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

CONSTANCE PHLIPOT

Interviewed by: Mark Tauber
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INTERVIEW

Q: Where were you born and where did you grow up?

PHLIPOT: I was born in Cleveland, Ohio on the West side and mostly spent my preschool years in Parma, a Cleveland suburb. My father was an air traffic controller, working at the regional center adjacent to Cleveland Hopkins Airport. Just before I entered first grade, the regional center was relocated to Oberlin, Ohio (about 40 miles southwest of Cleveland). Subsequently, my family moved to the nearby rural area outside of Grafton, Ohio to shorten my father's daily commute. I spent the rest of my childhood there and went to Bowling Green State University near Toledo, Ohio

Q: While you were growing up, were there major events in your life you remember now that you look back on that sort of prepared you or set your mind in the direction of international service or public service? In other words, how did you become excited

about this?

PHLIPOT: It was not any major event, but a certain element of my background that steered me towards things international, and that was principally that my maternal grandparents, with whom I was very close, were born in what I later learned is Belarus. They referred to their home country as Russia, and the language they spoke as Russian, though in fact, it was closer to Belarusian. My mother spoke the language as a child, but had forgotten much of it in adulthood, especially after my grandfather passed away in 1975. (My father didn't know Russian — he was part French), My grandmother taught me a few words of "Russian/Belarusian" and I picked up a little more listening to my mother and grandparents, but I didn't have the opportunity to study it until college. Initially, I was interested more in literature and history, and was contemplating an academic career. Overtime, I became more interested in international relations as I studied economics and politics. However, I knew nothing about the Foreign Service in college and do not recall ever seeing any recruitment materials.

At the end of my senior year, I did a foreign policy semester at American University in Washington, DC. The program included a small internship — once a week, I believe — which I did at an organization (I don't remember its name) that was trying to actually promote or commercialize inventions from the Soviet Union and the Warsaw Pact. After that I did an internship in the State Department. It was actually what I wanted to do at the beginning (instead of the other internship) but there wasn't time to get a security clearance. It was in the Office for Combatting Terrorism, which was only a small, not well known, office at that time. Although it was a bit of a backwater, it did give me the opportunity to get to know Foreign Service Officers and learn about the Foreign Service. I liked what I saw and decided to take the Foreign Service exam.

Q: Let me just go back a moment, you mentioned that part of your heritage is from Russia, part from France as well?

PHLIPOT: France and Holland. I know nothing about the Dutch part (my father's mother), and just a little bit about his father's family. However, my father served briefly in World War II in French speaking Africa, which I found interesting.

Q: Ok, what I wanted to do is get a little more understanding of your grandparents' immigration history, in other words, when did your family arrive in the U.S.?

PHLIPOT: Sure. My grandfather and my grandmother came as young people, my grandmother was only three years old in 1912. She came with her mother; her father was already here in the United States, but only briefly. My grandfather, who was from a neighboring village.

Q: And this is still all in what is now Belarus?

PHLIPOT: Yes. My grandfather was about 17 when he immigrated; he came on his own to work. He first worked in the logging industry in Michigan and after World War I

ended up in the coal mines. I don't know whether my great grandfather initially worked in the coal mine, but that is certainly what the family on that side ended up doing. As far as I can tell, my grandparents' families knew each other somehow. It was about eight kilometers between their villages. It was an arranged marriage. My grandmother was really a child when she married, 13 or 14, and my grandfather was nearly 30.

Q: And they married here in the U.S.?

PHLIPOT: Yes. Most of the time they lived in Triadelphia, which is a suburb of Wheeling, in the direction of Pittsburgh, although I think they moved around West Virginia. as mines closed and opened. But by the time I was born, my grandfather had retired and was working in a florist shop or something like that and lived outside of Wheeling, West Virginia in the close-in suburb of Elm Grove. But the important thing to me is that they moved next door to my family in this little Grafton, Ohio area when I was about 12. I spent a lot of time with them, a lot more time than most Americans spend with their grandparents and I really admired my grandfather. He was gentle, hardworking, he never spoke English very well, but he tried, and was just a very solid figure and that certainly was a big influence.

Q: Did you learn any Russian language or any other language from them during that time?

PHLIPOT: Just a little bit. I could count. My grandmother would sing me lullabies and I would memorize them, but my mother only spoke Russian with my grandparents, especially if she didn't want me to understand what she was saying. I would say I was used to hearing the language, but I had to learn that when I went off to college.

Q: And similarly, in high school or in any education that you did before college, any other international exposure?

PHLIPOT: Some, very little. I studied French. I started when I was pretty young to collect china dolls in dress of the different countries. The first one I got was Dutch, and they are particularly cute with little hats and things and then a Russian one later on, very stereotypical of what people looked like, but I think that hobby reflected my interest in the other places, other kinds of people.

Q: We always ask people who have grown up in the pre-internet age, about the influences of books. Were there any books or other sort of written things that had a big impact on you? You'd be surprised sometimes how people in the Foreign Service sometimes end up reading very similar kinds of novels or very similar kinds of subjects and we sometimes see similarities or commonalities among them.

PHLIPOT: I really loved Russian fairy tale books and I had some with beautiful illustrations. When I got a little bit older I just read everything. Then in high school I started reading Russian literature although I didn't understand it very well I read Dostoyevsky and War and Peace and all of that, and then of course I read them again

when I was older and understood them better.

Q: In college or at a time in life when you could see more deeply into them. Ok, well let's go on to college and that I imagine was a much more formative experience for what would come?

PHLIPOT: As I said I started studying Russian right away. It was not a particularly strong program at Bowling Green and I thought about transferring to some other school, Indiana University or Ohio State, but I didn't.

Q: And what year was this when you started college?

PHLIPOT: 1973.

Q: So, still in the height of the Cold War and so on?

PHLIPOT: And as far as the job outlook for people with Russian studies background, I think that was kind of at a low point. It was hard to think of how to make a career out of this. I knew I wasn't interested in being an interpreter or anything like that. I was more interested in the broader field. As I took economics and international relations that got me more interested in Soviet studies in general. I got fairly deeply in history. That was one nice thing about being at a school where there are not a lot of other students doing international studies, you sometimes get the attention of a professor with a similar interest. I took one Russian history class that was really just a tutorial because there was nothing else being offered. The professor and I read and discussed some aspect of Russian history. I think we might have even read a little bit in Russian.

Q: And then also in the four years you were in college, where there other extra-curricular activities or other activities that had an impact on you?

PHLIPOT: Not really. But the key event is studying in the Soviet Union on the Council on International Education Exchange (CIEE) program, the summer between my junior and senior yea

Q: That's pretty big for somebody who had never been out of the U.S. before, talk a little about that.

PHLIPOT: First of all, I don't really know how I found out about it, probably one of my professors mentioned that this was a possibility. The really amazing thing is that my mother let me do it, because I was an only child and she was pretty protective. She just grit her teeth and let me go ahead and do it. It was an extraordinary experience. We were in Leningrad, as it was called then, and we stayed in a dormitory, slightly nicer because it was for the foreign students, but still pretty grim by American standards. We had about a half of day of studies in Leningrad State University and very good teachers.

Q: What was the student body like?

PHLIPOT: They were from all over the United States, but we were put in groups under a lead university near our home. I was in the Michigan State group. The students were of different levels of language ability. I was probably one of the youngest; many were already in graduate school. Some were very serious, some were not. Some had connections in Russia; they had gotten the names and contact information of young Russians from previous American students. Other students were a little bit clueless — like me.

Q: Now what about other nationalities, other internationals?

PHLIPOT: Our classes were only with students in this CIEE program. We were not with any others. The only other foreigners that I met were a group of African students in the dormitory who were finishing their studies as we arrived. I remember talking to one of them in the cooking room and she asked me if I was a Communist, I said, "No," and she replied, emphatically, if I recall correctly, "Neither are we."

