does not want to do it.” I said, “Write it up as an action memo. I will forward it to the Executive Secretariat in Washington. They will forward it to the Secretary’s office. We will get an answer.” I adjusted it a little bit. He had proposed this, and I inserted the words “a brief performance.” A brief interlude. I got the scanned copy of the response back which I then promptly took to Richard Bengé. The secretary had written on it in the margin, “Doesn’t have to be brief.” I was like “OK, Richard, you scored two points on that one.”

Q: Wow, I hope she knew what she was getting into.

KEEGAN: She did. It was great fun. They played a piece or two. She came over and talked to the musicians. She couldn’t have been happier. It was brilliant diplomacy on Richard’s part, and I was smart enough not to get in the way. Then we had a reception for the local business community with a chance to make clear to the business and political elites their importance to the relationship. There were two other things that happened on the visit, both of which I thought were interesting. One is whenever you have a Secretary of State, you want them to take a few minutes and go to the Embassy. We don’t have our Embassy in Auckland.

Q: Oh yeah, right.

KEEGAN: Secretary Rice agreed to go to a room in the hotel where she was staying to meet the staff. We agreed it would not just be Consulate staff, but it would include anybody who wanted to come up from the Embassy, New Zealanders or Americans. It is not a cheap flight; we are not going to pay for it. We must have had 20 or 30 staff and families there, and she could not have been more gracious. Talked about how much she was enjoying her visit. Talked about how she appreciated what they were doing, shook everybody's hand, made sure she saw everybody's child and smiled at them. I was in the back just making sure that everybody was seen. One of our local employees, it may have been Richard Benge, realized that I was the only one who didn't say hello to her. He said, "Our DCM is hiding in the background." I said, "Hi, I am Dave Keegan." She said, "I know who you are. Thank you." I thought "I bet you do. You have seen my name entirely too often." But it was very nice.

Then we had a press conference with Condoleezza Rice and Helen Clark side by side. I think it may have been back at the governor general's residence. Beautiful room. Secretary Rice did something that she knew violated U.S. policy. She did it very carefully and adroitly. We had said when New Zealand left the alliance, when the ANZUS treaty with New Zealand was suspended, that, "We part as friends but we part." That was Secretary Schultz. Secretary of State Colin Powell had said, "We are not Allies; we are very, very, very close friends." Secretary Rice understood that was the talking point. She said, "I am here to say we are friends; we are allies; we are together." Everybody in the New Zealand media corps heard the A word. And so, they immediately said, "Is that U.S. policy?" We on background responded, "What is it about our government that you don't understand? The Secretary of State said, 'We are allies.' I am pretty sure that if she said it, President Bush means it." It was one of those great moments. It was stepping past the legalities to make the bigger more important point. Just for that moment it was a great press conference.

There was one really awful moment in it. The same guy who took that great picture of her coming off the plane was in the back of the hall videotaping it. Very good technician, great guy. We were looking at it later, and as she and Helen Clark left the podium, they were coming toward us, and I was in the classic DCM position. I was in the back row watching everything, ready to jump in if something went wrong, and staying hidden if nothing went wrong. As they were leaving, what does he manage to do completely unintentionally? In the lower left corner of his image are the klieg lights shining off the bald spot on the back of my head. I turned around as we were watching this and said, "Thank you for reminding everyone the DCM is going bald."

The next day they went to the airport. Our Ambassador, because he was also accredited to Samoa, went with them. I had flown up to Apia, the capital of Samoa, a couple of weeks earlier to thank them in advance, to introduce our Consul from Auckland who would be managing the Secretary's visit to Samoa, and to say we really appreciate what you are doing, organizing this meeting of the leaders of the Pacific Island Forum. The Secretary and the Ambassador flew up there and flew into the airport. It is about a 45-minute drive over a very bumpy road to Apia, so we found her a very nice resort about five minutes

away from the airport and hosted it all there. Winston Peters was the impresario that he wanted to be. It all went very smoothly, and it was a signal to everyone in the Pacific that New Zealand and we were on the same page. We were back to being partners and allies, and it was a signal from Condoleezza Rice the Secretary to the Pacific leaders that even though we are far away geographically, we are here. It was just one of these really brilliant moments.

With the Secretary's visit behind us, the next major event on the New Zealand calendar, and it is only a few months later, was the general election in New Zealand. Actually, just before that was our election of President Obama. As I said to you earlier, our presidential election, and especially with all of the excitement around McCain and Obama, was a central event in New Zealand. As my friend Nick Bridge said, "For us in New Zealand, the election of the American president is more important than the election of our own prime minister." On the day of the election, we had a reception in Wellington City Hall to watch the results come in. Because of the time difference, it was an afternoon event. Although the election results may have been announced at midnight in the United States, I actually went home for dinner after it ended. We decided a presidential election in a democracy was the perfect public affairs event, so we invited people to look at it and attend. We must have had 250 people who came into our reception to watch the event. The Public Diplomacy section had the big cardboard cutouts of Obama and McCain, and again it was just a reminder to me of the excitement the election had generated. The media were all there, and the media wanted to report and talk to the Ambassador, and the media wanted to talk to me. I made sure they talked to Craig Greeves, who was our New Zealand political assistant and who knew more about the election than I did. It was just one of these fascinating reminders of how important our American election was.

The story I really want to tell is about the inauguration. I know I am jumping a few months ahead, but they all go together. The inauguration of Obama was going to be January 20, 21, 22. Our Ambassador was going to leave in December because he was a Republican appointee. So, before he left, the New Zealand employees in our Public Diplomacy section came to me and said, "We want to have a reception to watch the inauguration." I did a little quick calculation and said, "Do you know what time Obama is going to be inaugurated? How about 6:00 A. M.? And you want the media to be there also? The media is going to have to be in line at 4:30 to go through Embassy security." I said, "Who is going to show up?"

Janine and Richard said, "Dave, they will show up." I replied, "Let's talk to the ambassador. He has a better idea of public relations and public diplomacy." I took Janine Burns and Richard Benge, our two New Zealand employees in Public Diplomacy, and the PD chief Roy Glover over to see the Ambassador. Roy and I were like wet rags. The Ambassador's attitude was basically "Well if you don't agree with their idea, why are you here?" I said, "Because Janine and Richard have been right often enough that I am not willing to overrule them without thinking it through." We talked about it and basically decided if the media wanted to show up, they would show up. If they didn't show up, we would have wasted food, and we would have a party with that food later. OK, great.

What was stunning to me was how many media were in line at 4:30 am that morning. I was there, and it was just one of those reminders of how front and center the United States is in New Zealand. People in New Zealand understood. The media understood that this mattered to them, so they wanted to be there and talk to American representatives. We invited some of the American community in and some of our most important official contacts and made it a family party almost. We were doing radio interviews over the phone. The swearing in, and even more the inaugural address, attracted enormous attention in New Zealand. Once again, it was remarkable to me just how stunningly important that was. So that was November 4, 2008, and January 20, 2009.

On November 8, four days after our election, was the New Zealand national election with John Key and Helen Clark. John Key is a New Zealander, a Kiwi, who made his mark in London as a financier. He had been very successful and then had come back to New Zealand and had run as a parliamentary representative from Auckland, the urban center. He won a seat in parliament and then very quickly began moving up the ranks of the National Party. The National Party was the more conservative of the two parties. In the previous election against Helen Clark, Don Brash had been head of the party. He was head of the party when John Key began moving up the ranks, the one who famously met with the U.S. Ambassador and said the nuclear ban would be gone by lunchtime if he were elected. Who decided to leak that I don't know. It certainly was nobody on our side.

John Key basically displaced Don Brash. There were other people who were better placed to do that for a couple of reasons: (A) they were more rural, and that is the National Party base; and (B) they had been in politics longer. Bill English, for example, who was from the South Island in a rural district. Who said you campaign in poetry and you govern in prose? Bill English's prose was excellent, and his poetry was weak. So basically, John Key went right past him. But then he made Bill English Deputy Prime Minister and Minister of Finance. That was a very smart move because Bill English was very competent. It was just an interesting sequence. The election was hardly in doubt. It was one of these things that if you looked at the electoral map, the seats in and right around Auckland all went to Labour as they always did. Some of them right around Wellington went to Labour as they always did, and to a few small parties. And right around Christchurch and Dunedin in the South Island. The rest of the country was all National. Their color was blue. The whole electoral map, you felt like you had to get out a magnifying glass to find places that weren't blue.

What was also interesting to me was the number of people that we first got to know because they were serving as campaign advisors to John Key. We knew six months in advance that this was coming up and we began a renewed effort to meet the National Party upper echelon. One was Murray McCully, who had been a politician and had been in office but clearly wanted to be Minister of Foreign Affairs. He became the National Party spokesman to us, explaining all the changes the National Party would make. There was one particular restaurant we must have gone to a half dozen times with him at least. John Hayes was there as well, a former diplomat and specialist in the Pacific Islands who had been a major negotiator for the peaceful resolution of the conflict in the Solomon Islands 15 years earlier. They said, "We are going to pay more attention to our front yard.

We are going to take better care of the Pacific Islands. We are going to be very conscious of the U.S. relationship and no, we are not going to remove the nuclear ban. How clearly can I say this? I am going to say it to the media. I am going to say it to you, don't ask the question. We are not going to remove the nuclear ban. That poison pill we are not touching."

What was also interesting to me were two other people, who showed how exceptionally well that the National Party built their base of expertise. They did that by placing experts who were not politicians, or whom they thought could not win election in a constituency, onto the party list in priority order. This was much like the situation I described earlier in Taiwan, based on each party's percentage of the total vote, you have a certain percentage you could put on the list who wouldn't win a local seat. There were two of those who were striking to me at the time and still are. One was Chris Finlayson. Chris Finlayson was a Wellington and Auckland lawyer. He was I would guess in his late 40's or early 50's, and he was the person who would sit down with us and explain in detail all of the National Party positions – how they were going to handle the Maori issues, how they were going to handle Pacific Island issues, the whole bit. And Chris had lawyerly precision. You had the feeling that he had already written and revised in the back of his head whatever he was saying to you, but he was also very thoughtful, very decent, very balanced, very friendly. You would look at him and think, any party that persuaded him to become their new Attorney General would be OK. The other person was Tim Groser. Tim Groser was another of their former diplomats. John Hayes had also been a former diplomat, although John Hayes did not become Minister of Foreign Affairs, Murry McCully did because Murry had the political connections, John Hayes was Secretary. Chris Finlayson became Attorney General. Tim Groser was a trade specialist. And had spent many years negotiating the Doha round in Geneva, and he was recruited by the National Party to be their Minister of Trade. From the point of view of a place like New Zealand trade really is foreign policy.

Q: Right, and their ministry is foreign affairs and trade.

KEEGAN: Yes. Oftentimes we would have a lunch, and we would have Murry McCulley, John Hayes, and Tim Groser. Tim Groser again was not a lawyer, but he was a trade negotiator. There was a lot of lawyerliness in that, and he was very exacting, very precise, and very determined that the United States and New Zealand would find a way to build a stronger economic and trade relationship. He was very up front. He said "From the United States' point of view, New Zealand is not worth an FTA, a free trade agreement. It is too much trouble for too little gain." But he said, and he was present at the creation, "We have a four-party trade agreement of Singapore, Brunei, New Zealand, and Chile. It is multilateral trade agreement. The Doha round is dead. We have done everything we can, and it ain't going anywhere. So regional trade arrangements seem to be what we have, like NAFTA (North America Free Trade Agreement). You have said that you want a first quality trade agreement, you want it to have environmental provisions, you want it to have labor provisions etc. We just negotiated one of those among the four of us. Notice who is in it. Singapore is in it, and New Zealand is in it. These are two countries that, if they have negotiated a trade agreement, the United States is going to like it. What we

would like you to do is join this trade agreement, negotiate an expansion. We can bring in other forward leaning economies in the Asia Pacific region and build a trade agreement, a regional trade agreement, that your Congress will really like." That was the origin of the Trans-Pacific Partnership.

Tim Croser was right. New Zealand was the core of it together with Singapore and Chile. Brunei was a tag along. Nothing wrong with Brunei but just not really a player. These four were the ones who took the lead on the Trans-Pacific Partnership (TPP). They brought in Australia, and we brought in ASEAN and Vietnam and Malaysia. These were the next wave. And after some hesitation, they brought in Japan. The hesitation was that if they brought in Japan, it would become a tougher agreement to negotiate. But if you bring in Japan, it becomes a stronger agreement. They brought in Canada. There were some hesitations over dairy issues. And Tim Groser, by the way, is now New Zealand's Ambassador to Washington. If the United States rejoins the TPP at some point, as I hope we will, I am fairly confident Tim Groser will have a role in making that happen. As we look back on it, bringing in Japan was a master stroke because when we stepped out, Japan stepped forward, and they were the ones who are now the new TPP leaders. The old U.S. New Zealand relationship was keyed to security issues, and to some extent that is still important, but now the other part of our relationship is what Condoleezza Rice and Helen Clark did, and the TPP took this quality and stepped it up a level.

Q: The entry of Japan into the TPP and the non-entry of the U.S. leads to the question, is that entry by Japan seen only on one level mainly by these smaller economies, who will now be able to sell tariff free or near tariff free? Or are there more considerations about Japan as a player in creating this new template for trade? Perhaps one day China will be interested in joining, but in order to do so will have to make its economy more free market and more transparent?

KEEGAN: That is a fascinating question. I think it is something we didn't anticipate. We didn't anticipate the role Japan would play, but if you look back at when President Obama introduced into Congress the trade authorization bill, the idea was that Congress had to pass the authority for him to negotiate this Trans-Pacific Partnership and then Congress would have a vote up or down but not to amend. If you recall the way in which he sold that to the Congress, in a certain sense it was a strategic error, but in another sense was quite accurate. He essentially said "We are signing the TPP as much for a strategic hedge against China as we are for a free trade agreement." That is to misrepresent the free trade benefits of the TPP, which are substantial, and in the long run we will suffer if we don't benefit from them. It was not really a hedge, although in one sense it was a hedge against China because it said to the other nations of the Pacific region, "You have a trade agreement. You have access to the U.S. market, you have support from the United States for opening up your tariffs, opening up your investments and so forth." That is a benefit of being aligned with the U.S.

But the other side of that, which he did not say because it would not have gone well with Congress, is "Don't forget what happened with the World Trade Organization. When we created the GATT and the World Trade Organization, China was on the outside. China

then wanted to get in. Their Premier at the time under Jiang Zemin was Zhu Rongji, who used the World Trade Organization, and China's WTO accession, as leverage to liberalize the Chinese economy in directions that would benefit China itself. Many people looked at the TPP and said this is WTO part 2. When China is ready, there may be a Chinese leader with the vision of Zhu Rongji who will then say the TPP has got too much of the world's economic weight behind it, and we need to be in. If we need to be in, let's negotiate the reforms that will get us in and that will primarily be a reduction in the role of the state-owned economy.

I, and I think many of my colleagues, have felt that that was one of the real softly spoken benefits of the TPP. It could pull China in. It could do many of the things that Trump is now trying to do, but in a more multilateral and cooperative way. Don't forget China has also negotiated with the World Bank under Robert Zoellick. Zoellick was head of the World Bank when the Chinese State Council and the World Bank worked together to create a vision plan for the Chinese economy called "China 2030." The idea was that this is how China would liberalize to become a stable prosperous economy in 2030. The TPP takes you in the same direction, but it is much more specific; it is much more focused on opening up to trade and opening up to both regional economies and to the U.S. economy.

Then you consider the role of Japan. I don't think we intended this, but because of the way that Abe has been moving the Japanese economy and polity and the way in which he has stepped forward when Trump stepped back, what we are seeing now is that Japan has the leadership heft to hold the TPP together, and what is particularly intriguing about this is that since around the 1960s, certainly since 1970 when Japan really became a much more prosperous economy, we were saying to Japan, "You need to step forward and play your proper role on the world stage, whether it is opening up your economy, whether it is foreign assistance, whether it is technology, whether it is security issues, or whether it is defending your sea lanes out for 1000 nautical miles." When we stepped back from the TPP, suddenly after having done OK on all of these issues, Japan did what we always wanted it to do. It stepped forward and took the stage when we needed somebody to take the stage. I think in terms of Japan's continuing role in the Asia Pacific, that is proving to be an enormously important moment.