Q: Do you remember where they were from?

PHLIPOT: No.

Q: While you're in Leningrad, you're studying with other American students, is the instruction in Russian?

PHLIPOT: Yes. It was totally a language course and we were grouped by abilities and I felt that I really wasn't really well prepared for it. A number of others in my small group were the same, but as I said the teachers were very patient with us. And it was of course marvelous to then go out and try to use it in the street and Russians were, particularly at that time, quite willing to talk to you. One thing is they didn't care if you made mistakes with the language, but they assumed we spoke Russian. I think maybe because it being such a vast country, and they didn't have much experience with foreigners, they figured everybody spoke Russian — some people speak it well and some don't. I remember that not being an issue and people would start talking to you if they thought you were lost on the street or on the subway. The Russians seemed quite curious about foreigners. They would take the opportunity to ask you questions and to test what they had heard about the United States.

Q: And they always would recognize you as a foreigner or until you started speaking?

PHLIPOT: Usually they would recognize, in particularly if we were in a group they could easily tell that you are a foreigner. Would they know we were American? It seemed they figured it out or at least that we were Westerners because our dress was much different from theirs.

Q: So, did you feel while you were there the sense that there was surveillance or any of notions that people in the U.S. had about Russia or the Soviet Union?

PHLIPOT: We didn't. From what we heard, we happened to be there at a particularly good time. The authorities pretty much left us alone. We had restrictions on how far you could travel from the center of the city. The second day I was in Leningrad I went with one of our classmates to deliver a book to someone. We got on a little "elektrichka" the commuter train, and I'm sure that we went beyond our travel limit. We were a little nervous but nothing happened to us.

Q: What else struck you about Leningrad at the time outside of the school?

PHLIPOT: One thing, beautiful city, particularly architecturally. And when the weather was good and the sun was shining it's just an absolutely stunning city, even as run down as it was then. It was great and I just loved to walk. I just walked and walked in that city.

Q: The famous expression, "It's a city of widows." Did you still have that sense of the recollection of World War II and people still talking about that?

PHLIPOT: You did in the official rhetoric, for instance, as I said we would study for half the day and then in the afternoon we were sometimes on our own and sometimes we were on excursions. Many of these excursions were to restored imperial palaces, where we always heard that fascists had destroyed it and the Soviets rebuilt it. That was the official rhetoric. World War II was like yesterday and "we" (the Soviet Union) triumphed over it. The unofficial Russians that we talked to were mainly kids who were not so interested in the past.

Q: Did you get out of the city to see the countryside or smaller cities or other sites?

PHLIPOT: Yes. We had a couple overnight excursions, one to Novgorod, which was one of the oldest cities, and of course that was fantastic and beautiful. Another was a little longer trip to Tallinn, the capital of Estonia. Even though I knew little about the Baltics, I was struck by how different Tallinn was from Leningrad, even during Soviet times. Little things like they took some care in preparing your breakfast and also what the guide said to us. There was some kind of innuendo, of being different, being proud of being Estonian, not being Russian, not really belonging in the Soviet Union.

Q: So, did you get the sense then that they were looking forward to a time when they would no longer be under.

PHLIPOT: Yes. They clung to that through the whole period of Soviet occupation.

Q: And the last question about this period when you were in Leningrad, was there a lot of knowledge whether correct or incorrect about the outside world, or to what extent was there?

PHLIPOT: They probably knew more about America than Americans know about Russians. At least there were many people that said they heard the things from the

government in their paper, and they wanted to find out if those things were correct or not. That's the only thing that strikes me about that.

Q: So let's go back to college then, you had this fantastic experience and it, I imagine then, began to direct you a bit more to the study of this region and then how did college end for you? Just a little more detail about that.

PHLIPOT: That was between my junior and senior year and then I went back and I don't know what I did in that fall semester, we were on a trimester then, and it was the next winter to spring that I did the American University semester and then over the summer I interned at the State Department. I did something that some universities won't let you do — spend most of the senior year outside of my home institution. When I finished up the State Department internship, I decided that I was going to try and get a job in Washington. I rented an apartment in Washington, DC with a girlfriend from Bowling Green, went back to Ohio to graduate and then returned to Washington.

Q: Ok, so right after graduation you go back to Washington. Were you thinking about additional education then or maybe just going to work?

PHLIPOT: I had various options. I didn't apply for graduate school right away. I looked for a job for a few months and got one at George Washington University, at their Science Policy department. They had a contract with the NSF (National Science Foundation) to help support some of the science and technology exchanges with the Soviet Union. My main job was working with several other colleagues to write a short book for American scientists about the Soviet scientific system. There was this idea that the scientists were rather naive and thought that Soviets do science the way we do — it is all open and free. Researching the book was like a graduate course for me in the Soviet system and I concentrated on the applied technology and my closest colleague, who was Hungarian, worked on the academic side, on the basic science.

Q: Now when you say applied technology, what would be an example of that that you recall?

PHLIPOT: It could be anything, manufacturing processes, manufacturing, including some of the crazy inventions that I heard about when I did the internship while at American University.

Q: Did you get a sense when you were in the Soviet Union about innovation? Because basically there's an element here about how does the U.S. innovate, how do the Russians innovate, did you get a sense of that while you were there?

PHLIPOT: No, I was a chiefly a language student. I was still worrying too much about motion verbs.

Q: So where did this lead you?

PHLIPOT: I thought this is kind of interesting stuff, so I'll apply to graduate school in the Science Policy department. I did that and got through one year. I had a multi-track approach. I started working at George Washington somewhere in late fall of 1977 and took the Foreign Service exam in October of that year. It was only offered once a year, and the process was really slow. I didn't know for quite a little while if I passed the written exam. And then I waited to be scheduled for the oral exam, and then I was accepted but had to wait for the security clearance, so in all it was almost two years before I was able to enter the Foreign Service.

Q: And having been in Russia…

PHLIPOT: Yes, sure, I had a security clearance for the internship, but it had to be redone. So I was in graduate school, wondering what I'm going to do with that degree, and then somewhere in that time, I think it was after I finished one year of graduate school, in August, that I received two letters at the same time, one that I was on the list (to be accepted into the Foreign Service) and one inviting me to join the next Foreign Service class.

Q: Which graduate school did you go to?

PHLIPOT: George Washington.

Q: And was it specifically in Russian studies?

PHLIPOT: No, in Science Policy.

Q: While taking science policy, did you have some involvement in Russian studies?

PHLIPOT: I took some Russian history or political science and in a course on energy I wrote a paper on the impact of the Jackson Vanik and the Stevenson Amendment on energy cooperation between the U.S. and the Soviet Union. By that point I was really interested in that kind of stuff and for my economic requirement — science policy is an inter-disciplinary degree — I took the economics of non-market economies.

Q: At that time, now we're talking 1977 or 1978?

PHLIPOT: Well, I started in 1978 because I took a year off between undergraduate and graduate school.

Q: Did it begin looking better for having expertise in Russian?

PHLIPOT: Not really, it was a struggle to find a job. I had a good way of looking for a job. I was doing informational interviews before people started talking about that. I contacted every government agency that had cooperative programs with the Soviet Union. I talked to the responsible officials and made little notes on index cards. Eventually, someone I had spoken with at the National Science Foundation heard about

the job at George Washington and that's how I got the job. In the course of it, I did learn a lot about what we were doing with the Soviets but nobody was hiring at that time. Detente was pretty much over by then.

Q: Carter was now in the White House and there had been an effort I think, at least during the early years of the Carter administration, with Brzezinski, to have a better working relationship is what I recall.

PHLIPOT: Yes, and that is probably why the science and technical exchanges I worked on were strong at that time.

Q: So, you complete your graduate work?