Q: Interesting. Now one other question related to this is that China has gotten away with negotiating internationally with the claim that it is a developing economy. Will the TPP not let China get away with making that claim? In other words, we don't care if you want to claim to be a developing economy. If you are entering this particular arrangement, you are a developed economy. And you have to act like one.

KEEGAN: As I understand it, when China entered the WTO, they entered claiming to be a developing economy. [This allowed them certain concessionary benefits in trade with developed countries.] They also entered as a non-market economy. [This was required in their entry agreement with the WTO, because WTO members concluded that the large role of China's state economic sector allowed it to distort its prices in a way that would disadvantage market economies.] And because of that, yes, they did get certain concessions for being a developing economy, but more importantly, they got constraints

for entering as a non-market economy. The challenge since then has been to overcome the short-term interests of U.S. companies in favor of our long-term economic strategic interests and enforce on China the requirement that the World Trade Organization is an organization of market economies and it operates on market principles. For example, one of the issues is intellectual property rights. One of them is government procurement. When governments put things out for bid, they have to put them out for a more open bid. They can't favor local companies. I think a group of countries in the WTO committed to that approach, and I think the TPP would be that way. That is New Zealand's point and Singapore's point: that we are going to negotiate a TPP that is really a high-quality trade agreement, so that if China has the vision to join, it is a high bar. It is a high bar that accomplishes two things. One, it does not disadvantage those who are already in, and two, our long-term strategic interests are advanced by seeing China as an economy that becomes more successful, that becomes more open, that becomes more balanced, so you get to a point where China is the one who is complaining about the IPR violations because they are generating intellectual property they want to protect. That really is one of the things that the TPP offered, and that is one of the reasons that New Zealand negotiated a free trade agreement with China, specifically to walk China through that sequence of decisions they had to make to negotiate with a free-market economy and to negotiate free trade agreements.

Q: OK, I see.

KEEGAN: Thank you for that. We were talking about the National Party government. John Key was elected just a few days after Barack Obama was elected. Just a brief thought on the National (it is not Nationalist party but) National Party government and the Labour Party government that they replaced. In New Zealand terms, they are left wing and right wing. In U.S. terms I would characterize them more as left-wing Democrats and moderate Democrats. These are the Bernie Sanders Democrats and the Clinton Democrats, but they are clearly on that side of the political spectrum of our country. They appeal to different constituencies, Labour is very much an urban constituency, National is very much a rural constituency.

Given the small size of the country and the small size of the population it means that you have a small political class and quite a small bureaucratic class, and that means everyone knows everyone, so they fit together and intermingle in ways that makes the transition of parties much less disruptive than it would have been elsewhere, and than it would have been in the United States. I believe I talked a little bit about John Key and some of the people who came in with him. I just want to mention someone who was part of Helen Clark's Labour government, Phil Goff. Phil Goff was Minister of Trade under Helen Clark. He would have been Minister of Foreign Affairs except for her need to bring on Winston Peters to have enough to pass the budget because he was from a different party. Phil Goff was also Minister of Defence. And really did an excellent job in those roles. He became leader of the Labour Party after Helen Clark. Phil Goff never seemed to have that hard edge to fight the National Party in ways that might have restored Labour in power sooner. But for Heaven's sake, Helen Clark was in for three terms. John Key was in for

three terms. Jacinda Ardern is now the Labour Party victor, and we will see how she does.

One thing I would like to mention about Phil Goff is that he served loyally in a Labour Government. He worked for Helen Clark. Helen Clark is the one who passed the anti-nuclear legislation and who said the Iraq war never would have happened if it weren't for the hanging chads in Florida. Yet Phil Goff was an unabashed and public friend of the United States. He made that clear in public statements. He made it clear in his interactions with the Ambassador and the rest of us and talked very proudly of the fact, I believe it was his sister although I am not sure, had moved to the United States and had family in the United States. He went and visited. He was very proud of his nephew, who was in the U.S. Army having graduated from West Point. And very tragically, his nephew was killed in Afghanistan. We did something at the Embassy, which I know is against regulations, because I checked, and that is we lowered the flag at the embassy to half-staff for 24 hours in honor of Phil Goff's nephew and in honor of Phil Goff and the friendship and sacrifice of both of them. We were stretching department regulations; we were violating department regulations but for a good cause. What is interesting to me is it was almost immediately noticed and of course our public affairs specialists may have had a hand in that. Calling up some of their friends in the papers and saying why don't you send a camera over to the front of the U.S. Embassy. As a result, we explained why we were doing it. We got some very positive comments on that.

As I was writing up my notes in preparation for this interview, I was reminded that almost two years before these events, shortly after I arrived, we were contacted by the U.S. military through our Defense Attaché because the New Zealand Special Air Service units, their Green Beret Delta Force types who had been in Afghanistan, had done a really outstanding job and as a result had been awarded medals by the U.S. military, which the more we heard about that the more extraordinary it became. The U.S. military doesn't do that very often, and Phil Goff at that time was Minister of Defence. We had to go to him and ask, "Can we do this?" It would not be in accordance with New Zealand military regulations either, particularly when you have forces like that who don't publicize themselves. But they decided that, A, they could receive the medals, and, B, they could receive them in uniform. Having gotten that permission, we had a brief ceremony at the Embassy to award these decorations. And then Janine Burns, our Public Affairs Specialist, asked one of the New Zealand NCOs, non-commissioned officers, who was receiving one of these awards to stand with his award on his chest by the U.S. Flag, posing for a picture taken from below. That very martial looking Kiwi with the U.S. flag flying above him appeared on the front page of the Wellington newspaper. I looked for it yesterday. I still have that front page laminated and in my house because it said a lot about where we still are.

Let me talk now about something that I could have talked about earlier, but it works well now, and that is the coup that happened in Fiji. There was a coup in 2000, and there was a second coup in 2006 which to some extent was the outgrowth of the coup in 2000. I am not a specialist in Fiji, but I learned a lot about Fiji being in New Zealand, because from New Zealand's point of view, the Polynesian Islands are their front yard. From

Australia's point of view, the Melanesian islands to the west of the Polynesian Islands are in their front yard, and right smack on the line between the Melanesian and Polynesian islands is one that is both, and it is Fiji. Fiji is one of these places that is a crossroads. If you want to get to anywhere in the Pacific, from anywhere in the Pacific you go through one of three places: Auckland, Sydney, or Fiji. Almost all regional organizations in the South Pacific, in other words south of the Equator, are there. North of the equator, in Micronesia, there are mostly the U.S. territories and associated states. South is Polynesia, Melanesia, and the vast bulk of these are now independent micro nations. Fiji is where a lot of the multilateral organizations are, where the University of the Pacific is located.

As a result, anything that happens in Fiji, particularly if it is disruptive, has an outsized impact on the rest of the region. What happens in Fiji is very much focused on by Australia, New Zealand, and the United States. The roots of the coup in Fiji were in its history. It was a British colony, and as a British colony it was looked on as an agricultural sugar growing center. Sugar in the 18th and 19th century was a highly valuable crop. It is what kept the British Caribbean going. They didn't grow tobacco, they didn't grow cotton. They really didn't grow rice. They grew sugar, and that is where they made the money.

Growing sugar was a brutal exploitative enterprise, a slave enterprise in the British Caribbean, but in Fiji, where did you get your manual workers? You got them from India. The British imported large numbers of agricultural workers from India to Fiji. They were either slaves or awfully close to it. Those brought from India settled and stayed there, just as Africans did in the Caribbean, throughout Latin America, and in the United States, and what it set up in all of these places was an enormous confrontation, not always violent.

The Fijian Culture, like the culture of most of Polynesia, is not tribal; it is a clan-based culture. I should caveat that I know less about Melanesia. The Maori in New Zealand have the same sort of clan-based culture, and that includes economy, and in many of these places the idea of individual ownership of land and position is not an easily accepted concept. Property is owned by the people in the clan, and you may have what you think as an outsider is property that you would like to acquire but you have to actually get permission from overlapping clans. The Indians came in; they were imported. Eventually they became shopkeepers, government workers, professionals in the European style society and government that Britain was building and became a layer on top of but separate from traditional Fijian society.

That meant that the Indians became the "other" in Fiji, embodying the British imposition and left behind by the British when Fiji became independent. The tension between the two ethnic groups and their two ways of life became a central issue, if not the central political issue. We sometimes talk about slavery as America's original sin. In a sense this is Fiji's original sin. It cannot be escaped. The other dimension to add to this is that when Fiji became independent, a little bit like Papua New Guinea, the British looked to the other white folks in the region to provide a protectorate and so their much larger governments and the societies of Australia and New Zealand became those regional protecting powers. They become very intimately involved in the Pacific. Stability and

security became very important to them. They looked at Fiji through that lens. We looked at it with that lens and also with an additional lens which is that Fiji developed a very accomplished military class.

Q: A military class composed of the local Fijians or imported Indians or both?

KEEGAN: To the best of my knowledge, it was both. These military people were engaged by the United Nations to serve as peacekeepers in Africa and the Middle East. We helped them, with Australia and New Zealand's help, to train up and equip. These Fijian forces got paid in hard currency, which meant that it was a very attractive way for young men to go out from Fiji. The individual soldiers would get paid in hard currency. The Fijian military would get paid in hard currency. The Fijian government would get paid in hard currency. So, it became in a sense a service export of Fiji.

Q: Now was it also enough employment to help reduce local unemployment? Or was that an issue?

KEEGAN: To the best of my knowledge, and again I am not a Fiji expert, but to the best of my knowledge, local unemployment was not a central political issue, but it was a very attractive career option for young men.

Q: Interesting. Just one other quick question. To your knowledge were the Fijian military well regarded in the places where they served as peacekeepers?

KEEGAN: They were of excellent repute, which is why it mattered to the United States. When you are looking at Sinai for example, you need to have peacekeepers who are coming from places that don't have a dog in the fight but who have the competencies that you need to act impartially but strongly in those situations.

Every government in Fiji is always trying to resolve in some way or another the conflicting constituencies of the traditional Fijian population leadership, and you can call it a political clash, but you can also call it a clan clash. The clan meetings involved seniority and a lot of it was who has the most manna in that group. It seemed democratic in some ways, and it seemed paternalistic and hierarchical in other ways. You have that group structure among the Polynesian/Melanesian Fijians, and then you have the more urban Indo-Fijian class.

You have a democracy at many points, and the question is how do you balance those two? That is, as I understand it, what led to the coup in 2000 and a re-assertion by the traditional Fijian constituencies of their rights and their insistence that the Indo Fijians be treated in one way or another as outsiders, certainly when it came to property holding. By 2006, those tensions were bubbling up again. The coup in 2000 had in one part as I recall involved a shot fired at Frank Bainimarama who, as I understand it, by that point and certainly by 2006 had become Commodore Bainimarama, the commander of the Fijian military. He had a support base in both the Fijian clan hierarchy and in the Indo Fijian

communities, and there was a lot of pressure to rebalance, restore to some extent, and rebuild to some extent the rights of the Indo Fijians. He became the spokesman for that.

He became the person in the spring and summer and fall of 2006 who began insisting the government of the current prime minister, Laisenia Qarase, provide more rights for the Indo Fijians. Qarase was under pressure from his Fijian traditional supporters not to do that. Bainimarama began insisting that the government rebalance power or he would take steps. He began threatening, saying the government must do the following six things or... What the "Or" might be was not always entirely clear. In November of 2006 Bainimarama was visiting New Zealand, I believe to visit his daughter. It was that kind of thing. Just a family visit. In that part of the Pacific, traveling to Auckland was something one did all the time.

While he was in New Zealand, he declared martial law in Fiji, or at least put the military on martial law standing. The President of Fiji, Qarase, came to Auckland to see if they could resolve the situation. New Zealand Foreign Minister Winston Peters became to some extent the mediator. He was meeting with both sides and trying to calm things down without result. Bainimarama asserted once again that something had to happen. In response, the Australians, New Zealanders, and we start expressing once again the fear that there might be a coup, a creeping coup, or a slow-motion coup. By December of that year, that was what happened. Bainimarama took over and declared martial law. The Fijian military then began enforcing that law.

The part that became interesting to me, looking at it from our point of view in New Zealand, was that New Zealand and Australia were looking at this as a disruption in their neighborhood. They had to reduce this disruption. It was a coup, and they had to call it such. We were looking at it and saying, "Yeah, this is a problem, but if we proclaim it to be a coup, we are going to create other problems." I should add that when the National government came into power two years later, they took an even more strident tone. The National Party, even before it came into power, took an even more strident tone.

As I look at this, I am struck by how closely New Zealand, Australia and the United States worked together on this. We were in the Foreign Ministry constantly. When we weren't in the Foreign Ministry, they were calling us up. Their Embassy in Washington was constantly in the State Department as well. Say what you will about our lack of a formal treaty relationship, but we certainly were acting like treaty allies. Still, there was a slightly different emphasis in each capital. The Australians were a little bit more hard line, heavy handed about it. New Zealand was strenuously trying to find a resolution but still very clear this had to stop. Fiji had to return to democracy. Bainimarama had to reverse his slow-motion coup.

The Commonwealth decided in December 2006 to suspend Fiji from the Commonwealth, which is a big deal. It was probably not a coincidence that the Secretary General of the Commonwealth was Don McKinnon whose brother John McKinnon is a senior New Zealand diplomat and is himself a Kiwi and a very senior member of the National party, and he was representing that point of view. From our point of view, this was a crisis with

global implications because of that need we had for peacekeeping, and peacekeepers who are reliable and are out of the fight are hard to find. If we declared a coup, we could not provide assistance to Fiji. That meant we couldn't provide support to their military. It probably also meant it was going to be hard to nominate and vote for them as peacekeepers under the UN. What do you look at? Do you look at Fiji as the center of the region? Do you look at Fiji as a broader issue?

It was also an emotional thing, particularly in the Pacific, and I remember that particularly because there was a big Rugby Sevens tournament that came in early 2007. I believe it was the Rugby Sevens World Cup. Don't hold me to that. In the championship game it was Samoa against Fiji. Not a surprise. The Pacific Island nations were the cream of the crop in Rugby Sevens. Fiji was heavily favored, and Samoa won. Needless to say, all the Maori and everyone in New Zealand were celebrating. A good part of the Pacific was saying, "Well, that is what you get."

But with that, back to the last portion of my tour in New Zealand. With the election of Barack Obama, our Republican Ambassador resigns, and he and his wife Gail prepare to head back to the United States. There was a minor issue of planning. The U.S. government wanted them out forthwith. He had a problem in that he had a ten or twelve-year old son who was in school, and we were tied to Southern New Zealand antipodes summer, so it was the end of the school year, and he didn't want to pull his kid out a week or two early and miss all the parties, and the connections, and all the rest. I was very strongly supportive of that, and I think most people in the Department understood. I felt I had the wherewithal to go back and say, "Hey, let's give this guy a break."

It reminds me of a story that I think is worth telling, which is that Bill and his wife Gail had built this very successful business in Oregon. They had lots of very prosperous friends in Oregon who came to visit. They would bring them into the Embassy and show them the fact that he had an ambassadorial office that was his. If I was around, and sometimes I was asked to be around, They would introduce me, and they would say to their friends, "Well, Dave is the Deputy Chief of Mission." And of course their response was, "What is a Deputy Chief of Mission?" Bill would start to explain it. Bill was an outsider, and suddenly he realized that in his business it was McCormick and Schmick. McCormick was the CEO and the profile person, the relationship builder, all those sorts of things. Schmick was the manager. Finally, he would say to his friends, "Dave, he is Schmick. He does the same thing here that Schmick does in our restaurant business." Everybody would go, "Oh OK, now we get it."

We were getting ready to say goodbye to Bill and Gail. We decided that we were going to have a party for the Embassy staff. Of course, they were being feted across Wellington as they should have been. I went to several parties, and that is all good. But we decided they were appropriately very popular within the Embassy, so we decided that we would have an Embassy party to say good-bye. We decided that although we couldn't find out how to justify this expense according to Department regulations in the FAM, we would have a shuttle bus running from the Embassy up to my residence. I had a lovely yard. It is

December. It is June in our terms. It is the middle of summer. We are going to have a barbecue. But we did the shuttle bus anyway. Just before that, there was an article in the *Foreign Service Journal* about the problems with political ambassadors and the need for more career ambassadors, which I understand. It has affected me directly. But it ended up unbalanced, so I wrote them a long email explaining the fact that I had a very good political ambassador whom I thought had been very effective. At the end of the party as we were doing whatever formalities, I told Bill and Gail about this, and I shared my email to the *Foreign Service Journal* with everyone as my way of honoring them and saying thank you. That was sometime in mid-late December before Christmas.

Then I become chargé. I was due to leave that coming summer and because my father was quite old, I decided that I was going to go back to the United States. I was not going to take an assignment overseas. But in fact, there were transition issues, I ended up not being able to get a departure date until Labor Day. Which seemed fine. One of the things that happened was that other people were departing. One of them was our naval attaché, who was departing the same time I was. There aren't many things that really leap out at me in those last three months but one of them was this guy was a Navy Captain. Remember it was the Navy that created the tensions, which were the focal point of the 1980s tensions between our two sides. And a captain on nuclear submarines, which actually made him a more popular speaker in New Zealand because they were interested in hearing about this.

He was a very nice, popular guy. He went on to have a second career in teaching high school, which was clearly what he wanted to do. Embassy public diplomacy said they would like to have him do an interview with a Wellington paper. It seemed like a good idea. Well, he managed to stumble into the revelation that we had these secret talks with New Zealand to rebuild the relationship, and it hit the papers. The New Zealand Foreign Ministry hit the roof. The New Zealand Embassy in Washington hit the roof. The State Department hit the roof. So how do you handle this? Well, the way I decided to handle it was I called up the Deputy Assistant Secretary and said, "It happened. It is my fault. Don't shoot him. Shoot me."

We had a reception in the Prime Minister's office that I was scheduled to go to that night or the following night and the New Zealand Prime Minister has a Foreign Policy Advisor who was always a very senior diplomat in Foreign Affairs. I just went over to him and said, "Look, I am sorry it happened. I never anticipated this would happen." I finally suggested to him that there was one good side to this, which was everybody was looking back and saying, "Wow, you two governments really pulled something off. You really did accomplish something by having this meeting." It was one of those very, you know, those who live by the sword, die by the sword. The only way to avoid having problems with public diplomacy is not to talk to anybody, but that is a problem too.

Q: What happened to the talks?

KEEGAN: Well at that point they were two years in the past. In 2009 we were talking about talks that had happened in 2006 and that had already produced a more cordial and

closer relationship. Prime Minister Clark had already been to Washington, and Condoleezza Rice had already been to New Zealand. The fruits of our labor were out there for all to see. One or two of the smarter columnists in the papers were saying, “I didn’t think they were that clever, but I am glad to see they were.” I got some mud on my face for that, but, oh well. It was one of those things.

The other thing I will mention is I have been told that as a Foreign Service Officer, you know your horoscope is bad if you are DCM for an inspection. I had been DCM / Deputy Director in Taipei for an inspection at a time when we were at a very successful post, but because some personalities were not congenial, we had some tensions, and the inspectors were quite interested in them. Be that as it may, I came to New Zealand, and the Ambassador left, and then we had an inspection. The only thing worse than being a DCM during an inspection is being Chargé. At that point, there really is nobody else to blame. It is all on you. But on the other hand, it means you have an empty ambassador’s office for the chief inspector to use. The lead inspector was a very senior officer with EAP experience who had been DAS in the econ bureau for whom I have a great deal of respect and a little bit of a relationship.

The inspectors came in, and one of the first things they did was to hold a Country Team briefing. I basically decided there were two ways you do a Country Team briefing for an inspection team. One is the Ambassador or Chargé briefs the inspection team with the Country Team in the room. Or the Chargé chairs a briefing, and makes a few remarks, and then invites everybody else to brief the group. I was strongly in favor of the latter as I alerted everyone a week or two before the inspection team arrived. We had the briefing, and my pulse rate was a little higher than usual. We came out of the briefing, and I went into my office and took a deep breath, and the head of the inspection team and a couple of his colleagues came in and said, “That is about as good a Country Team briefing as we have had on this inspection team.” OK, my blood pressure went down a little bit. There were two issues that I was really concerned about. Issue number one, which was actually serious, is I wanted their help in getting the State Department to accelerate Office of Overseas Building Operations (OBO) to come out and reinforce our chancery against an earthquake. They had looked at our building several years earlier, before I arrived, and again while I was there. They said, “If you get an earthquake, this building won’t survive.” And as we found out a year or two after I left, in Christchurch, New Zealand can have devastating earthquakes. In addition, the main earthquake fault in Wellington was, let’s just say, closer to the Embassy than the Foreign Service Institute Visitors’ Center is to where you are sitting today. It was really close.

Q: Is it part of the system of Pacific earthquake faults called the ring of fire?

KEEGAN: Yes. The Ring of Fire goes down through Alaska and the Aleutians down along Japan, Taiwan, and across the Papua New Guinea island. It doesn’t go through Australia, but it curves from east-west to north-south going right through New Zealand. That is why you have about forty dormant volcanoes in Auckland. That is why there is a long stretch of land along the west side of Wellington Harbor that was underwater in the 18th century and by the end of the 19th century it was far enough above water to build a

road. It was still a major thoroughfare when I was there. For all those reasons, I wanted the inspectors' help in goosing the Department to reinforce the Embassy before we paid for it the hard way. They were willing to be helpful and that was great. The inspectors looked back on how we rebuilt the U.S.-New Zealand relationship, and I think we got a lot of credit for that.

The other issue was somewhat amusing, but it didn't seem amusing at the time. As our Management Officer pointed out to me and to everybody else, Embassies are not supposed to have bars on the grounds. We were not supposed to have an alcohol establishment, and we had one. When people came through post one in the Embassy, right in front of them was a room that had been a consular office, but we no longer had consular operations in Wellington, and so it had been turned into a TGIF (Thank God It's Friday) room.

The context for our TGIF room was that we had not had Marines until three years earlier, although by the time of the inspection we had a very active and successful and high morale Marine detachment. Part of it was there is a long and honored New Zealand tradition, which is where mates hang out together. Our Management Officer kept asking, "What were we going to do with this when the inspectors show up?" It wasn't exactly in a corner of the basement where we could avoid them going to it. Instead, they arrived on a Thursday, and on Friday night we had an all hands TGIF to meet the inspection team in our bar. We told everybody, "You don't have to come, but why don't you?" The inspectors came to our TGIF and talked to many of our staff and family members, and they all came out and said, "Wow this is really great for morale." I gave a quiet sigh of relief and said, "Yeah cool, that is why we kept it." I was quite happy with that, and I think they were quite pleased with what we did while they were there.

There is one more personal element that I will add to this. One of the things that everyone discovers about New Zealand is that it is a beautiful place, and another is that New Zealanders are nearly fanatical about endurance sports. Triathlons of every imaginable shape, size, and dimension. Running, anything outdoors. Skiing, sure. I was at the local gym one day, and I forget how this came up, but I was changing and noticed the guy next to me had on a tee shirt saying "Wellington Marathon Clinic." I said, "I ran a half marathon in Taipei, my last post, and I would like to find a running group." He said, "Every Sunday Morning at 9:00. Down in southern Wellington near the airport there is a local rec center. We get together. You come in, and you tell us as best you can what your running speed is, and you go out for a five- or ten-mile run." I said, "I can do that." I went out and did that. Wellington is one of those places where the weather is always changing. There was one particular time I went for a run, and I knew it was going to be a little rainy, so I brought a rain jacket. I was off with the ten-minute milers and it was raining. We went a few blocks, and it was bright sun. We went a few blocks more and it was raining again, and it was sleeting, and then snowing, and hailing and snowing again. We were up on an area called Wright's Hill that overlooks the harbor that had been a gun emplacement during WWII. It was snowing up on Wright's Hill, and we came back down to the home base, and it was sunny again. Anyway, Wellington is where I finally looked at all these folks running alongside me and said, "You know, I am in better shape than

they are, and they have all run marathons and I haven't," so I signed up. I had never gotten around to it until then, and I said, "I can do this." There is a place in the middle of the North Island called Rotorua that has a lake that is the caldera of a long dormant volcano. Gorgeous lake. I persuaded my wife that we should go up there. We both rented bicycles. It is 26 miles around, and we wanted to look at that and see if I should sign up for the Rotorua marathon, which I did, and I learned how to run a marathon properly because I didn't realize how little I knew. Fine, but the thing I really wanted to do was in July 2009. I really wanted to run the Wellington Marathon. The course runs along the harbor, it is gorgeous, it is where I live. So, I signed up for that. It was about six weeks after the Rotorua Marathon. That was not ideal. It should have been about three months later, so I could recover properly from the first marathon, but that was what I had. A second problem was the race was the same day that the American New Zealand Chamber of Commerce was having their July 4 luncheon, and as Chargé I was the keynote speaker. Being a stubborn Irishman, I said, "I don't care. It is 5 ½ hours between start time for the marathon and the time the lunch starts, and I can do this." I ran the marathon, finished. Staggered back to the Embassy, changed into a suit, and went to the July 4 lunch. That is just what you do when you are in New Zealand.

I mentioned earlier that I had decided to go back to Washington for my next tour. My father was 93-94 at the time. He had gotten the flu that spring and had fallen, which at that age is never a good thing. But my sister asked his doctor, who told her that he is going to be around for a while. I figured great. Then came the day when my sister called me through my son to say, "Our father is dying." Thanks to the remarkable staff at the Embassy, I got to his hospital in New Rochelle, New York. It was very important that I was there. I got to say good-bye, and I was there when he died. Then, of course, what I got to do was turn around and go back to New Zealand and do the last two or three weeks of my assignment there. Not what I would recommend, but that is part of what the Foreign Service experience is sometimes.

I had looked at a couple of assignments and decided to take a job as the Regional Affairs Office Director in the Bureau of South and Central Asia, a region I had not done a lot in. This is one of the perfect political transition stories. I was back in Washington, and I interviewed for the job in South and Central Asia, SCA. The Principal Deputy Assistant Secretary was an EAP hand, Don Camp. The Assistant Secretary was Richard Boucher, who had been the spokesman before but prior to that had been deep in EAP. The other Deputy Assistant Secretary was Evan Feigenbaum, who had taught at Harvard University and then had come to work for the State Department in the Office of Policy Planning, where he worked on a lot of EAP affairs. And he then had been made one of the Deputy Assistant Secretaries in SCA. Those three connections meant people knew me, which helped me get the job.

Now there are two interesting footnotes to Evan Feigenbaum and Dave Keegan. Footnote number one is in the summer of 1988. I was the political officer in Guangzhou, China, and I got an intern with really good Chinese language skills from the University of Michigan. It was Evan Feigenbaum who came, and what do you do with an intern in the summer? Well oftentimes people would give him things to do in the office. I looked at

this guy and said, “That is a waste of your talent, and you can help me out. You are the right age, you look right, and your Chinese is excellent. Go hang out with the college age folk, figure out what they are thinking, and tell us about it.” He did a wonderful job. I was thrilled to have him there.

The second interesting thing happened in January of 2009, December-January ’08-’09. I am backing up a few months, but it is OK. My two sons were visiting from the U.S., so we were going to do our trip around the South Island. If you get an opportunity to do that, allow at least two weeks, Wow. The night before we were going to leave from Wellington on Saturday morning – we were going to take the ferry to the South Island – I got a phone call. It was Evan Feigenbaum. He was deeply involved as the SCA DAS in our discussions with India about nuclear energy. They wanted peaceful nuclear energy, but they were not a member of the NPT, the Non-proliferation Treaty. The State Department was leading the negotiating on how to balance that out so that we could sell them nuclear power plant technology. The problem that they were sorting out involved the Nuclear Suppliers Group, or NSG, the export control regime that had to approve any transfer of nuclear material or technology to a non-NPT member like India, and the U.S. had to get concurrence from them.

However, they needed the concurrence of the New Zealand rep to the Nuclear Suppliers Group. The Department wanted the Foreign Ministry in Wellington to instruct that person to vote with the U.S. It was 7:00 or 8:00 pm on a Friday. The Department needed this vote the next day. Thanks for the advance notice, guys. I start dialing all my phone numbers, and I had cell phone numbers across the Foreign Ministry. That was my job for heaven sakes. And our political officer, she was doing the same thing. Nobody was answering the phone. But again, it was Friday evening. Nobody answered. Nobody was in the office. Nobody was on their cell phone. About 11:30 pm I got a minimum three, probably closer to ten phone calls. Each one apologized and said, “This is our annual costume ball tonight. The Foreign Ministry has an annual internal costume ball. It is run by their equivalent of entry level officers. These junior officers organize it, they put on skits, everybody has a good time, but the rule is you leave your cell phones in the office, you do not bring them to the party.” As a result, nobody knew that I was trying to call them. Over the next hour or two, we sorted out that we needed the Prime Minister to weigh in, and it was now 2:00 A.M. How do we do that? Well one of my contacts who was one of the senior people in the Ministry was going with Helen Clark to an event the next morning and was driving there in Helen Clark’s car. We worked it out that an Assistant Secretary of State or higher would call this person in Helen Clark’s car, and she would then pass the phone to Helen Clark. It worked. We got the vote. That is my second Evan Feigenbaum story.

However, my actual transfer was during the first year of the Obama administration, and all of these people were appointed by the outgoing Bush administration. So, all these people who assigned me had disappeared by the time I got there. There is a very different crew there. I think it is fair to say there was no relationship to the EAP, and we will stop there.

WASHINGTON, BUREAU OF SOUTH AND CENTRAL ASIA, OFFICE OF REGIONAL AFFAIRS

Q: So today is March 19, 2019. We are resuming our interview with David Keegan. David, the question I wanted to begin with was this: most people know that the Foreign Service is an up or out institution similar to the military. In other words, you must be promoted within certain periods of time in order to remain. And it is a pyramid. The final promotions get more and more narrow as you go up. The first opportunity to get into the Senior Foreign Service, or the part of the Foreign Service where you can hope to become Ambassador is the Officer Counselor (OC) rank. What I wanted to ask you was when did you make OC and then once you did were you beginning to think about becoming an Ambassador?

KEEGAN: Of course. The other element in the Foreign Service is that it is unlike the Civil Service, which is position in grade. That means that, as a Civil Service employee, if you get a job that has a particular grade, you then have that grade. The Foreign Service is rank in person. I was first promoted into an OC job when I became director of the Taiwan Coordination staff. The problem was that when I was first approached about becoming head of the Taiwan staff, I was a Foreign Service or FS-02, which is two ranks below OC. Before I was actually assigned, I became an FS-01, which is one rank below the rank for the director job. It was still what we call a "stretch assignment," so the bureau had to do some negotiating with Central Personnel in the Department, which manages the Foreign Service assignment process. I held that job, which was set at the OC rank, as an 01. Unlike the Civil Service, I did not thereby become an OC. After that I moved to Taipei as Deputy Director, essentially DCM, which was a Minister Counselor (MC) job, a rank above OC. After I was there for about a year, I was promoted to OC. In both cases, I was promoted when I was holding a job one or two ranks above where I in fact was. That is not all that unusual, it seems to me.

The other dimension to this that is worth thinking about for a moment is that with Colin Powell, the State Department began to expand its training requirements for people, and finally we got to the point where as you moved up the ladder or, in your terms, up the pyramid, there was an expectation that there would be management training and leadership training commensurate with the kind of jobs you would normally be doing. There used to be something called the senior seminar for Foreign Service Officers moving from the FS-01 position to the OC, moving into what we call the Senior Foreign Service, which is comparable to senior executive service in the Civil Service, or the general and admiral ranks in the military. It was a very popular program which was a year long.