PHLIPOT: I didn't complete it. After I finished a full year, and I had a little less than a year to go, I got the invitation to join the Foreign Service. In retrospect I realize I could have delayed entry into the foreign service and finished the degree, but I was afraid to delay, because I was told that there are no guarantees. I kept my enrollment in graduate school open for a while because I thought I might be able to go back to university, but as a staff assistant (my first job) there was no way I could study and work long hours.

Q: So, you enter the Foreign Service in 1978 or 1979?

PHLIPOT: 1979

Q: There was A100 in 1979. How was that experience for you? Because this is now A100 quite a long time ago. A100 has gone through several evolutions. How did it affect you? What did you think of it at the time?

PHLIPOT: It was a lot of fun. We felt a lot of it was just a holding pattern while they figured out where they wanted to send us. It was a big class. I think we were about 50. It was the last class of the fiscal year. And not many women in it, probably less than a quarter.

Q: And the women who were in it were single or were they married? Did they have a spouse?

PHLIPOT: I remember one mid-level entry who was married to a Foreign Service officer. At that time, the Foreign Service was accepting a few people at mid-career and placing them in A100. And I recall one entry level who was married to someone who had been in the Foreign Service for a few years already.

Q: So, you'd say that maybe 10 or 15 percent were women of the class?

PHLIPOT: Yes. The class had a good atmosphere. We got along well. It's really a blur whether I learned anything. It seemed to be just more of a kind of an assimilation. I found that what I really liked was that this was the largest group of people that I felt like I had

something in common with and that was enjoyable.

Q: Did they have an offsite?

PHLIPOT: Yes. It was at Harper's Ferry.

Q: Sure, ok. That has been a constant of A100. Alright, so in A100 did you receive your first assignment?

PHLIPOT: This is a complicated issue. I should fill in a little history first. When, I was in graduate school and finished with the science exchange project at George Washington, I was working part-time in an organization engaged in a totally different field, called Wider Opportunities for Women, that focused on training inner city women in non-traditional activities, such as car repair. But a smaller program helped women new to the area to find jobs. It was a non-governmental organization (NGO), that received governmental funding for job training. Somebody who volunteered there or who was a friend of somebody that worked there, had just joined the Foreign Service. She was a bit older than I was — her husband had already been in the Foreign Service for several years. Coincidentally, I kept running into her throughout my career. She was the kind of person who liked to help you and give you sound advice. Her mantra was take a pro-active approach to your career. She suggested I talk to my career advisor before I actually joined the Foreign Service. So, I did. That person was Rusty Hughes. He just passed away a week ago or two weeks ago.

Q: It's not one that I recall. But someone who was working in the junior officer personnel office for what is now the human resources office. And they allowed you to speak with him even before. That's interesting. By the time I entered in 1984 that was no longer a possibility.

PHLIPOT: So, I told Rusty I really want to go to the Soviet Union and he said, "Well you know, there is this possibility," -- you see, this was the time when we were getting ready to open Kiev as a consulate.

Q: What year was that?

PHLIPOT: That was 1979, but they planned to open Kiev in 1980 or later. And somehow they weren't sending people to Kiev who hadn't already served in the Soviet Union. The Soviet office planned to send a junior press officer from Moscow to Kiev and would need somebody to fill in for that person in Embassy Moscow. It wasn't on the bid list or anything like that, because the details had not been worked out. USIS (United States Information Service) was a separate agency at that time, which meant that if I were to be assigned I would have to be detailed to USIS. Rusty said he's working on it. I talked to one of the office directors on the Soviet desk and he said, "they're working on it." When the list of available positions comes out (in A100), there's no Moscow on here. I was advised to "Just wait." A100 ends and I'm still waiting, so I sat on the Soviet desk for a little bit, first in the office of multilateral affairs, but there was nothing that a person just

out of A100 could possibly do. So, then I went to the bilateral affairs office to answer human rights letters. The long and short of it is that Soviets invaded Afghanistan.

Q: 1979, of course.

PHLIPOT: And one of the jobs I had to do was arranging the personal people mover at Dulles Airport for the Soviet Ambassador because he was going back to Moscow. Later I realized he was probably going back because they were invading Afghanistan. Anyway, so that happened and I think the woman who was going to go down to Kiev got pregnant and USIS and State Department personnel did not like this deal being worked out without them and so the assignment totally fell apart. I was asked, actually told, that I was going to be a staff assistant. I was very disappointed because of course, you join the Foreign Service so you can go overseas right? I mean, they could have sent me anywhere. If I didn't go to Moscow, I would have been happy to go anywhere. But not the 7th floor of the State Department.

Q: So, I understand all of that fell apart and so you end up as a staff officer in one of the under secretary's office?

PHLIPOT: Yes, one of the under secretary's office. It's still called "T" as it was then, but now it's the Office of the Under Secretary for Arms Control and Security Affairs. At that time its profile was a little different because the Arms Control and Disarmament Agency (ACDA) still existed. When ACDA was dismantled, T subsumed some of its functions. We oversaw OES (Bureau of Oceans and International Environmental and Scientific Affairs) and PM (Political Military) before PM was split-up.

PHLIPOT: For the most part it was not a very interesting assignment because the work of a staff assistant is pretty mundane. The exception was the non-proliferation portfolio. I did get to go to some of the interagency meetings where the evidence of various countries' nuclear weapons activities were discussed. And there was a really lovely perk that probably didn't happen very much, particularly for a brand new junior officer. That was a training program on non-proliferation. We spent a few days at DOE (Department of Energy) and then went to Los Alamos to see the nuclear lab. It was quite interesting and personally useful to get such an in depth understanding of nuclear physics.

Q: Now also in this time, late 1970s, women in the Foreign Service were beginning to become more aware of the need for better recognition and better treatment. Because I recall this is around the time when the class-action suit was getting itself together. As you recall that area, did you feel you were suffering from that sort of old aspects of the Foreign Service?

PHLIPOT: In retrospect yes, but at the time I'm not sure. It was also a little bit hard to sort out whether I was ignored because was a female or because I had only been in the Foreign Service a couple months and was only 23 years old. But I do remember the class-action suit, and I remember being shocked to learn that until 1974 female officers had to leave the service when they got married. But I was not aware of women getting together

and talking about these things. I think there weren't quite enough of us. We were concentrating on getting ahead within that system.

Q: Now the other thing at the beginning of your career, did you have mentors or anyone else you felt you could go to for career advice or the typical kinds of things. Did you sense that others did though?

PHLIPOT: No. I never heard the word mentor. The closest thing was this woman that I mentioned who had given me good advice, but she was assigned overseas during these years. She was also just a step ahead of me. At least at that point, you needed an office director or something at that level as a mentor and there just really weren't any women. There were a couple high placed women like Rozanne Ridgway, who was Counselor of the Department at that time, but I didn't really know her until years later.

Q: So, you're staff assistant for about a year?

PHLIPOT: Yes, about a year and a couple months.

Q: Which would get you to 1980.

PHLIPOT: Right, 1981 actually because we were done with A100 in November of 1979. Actually, we finished A100 the day before the hostages were taken. And there were several people in my class who were assigned to Tehran and were slated to study Farsi.

Q: What happened?

PHLIPOT: They were reassigned. In 1981 I was assigned to a junior officer rotational position in Rome and went into Italian language training sometime in the spring. It was short, about four months. And then consular training. It was a neat consular training at that time. We were in groups of four and much of our training was in the form of role playing.

Q: So, it was a junior officer rotational program, consular, and…

PHLIPOT: This happened to be science.

Q: When you entered, did you enter in one of the cones, or was this one of the periods that…

PHLIPOT: Yes, we entered in cones and I was economic.

Q: So, you entered as an economic officer.

PHLIPOT: I should say that at that time I think there was a sub-cone of science and I had some interest in that because of doing this non-proliferation work and also doing the graduate year in science policy. And I did this rotation in Rome in the science section but

I never was confident it was a good idea for it to be a sole concentration. I think I was right because the sub-cone eventually disappeared.