The problem with the Senior Seminar was twofold. One, I don't think everybody was able to do it because we didn't have the funding to have everybody do it. Second, I think it didn't provide the kind of training that people going into those jobs needed. It was cool. You got to travel around the U.S. You got to meet with people in local governments and

so forth. It is interesting, but I am not sure the purpose – that you needed to have a better understanding of the United States to better represent it overseas – was valid. I think most people who are in the Foreign Service are very well acquainted with the issues they are representing, and they have already had a chance to go out and talk to a variety of people.

Colin Powell was the one who basically said, “We will train everybody like the military does. And we will train everybody repeatedly.” He could not however, do what the military did and does. He could not get the funding to have what we call a “personnel float.” In other words, we could not have enough extra people in enough extra positions that you could say, “We are going to give up 20 people to go train and have people to cover the jobs they would otherwise do.” We never did that. It put a real constraint on everyone’s training. You could have short-term training, but when you get into longer-term language assignments and professional development assignments, or like a law degree for consular officers, like extended economic training or one of the war colleges, it becomes a real problem.

I ended up doing the transition leadership training to move from 01 to OC, which lasted about a month. Not surprisingly a number of people I knew were in it because they had either been in my A-100 class, my entry into the Foreign Service class, or because they had been people I had known along the way. Shortly after I did that, I was asked to do the DCM training course before I went on to Taipei, again about a month. My assessment looking back is these were the same course. We essentially did it twice. Now I apologize to all the people in management leadership training who I am sure see a very clear distinction but looking back at it, I don’t know what that distinction was. Both of them seemed to be looking at how to manage and lead larger organizations. For both of them, there were three faults that I would assign to them.

Q: Very quick question. Did the DCM course also last a year or less?

KEEGAN: Neither one of them lasted a year. Both of them lasted four to six weeks. The only difference was the DCM course had a little bit of training available for spouses, but not nearly enough. Part of the reason for the spouse component was the hangover from the old idea in the Foreign Service that your spouse is evaluated as part of your personnel evaluation. Fortunately, at least generally, we have done away with that. My spouse found it a waste of time except that she got to catch up with a few people she knew who were in the training with her. You have to remember that spouses have increasingly had outside employment, and so the Department has to find a way to step back from that.

Both courses had three issues that I think they could have done a better job addressing. One, most Foreign Service officers are loners, cowboys. They often lack the awareness of how other people are interacting with them and what they have to do to be the leader of the group rather than the cowboy, outside of the group, who is going off and rescuing people and rescuing situations.

And the second and third issues are two groups of overlooked employees. I don’t recall in either class that we talked about the difference in managing Foreign Service personnel

and managing Civil Service personnel. Civil service employees were a group that was not talked about in polite company. That was exposed in spades when I was in SCA, where there were large numbers of Civil Service, or GS, personnel. I had worked with very few GS employed when I had been in EAP. There had in fact been very few of them.

The other group that has been overlooked and is even more of an issue as the Foreign Service and State Department moves forward is Locally Employed Staff overseas, or LES. Unlike some other countries, our missions overseas are very reliant on citizens of the countries where we work. We rely on them to our benefit. Many of them are in extremely difficult situations because of pressure that they are under between the U.S. government, which thinks they work for us, and the local government and local authorities, which think they are loyal citizens and therefore they should be acting at least as observers of what the U.S. is doing in the missions where they work and wants them to be more than observers. Even where that is less true, there are always tensions between the U.S. Government and the governments where we work and the societies where we work. These locally employed staff often are subject to these pressures from family and friends, as you might anticipate. "How can you work for the Americans when they do fill-in-the-blank?"

My guess is when you go to New Zealand right now, members of our staff are taking it on the chin on gun control and about perceived Trump support for white nationalists. Think about how New Zealanders see U.S. tolerance of gun violence right now after that horrific slaughter at the mosque in Christchurch. This is something we are still adjusting to, and our friends in New Zealand are still adjusting to.

Coming out of New Zealand was a point where I decided not to bid on ambassadorial assignments overseas. It would have been a natural transition, but as I mentioned last time, my father was quite old and in fact died three weeks before I left post. Thanks to the assistance of a number of people, I was able to see him and he to see me before he passed away. But it meant that I had made the decision to be back in the United States on the false expectation that he would still be around for a while. With that in mind I bid on a couple of office director jobs back here. I was offered a couple of them and decided to accept the job as the regional affairs director of the Bureau of South and Central Asia.

Q: I am sorry, before we go into South and Central Asia, one last question about the training and leadership training. Blue sky: looking back is that if you were redesigning it, not going into extreme detail, what would be the key things you would want to see in those courses from somebody going from the FS 0-1 position, the equivalent of colonel, to the OC position, the equivalent of brigadier general?

KEEGAN: I think it would come down to two things. Since you mention the BG rank, I think having a military senior officer providing or advising the senior officer training would be a very good way to improve our training. The military thinks in groups. We think in individuals. And because we think in individuals, we think in terms of having our very talented Foreign Service officers be critical of their leadership and be critical of the situation they are in, to be innovative and individualistic. Those are all great advantages

when you are an FS 02 and an FS 01, and, yes, above that when you are in the Senior Foreign Service. The difference is when you move into leadership, you have to begin thinking about “How do I embody the aspirations of our group, and how do I help the group move those aspirations forward?” That is where I think having military folks come in and talk in terms of how they train military leaders might be very useful. I think you could have more discussion of the psychology of individuals and groups and how to lead individuals and groups better by being more attuned to their psychology. I think again that is a focus we don’t do a very good job on.

The second broad category where we could improve would be having a discussion on what are the strengths of the other employed groups in the State Department and what are their aspirations and how do we further them? Many GS or Civil Service employees are extremely talented, but they are not prepared to move overseas for whatever reason and under the State Department up until the time I retired, which is about seven years ago, they were very much limited in the role they could play in the Department. It was assumed that the leadership would be Foreign Service, and the Civil Service would be the followers. I always thought that the barrier ought to be more permeable than it was at that time and that we ought to be more flexible in terms of, one, allowing Foreign Service to serve in GS positions and vice versa. And, two, Civil Service should serve in more leadership positions, and I thought that ought to be more across all of the bureaus, and now it is very different from one bureau to the next.

Also, for overseas assignments we just need to do better at understanding what the strengths LES bring to us are, and in the same way, it would be very smart to bring a diverse group of locally employed staff into these leadership training courses. We train locally employed staff here at the Foreign Service Institute on a regular basis. Why not offer to some of them even after they finished their other courses, say, that we will pay for them to hang around DC for a week if they will agree? We could try to target some of our more senior locally employed staff and have them come and talk as trainers in our courses for Senior Foreign Service officers. In an ideal world, we should have the LES people coming in to train our officer not be from places that members of the class are going to, so that they are not then concerned about suffering blowback for what they say.

The topics I would hope to see them address would be the two broad categories. One, I think, having led groups in different places and having watched other people do it in a variety of places, that leading a country team and leading a senior group of GS employees are very different. Leading an inter-agency group is another very different phenomenon. And we are aware that there are inter agency groups we need to lead. Two, we tend to be less aware of what attitudes our GS and LES colleagues bring to the table, and therefore we think less about how we can advance their agendas in ways that help us also advance our agendas. I don’t think we do a particularly good job of considering that. We have some very talented people doing a very good job of that, but the exceptions are rife.

Q: Yes. You are now moving into the most recently created bureau, South Central Asia.

KEEGAN: Actually, I don't think it is. I think Conflict and Stabilization Operations is a newer bureau; I think it was created after I moved to SCA.

Q: Interesting. I didn't know that.

KEEGAN: I found that out teaching a class on China at the Foreign Service Institute and having a Foreign Service officer who transferred into the Civil Service because of family issues and was working in the Conflict and Stabilization Operations Bureau. I believe that it used to be a task force under the 7th floor. And at some point, when I was at SCA, it was transformed into a bureau. I guess that means that SCA is the youngest bureau but one. And again, I believe I mentioned last time that when I was offered this job, it had a very strong representation in bureau leadership from people who had an EAP East Asia background.

Q: How did that ever happen?

KEEGAN: I forgot to say of Evan that if somebody was going to move quickly up the hierarchy, he certainly was someone who deserved it and who benefited the organization by doing it. Beyond our EAP ties, I had talked to him a lot when I was in New Zealand because he was already in SCA negotiating on behalf of our effort to have India accepted by the Nuclear Suppliers Group so that we could then sell them peaceful nuclear technology. By the time I arrived in the bureau in September of 2009, and I had been held late in New Zealand, Richard Boucher was no longer Assistant Secretary. He had been replaced by Robert Blake, who had been DCM in New Delhi, and Patrick Moon, who was an Afghan specialist, and who was the Afghan manager for the bureau had become the Principal Deputy Assistant Secretary. Patrick was then replaced by Geoff Pyatt, who had been the political counselor with Bob Blake in New Delhi, so there was a very strong south Asia focus. What I wanted to talk about for a few minutes relates to your comment that SCA is the newest bureau. Whatever its horoscope was on the day of its birth, it was bad. It was a bureau with multiple curses.

Q: Ill-starred.

KEEGAN: Ill-starred is exactly right. You know the very fact that Patrick Moon as the PDAS, a nice man, a good leader, intelligent with an Afghan background. This Afghan specialist was forbidden to do anything on Afghanistan. I am just going to talk a little bit about the bureau and then next time we will talk about what I actually did. SCA was a bureau that was put together essentially as a patchwork based on a theory, which I was told was advocated strongly by Richard Boucher. The Soviet Union had broken up in the late 80's, early 90's, and the five "Stans," Turkmenistan, Uzbekistan, Tajikistan, Kyrgyzstan, and Kazakhstan, were set adrift. They were part of the EUR, the European Affairs Bureau, which made absolutely zero sense. Why were they in EUR? Because they had been part of the former Soviet Union and Moscow, the Soviet capital, and Leningrad/Petersburg, its greatest city, were in Europe. Now let's ignore the fact that two thirds of the land area of the Soviet Union at least, maybe three quarters is not in Europe.

It was either in East Asia or Central Asia, but nonetheless repeat after me, “the Soviet Union is part of Europe.”

The idea behind SCA was “let’s integrate Central Asia with South Asia and give the countries and governments in Central Asia a path to economic development through this new connection with South Asia where they could have transportation links, where they could have mentorships, all that kind of stuff that would be an alternative to the old Soviet model. OK, I will talk in a minute about some of the problems with that theory, but it is worth noting that you are creating a bureau that did not align with any other structures in the US. Government. I am thinking particularly of our colleagues in the military. Because SCA put the area from Pakistan through Bangladesh, all of the South Asian subcontinent, under the military’s Pacific Command, which is now more recently the Indo-Pacific Command. Better name, same command. Let me correct that. The Area of Responsibility (AOR) of the earlier Pacific Command extended west to the India Pakistan border. Pakistan was in the Central command AOR, so at that time South Asia was broken in half. You then go to the Stans. Where are they? Are they Centcom? Well, Afghanistan certainly ended up being there. Are they in European command because of the old Soviet linkage? Almost impossible to tell. What you had was a situation in which bureaucratic coordination became extremely difficult.

The other problem with SCA was that although the theory behind its construction looked good when it was conceived, realities quickly overtook it, and the theoretical constructs that applied actually went in other directions. For starters, in the mid-late 90’s, the PRC, the People’s Republic of China, had reached out to Moscow to counter the United States and create something called the Shanghai Cooperation Organization or SCO. The idea was that Moscow, on the one hand, and Beijing, on the other hand, would between them corral the Stans and keep them in the authoritarian fold. Particularly for China and to some extent for Russia, counterterrorism quickly became the primary objective of the Shanghai Cooperation Organization.

By counterterrorism they meant countering Islamic identity in any way, shape, or form. They meant anything that would distinguish the Stans from Russia or China, and they also meant any ethnic identity, particularly any Turkic identity that would then give the Uyghurs in China’s Xinjiang region cause to ally with Central Asia and move in that direction as opposed to remaining as part of the Chinese empire, which is where the Chinese were very intent that they remain for a whole bunch of economic and historical reasons. China was not going to allow any part of the Qing empire, the last dynastic empire of China, to break away because that would in their own eyes diminish their claim to govern all of China, and therefore be accepted as legitimate. Xinjiang was a part of the empire like Tibet, like Mongolia that had been integrated into China by the Qing and that the Communists were determined to hold on to.

But the second set of objectives for the SCO was economic. U.S. gas and oil companies were interested in South and Central Asia because they wanted to figure out how they could gain access particularly to the natural gas that was in Central Asia – Kazakhstan and Turkmenistan and places like that. The U.S. planned either to move it west into the

Caspian Basin and then into southern Europe, Turkey, Greece et cetera or move it south into South Asia. The Chinese looked at this and said quite clearly from a very early time that their objective was that the oil and gas that had been moving north and west to Moscow would now move east to China for two reasons. Reason number one, the oil in particular that you can drill for in China is very difficult to refine. It apparently has a very high paraffin content. And, two, over 30% of the gas and 80% of the oil it needs comes through the Strait of Malacca past Singapore where the U.S. Navy has a very strong presence, so the Chinese were interested in an alternative supply. Central Asia became that. There is something else that is not part of the general dialogue right now, but is worth remembering: although the Chinese are working with the Russians, they don't trust them. They never have because they remember that in the middle of the 19th century China was forced to sign unequal treaties with Russia, by which Russia stole part of Manchuria.

Q: Quick question here. What you say, then, is that this is the principal reason that China is creating this old Silk Road, what they call "One Belt One Road."

KEEGAN: Thank you. That is exactly it. You got it. It has been known by a couple of different terms. One Belt One Road, OBOR. The first time I heard that acronym I knew what One Belt One Road was. I didn't know what OBOR was. Or maybe it is the BRI, the Belt and Road Initiative. This is a point where I express my perplexity at current terminology. The belt is the old Silk Road. The road is the sea route through the Indian Ocean. Why is the road not the old Silk Road and the belt is the sea route? Anyway, who knows and who cares? When you look at the Belt and Road Initiative, the first thing to understand is that it is the plan to build the infrastructure, the rail and pipeline, to move the oil and gas east rather than north and west. Remember that the Russian rail gauge is different from the Chinese rail gauge, so once you persuade these countries' oil and gas companies to buy Chinese tanker cars for their trains, they only go on the Chinese ones. They don't go on the Russian ones. That is first and foremost.

Second, this is employment for Chinese companies. This is a model they picked up from the South Koreans and the Japanese and the Taiwanese before them, which is you have large infrastructure companies, like the Japanese zaibatsu, that build up your infrastructure in your country. After they hit a certain point, they run out of things they can usefully do at home, but they are an enormous source of employment, so where do you employ them? Well, if you can do infrastructure overseas you can employ them. What better place from China's point of view to do that than in Central Asia? That means that the second thing is that it is an employment project.

It is also obviously a geo-strategic play. China began to assert itself in areas that Russia used to control and built a cordon sanitaire, if that is the term, around Afghanistan and Tibet and Mongolia, which are places it finds of special concern. The whole idea of the Old Belt One Road initiative was introduced by the current president of China, Xi Jinping, I believe in 2013. He introduced it in two places. I don't know which was first. One was in Kazakhstan, where he announced it at a major meeting. The other one was in Jakarta. Neither one was a coincidence. When we talk about geo-strategic, it is worth

remembering where this Belt and Road Initiative went and did not go. It went along Central Asia, places they obviously want to keep under control. It went through the Indian Ocean, places where if you rely on getting 85% of your oil and gas from the Middle East, you would like to have some relative stability. If over 60% of your oil and gas is imported, and 85% is coming that way, this matters.