Q: So, you take your Italian, it gets you to Rome also in 1981?

PHLIPOT: Yes.

Q: How was consular work in Rome in 1981? What were the big issues back then?

PHLIPOT: Well, I was a whole year in visas. And the big issue in the visa section were Iranians.

Q: Yes, that's what I thought.

PHLIPOT: Rome was one of the closest places for Iranians to seek visas. We also had the program of humanitarian parole. It didn't take up a whole lot of time, but it was certainly one of the more interesting things going on. Giving Italians visas was not very interesting at all because we were confident they would all return to Italy, even when we suspected they were going to work in their uncle's restaurant. The visa refusal rate for Italians was very low. The difficult cases were third country nationals. The strangest cases seemed to happen on Friday. You would have somebody from some very far flung area seeking their visa in Rome, because as they say, "All roads do lead to Rome." Nigerians, Ghanaians, New Zealand youth seeing the world, Indians, even the occasional Laotian to end the work week. I recall two cases that were in a way harbingers of what would happen later in Europe: An Albanian- American was trying to get a visa for his Kosovar fiancée, claiming that she was being persecuted in Yugoslavia. At that time I doubt I had ever heard of Kosovo. Another one was a Lithuanian priest who presented a Lithuanian passport — I had never seen one of those either. (This is ten years before the re-establishment of Lithuanian independence.) Often the highlight of the week was the visit of a movie star or famous director who needed a visa waver due to some indiscretion in his/her youth, or being a communist party member. I had a nice conversation once with Isabella Rossellini's nephew.

Q: So, it was exclusively in visas. No American citizen services were…

PHLIPOT: Yes, maybe I would substitute upstairs in the American Citizens Services section occasionally, but the only time I really did citizen services was as duty officer. And that could be very intense because of the huge number of American tourists and at that time we did a lot for people if they lost their passport — you might actually issue a new passport on the spot or at least you issued them a travel letter. Luckily, since Rome was such a big embassy, we didn't have to be a duty officer all that often. I remember once as a duty officer having a hard time eating dinner, because every time I would get the fork up to my mouth the phone would ring.

Q: So, then you go into the science office and what were the major issues for science in Rome for you at that time?

PHLIPOT: This was probably one of those things that made me think that this was not a good career path, because the role of the State Department in science cooperation is rather minimal. Scientists go and do things on their own, particularly between friendly countries. There were some kind of bilateral science and technology agreements that governed those exchanges, but they didn't require much action on the part of the Embassy. What I mainly remember doing is demarching the Foreign Ministry about placing endangered animals on the Red List. There were non-proliferation issues, but my boss, who had been with the Arms Control and Disarmament Agency handled those.

Q: But what else in Rome? This is two years in Rome? I mean were there other interesting side experiences that you recall from those two years?

PHLIPOT: Yes. A lot of travelling and since I didn't have a car I travelled by bus and by train, so it was always an adventure. I also did a temporary duty (TDY) on Malta for about a month. Embassy Malta had a rapid turnover with some personnel gaps the summer of 1982, so they requested help from Rome. So, I got to go. And, of course, it ended up they didn't really need the extra help very much. But I got to see quite a different culture at that time. Malta was politically isolated.

Q: Very friendly with the Qadhafi regime.

PHLIPOT: And internally very politicized. I remember the political officer telling me that they had to have two Fourth of July parties, one for the government and one for the opposition because they wouldn't come to the same one.

Q: That gets us to 1983 and your next assignment.

PHLIPOT: Right. Ok, so I went back to Washington to do the economics course. At that time the course was six months.

Q: What did you think of the course at that time? Again, it has also changed and evolved.

PHLIPOT: I thought it was very good. It was quite focused. It seemed to me it concentrated pretty well on what we needed. The instructors were good. I liked that they taught us just enough econometrics to understand what economists were writing about, without burdening us. It was followed, however, by the mid-level course. After the intellectual stimulus of the economic course, the mid-level course was a real let-down. I think the mid-level course was offered only one more time after that. Our class had been already made it pretty clear that we thought the course was a waste of time.

Q: That had become famous. Even back then. Even in 1983 because I entered a few years later and even then it was still not a popular course. But I think over time it has gotten better. It took a while.

PHLIPOT: In the later iterations it was shortened considerably and at different stages in

your career you have to take various short courses. That makes more sense.

Q: Absolutely. And I think also the evaluations they are getting now on these leadership training, are much better, that they are much more focused and useful for the particular skills that you need. But the interesting thing that I'm already hearing in your first one or two assignments is that you are very aware of what is interesting to you, but also what makes for a good career. In those early years from 1980 to 1983, how were you thinking about the rest of your career? Or were you still a relatively junior officer thinking, "Well, let me just get from place to place," or "Let me just get as far as tenure and then I'll think further?"

PHLIPOT: I was not totally convinced then that I would stay in the Foreign Service, as I think many officers are after just a couple of tours. The jobs had not been as stimulating as I thought. Until I married a Foreign Service officer, I still had doubts whether I could make it work. So, I was taking it one step at a time. I was also still hoping to get to Russia. It was hard to break into that circle. And so, after doing this mid-level course I took a job in the economic bureau that had a commercial focus with the idea that maybe I could pick up skills that would useful outside of the Foreign Service.

Q: And at this point the Foreign Commercial Service had already gone over to Commerce?

PHLIPOT: Right. One of this office's responsibilities was to oversee the commercial functions that were done by Foreign Service Officers in places where you didn't have a Foreign Commercial Service. This office was eliminated at some point, but then re-established with a different focus years later. Again, it was not a great job either, but one of the nice things about it was that I got a trip to Southeast Asia to visit several countries in my portfolio. I was in Burma, Bangladesh, Sri Lanka, and Nepal.

Q: So how long were you in the EB bureau?

PHLIPOT: Two years.

Q: So, one staff assignment, one overseas assignment, you're approaching tenure at this point?

PHLIPOT: Yes. I got tenure just as I was starting economic training.

Q: So that issue is off your mind and you are now looking ahead at your career from about five years in. What's attracting you? What are you looking for?

PHLIPOT: I don't know. I wanted to go overseas and somehow a job in Finland popped up. It was a two-person economics section and I was the economic and science and technology officer.

Q: Excellent, so it was right up your alley.

PHLIPOT: And I studied a year of Finnish. Ten months of Finnish for that. By that time I had met the person who became my husband. We actually met in consular training in 1981. We became a steady couple in 1984 or 1985.

Q: This is when you are back in Washington in the economics bureau?

PHLIPOT: Yes, about when I was in the economics bureau. He was up in New York at USUN (United States Mission to the United Nations). But we weren't close enough to getting married at that point to manage our assignments together. But anyway, and we'll come to this later, it ended up being very good that I went to Finland. So, I went off to Finland in 1987. In 1983 and 1984 I was in the training. In 1984 and 1986 in EB, and 1986- 1987 in Finnish training and then off to Finland.

Q: How was Finnish training? It's famous as one of the most difficult languages.

PHLIPOT: It was hard, but I rather enjoyed it. And it was one-on-one the whole time. At first, there was another student. I forgot what happened to her, her job was cut or something like that. There were a couple of teachers. I rather enjoyed it because it is a complicated language. I don't know many non-Finns who ever speak it really well, but after only a year of it, but I could read pretty well and I could get by. So, it was a pleasant time. And I really like Finns a lot. They were good teachers if you went into it with a positive feeling toward Finland. And it was great. This was like my turning point assignment. As I said, I had some ambivalence about the Foreign Service. I loved this job. It was busy but not crazy. It was a small embassy. And Finns are great to work with. It's easy to make a connection with them. It was easy to call even higher-ranking people to request a meeting or just ask questions. It was quite good.

Q: And you are right on the border with the Soviet Union.