Where did they build these outposts in the Indian Ocean? Well, they built them in Myanmar (Burma). They built them in Bangladesh. They built them in Sri Lanka, and they built them in Pakistan. They talked about building them in Iran. They did not, by no coincidence at all, build them in India. This was the “string of pearls” that was strung tightly around India’s neck. Of course, to the extent that the Belt and Road Initiative provides for better military transport either through the Indian Ocean to these commercial cargo ports, container ports, or along the rail lines through Central Asia, that means the Chinese military can become more expeditionary and it becomes more of a threat on India’s northern land border and southern maritime border, and that is not a bad thing from China’s point of view, either.

Q: One question here. How is the way they are building it realistic given the terrain and the general stability of the countries and so on that they are building it to.

KEEGAN: That is exactly the right question. And it is a question for which the answer is not encouraging for China. Central Asia is a group of countries that were not created naturally, that are subject to enormous amounts of corruption, that are run by old style Soviet oligarchs. Where democracy has been attempted, it has not fared well, and the borders were intentionally drawn under Stalin to make the states as weak as possible. For example, the Fergana Valley near the fabled city of Samarkand is a very fertile and quite beautiful valley. The borders of three states, Uzbekistan, Tajikistan, and Kyrgyzstan, intersect there so that nobody has the valley, and nobody has the power base that would go with it. There is that problem.

There is the additional problem of whether these three countries have the foreign reserves or the payment history to pay back loans. That becomes a problem in both directions. For the Chinese banks and Chinese companies, the question is whether they are going to get their money back. Are they going to be able to make money on the projects they build? And the answer is: we are not sure. From the countries’ point of view, are they going to be forced to renegotiate the loans and cede control to China of these facilities in ways that impinge on their sovereignty? There have been cases where all that has already happened. There are people who would argue that these concerns are overstated, that in fact on balance many of these Belt and Road Initiative projects are quite successful. I tend to be a little bit more of a skeptic on that, but, if the Belt and Road Initiative is well managed, it would be a boon to global wellbeing that is hard to overstate. There are, and I don’t remember the numbers; I am not an economist. There are trillions of dollars of need for infrastructure in East Asia and Southeast Asia and Central Asia. If the Belt and Road Initiative contributes to meeting that need, hats off to them. I am serious. If Xi Jinping accomplishes that, he should get the Nobel Peace Prize. Is there a Nobel Economics Peace Prize?

Q: There is an economics prize, but generally it goes to theorists.

KEEGAN: That then ties into a second element of the Belt Road Initiative, and that is something called the Asia Infrastructure Investment Bank. The Asia Infrastructure Investment Bank is one of two multilateral banks proposed by China between 2008 and 2013. One of them, which we are not going to talk so much about, is the BRICS Bank. BRIC, Brazil, Russia, India, and China, and then an S was added for South Africa. There was an idea that, and China pushed this hard, let's have a multilateral development bank for us. But the idea that seems to have had more legs is this Asia Infrastructure Investment Bank, again proposed by China. And the idea was to have a bank that would fund the efforts to build these trillions of dollars of necessary infrastructure in Central Asia, Southeast Asia, and East Asia.

Among the things that we have handled badly in the last decade or so, this is right up there on the list. As soon as people in Washington heard the idea of an Asia Investment Infrastructure Bank the first reaction was "well, we have an Asian Development Bank, the ADB headquartered in Manila. Isn't that its mandate? Just like the European Bank for reconstruction and other regional development banks." On a purely theoretical wiring diagram the answer is yes. It was unacceptable to China for two reasons. Reason number one is that as their investment, their ability to contribute to the international financial institutions – the World Bank, the IMF, and the ADB – grew, their voting rights were supposed to grow by the value of their contributions, and yet their voting rights were limited by the United States Congress among others. Obama fought to get their voting rights increased to match their contribution allocation. He eventually succeeded, but it was a bloody awful fight, and it meant that we were advertising to the Chinese what the Chinese already knew, which is we really didn't want them at the head table.

It reinforced their sense that they had not been present at the creation. They had not been at Bretton Woods. They had not been at San Francisco for the formation of the UN. China did not have a seat. Well, the answer was, yes, China did have a seat; it was called the Republic of China. Their answer is, "That government no longer exists." That is a whole different question. We are not going there. But the way that we mishandled those voting rights issues reinforced all those perceptions.

The second major problem is the infrastructure of the IFIs, the International Financial Institutions. Each one has a predetermined country or group of countries that always selects the director. That predetermination is not formally written down, but it is real. The IMF is always headed by a European. The World Bank is always an American. The ADB, the Asian Development Bank, is always a Japanese. You could hardly pick a worse choice to head the ADB from the Chinese point of view. All of their resentments unfolded this way, so they said, "We are going to build an Asian Infrastructure Investment Bank. It is primarily for Asians, but anyone who wants to contribute and be a constructive member we would love to have you." The U.S. under the Obama administration for reasons of short-term political interests and children playing in

sandboxes decided that we didn't want them to succeed. We wanted the ADB to succeed, so we put a lot of pressure on partner countries and allied countries not to join the AIIB.

The Chinese to their credit said, "Look. We are going to make the AIIB an institution that you will find acceptable, even admirable." They managed to persuade a number of countries, including the United Kingdom, including Germany and other European partners to join. We did not join. The Japanese did not join because we put pressure on them not to. The Chinese did something that was quite admirable. They hired as their first general counsel Natalie Lichtenstein, a very eminent lawyer, who had spent thirty years at the World Bank as one of their most senior organizational lawyers, and they gave her free rein to write a world-class IFI charter. The Chinese to their credit got this draft and said, "Huh, it looks pretty good. Now who do we hire? Who do you want to hire? Who can we steal from the World Bank who is about to retire? Who is really well thought of?" They went to their executive directors in all of the IFIs and said, "Would you find the best and brightest of who maybe wants to move on or maybe they have retired and would be willing to come on for five years for the fun and enjoyment, for the professional challenge of this organization and hire them." They essentially went to the Europeans and said, "OK. We want you to look at the organization, look at the laws and make sure they are up to World Bank standards." This whole approach to Central Asia and the Belt Road initiative became the first step in a grander Chinese ambition to contribute to what is called the global commons. They wanted to become a major global player and be recognized as such.

The problem with that ambition is that this was not a concept which the SCA bureau was built to deal with. The Chinese had very much an east-west concept of the Stans to counter the Stans's previous north-south orientation to Russia. We have tried to counter the northward look of the Stans toward Russia by encouraging them to look south instead of east toward China. There were two problems with that. One, to look south they had to get past Afghanistan, which starting in 2001 was not a place that was easy to get past. And if you got past Afghanistan, then you had to deal with Pakistan, and I won't comment further on Pakistan, but that poses its own problems. The Chinese are saying to the leaders of the Stans, "Why go through that problem when we can build the roads and highways to take you through China?"

As a result, SCA was a patchwork built on an idea that I think looked reasonable when it was created, but I don't think it looks so reasonable today. The Obama administration came into office with Secretary Clinton seven years after the beginning of the Afghan War. Afghanistan was a continuing problem. We had not won the war that the Bush administration had launched and then had moved on to Iraq. We were in fact losing the war. The Obama administration recognized that it required a considerable amount of both diplomatic engagement and military engagement to make progress in Afghanistan. Richard Holbrook was a very senior and very savvy Foreign Service officer who had been a foreign affairs advisor to the Obama campaign. They put him in charge of the Afghanistan conflict, and he then headed up a new organization called AFPAK, or the Afghanistan Pakistan group in the State Department. I am not going to get into the strategic assessment of how that war went. I don't know enough, but it was clear that

Holbrook was coming in at a very difficult time. It was also clear that when Holbrook came in, he wanted troops. He didn't want to be an advisor sitting next to the Secretary's office offering opinions. He wanted to manage the operation. He did not want to be in charge of the South and Central Asia Bureau because that would force him to deal with issues that would have been distracting. So, what was the result? The creation of AFPAK fragmented what would have been the South and Central Asia Bureau. The SCA Principal Deputy Assistant Secretary who would have been in charge of Afghanistan, Patrick Moon, was told, "Thou shalt not do Afghanistan. Richard Holbrook will do Afghanistan. He reports to the Secretary; he does not report to the Assistant Secretary."

As this was happening, I was down with the grunts. I was a grunt. The SCA office directors were told, "Thou shalt not talk to the Afghan Desk. Thou shalt not talk to the Pakistan desk. Thou shalt not talk to the AFPAC coordinator, who was a separate very large office; you will not get involved in personnel or management issues for Afghanistan and Pakistan because that is a separate office too." Nonetheless, the SCA executive, or management and personnel, office will. By the way, the executive office is not only the AFPAK executive office. It is not only the South and Central Asia executive office. It is also the Near East Asia (the State Department bureau covering the Middle East and the northern Islamic tier of Africa) executive office, so it is torn in three parts. So, if you think SCA was born under an evil star, it just got a whole lot worse.

A lot of things that I as the Regional Affairs Director would do in any other bureau on a very ordinary basis became highly fraught. For example, Afghanistan and Pakistan human rights would usually be directly involved in regional affairs, as would multilateral issues, proliferation issues. I was told, "Stop. Don't talk about them. If you think you need to talk about them, come check with the Assistant Secretary or the Deputy Assistant Secretary before you reach out because the Assistant Secretary is trying to manage his relationship with Holbrook." Completely understandable, but it meant that the SCA bureau was walking with a wooden leg and an eye patch. When I first got there, we would have our twice weekly SCA staff meetings without anyone from the Afghanistan Pakistan offices, AFPAK, coming to meet with us. They didn't participate. When they eventually did participate, they participated at a relatively junior level. It was considered extraordinary when either the Afghanistan or Pakistan desk director showed up at the meeting, yet it was a desk director's meeting. Holbrook to the best of my knowledge never showed up at the meetings. He had a separate meeting that he ran in the evenings once a week that we were not invited to. Occasionally the Assistant Secretary might be invited to attend Holbrook's meeting.

All of those bureaucratic contortions meant that it was a very difficult set of issues to manage. It was a very difficult bureau to manage, and let me just offer some points about the Afghanistan Pakistan issues. We were fighting a war in Afghanistan. All of the military supplies, all of the petroleum, gas, all of the personnel that entered Afghanistan either entered through Pakistan or entered through Manas, which is an air base in Central Asia. All that had to be negotiated between the two countries controlled by the AFPAK coordinator and the rest of South and Central Asia, and yet these two organizations were not authorized to communicate on a day-to-day basis. What about narcotics? The

narcotics being grown in Afghanistan, and that were funding terrorism in Afghanistan, were being moved out through Central Asia and were being moved out through South Asia. The terrorism network flowed through Pakistan into India. The influence of India on Afghanistan could not be separated from AFPAK. Why was Pakistan so concerned about Afghanistan? Well, there were two, perhaps three, reasons. One was all of these insurgent groups. Two was it was an unsettled disruptive area where the Soviets had invaded on Pakistan's border. And the third reason was that India was working very hard to establish a presence in Afghanistan in order that it could have Pakistan in a pincer movement.

Q: India is trying to establish a presence in Afghanistan.

KEEGAN: India wanted to be in Afghanistan to put pressure on Pakistan, and that became all the more difficult when you added in the third and fourth aspect of this, which is that both India and Pakistan were new nuclear powers. These were two of the least stable nuclear powers and could be getting close to a war. The theory of SCA was to create an alignment to counter the old Soviet alignment. The war in Afghanistan, and the mirror of that war in the State Department bureaucracy, the AFPAK conflict, made that almost impossible. At the same time, China launched the Belt and Road Initiative. Let me just put one footnote on the Belt and Road Initiative, which is that it has since become a much larger enterprise, which has spread through Central Asia into Europe, into the Middle East, and into Africa, and the Chinese are now even talking about the Belt and Road Initiative extending into Latin America. It has become a major activity by China with major strategic implications for the United States, but it all starts there in Central Asia. For the regional affairs office that was supposed to coordinate that, that became an almost insuperable conflict. Maybe we will stop there. I think we are a little bit over.

Q: Today is May 16, 2019. We are resuming our interview with David Keegan.

KEEGAN: OK. I am going to get back to the substantive issues we talked about last time in just a moment, but for fear of losing some points, I want to take a moment and talk about how the work of the Regional Affairs Office and in fact the Bureau of South and Central Asia was complicated by the curses of State bureaucracy. The curse I am thinking of in particular is physical space. I mentioned that SCA was a new bureau. It was cobbled together out of the remnants of EUR, because that is where all the Central Asia portions of it came from as part of Russia, although, as I suggested earlier, why Russia is a part of EUR is perplexing at times. Why is Vladivostok part of EUR, which it is not according to any map? And then the remainder of SCA came from the South Asia Bureau.

In terms of that ever-valuable commodity of space in the main State Department building, the Harry S. Truman Building, the SCA Assistant Secretary, was located on the sixth floor. Many of those Assistant Secretaries are on the long corridor, the number two corridor, right along the front of the building on C Street. The SCA Assistant Secretary was midway between the main entrance at 22nd Street and the east end of the building on 21st Street, right about where the library is, three floors up. Then you had offices in the

bureau. My office was on the fourth floor right under the Assistant Secretary's office. The Executive Office was shared between SCA, AFPAK, and NEA, the Near East Asia bureau. The AFPAK offices were on the first floor near the cafeteria. All of the Central Asia country offices were over in the old War Department building in a rabbit warren on the first floor. Part of them got pushed out as the Afghanistan office and the Pakistan office grew from small offices of three officers to far larger offices of 60 each.

The space for my office was divided in half, which I didn't quite realize when I got there, but quickly learned. Although I was on the number two corridor right above the library one or two floors up, the other half of my office was on the number eight corridor on the first floor on 23rd Street. I joked that my daily exercise routine was walking between the two offices and using the stairs instead of taking the elevator. I was fortunate to have a very good deputy, Melanie Bixby, a Civil Service, or GS employee. Mel was down on the first floor, and I was on the sixth floor. We would be shuttling back and forth to coordinate office management. It was bizarre. We finally arranged that we were going to take over part of the office suite that had been given to the India desk, which was right across the hall from me. We then had two offices on either side of the hall but together, which was a remarkable advance in efficiency, but if I wanted to talk to anybody in the SCA country desks, I still had to go from one end of the building to the other.

I was one of those people who believed that the best way to talk to someone is in person, being in their space. Of course, our office absorbing space from the India desk, or office, meant that the India desk was a little resentful. Because India is one of our primary partners it was an interesting phenomenon, but it worked well because they were good people. The other thing that I learned going into SCA was the importance of Civil Service or GS employees in the State Department. I was accustomed to EAP where all of the line officers were Foreign Service, although that has since changed. That is what I had seen. I got to SCA and, perhaps because it had been cobbled together and was expanding so rapidly, a large number of the line officers were Civil Service or GS, at least in Regional Affairs. That may have been true, for example, in the Public Affairs and Economic offices in EAP, but it was a new phenomenon for me, and one of the things I quickly learned was GS employees had their own culture. It was not the culture that I was used to.

I had learned overseas to deal with the three very different cultures: local employees, Foreign Service employees, and inter-agency employees. Now I was learning still another culture, that of GS employees, who brought a wide range of capabilities. When I get to INR in my next assignment, I will say more about that. They had their own series of problems, including the glass ceiling. And there is definitely a GS glass ceiling. There were occasions where I was able to get one of the people in my office assigned to a one-year Congressional detail, which oftentimes they thought of as a perk, but I looked at it as a way to get this person past the glass ceiling. Another issue was that both my deputy and I wanted to redefine my position after I moved as a GS position and to have her move up into it. The Foreign Service management of the bureau was adamantly against that, which I thought was unfortunate. I still think it was unfortunate. I didn't

succeed there. So, again so much of what you can do is affected by these bureaucratic phenomena.

I am going to discuss the substantive issues in South and Central Asia in three tranches. Tranche number one is what I am going to call regional integration, primarily in support of the Afghan War. Two is support of human rights, both in Central Asia and South Asia, and the third is support for South Asian, mostly Indian, security, concerns about nuclear weapons and nuclear arsenal, and interest in peaceful nuclear development.