PHLIPOT: Right, getting closer. So, after I was there a year my husband and I got married. Somewhere around the time I was going to Finland he managed to get a job in Leningrad. The Danilov scandal had occurred the previous year, which resulted in several officers being thrown out of Embassy Moscow. A political officer from Leningrad was re-assigned to Moscow to fill one of the gaps, creating an unexpected opening in the consulate in Leningrad. A friend of my husband was offered the job first, but he refused because he had just spent several years in Poland was tired of non-fraternization posts. And he knew that Doug, my husband, had a girlfriend (me) across the border. Everything worked out really well. He studied Russian and went to Leningrad in '88.

Q: In 1988 you are still in Finland but you are coming to the end of your assignment?

PHLIPOT: No, it is just after a year.

Q: So, you managed in going from Helsinki to Leningrad after you got married. You're still geographically separated because you are in two assignments?

PHLIPOT: Right. I was able to get a multiple entry visa so I had no trouble with travelling into Leningrad. Now, the visa indicated where you can enter the country, which is only in a couple of places. 1988 starts to be a very, very interesting time in the Soviet Union, in particularly in the northern group of countries. The Baltic republics are in Leningrad's consular district, so even though we didn't recognize incorporation, for carrying out practical consular functions and covering political developments it had to belong to something. Everybody in the consulate would cover the Baltics when they could and didn't have much trouble with travelling. You had to ask permission but it seemed to work pretty well in those years. But for our security reasons you were not allowed to travel alone on overnight trains and the trip from Leningrad to all the Baltic capitals was overnight. And so many weekends I would go by whatever means to Leningrad (usually plane) and then Doug and I would take the overnight train. Over two years I went maybe six times to the Baltic republics. I could take some time off from work and my bosses didn't seem to mind. They realized that events in the Baltics were more interesting than what was going on in Finland.

Q: And also, people may have begun reading the tea leaves a bit. Here we are 1988 or 1989 and maybe things are changing, maybe there will be more opportunities to have freer transportation and so on between the Soviet Union and the West. Or am I reading too much into that?

PHLIPOT: No, there was a lot of interest in what was going on there, in particularly in Finland. Whether there was more back and forth travel, yes. The Baltics had really realized that this was an opportunity that they may be able to take to get their independence. They started out slowly, testing the waters, raising the national flag from time to time, having some demonstrations, forming some political parties. When I would go with Doug I would talk to the Balts about their economic plans. I might not even have realized at the time, but reading back on the history later on, I understand that not many people were talking about actual independence, they were talking about a certain degree of sovereignty. As I said, it was kind of taking it step by step. The Baltics are quite legalistic people, so they would use the laws that they had. Frequently in the Soviet Union the law as written would theoretically give you quite a bit of flexibility. It was a really, very fabulous exciting time.

Q: Give us a flavor of what they were thinking about, how realistic they were in their economic plans at this time? Did they really understand what might happen if there were more of an opening or more autonomy?

PHLIPOT: No. They didn't understand. An example is they had this idea, this was the case in other places not just in the Baltics, that since there are a lot of banks in capitalist countries, it must be important to have a lot of banks. They didn't understand the real functions of banks, nor the financial requirements, regulations and safeguards that must be put into place. That created a lot of problems, some of which linger to this day, banks as Ponzi schemes, money laundering, pocket banks that only serve the needs of one enterprise. But perhaps, in some way it's good that they didn't realize how hard the

economic transition would be. Everybody thought it would be a lot easier. Just open up the economy, get rid of Soviet restrictions and it will all settle in place. They plowed forward not expecting the turmoil, people losing jobs, people losing their savings, the chaos that it would create.

The Baltics, when they faced these problems later on, kept on going and working hard, and all three of them, despite problems that they have, are successes. It could be some PhD thesis or something, why these three countries, were successful and others not. One of the reasons has to do with a sense of a national identity. Also, not having been part of the Soviet Union for the whole period, there were people who had memories of being an independent, capitalist, somewhat democratic country between the wars. At this time people were thinking that there's an opportunity and we will use it and see how far we can get with it. And the U.S. didn't expect that. Then my next assignment, which couldn't have been farther away, was Burma. I didn't believe that this was all going to happen so quickly. I thought, oh a dream, someday I will maybe serve in Latvia, who would know that it would be a couple of years after that.

Q: Precisely, precisely. Alright, so this period of your husband being in Leningrad and you in Helsinki, this ends in what year?

PHLIPOT: 1990

Q: So, in other words, you do see the beginnings of the end from the illumination or the end of the Berlin wall and the internal activities that happened inside the Soviet Union that eventually led to its collapse. I mean you're at least observing it from both Finland and to a limited extent as you go in to the Baltics and so on. What was the thinking in this early period from 1988, 1989, 1990 that you saw, that you experienced?

PHLIPOT: The thinking in those countries?

Q: Also in Leningrad, in other words, when you are talking to your husband about it, were people beginning to say, "Oh yes, this is really the end and things are going to be changing very radically." I guess what impressions you had at that time.

PHLIPOT: I certainly had the impression things are changing very radically, but I don't think we thought it was that close to the end, or that it would be the end. I was beginning to think that countries like the Baltics would maybe at some point be independent countries, but not necessarily that the whole thing is going to splinter or that you would have a sense of revolution. Maybe more of an evolution. As is usually the case when you are in the field, you don't think that in Washington that they understand this. I did a week of TDY in Leningrad to explore economic developments because the consulate didn't have an economic officer. I talked to a lot of different Russians about the economic situation. I also took a trip to the city of Vyborg on the border with Finland. Talking to these independent minded economists for the first time and really hearing the depth of the economic problems, it was clear that the Soviet system, even such simple functions as getting foodstuffs to market, had collapsed. We were hearing of train cars full of milk or

other perishable goods sitting on the side tracks and not getting to the stores and markets. It wasn't in the press or known about in Washington. It was near the end of my tour and for the first time I had an inkling that maybe this whole thing is just going to fall apart.

Q: Alright, we are at 2:30 now and it sounds like this might be a good time to break because you are about to go to a completely different scene, a completely different situation and if you would like to continue for a little while longer and do Burma we can, or if you would like we can break here and continue at the next session.

PHLIPOT: I can tell you a couple more stories from the Soviet Union while we're still there. Not about Finland, but when traveling. In May of 1989 Doug's parents and his brother come to visit and we want to take them on a trip. We decided to go to Georgia. Now, in April of that year they had had a demonstration, they called it a massacre, quite a few people were killed and some people were in jail. We didn't think we would get permission to travel, but we did. The embassy didn't, but we were coming from the consulate, I guess the Soviets just saw this as, which it was, a family trip. And unbeknownst to us, it was the day of Georgian independence from 1918 and the first time that they were able to celebrate it. And I don't know if you know, Georgians don't celebrate things quietly, so everybody was out on the street in the main square or in their cars with the flags out the windows, and the whole place was just so alive. All the speeches in Georgian. We started to talk to some people next to us, in Russian, and asked if they could tell us what was going and they did. They then adopted us for the weekend. They took us out to dinner and they organized some outing to the ancient capital that was nearby, such a quintessential Georgian experience.

Q: Famous Georgian hospitality.

PHLIPOT: But we also took the opportunity to do a little political investigation there. Doug had run into a Leningrad opposition leader who happened to be on the plane on our way down. That actually is how we first heard that there was indeed going to be this celebration. The politicians said to us, "Well, you should call up Gamsakhurdia," the dissident who was under house arrest. Gamsakhurida's father had been a famous poet, so the home was a "house museum" as the Russians call it and lovely, lovely surroundings. So, we talked to him a while and I don't remember what he said, except that it was a little crazy, and xenophobic, and anti-Muslim. That was quite something. Gamsakhurdia who then became quite famous.