I am going to start back on this issue of Central Asia and the Belt and Road Initiative. But even before the Belt and Road Initiative really showed up, which was 2012, 2013, U.S. scholars, the U.S. military, and State were all looking at how we could develop U.S. connections in Central Asia. We were fighting a war in Afghanistan. We were moving most of our materiel and people up through Pakistan up through the Khyber Pass, and on good days our relationship with Pakistan was uncertain, and on bad days it was awful, and on several occasions, it was shut down.

At that point we had a much more cooperative and less contentious relationship with Russia. They would allow us to fly over their territory into Manas, which was an airfield near Bishkek, the capital of Kyrgyzstan, which we had access to, and we were bringing in some stuff into Northern Afghanistan, and we were also trying to build road links in Afghanistan from Central Asia, and that all meant that we were increasingly attentive to needs in Central Asia. We also had U.S. petroleum companies who were operating in Uzbekistan and Turkmenistan primarily and looking to move oil and gas out of that area across the Caspian and into Europe and sell it to Greece and Turkey.

All of these Stans had been part of the Soviet Union and were still being run by people who had come up in the Soviet thugocracy. That is a term. They saw their vested interest as continuing to move oil and gas north into Moscow. Our companies were looking to move it west, so there were some economic issues that began what was being called “The New Silk Road” by Stephen Frederick Starr. He had been president of Oberlin College. He was an historian and political scientist working on Central Asia, and he was described to me as one of the fathers of the U.S. strategy for “the New Silk Road.” The idea was that we would develop a New Silk Road that would benefit the people of the Stans and the governments of the Stans. This would help us in our military efforts by using our military efforts to assist their development efforts, which would make our military presence, if not more welcome, at least less suspect. These were efforts that the U.S. government was not going to be able to finance, so we had to find other ways to move these efforts forward by attracting business, attracting World Bank funding, and attracting other people to pay for it. We would do the design and facilitation, maybe do EX-IM lending and stuff like that. Another incentive for this U.S. strategy was that we knew there were enormous natural resources in Afghanistan – aluminum, copper, stuff like that. We knew that China was interested in stuff like that, so State Department policy makers thought that maybe China would want to be part of this effort as well. It quickly became apparent that our interests were contrary both to Moscow’s and to China’s. All good ideas, but they never attracted the political support or the institutional support at the DOD

that they would have needed to take off. China had grown reluctantly accustomed to what we called the First and Second Island Chains, which we had established off their east coast. Those island chains meant that we could pretty much control what went in and what went out of Chinese ports if we chose. After 9/11 they woke up and found that we were on their western flank as well, and oh, by the way, Afghanistan does touch China.

Q: A little tiny bit.

KEEGAN: But that little, tiny bit is a reminder of how close they are. The Chinese were thinking, “Oh no. It is bad enough that the Americans are at our front door. Now they are at our back door as well.” I think that realization was part of what caused China to work on the Shanghai Cooperation Organization, which was essentially China, Russia, and the Stans. They decided that they were going to try to encourage stability and prosperity in that Stans area. China looked at it – although I am certain you cannot find documentary evidence of this – as a way to control oil and gas flows. They didn’t want us, or Western companies such as Exxon or Chevron, moving those flows across the Caspian. They didn’t have any interest in seeing them move north into Russia; they were eager to see them move east into China.

Q: Geographically, is that even possible?

KEEGAN: Yes. If you are willing to spend enough money, it is realistic. People have been travelling back and forth across these routes for millennia. You could certainly move armies back and forth. If you were going to do more than that, if you were going to build a railroad, you could look at the example of the Trans-Siberian Railroad, which really crosses much less hospitable terrain, something I believe is called the taiga, which is a much hillier terrain. So yes, it is doable. From China’s point of view, it gives them access to oil and gas that doesn’t go through the Strait of Malacca, that doesn’t go through the South China Sea, that is not subject to interdiction by the U.S. Navy. It gives them a way to influence their western neighbors and a way to win their support against Uyghur Turkic Nationalism.

They were using the Afghan war, the rise of terrorism, and what some might call terrorism, but others might call nationalism. They saw that nationalism spreading into Xinjiang, which is their far northwestern area, and influencing the Turkic people there that they wanted to make into good Chinese-speaking Chinese, preferably not Muslim. So “the New Silk Road” was a good idea. We were not able to make it work. China was, and that is going to affect a couple of different things. First is economic. We had one officer in our office doing central Asian economics, Lian von Wantoch. We could have used 20 if we really wanted to get on top of this. Lian was very good. We were trying to figure out how to lash up Afghan development with Central Asian development and with Indian development. We wanted to see if we could get the Indians involved. That drove the Pakistanis crazy because they then saw the possibility of having Indian pressure on both their southeastern flank and on their northwestern flank. They didn’t trust the Indians, and they looked at Afghanistan as a way to have strategic depth.

Lian was working both with people like Fred Starr and other academics. She tried to generate interest and tried to figure out where there might be money by working with Central Command down in Tampa. We went down there to find out what they had in mind, and they too were talking to Fred Starr. It never really amounted to much because for the American political mentality, Central Asia was just too far away. They didn't get it. Now, in twenty years they are probably going to deeply regret that they didn't get it, but they didn't get it, and the Chinese did and have.

As Lian was working her contacts on the New Silk Road possibility, the Economic Counselor at the Chinese Embassy here in Washington called her up and said, "I understand you are looking at Central Asia. I would be interested in trading ideas. Can I come and see you in your office?" Lian came to me and said, "Dave, the Economic Counselor of the PRC embassy wants to meet. I am a little nervous. Can we do the meeting in your office?" That is one of the things an office director is for, so I said, "Sure, absolutely, bring him around." He came into the Department at the C Street entrance, and she brought him up, and we sat down in my office, and he looked up at the wall and there was a framed four character saying from Mao Zedong in Chinese. He looked at that and went, "Where did you get that?" "I got it in Guangzhou when I worked there." "What do you think it says?" I recited it. "Zhengzhi guashuai (政治挂帅)," which means "Politics seizes the marshal's flag," and which is usually translated into English as "Politics takes command." In other words, politics rules over everything, particularly the military. This is something someone like our visitor would completely understand. Like all Chinese Embassy officers meeting Americans, he had a note taker with him. We, primarily he and our Economic Officer, had a good conversation,

About two or three hours later the phone rang. My secretary answered the phone. It was the Chinese Embassy. They said, "We want to confirm your boss's name." She replied, "David, middle initial J., Keegan." "No, that is not what we mean. We want to see if he has a Chinese name." She rang me and said, "This is a little bit out of my depth. Could you take this call?" I picked up the phone and heard this pleasant voice on the other side who said, "Hi, are you the David Keegan whose Chinese name is Ge Tianhao?" "Yes, that is my Chinese name." I had not given them my Chinese name when the Econ Counselor came to visit. There was part of me that was tempted to deny it, just for the bloody hell of it, but I figured that was inappropriate, so I just acknowledged it. They said, "OK. Thank you very much." Then they hung up and finished writing their report. I found it very interesting they had files that were of that specificity.

All of this began because we were looking at what else we could do to cooperate and perhaps find some common interests with the Chinese. One of the things that the Shanghai Cooperation Organization was interested in was stability and counter terrorism, so we began thinking about whether there is any common ground there. Could we do something to show them that counterterrorism doesn't mean countering the Uyghur? Cultural identity and stuff like that.

Q: Is this a real definitional problem? In other words, did the Chinese really believe this is a terrorism problem for them?

KEEGAN: OK, this is David Keegan speaking. There are three different ways to look at it. One is that they were worried about a counter terrorism problem writ large. Perspective number two would suggest that it is a counterterrorism problem tied to the Belt and Road initiative. In other words, they were concerned they needed to get this terrorist activity under control lest these people would blow up oil and gas pipelines, rail lines, and roads. Although it was morphing into a lot of other things, the Belt and Road Initiative was first and foremost an effort to establish economic and infrastructural linkages along the old Silk Road, which goes through Xinjiang, which goes from the Yellow River up to the north of Tibet through Xinjiang, and then across the south of what became the Soviet Union, what became the Stans, then towards the Caspian, Persia, and then the Mediterranean.

People will tell you it is only because of the growth of the Belt and Road Initiative that they are really concerned about this. I don't buy that. I take a third point of view. This third point of view says that China, as it has become more prosperous, as it has greater economic power, has a greater sense of its national rejuvenation, and part of that national rejuvenation is asserting the cultural and historic glory of the Chinese Empire. That means that everyone who is subject to Chinese sovereignty must be Chinese, and those who are not Chinese will be either made into Chinese or crushed. I don't care how far back you want to go. 221 BC is fine with me. We can start there. But I think that is the project. If the issue were terrorism, what you do is move in with education and economic opportunity. It is called coopting everybody.

Q: Right, exactly.

KEEGAN: You say, "Hey, here comes the Belt and Road Initiative. This involves construction jobs for every Uyghur in Xinjiang except for those Uyghurs who become engineers and teachers and doctors and lawyers. By the way, if you become a doctor or a lawyer, China will no longer pay for you to go on the Hajj. You are going to pay yourself." You know, China could have fostered this kind of anti-Wahabi Islam, the kind of Islam that is a stabilizing force in Malaysia, and has for many years been, although less so right now, in Indonesia. You know, it is what a conservative American might understand as bread-and-butter Protestantism with Islamic characteristics. You could do that, and then to anybody who is still a Uyghur nationalist, you would say, "Uyghur culture, great. Make money playing Uyghur music, just remember the capital is in Beijing. You do that, and we, the Chinese leadership, are happy." If they had done that, they would have had all the stability you could ask for without the concentration camps.

However, there is another project here, and that is what is so depressing to me. It doesn't need to be this way except they need it to be that way. From the South and Central Asia Bureau point of view, people were asking, "Can we make this work?" And as a China hand, I was thinking, "I don't want to do this unless the China Desk is happy." There was a lot of discussion among the China Desk, the East Asia Pacific Bureau, and the South-Central Asia Bureau. By that time Richard Boucher was no longer Assistant Secretary in SCA. Richard understood the issue really well. Evan Feigenbaum and other

people who were no longer there, would have handled this conundrum well had they been there. This issue was important to what we were doing. The short answer was, I shared their unease, and, although it didn't necessarily please the leadership in SCA, I had a lot of trouble pushing this very aggressively.

Q: I am sorry, pushing the Belt and Road Initiative?

KEEGAN: Pushing the idea that we would cooperate with counterterrorism with China as a way to get into the Shanghai Cooperation Organization or getting some modus vivendi with them, because when all is said and done, they were looking at the Shanghai Cooperation Organization as a counter U.S. foreign organization. That is why they were happy to have Pakistan in. That is why they were happy to have Iran as an associate member. They were looking to generate a bloc against the U.S., and they still are. That is one whole set of issues.

Another set of issues, particularly under Secretary Hillary Clinton, was women's issues and human trafficking. These became enormous issues in South and Central Asia. It was interesting because human trafficking and human rights issues in Central Asia were largely Soviet hangovers, exploitation. One of them was using forced labor to harvest cotton crops, and I believe this was most pronounced in Uzbekistan and Kazakhstan. . The Soviets had forced the area to develop into an enormous cotton agricultural base.

Q: So, forced labor is still the norm.

KEEGAN: As far as I know, forced labor was then and is now, and they were destroying their water table in order to support a crop that didn't work well, but the Soviets wanted them to do it. The Soviet era thugs who were still in charge were still moving this issue, and every spring all the schools would be closed, and all the children and teachers were ordered out to the state farms to pick cotton. That is pretty much forced labor. It is one of these fascinating examples of how a certain style, you might even call it a traditional style of agriculture, becomes at a certain point a human rights problem.

In South Asia, we focused our human rights efforts pretty much on India where we had most of our discussions, but the problem also exists in Bangladesh and Pakistan. Secretary Clinton was pushing the idea that both the U.S. and the national governments should want to stop trafficking and to assist rights for women both on human rights grounds and economic grounds because the women you're assisting are going to be building a lot of small businesses. The problem was enormously difficult in India because it had the kind of traditional society and horribly impoverished society in which families were selling off girl children in order to keep the rest of the family alive because the boy was their successor and their social safety net. That is human trafficking. You were also selling off one or more of your children to work in quarries, to work in coal mines, whatever, in order to enable at least a small fragment of your family to survive. And whole families became enslaved. This became wrapped up in the caste system, but it wasn't a caste issue. It was an economic issue, a traditional society issue, so the State Department and the SCA Bureau are doing our Trafficking in Persons Report as well as

our Human Rights Report, and we are putting these countries in tier two or tier three for the failure to reduce trafficking.

Q: And just explain what is tier two and tier three.

KEEGAN: The lowest tier, tier one, means you don't have any major problems with trafficking, and if you do have trafficking problems you are taking active and successful steps to address them. Tier three means you are outright human rights violators, and you know it, and you have no problem with it. Tier two means you have significant trafficking problems, and you are making "significant efforts to resolve them" but not doing enough to fully correct them. Then you have something called the tier two watch list. Placement on this watch list indicates that the USG judges you are trying but the problems are significant enough that you are not trying hard enough. So, you are almost doing enough to be in tier one rather than tier two, and we are warning you that we may put you in tier two in a year unless you do more to remedy this situation.

India, if it were not a place where we were looking to build a strategic partnership, would have been at least tier two without a doubt. India is a very proud place, and you can offer all sorts of explanations for that, but having put up with the British for two or three hundred years probably factors in there somewhere. They were not particularly welcoming to what they considered Western imperialist powers like the United States, whether or not we think of ourselves as an imperialist power. Here it is, the Indians think, "You are the 20th or 21st century version of the British, and we have dealt with your kind before, thank you very much." When we started talking about judging their trafficking and human rights problems, they responded, "Wait a minute. We are an independent country. You seem to have forgotten, but we are the largest democracy in the world in terms of the number of people voting. We are the largest Islamic country in the world by population. So, we have problems with your judgmental attitude."

This is the same dynamic that at a certain level fuels what Lee Kuan-yew in Singapore and Kishore Mahbubani, who was his lieutenant, called "Asian Civilization." This idea is that there is a very different proud and superior tradition, and it is a Confucian, Hindu, or another Asian cultural tradition, with a much more authoritarian, much more stable way of ordering society, and you in the West shouldn't tell us how to govern our society and how to take care of our people. By the way, Lee has been playing his resurrected Asian civilization act this week by having a dialogue on Asian civilization. All of this is to say, "I am in charge, and don't tell me anything about voting." Now, do they have a point? To a certain level they do. Are we insensitive to the traditions of other cultures? We are. Are there persistent economic challenges that make it difficult for these cultures to move forward as they would like to? Yes. Does a lot of what we are doing remind leaders there of U.S. and European imperialism? Yes. But at the same time, are leaders in these societies using these claims to avoid steps that would improve their economies and social stability in order to ensure the survival of their own rule and their autocratic system? That too is true. It is an enormously fraught situation.

In India in particular, this all led to a situation in which our human rights agenda and our concern over human trafficking clashed with our strategic objectives for India. Indian political leaders were deeply resentful of U.S. criticism for all the reasons I just ticked off, and yet the scale of poverty and the scale of trafficking made it almost impossible for us not to sanction them. This tension led to what I think turned out to be a quite constructive result. That was because we had the Embassy in New Delhi and our Consulates in Mumbai writing back to Washington and saying, “You can’t sanction India. This will make it impossible to accomplish any of our objectives including improving human rights and anti-trafficking objectives.”

To crack this conundrum my office brought together a number of different players. We got the India Desk on the phone. We got the Trafficking in Persons Office on the phone, we got one or more of our offices in India on the phone, and we got on the phone. We said, “OK, we have a problem. How do we solve this? How do we construct a way in which we use this not to beat up on India but to partner with those in India who want to solve this problem?” We found ways to send experts out to help them. We found ways to publicize the problem and also to publicize the work they were doing to solve the problem. We found ways to get money to the right places where we could actually have an impact.

We didn’t avoid reporting the ugly realities. We said, “The India government has an incredibly difficult situation. Here is what they are doing about it. We want to help.” We put a positive cast on the tier two watch list. I think it was a very smart way to go forward. We did some of the same stuff with Central Asia in agriculture, although I would argue less successfully.

I want to stay in India and the issue of Indian security. I talked about it during my time in New Zealand when we were involved in getting India to have access to peaceful nuclear power by getting approval from the Nuclear Suppliers Group because to be part of the Nuclear Suppliers Group and have access to technology and fuel, you were supposed to be a member in good standing of the Non-Proliferation Treaty. India, like Pakistan, had refused to sign it. They said, “This is an imperialist club.” China refused to sign it for a very long time, and yet we thought that, if we could get India to have access to nuclear fuel, nuclear power, and peaceful nuclear technology, it would do a couple of different things. One, it would begin to develop a sense of strategic common purpose with the U.S. even though India made it quite clear they didn’t want to be an ally and didn’t want to be considered an ally. They were an independent non aligned country, but this would be a way to have a shared purpose. We could talk about things.

Second, it would have an enormous impact on pollution in India, and having gone running in New Delhi, let me tell you the air is thick. I wouldn’t want to do that on a regular basis. OK, so India has environmental issues absolutely. If we weren’t going to help these countries, then somebody else was going to do it. I don’t know about you, but I wouldn’t want to live anywhere near a Russian nuclear power plant or a Chinese nuclear power plant. For the good of my retirement investments, I would like it to be an

American company. If it is not going to be an American company, could it be a French company?

Q: Yeah, they had managed their own nuclear industry relatively well.

KEEGAN: Yeah, and U.S. companies, needless to say, were eager to see us succeed with all of that. Congress was eager to see us do it in accordance with the Atomic Energy Act. Section 123 of the Atomic Energy Act stipulates the conditions under which the U.S. or a U.S. company can have a working agreement on peaceful nuclear cooperation with another country. All of that happened by the time I got to the South and Central Asia Bureau, but what it meant was that we were then involved in the process of the details of India wanting to negotiate certain kinds of reprocessing agreements. They wanted to negotiate access in order to limit our access to their nuclear weapons program. We were interested in making sure their nuclear weapons program was safe.

Having a secure nuclear weapons program is not an easy thing and we have some practice at it, and we were interested in sharing lessons we had learned with both India and Pakistan. And again, because we wanted to provide for more stable, secure nuclear weapons on both sides, both sides were suspicious. That was one set of issues that we spent hours dealing with, hours and hours on the phone with the Department of Energy, with suppliers, and with our nuclear negotiators. This brings me back to Civil Service employees. We had a Civil Service officer in our office, Jason McClellan, who had been part of the 123 negotiations, and because of him I know a lot less about nuclear energy today than I might otherwise, because all I had to do was go into his office and say, "What does this mean?" After a few minutes, I would say, "Now I understand what it means, now what do we do?" and he would have the answer. If he had not been there, if he had not been so very capable, I likely would have had to master this all myself. He was the one I made sure got a fellowship to go up to the Hill as a Congressional Fellow. I know that as of two years ago he was still with the U.S. government, because I was honored to be interviewed for the renewal of his security clearance.

From our point of view, there were all these dynamics in play. From India's point of view, they were looking at a Pakistani threat. They had an Afghan threat. They had the Pakistani Taliban, who were different from the Afghan Taliban, and who were linked with the Inter-Services Intelligence (ISI), the intelligence arm of the Pakistani military, which was more or less in bed with the Taliban against India. That was India's secondary problem. Their primary problem was to the northeast where they face China across what I believe is called the McMahon Line. It was drawn by the British and for the moment the Indians accept it, and the Chinese consider this to be an imperialist hangover legacy. India was looking for help in defending itself against China. They were looking at an alternative to Russian armaments. Regardless of what you read, the quality of Russian military equipment is suspect. I would not want my sons in a Russian nuclear submarine.

In addition to having the buildup of forces on both sides, China and India have fought two wars along that line. As we were going through this in 2009-2011, the Chinese were beginning to build what they call "a string of pearls" through the Indian Ocean, which is

a series of commercial ports, container ports, that the Chinese build on concessional terms, but which also give them an entry into possible places for China's People's Liberation Army Navy (PLAN) to have access. Although I have never gotten anyone to admit this, the Chinese approach strikes me as an interesting analogy to something the U.S. Military started something like 20 years ago called "places, not bases." These were places we would have access to, including ports for repairs, for military rest and relaxation (R&R), maybe minimal facilities where we could keep spare parts but where we would not build a base.

China was building this string of pearls through the Indian Ocean, this chain of ports, for a variety of reasons. One was to facilitate and secure their exports and imports, their imports of oil and gas, their exports of manufactured products, which go to the Indian Ocean, to and the Persian Gulf, the Mediterranean, and Europe. Building the PLA Navy capability is a common-sense thing to do. They also, in addition to that, wanted to build what they call a blue water expeditionary navy, a navy that does not need to go in and out of its own ports on a regular basis. You can have, I don't know if we do, but you could quite reasonably have a U.S. Navy ship that for 30 years never made port in the United States. It made port in Australia, made port in Japan, made port in Italy, and it may have spent weeks or months, up to a year, at sea. We can move people on and off the ship, we can do all sorts of things, but it really is a blue water navy.

China's navy was at first what they call a brown water navy. In other words, it stays in sight of land. Then it became a green water navy, which is just a little farther out. The PLA navy wanted to become more than that, which makes sense. Another thing they wanted to do was to participate in the international anti-piracy operations on the west end of the Indian Ocean, so they participated in operations that far away, but also so they could watch the U.S. navy, the British navy, the French navy and say, "Huh? How did you guys do that?" But it makes sense that they would want a string of pearls.

And of course, the third reason is to put some military pressure on India because they are building this string of pearls in Burma, Sri Lanka, Bangladesh, Pakistan, Iran, every place along the Indian Ocean except for India. It warned India that it could be caught in a pincer between the north and the south. And, by the way, that might also give support to countries along India's periphery, which really didn't trust those big Indian satraps. The Indians can be a trifle pushy and overbearing, and if the Chinese could intensify resentment, then they would be quite happy to do it.

We would have been happy to build a more formal arrangement with India, but they did not want to do that, and we accepted that. We wanted the relationships to be personal and institutional. We wanted interoperability, and we wanted to begin developing a shared strategic future. In other words, "Let's sit down and talk about what the world looks like to you and where you see threats, where you see opportunity, and we will do the same, and it won't be an alliance, but we will understand how each other thinks and we will be able to help each other if we need to do that."

The other part of that, of course, is military sales. It is important to U.S. business. It is also important to the U.S. military because then they can say to another military, “Oh you are flying a C-130 or you are flying a T-17, you are flying a C-5A. We know what you can do with that plane. By the way, we’ve trained your mechanics. We’ve trained your pilots. Your pilots know the best bars outside of Luke Air Force Base in Arizona.” It is a valuable connection to have. When our pilots, or our mechanics, or our crews go to an Indian Air Force base, there is somebody who says, “You were the guy who showed me that bar outside of Luke Air Force Base. Let me show you my favorite curry joint.” Some sales went very smoothly, such as for large transport aircraft. Others stumbled over difficulties about the systems we would release, about how much we would allow them to produce in country, over black box issues, and that was particularly sensitive, and over price of course. The other thing that happened was we wanted to work with them to develop a common strategic picture.

Q: Right.

KEEGAN: And the way we thought of doing this was to have our strategic thinkers sit down with their strategic thinkers, and I remember there was a meeting in New Delhi where we were going to do this. We discovered there was a problem. in the U.S., between Defense Department, the Office of the Secretary of Defense, the Joint Chiefs of Staff, the State Department Political-Military Bureau, and the regional bureaus, we have a lot of people who have spent a lifetime thinking about strategic issues in a variety of ways, and we are perfectly prepared to sit down, and think these through, and talk about them Some of them would be civilians, like Andrew Marshall, who ran the Office of Net Assessments at the Defense department for so many years. Others would be military officers, who have spent half their lives flying F-15s or commanding F-15 squadrons and another part of their life doing strategy so they can blend the two.

What we discovered was the Indian government had almost none of this. The Ministry of Defense in India was essentially where the different Indian military services lived, but the army, the air force, and the navy were completely separate, and they didn’t cooperate, so joint operations by army, navy, air force, battle operations, much less combined operations by those three and the military of another country were stuff they were only just beginning to think about. There was very little leeway, and very little capability for strategic dialogue, and I think the Indian government was very suspicious, and the military services were very suspicious about empowering civilians to talk about things that they thought were under their purview. Let’s stop there.

WASHINGTON, BUREAU INTELLIGENCE AND RESEARCH, OFFICE OF STRATEGIC, PROLIFERATION, AND MILITARY ISSUES

Interview, June 18, 2019

KEEGAN: Last time we talked about my assignment to the Bureau of South and Central Asia which was roughly 2009-2011. I think we wrapped that up pretty much. At the end of that assignment, I was interested in staying in DC. Just to be blunt about it, I knew I was near completion of my tenure as OC and was not sure I was going to get promoted. As it turned out I did not. I bid on a job as director of the East Asia Pacific office in the Bureau of Intelligence and Research (INR). I figured INR was something different, and again to put it bluntly, I knew a little about East Asia Pacific. I bid on that, and I was told I was a leading candidate. Then they came to me and said, on the other hand, for personnel reasons we need to move a Civil Service (GS) person from the Deputy in that office to the Director in that office. Would I be willing to consider taking over the leadership of the office they call Strategic, Proliferation, and Military Issues (INR/SPM)? It is the office that handles strategic nuclear issues, nonproliferation issues and conventional military. I had some experience in these issues based on a number of assignments with political-military issues, but I was a little nervous about it. I agreed to the job. It turned out to be one of the most enjoyable jobs I had in the Foreign Service. It was just fascinating.

This is going to be a short interview. I am not willing to say a whole lot about what we did in the office. Having said that, let me just mention that I sat down with John Dinger, the Principal Deputy Assistant Secretary, when I was coming on board. He had considerable East Asia familiarity, and one of the things he said during our conversation stuck with me, and in fact I have shared it with every class that I have ever taught at FSI. I always find an excuse to work this one in. He said, "You know Dave, when the Secretary is getting her information, getting her background on something" – I think this number is right, but it could be slightly off – "eighty-five percent of what she gets is from open-source material." That means unclassified materials like newspapers, think tank reports, and public statements of various kinds. "Maybe another ten percent is classified material. That means all of this work we are putting in produces five percent of what she reads. It is an important five percent but realize that it is five percent. Don't exaggerate the consequences. Don't expect the secretary to hang on your every word unless it matters." On the one hand, it is limited in scope; on the other hand, it is crucial on certain issues.

One of the things that intrigued me about INR is that I had not served in INR before. I had not been an INR analyst. I had met with and dealt with a number of INR analysts, as well as a number of CIA analysts both here and overseas, and what always struck me is that I was the antithesis of an analyst. To be a really good intelligence analyst, you have to operate in an environment in which you are trying to explain as simply and as clearly as you can what someone else is doing and why, what someone else is thinking, And why they are thinking that way as best you can figure it out. And you have to do that without reference to U.S. policy. In other words, you can't say I think the right policy goes in this direction, so let me figure out if the facts support that. You have to say, "Assume I know nothing about U.S. policy preferences. What are the facts in front of me that a policymaker starting with a blank sheet needs to know?"

The second thing you have to do, and it is part of the first, is you have to operate in what I am going to call a recommendation-free zone. You have to be very careful that when you finish, your reader has a much better understanding of the subject you are talking about, whether it is conventional armaments in a particular country, weapons acquisition by a particular country, or a particular nonproliferation issue, but your reader should not perceive in your information and analysis a recommendation.

And the third thing they have to provide is a clear assessment of how reliable each piece of information is, what we call the grade of confidence. “You know, we think there is a 70% likelihood that this is true. We think there is a 40% likelihood that the following is true. We have high confidence, or medium high confidence.” But you have to be candid about it. OK, why do I only have medium high confidence? It is because we don’t know this particular dimension. What would it take to improve your confidence level? I would have to find out this particular fact. We would have to find out. Then, the question becomes how much time, effort, and resources are we willing to spend to get that additional degree of confidence? In certain situations, that additional confidence becomes critically important, and we may be willing to devote national resources to it. That is something INR always brings to the table. When they are doing it right, they are very honest about their degree of certainty or uncertainty.

INR is also a place where officers are required to be apart from the policy process. That is why INR is not embedded in any of the bureaus. It is not embedded in any of the regional bureaus or any of the functional bureaus. As a result, their information is not colored by the policy requirements levied on those bureaus. Sometimes that gets INR in a very contentious environment. Somebody in a policy office doesn’t like the information, and some of them go, “Oh shit, are you sure?” Those are the kind of customers as an INR officer that you like. “Look I am this sure for this reason.” “Well, have you looked at this?” “Yes, I have looked at this, and this is what I found.” Those kinds of conversations are what INR analysts live for. Getting a phone call at 4:00 in the afternoon saying, “I have got a problem. Can you tell me about x, y, or z?” That is when office directors leave INR at 8:00 pm with the lights still on and analysts still working. You know, like so many State Department employees, these are people who have a remarkable degree of dedication.

I think working in INR, even more than working in the South and Central Asia Bureau, reminded me of how very valuable the Civil Service side of the State Department is. The bulk of these people in INR are in that vast Civil Service track, and they take great pride in what they are doing. There are also some Foreign Service Officers who come in. I think that is great, and some military officers also come in. The GS employees stay on the account, the issue or topic they are dealing with for years and develop a real depth of expertise. I am thinking of one who knew an issue that I cared about. Every time I came back to that issue, if it was five years later, that was one of the people I turned to. In fact, there were two of them, always very helpful, always very knowledgeable, and you always had a sense that when you walked into that person’s room that they had just finished briefing themselves up to talk to you even if you know that couldn’t possibly be the case.

A sidebar. One of the things that really struck me as remarkable about these people in their writing, but even more in their oral briefings, is the care that they took about knowing what a particular person they were talking to or group of people they were talking to were cleared for, what level of classification. Were they cleared for intelligence materials? I was always flabbergasted. or to use the British New Zealand phrase, gobsmacked. They would be talking to someone and ask, “Are you cleared for this kind of information? Or at what level can I have this conversation?” They invariably briefed right up to the limit of that and never crossed it. I feel that I can barely remember where I found out some information, much less what the classification of it was, and they have a remarkable discipline and a remarkable degree of clarity that they bring to it.

Q: A process question. Were you actually responsible for briefing top level State Department people, or did you more often prepare products that the 7th floor would read?

KEEGAN: Our office did more work preparing products. There were several occasions where we would prepare a product for a 7th floor principal and then either present it to that person and give them an oral synopsis, or we would send it to that person and then a day or two later offer to come up and discuss it. Sometimes we would just be sitting down, and a 7th floor principal or staffer would say, “Can you come up and talk to me about it?” But that wasn’t the usual way. I tried to the extent that I could not be the briefer because I felt that, although I might outrank the people in my office, I couldn’t out expertise the people in my office. I would sometimes go with them and interject, “Wait a minute. You need to add this bit of context.” More often I just wanted to find out what this principal was interested in so we could adjust the work of the office accordingly, but my feeling always was that the people who did the work and put in the hard yards should get the face time. So, I was adamant about that.

I did make a point of writing some analysis myself. Not much but some, just so I understood the process. And I would come in occasionally to do the very early morning task of carrying around the briefing books, just so I understood that process, and just so everyone understood I was willing to come in at those hours or stay as late as it took to prepare some of that material. I had a very capable office, and the only place where I would trump them or preempt them on substantive issues was on East Asia issues, particularly China. We got into a series, every once in a while, when we would get into a fairly intense discussion of that. People would say, “I don’t understand why the Chinese would think that way.” I would respond, “I have some background on this,” or “Do you think the Chinese would do X, Y, or Z?” I would respond, “There is some history to that one. Let’s look at it.”

Q: One more process question. Given your position, were you also kept busy by inter agency meetings?