Q: When you spoke to him, did he talk about, "Our day is coming. It's not long now." Did even he, a dissident, who might have been in touch with the groundswell of change?

PHLIPOT : I don't remember. I have to go back and look through the cables to find that out.

Q: So, at this moment, Tbilisi was still functioning because after the breakup of course, things in Tbilisi get much worse at least for a while.

PHLIPOT: Partly due to this guy's fault. No, Tbilisi was quite a place. A thing that struck us was how different it was from the rest of Russia. There were these sort of dry laws, anti-alcohol policies in the Soviet Union. But in Georgia you could buy alcohol anytime, anywhere. I learned later from some other people that had served in Moscow, how the Georgians would just completely flaunt laws. You know, create enterprises that only existed on paper in order to collect the inputs, but there was no enterprise to produce the products. It is kind of amazing that in the U.S. we always had the idea that the Soviets had a grip on everything and in fact they did not.

Q: Was it your impression that this could happen more easily the further away you got from the center? In other words, who really cares so much about the peripheries, there is only three or four million Georgians anyways, it's not a big deal.

PHLIPOT: Well, and also that's part of it, but it's also that some of this is advantageous to people in Moscow. There always were Georgians in the Soviet establishment, after all Stalin was a Georgian, but there are other lesser known, but important figures. And in the 19th century it was the most loyal of the Republics.

Q: And, of course, Georgians had the very lively grey market, black market because they were also going into Turkey and back and on and on. There were lots of things, it was quite a little entrepot as I recall in the pre-breakup. But this is just my recollection, that's why I was asking you if you had that impression as well.

PHLIPOT: Yes, definitely. It was a contrast because another big trip we took in the following year was to central Asia and that was also very different from Moscow or Leningrad and from Georgia. They, too, had bustling markets where you could buy so much more than elsewhere, but unlike Georgia, not much interest in politics.

Q: And once again, when you travelled to central Asia, you didn't have the sense that they were thinking about independence, or that they were even imagining what was going to happen. So, you have all these minorities and all these peripheral countries, but there were also plenty of Russians who lived in those cities or lived in those smaller countries, was there any sense that they had the sense that in not so long a time we are going to be a minority in a free country. Was there beginning to be a feeling of concern on their part that you noticed?

PHLIPOT: No, not yet. I don't know that it's not there but that it wasn't something we were concentrating on.

Q: Because subsequently this becomes a very big issue.

PHLIPOT: I just thought of another minorities issue. I became fascinated with Soviet Karelia, when I was in Finland. My husband would bring me the Finnish language newspaper from Karelia. There's a whole history about the language used in Karelia. The Karelian language itself is a little bit different from Finnish, but when Karelia was a full-fledged Soviet republic, the second, official, language was Finnish. Something that is not

too much known is that people emigrated from Karelia when it was part of Finland to the United States and Canada to regions where there were a lot of Finns. In the 1930s some of them left the U.S. and Canada for the Soviet Union. At first the Finns had leading positions in the local governments and good jobs, but Stalin later repressed them like other nationalities and exiled to Siberia or even killed. But at this time in the late 1980s, in the Glasnost era, people started looking into their history and some Karelians discovered that they could claim American citizenship. Some of these were the children of exilees who had been able to return to Karelia. The Soviet Finnish language newspaper started to print names of people who had left for the U.S. and/or come back. I saved these papers for some unspecified future purpose. One woman who had a claim on citizenship that I think Doug interviewed in the consular section has written two books on the story of these Karelians. I think she ended up staying in Russia. They were called Red Finns due to their Communist leanings. Maybe you know the founder of the Communist party in the United States, Gus Hall was actually a Finn.

Q: No, I didn't know that. And, of course, in Karelia there was never a sense that you picked up in all of the commotion and the collapse of the Soviet Union that Karelia would ever go back to Finland.

PHLIPOT: No, but there was a little bit of an independence or cultural sovereignty movement of Finns and Finnish people in that area. We went to some gathering that they had, not in Karelia, but in Leningrad oblast which is outside of the city. Another time when I visited Petrozavodsk, the capital of Soviet Karelia, with Doug we talked to people who had Finnish backgrounds. Some were learning Finnish. Their interest in their background seemed to be more cultural than political.

Q: It's February 5th, we're continuing with Constance Phlipot. Returning for a moment to her tour in Finland before we go on to Burma.

PHLIPOT: One very interesting aspect of work in Finland was following Fenno-Soviet trade. The Finns had an interesting arrangement with the Soviets called the clearing account. And as far as I know, the only other country that the Soviets had quite such an agreement with was India. If I can remember well enough how to describe it, it's basically like a sophisticated form of barter —that the amount of good and services that the Soviets sold the Finns, the Finns would sell the Soviets. So, if it was 100,000 rubles, it would be the same on the other side. And so this obviated the need for the Soviets to use hard currency, which they were always in short supply of. It didn't have to match down to the kopeck, because the outstanding balance could be carried over from year to year under certain circumstances. Each year the Finns and Soviets negotiated an agreement about what would be included because the Soviets wanted, to the extent possible, not to sell things to the Finns that they could sell to others in hard currency. That said, at least as I recall, what the Finns bought was oil from the Soviets.

Now of course it takes on this other complication because since the oil is not transported across the border, you might actually be buying Saudi oil or something else, because of the international market for oil. The really interesting thing I think shows that the Finns

are quite clever, is that when the price of oil went up dramatically in the 1970s, when most European and other countries that were dependent on imported oil lost out, the Finns were able then to sell more because they could, to make the dollar value of the exchange balance, they could sell more stuff. Two things, they also didn't want to sell stuff to the Soviets that maybe they could sell to someone else and get a higher price, and Soviets didn't have the options that everybody else did because of not being completely tied into the world economy. So, the Finns would sell the junkiest stuff they possibly could. They built up whole industries that served this trading arrangement, such as cheaply made clothing that satisfied the Soviets.

They also did a lot of building for the Soviets, especially hotels, which was very good for Finnish employment. So overall during the several decades of its existence, the arrangement was positive for the Finns. But as the Soviet Union was opening up economically, this arrangement began to seem anachronistic. Coincidentally, I heard the news that the clearing system was abolished at my goodbye party about June 1990. Now the bad thing for the Finns was that once this relationship was over and Russia and its constituent parts were in bad shape in the early 1990s, and not buying much of anything, these industries that the Finns had developed just for the Soviets did not produce the quality goods that that they could not sell in the western market. So, after I left, the Finnish economy suffered quite a bit, and they had very high unemployment. I believe that even though the economy came back, they still struggle with high unemployment.

Q: And I imagine this was not unlike other, what would then later become independent republics, because the independent republics had a similar relationship with the center, with the Russian Federation or with Moscow?

PHLIPOT: It was a different problem. The countries that were actually part of the Soviet Union, the republics, were totally integrated into the Soviet economy. For the Finns this was only one piece of their total trade. Significant, but just one piece, whereas the republics did not have economies that were logical on their own, they were clearly part of a bigger thing. And that was commanded by Moscow. A joke went something like when the Soviet Union falls apart the Lithuanians would have to carry around their matches in their fists because the boxes were made in some other republic. All the countries that were part of the Warsaw Pact and Comecon, faced something like this. They sold goods to Moscow and did not necessarily exchange real money. It was some kind of an accounting system or that, I studied it once, but I never really experienced it. The Soviets also had different exchange rates depending on different commodities and different things. It was very complicated. The exchange that we would see was the tourist rate.

Q: Now what about this notion of Finlandization? To what extent did you experience it, how would you describe it? Was it simply a myth or how did the Finns feel about that expression?

PHLIPOT: They hate it because of its connotations. The connotation is they are just giving in, but the reality is they were in a bad neighborhood and they had to have a foreign policy that protected their territorial integrity, their independence, which meant,

at least in their calculation at that time, not to irritate the Russians, the Soviets. They did not like them, I mean they fought a war with them, but it was a strict neutrality. But I think what shows is that their real view is how quickly they joined the EU (European Union) afterwards. There may have been some idol talk about joining NATO (North Atlantic Treaty Organization), but even now they haven't and this is the same with the Swedes. The Swedes cooperate, I mean very openly, with NATO but they are not part of NATO. The Swedish position wasn't so different than Finland.

Q: One more question about Finland. What about Finnish relations in its neighborhood? You mentioned Sweden. How did that go on during the period you were there?

PHLIPOT: They cooperated fully in the Nordic Council and would form common positions at least on the kinds of things that I dealt with — economics, science, and technology — with the other Nordics. I could be frustrating to go in with a demarche on radio wave frequencies, for example, and the Finns would say that, "We have to coordinate with the Nordic Council." But nobody treated them as if they were closer to the Soviets than anyone else, at least in that neighborhood.

Q: Did we as the U.S. have any particularly special relations with the Finns on commodities, or issues, or research science, or anything like that?

PHLIPOT: We had a good scientific relationship with them. Well, the internet…I don't know how much we actively did work with them, but they were kind of leaders in it, one of the first people to use it. One of their specialties, which was related to space research, was sonar and I believe that this came out of work that they did on the Aurora Borealis, the Northern Lights. And one other thing, back on the economy, is that as in the Perestroika-Glasnost era, the Finns were eagerly looking for opportunities to create joint ventures, particularly with Estonia. The Nordics all had their favorites, or the country that they worked with the most, and for Finland it was Estonia, because the languages are closely related. They had more joint ventures with the Estonians than any other country, and they also had formed a few joint ventures in the nearby regions of the Russian republic.

Q: Well if that wraps up the recollections on Finland we can then move on to Burma.

PHLIPOT: Ok. Now you may ask, "Why Burma?" I had visited Burma when I did this job in the economic bureau before going out to Finland and so I kind of liked it. It wasn't necessarily that I said that's absolutely where I want to go, but I had a fairly good impression of it. There didn't seem to be many other tandem opportunities. I had gotten married to a Foreign Service Officer during my Finnish tour.

Q: Pause for a moment, what were the favorable impressions you had when you were there? What kind of made you at least interested in Burma?

PHLIPOT: The people were nice. They were good to talk to. It was a beautiful country, exotic. Even though it was so poor, you could just feel comfortable enough there. It was

kind of a stark contrast to Bangladesh, where you feel very uncomfortable walking around, people bother you. In Burma, people were kind of laid back and it was ok. The people that I talked to in the embassy liked working there. Why not? So again, that was one of the possibilities on the bid list and they didn't have people falling all over themselves to have a tandem couple there. When we expressed our interest, the desk officer was very pleased. However, in the meantime, the Soviet Union started to fall apart, and we're thinking about, "should we try to go to Moscow." Doug, my husband, had just spent the last two years in Leningrad. We were working out a potential assignment in Moscow but it was all very much in flux. And we were waiting, but the assignment didn't seem to be working out. We would be told one job was going to be available, when in fact no, it was going to be something else. And at some point we just said, "Forget it, we're going to go to Burma." And I think it was a good choice because it is the only non-European post I've done, maybe not my favorite, but it's good to experience something different.

Q: And so you how long did Burmese training last?

PHLIPOT: Ten months, a long course.

Q: And both of you, you and your husband, received the training?

PHLIPOT: Yes.

Q: And then what posts or what roles did you play when you got there?

PHLIPOT: I was economic/commercial and he was political.

Q: So that actually put you rather close touch as colleagues in the embassy I imagine?

PHLIPOT: Oh yes, because it is a small embassy. We had no ambassador the whole time there. A pretty good story actually. Fred Vreeland, the son of Diana Vreeland the famous fashion columnist and editor of Vouge, was nominated for this position. Vreeland was at the American University in Rome at that time. The Burmese were initially overjoyed because they didn't like the incumbent ambassador, because he was very critical of them on human rights. They granted Vreeland agrément before they were even asked. But when Vreeland testified before the Senate he delivered the government policy line on human rights, and the Burmese withdrew agrément. Somebody else was nominated, career, Parker Borg, and he went into Burmese training. Moynihan was the chair of the Senate foreign relations and he had a staffer who was married to a Shan princess and very much opposed to the Burmese government. And considering that there was not a lot of interest in Burma one way or another, he seemed to be able to, at least from our perception, to keep Parker's nomination from ever having a hearing. So, it just didn't happen and then when the new administration came in they just let it drop because you get yourself in a certain position and then it looks like if you go a different way, you're conceding to the Burmese, or you are changing the policy; if it was a country that had been considered a high priority for us that would not have happened. But the result is that

we did not have an ambassador there until a couple of years ago (about 2012), and this is 1991.

Q: People were named as simply Charge de Affairs there?

PHLIPOT: Yes. So, as I was saying, it was a pretty small embassy, particularly on the State side. There were several DEA (Drug Enforcement Agency) and the defense attaché, but overall, I was the only economic officer. There was a pol/econ chief, but he was acting DCM, simply because the DCM (Deputy Chief of Mission) was the Chargé.

Q: And you reached there in what year?

PHLIPOT: In 1991. It was a pretty quiet two years. Aung San Suu Kyi was under house arrest just blocks away from where we lived, but we never saw her. There were a few disturbances at the university and the universities were closed much of the time we were there. 1988 was the time of big demonstrations and then the elections in 1990, which the Burmese government didn't recognize. Actually, the Burmese government claimed that the elections, which the opposition won overwhelmingly, were only for delegates to the constitutional convention — which they also didn't convene. Politically, the years we were there were pretty stagnant. The economic situation was more interesting, at least to me. As economic officer, I felt that I had the better job, just because I could talk to more people. Private business people felt free to come over to our house, whereas political people would only meet with the Embassy very quietly. For the most part these business people felt that they didn't have much to lose, and they didn't have much to gain either. In addition, there were also oil company representatives. After the events of 1988, the Burmese authorities formed a new government with this acronym SLORC (State Law and Order Restoration Commission), and opened up economically a tiny bit. They invited foreign oil companies to invest, so quite a few came in the years 1989 and 1990. And so there was a certain presence of western oil people.

Q: And they believed there was oil in the territorial waters?

PHLIPOT: At this point it was principally in the ground, not offshore. On shore, because Burma had been a major oil producer in the area in the early part of that century, up until probably the 1950s and 1960s or something.

Q: Yes, I have a vague recollection that the Japanese wanted to get their hands-on Burma because there was still oil there and they needed it.

PHLIPOT: Yes, that could have been. But the oil companies felt that they were not given the choice concessions. Instead they received the rights to drill in fields that had already been exploited. It's expensive and difficult to recover oil from such fields. Also, the Burmese struck really hard deals in the agreements with the oïl companies. Therefore, many of the companies working the onshore fields were beginning to leave by the time we arrived in Burma. The Burmese did float a tender for an offshore gas field that was very promising, but an American company lost the bid. It went to Total, the French

company. It was Chevron, I'm pretty sure, that competed against them. It doesn't matter so much. But the point is that I had the contact with the oil people and they could tell me about the areas that they were working in and also a lot of inside information on the oil industry. Also, the Burmese officials in the oil industry were a little bit more open with foreigners. They were able to travel a little bit.

The other issue in my portfolio was agriculture and the people in the agriculture department also were more outgoing. Some of them would come visit the house, at least when I hosted the agriculture attaché, who was based in Bangkok and invited Ministry of Agriculture officials to a reception. Another issue was textiles. The Multi-Fiber Agreement was still in place at that time and the Burma had not used up their quota, so companies would set up shop, or they wouldn't really set up shop, they would contract to have clothes made in Burma, only because there was quota space. And they were also nice people to talk to and I could visit factories. Also, this was before we had economic sanctions on the Burmese. After 1988 we cut out all of our assistance to Burma, but we didn't have sanctions until about the time that we were leaving. They were already shareholder protests in America and some of the companies that were contracting to have clothing made in Burma pulled out because of shareholder opposition.