KEEGAN: That is a very important question. INR, I think, has more interagency action than any other bureau in the State Department. One of the interesting things about it is that non-intelligence agencies of the U.S. government – USTR, Commerce, Energy, and Defense – are all readily accessible. They are a taxi ride away or a Metro ride away, and

in many cases a walk away. In a couple of jobs, I walked to USTR on a routine basis. All the intel community officers are out in the boonies. I ended up learning, being taught, the process for getting a self-drive Department car because it made no sense to have someone drive me to the end of beyond and sit for two to four hours.

Most of the interagency work that INR does is colored by two things. One, INR is a very small operation in terms of the intelligence community. You have 20, 30, 40, people in, let's say the CIA, doing the same issue segment that we have one person doing, and maybe our officer is doing that segment and another segment. As a result, the clearance process at times can be overwhelming because, on the one hand, they can send you almost endless reams of material, and two, some of them in our judgment could be seriously and dangerously askew. We had to calculate how much time to spend, and forgive me guys over at the CIA, being the janitors of the IC (the intelligence community). The lesson that I think they learned long before I got there was that it is incredibly important to do. Those differences of judgment are real, and it is crucial to identify those differences by having someone insert in a written product, "the intelligence community assesses X, Y, and Z, except for State. State concludes A, B, or C," or "State assesses A, B, or C because of D, E, and F." That part of the interagency process can be very contentious but very important.

Q: In essence, at least in some products, you were allowed a minority report if you disagreed with what the majority says.

KEEGAN: In theory you are always allowed that. The challenge is that brevity is always valued. Clarity is also valued, so sometimes it becomes a question of how far up the chain you are willing to go on a given report on a given issue to get something inserted into a final report. One of the advantages that INR brings relative to some of the other intel agencies is we do have people who have been on a given account for a long time, and we struggle sometimes to keep them on account and get them the promotions that they deserve for their seniority and expertise. We have people who have been on account who can marshal that wisdom, that expertise, that series of pieces of information to back up their concern and do it quickly.

The other quality that I think is striking about INR relative to others in the intelligence community is, one, INR analysts have much more frequent casual informal interaction with policy makers than do people in other agencies. Our analysts go in and brief an Undersecretary, an Assistant Secretary. They will on occasion brief the Deputy Secretary or the Secretary. They will then have questions thrown back at them. "Well, I am concerned about this." As a result, when a group of analysts in the interagency intelligence community are talking about a policy matter, the person from INR can explain why senior officials care about this. I think it gives INR a sophistication that others lack.

The second thing that I was struck with in INR was the independence we give our analysts. I don't think I ever had the INR front office override something that one of my analysts wanted to say or thought was important to say. Occasionally they would come

back and say, “If so and so thinks this, I need a little bit more background on this.” But if it was 8:00 pm at night and something needed to go, it went. And I would be perfectly happy to stay and help out, but if they got called in at 2:00 in the morning, and something was due at 3:00 in the morning, they would use their best judgment and if there were a shoot-out, then the INR front office and I would back them up.

Q: In general your analyses would not address, let’s say, questions of resourcing. If one of your options was particularly costly or minimally costly, you wouldn’t put that in because that would be a decision for policymakers.

KEEGAN: We would never include an option for U.S. action. Just stop. Never do it. Now we could say, “We could answer this question better if we knew X. The limit on our confidence is we don’t know fill-in-the-blank.” That is as far as we could go. The other thing about my job was that I am not an analyst. I bring a lot of knowledge on certain topics but not on others. My job as I saw it, aside from management, direction, morale, all those sorts of things that leadership does, was in trying to make sure that the analysts had the benefit of someone who understood what a policymaker wanted and who could share that by reading their product early or talking to them early. I could say to the analysts in my office, “I am looking at this from the lens of your intended audience. I need to know this. I don’t need to know that.”

I remember one case in particular. We had one particular analyst; I don’t think I am giving too much away to say he was from a military agency. I would say we had some very good military analysts. He was one of the good ones. He put together a fairly long analysis on a particular issue which was very interesting, and I just had to go to him and say, “You know, nobody is going to read it.” The person who this analysis is intended for has an inbox that is four inches high. They are going to read two paragraphs, maybe three. If you are really lucky, they may turn the page, but I wouldn’t bet on it.” I remember at one point this person, and like all of our analysts he was working hard, looked at me in frustration and said, “You want me to dumb it down.” I said, “No, I don’t want you to dumb it down at all. Remember that the person who is reading this, had they the time, might know more about this issue than you do. This reader is certainly very smart, very capable. They are not dumb. What you need to do is focus. You need to sharpen, so that you are telling them exactly what they need to know. You don’t need to give them the explanation of how you got there. Now, if they read this and they say, ‘This really matters, it is precise, but I need more background,’ they will call you. You will go in there, or you will write something for them, but you have got three paragraphs. OK? So, figure it out, and I will help you.” And I did.

Occasionally I would rewrite and figure out stuff. But the technical stuff that our analysts love is not necessarily the stuff that our customers, our policymakers need to know. There was always a tension there. My other job was as a convener. Within the office, there were different segments of the office that were overlapping and had different points of view. A fighter for resources, a fighter for personnel, and an interagency advocate. But that is really about as much as I am comfortable saying about that.

Q: There is one other question about INR as an office. There had been when I was in the Foreign Service a general stereotype that Foreign Service Officers who go and work in INR are basically taking the year off from promotion potential, that it was a backwater. How did you find INR, and did you need to do anything to eliminate that stereotype?

KEEGAN: I think within the personnel process there is that point of view. I think it is unfortunate, but it is real. It may have affected me because I was being evaluated, and my last evaluation was working in INR. Having said that, I did everything I could to persuade people in the regional bureaus and people looking at jobs about the importance of what INR was doing and about the career skills that you would learn and the methodological skills that you would learn, and the understanding it would bring to an officer in the course of their career. When you are overseas you are writing for policymakers as a Foreign Service Officer, but what you write is also being used by intelligence analysts. How do you make that as useful as possible for them so they can help you? I think it is unfortunate that INR has the backwater image, but it is a real one. I think there are some weaknesses in our personnel process, and that is one of them.

Q: When you talk about writing products, are your products also read by other agencies?

KEEGAN: Constantly. They are constantly read by other agencies. They are read by the NSC in the White House obviously. But we always kept front and center, and I always kept front and center that we were writing first and foremost for the Secretary and the Secretary's leadership team. If it did not advance their work, then we had pretty much wasted our time. On any given issue, there are 40-60 people working on any given issue over at Langley and another 30-40 over in the Defense Intelligence Agency at Joint Base Bolling. We have some remarkable expertise in other technical agencies. I would say that getting to know these other agencies was another benefit of my time in INR. If you go out to a place like the National Geospatial Agency, like the Air Force intelligence center out at Wright-Patterson Air Force base out in Ohio, you will be stunned at the commitment, the determination, the intelligence of these people, and the value of what they bring to the U.S. government policy process.

I remember being in one particular office and looking at an image that told me next to nothing. This analyst who was briefing us said "Oh yes, this tells you next to nothing. Do you see that? That is what that is. Do you see that other thing? We have watched this kind of situation about 50 times, and every time this shows up near here, it means that this particular thing is going to happen." I said, "50 times?" And he said, "How long do you want to stay here? I can pull them up for you. I can show them to you. I can lay them out side by side if that is what it takes to persuade you, I am here." And you realize how incredibly fortunate we are to have people with that intelligence, yes that patriotism, that they are willing to expend that degree of effort and commitment. I think sometimes as Foreign Service Officers we lose track of that. As it turned out, out of INR I retired. I had a very nice celebration of that with friends and then into retirement, which has been a great experience. I recommend it.

FINAL REFLECTIONS

Q: Before we talk about any of your retirement activities, looking back then over your career, are there recommendations you would make to the Department to make it more efficient and more effective in how it carries out its job?

KEEGAN: Oh boy. I meant this to be a brief discussion. I think the first thing I would say is that we need to realize what incredibly high caliber people continue to want to do this work. We are getting and continue to get the very best of the very best. It is hard to overstate how fortunate we are. We are getting them from outside government; we are getting them from within government. A large number of the people I knew in the Foreign Service and that I had known in INR had served in other agencies and looked at the Foreign Service or looked at the Civil Service Officers in places like INR and thought, "That is what I want to do." We were very fortunate to have them. That would be my first recommendation.

My second recommendation is that we need to stop under resourcing our diplomatic efforts. We under resource them in a number of ways. We don't have enough people; we don't give them enough resources. Look at travel budgets just as one egregious example. We need to give our people more training. We need to give them at least as much training as the military gives their people. Although we do better in languages than any other agency of the U.S. government, we don't do nearly as well as our foreign competitors, our counterparts. How many of us are as confident in a foreign language as are the representatives of Asian or European nations here in Washington?

Part of that is language training and part of that is because if you talk to many of these diplomats from other countries, they are on their third or fourth assignment in the United States. Then they are sent to do graduate study in the United States. Then they are brought back here for one, or two or three more assignments interwoven with assignments back at their capital or someplace else, so their degree of understanding, of deep familiarity with the United States, is something that we can rarely if ever match. I would say that is something we need to do a lot better at. I think my comment would be that everyone in their career to the extent possible should have deep familiarity in one geographic area as well as secondary familiarity in a second area and at least some international organization experience. That last element could be through being in a capital where that is important. To all of those I would add, to the extent you can, having a functional experience. I, for a variety of reasons, did a lot of military work in my career. So, I increasingly understood how our military colleagues work, what their objectives and limits were, and how we could work together better. Whether you are doing that with military work, or you are doing commercial and trade work with USTR, or refugees and migration. Whatever it is, I think it is always a good situation in a post overseas, or even in our office here in Washington, to find out when you are suddenly grappling with an issue, someone stands up and says, "Well when I worked in the migration office this is usually what we did at this point." Or, at least as important, "I know who knows the answer to that, and she is a friend of mine. Let me send her an email and see what she says."

Q: And in terms of training and retention since you were a DCM, are there particular things you would recommend?

KEEGAN: IN terms of retention, I think we need to identify people who are doing valuable things and give them step increases, give them promotions in a way that we don't. I think we need to spend more. We are not paying our skilled personnel enough either to hold onto them or to hold onto them with good morale. The other thing I would say is the line from Gilbert and Sullivan's H.M.S.Pinafore, "Never? Well, hardly ever." Hardly ever should we send someone to a place that is new to them without area studies and without language.

That applies to the people who are going to be doing what we call our policy jobs, but the people in management also need to understand the societies they are dealing with and need to be able to interact effectively. Yes, they will have skilled bilingual local employees, but they need to have language themselves. Finally, on that score, we need to open language training and area studies to adult family members, for two reasons. One, when you are overseas, everybody associated with the Embassy has an American flag tattooed on their forehead flashing in neon. To the extent that they understand the society, understand the culture, and understand U.S. perspectives on that culture, we are better off. That is true for the wife of the DCM and the husband of the political counselor. It is true as well for the OMS in the management section and his wife.

With all of those people, if you give them area studies and you give them language, your mission succeeds better. Morale lives and breathes on families. The difference between an office director in Washington and a DCM overseas is that the office director works with the people in the office from 8:00 am to 8:00 pm. It is not nine to five; it is eight to eight really. A DCM runs a small town overseas 24/7, and if there is a four-year-old who has a crisis, that mission has a crisis. And if there is a spouse or a technical or clerical employee who feels unable to get out and enjoy the place they are in or learn about the place they are in, everyone suffers.

You know this is not like working for Microsoft. It is not like working here in Washington for the Department of Commerce. It is a whole different ball game. It is not like working in the military, where you move in tribes. When you move as part of a military unit, you move as part of a group. That is your environment. When you move to the United States, you move onto or near a base where there are people like you, where there are families like you, and your tribe provides a certain environment. That is not true for diplomatic missions overseas. Many are not large enough and for the people who are there, there is no commissary. There is no post exchange or PX. You have to go into local shops. What happens when you go overseas, and you suddenly realize you have to buy razor blades? You don't know where they sell razor blades because Rite Aid is not comparable to a pharmacy in another culture, and even if you do figure that out, what is the word for razor blades?

Q: Do you want to address the question of whether the department is organized properly for 21st century diplomacy? I realize that is a big topic. Is there anything you would want to say about that?

KEEGAN: I am going to make a couple of off-the-cuff remarks and that is what they are. First of all, for us in the State Department and the Foreign Service to succeed in our mission, we have to realize that we are not the totality of U.S. foreign relations. Overseas we are the convener of our diplomatic effort, to use that term that I used in another context, but we are not all of our foreign relations. We can only succeed if we are really integrated with all of those other parts of the U.S. government that are involved in those relations. Whether it is people who are specialists in IT, or whether it is people who are specialists in disease issues regarding animals or plants, especially sanitary and phytosanitary issues. At one point when I was Deputy Director of AIT Taipei I actually knew a good deal about that out of pure necessity. It is called mad cow disease.

We really do need to be integrated with all of the other elements in U.S. foreign relations in a way we are not integrated. We understand that we are not integrated. We understand that we ought to be integrated, but we are not, and we should not look and say, "It should be like the good old days when the State Department ran everything." No, it shouldn't. I think that to the extent we realize that U.S. foreign relations is the whole of society, not just the whole of government, the more likely it is that we should succeed. Every time I was someplace that had an American school or a school our children attended, I was always eager to be part of their community. I was always eager to interact with people who were doing things very different from the Embassy – U.S. companies, U.S. NGOs, U.S. missionaries, all of those sorts of people – for two reasons. One, they knew things we didn't know. They had access to points of influence in the government society that we didn't. Two, they knew things we didn't know, and couldn't, and shouldn't. To the extent that you could sit and share thoughts around a table or around a bar or on the sideline of your children's soccer game, that is the way we will succeed, and we have to very consciously work at that. That is why, again, a DCM is in a certain way an ambassador. You are not an office director. You are not a bureau Assistant Secretary. You are not even the mayor of your organization. You are a leader of that American community.

In New Zealand, every time the New Zealand American Society, which was a New Zealand organization, asked me to show up, I was there. I had one occasion where I was running my second marathon ever, a story I told earlier. I had run my first four weeks earlier. It was a crazy story, but they were going to have their July 4 dinner, and I figured I would be able to run a 4 ½ hour marathon, have an hour and a half to take a shower and make it to their July 4 event. And I made it. Because that is what we ought to do, and that is how we ought to operate. Once they said, "We would like to have a big event, and we don't have a place for it." I said, "You are asking me if I can offer you my residence?" They said, "Well we were thinking of it." This is not hard. This should be very easy.

I think those are things we need to do, and I think we need to be even more flexible internally. I think we need to take advantage of the Civil Service and Foreign Service we have. We should be much more flexible in terms of having Civil Service do assignments

overseas and in giving Foreign Service Officers the chance to spend extended periods back here when family or personal circumstances make that beneficial. If we do that, we will keep more talented people and enable them to broaden out in ways that are to our benefit. Finally, we need to provide more training. What do our people need to know and how do we get it for them? Whether it is technical training, whether it is understanding IT, or whether it is understanding commerce through a degree at a university, not occasionally but routinely. We should really even get to the point where we have a large enough and well enough funded organization that it is almost expected that every second or third assignment will be training. Long term training. I took Chinese language here at FSI and overseas three times. I came in with a 2-2. One period of training was extended; two were shorter periods. I think part of the reason I was so effective in my last assignment in Taiwan was I could tell a joke in Chinese, and I could make sure that people wouldn't laugh at what I said because it came out wrong. That last part is equally valuable. Again, we attract the best and the brightest. We need to do everything imaginable to continue to do that.

Q: All right. I think unless you have any other parting thoughts, we will end the interview.

KEEGAN: Good.

Q: On behalf of ADST thank you for conducting this, and we will provide you with a transcript for review in due course.

KEEGAN: Thank you, Mark.

End of interview

POSTSCRIPT

Thank you to Mark Tauber, who conducted these interviews. He was a remarkable and thoughtful interlocutor. Thank you also to my wife and editor, Sally Lindfors. Her work spared me from many unnecessary obscurities and unforced errors. Errors, inevitably, remain, and I am responsible for them. If you spot any errors, please contact ADST at info@adst.org, or me at David.djk.keegan@gmail.com, with your corrections. – Dave Keegan