Q: From your vantage point when you become commercial, what were the major Burmese trade activity and so on, and did that in some way influence our relations? So, they had, I imagine, some regional trade. Did the fact that they had some regional trade give you another special window speaking to the Indians or the Thai or anything else?

PHLIPOT: They did have an interesting regional trading relationship. They used to be major rice exporters. That was supplanted, I don't know whether other countries were better at it or what, but rice was no longer the main export commodities, but there were beans and pulses. And they really made a lot of money on those exports. And like the Soviets, not having a convertible currency, they had to get around it. They used an old system called, hawala or hundi, in which the money changes hands offshore and based a lot on family connections. So, the traders usually, they were often Indian and they had family in Singapore, Malaysia, in the region, and it was quite lucrative. Another quasi-illicit activity was in gem trading. And everyday people, kind of like in the United States in the middle of the previous century would go off and pan for gold. You would lose your driver for a week while he goes off and pans for rubies somewhere. And whether that was illegal or not, it was at low enough levels that it didn't seem to get people in trouble unless they needed an excuse to get people in trouble.

Q: Now, speaking about quasi-illicit, was the trade in drugs, where the DEA representative, was the trade in drugs already a significant…

PHLIPOT: Yes, it ebbs and flows depending on what is going on in Afghanistan whether Burma is a major opium producer or not. The poppies are grown and processed for the most part in the eastern highland area.

Q: Was that where the Karen were?

PHLIPOT: No, it is where the Wa lived.

Q: Another minority?

PHLIPOT: Yes. Karen are not very involved in drug trafficking and production probably because they are mostly devout Christians. The opium production is up in the highlands near the Chinese border in an area that was, and still is to a great extent, controlled by warlords who were not under the control of the central authorities. But they would make accommodations with the central authorities. Definitely the military government was enriched by that, but never in this really, really ostensibly extravagant way as you have seen perhaps in some of the African countries. The central government was not really able to overcome the warlords, plus it was to the government's advantage to let some of this trade continue. Now every once and while the Burmese government would make a big show of burning heroin when the UNDCP (United Nations International Drug Control Programme) representatives visited.

Q: The question beyond the issues of the trade and drugs, then leads us to the larger questions of the economy that you covered besides that.

PHLIPOT: The local currency, the kyat was not convertible. Burma had one of the most skewed official exchange rates that you can imagine, but we in the Embassy were not allowed to trade on the black market. However, at the beginning of our tour the embassy had a lot of local currency from repayment of PL480 loans from before the 1980s, that was used for us to exchange our dollars at the market/underground rate. When we were approximately a year into the tour, the Department of Treasury said, "No, you can't do that," because on the books it looks like the government is losing money. We had to come up with a system to pay our staff — you had to have staff — the culture norms dictated that you have a housekeeper and a cleaning lady, and a cook, etc., The exchange rate was so skewed that you couldn't exchange dollars at the legal rate and pay the staff in kyat, (and they weren't allowed to hold dollars) without using up your whole big diplomatic salary. Ways had to be devised to come around this.

Everybody set up a middle man. Burmese people could hold foreign currency in a bank. They couldn't touch the currency and the government would take 25 percent of that. One of our housekeepers, our most senior person on the household staff, set up the account and she paid the rest of the staff. The government's 25% take was like a tax. Now this is the really interesting part, the only way for the Burmese to use that money, the hard currency that's in that bank, is to somehow exchange it into kyat legally without physically having the hard currency in your hand. But what you could do is buy things in hard currency. There would be like a transfer, I don't know if you would ever have to physically take hold of the money, but you could buy anything from a fan to a car probably. And then you sell that car for local kyat. And the exchange rate, the bigger the item, the better the exchange rate is, so if you only had like 15 dollars to buy a fan, the exchange rate was not so good. In the area around the bank there were all these people with their fans or their television sets or stereos, hawking them. But now of course my

housekeeper or people like her are not going to stand on the street selling a fan on the street, so it created a service sector of people that do this exchange for you. I was explaining this one to somebody from the IMF who came up to do these yearly reviews and she was just amazed. It's so twisted, but it worked for them.

Q: And that's certainly how foreigners interacted with the Burmese economy, but within the Burmese economy, how were goods priced? Was that also kind of artificial?

PHLIPOT: It was a mix. Some things were artificially low, some things reflecting market price. Another flourishing black market, but tolerated, was on the Burmese Thai border. So, you could go to the market and buy all of these things that came in through Thailand. And any slightly savvy Burmese consumer could tell you at any moment what was the Thai baht to kyat rate at the border with Thailand.

Q: My head hurts. Wow.

PHLIPOT: Horlicks, a British powdered drink like Ovaltine, was one of the items routinely imported across the Thai border. The Burmese seemed to love it, I suppose they became accustomed to it under British rule. You could tell from the price of Horlicks cost t what the baht kyat rate was at that time. The Burmese produced very, very few manufactured things, so many things were imported — mostly in these informal channels. They were basically self-sufficient in food because it has a very diverse geography from the dry, cooler, almost Mediterranean climate in Shan state, to cooler up in the north, subtropical in Rangoon and in the delta and in the middle hot but dry. There were apples, strawberries, cabbages, avocados, and of course beans and pulses, also quite a bit of seafood.

Q: Fascinating. Alright, now that looks at I think the majority of the questions of the economy, you were there until 1993. Were there particular visits or events that struck you as indicating that there may begin to be changes later on? Did anyone have a sense of that?

PHLIPOT: No. I think people were pretty pessimistic. We travelled as much as we could, but there were large sectors of the country, because of this ongoing civil war, that we were not allowed to go to. Wherever we could, we met people who would know that we were from the American Embassy and let us know that they were pro- Aung San Suu Kyi. I also took an interesting trip with the Ministry of Agriculture once and of course it had no political context, it was economic, but we stayed in one of the hunting lodges that belonged to Ne Win (the former dictator and still de facto ruler at that time.) It was not fancy at all, it was comfortable enough, but did not have indoor plumbing. You took your shower from a barrel outside. Our own housing was beautiful and the reason I'm mentioning this is because it's all gone now. It was a compound built in the early part of the 20th century for a British timber company. The colonial style, teak inside. When we needed a new embassy, and I understand why we needed a new embassy, because we were in an old bank building that was falling apart. One time I luckily got up from my desk just before my window frame fell in. The U.S. had bought the land where the

compound is when we still had a good relationship with the Burmese government. Since we couldn't sell it and we couldn't buy land, that was the only property that could be used for the new Embassy. So, they had to tear down those beautiful houses and that's where the embassy compound is right now.

Q: And it remained so even after the warming, because of course, since several years ago there are new security requirements, and embassies now have to meet those, but you left at a time when we were still perfectly capable to use the old land however we thought fit

PHLIPOT: Yes, and actually I think this was done not very long ago, maybe after 9/11, because it was not in right in town, and as I recall, it was a pretty big compound.

Q: So, we are approaching the end of your tour in Burma in 1993, what were you thinking of after that?

PHLIPOT: Well the monumental event that occurred while we were in Burma, was that the Soviet Union fell apart. I remember that my husband was on a trip and I was at home and listening to the BBC (British Broadcasting Corporation) and hearing about the attempted coups before it was all over and resolved - the coup in Moscow. And I was feeling incredibly sad that the political opening that had taken place earlier was over and that the negative forces had taken over in Moscow. My husband recalls travelling outside of Rangoon at the time and hearing on the Voice of America in Burmese —-maybe not understanding all of it — but hearing something about Gorbachev over and over again, and thinking he must have died or something. But, of course, that's not what happened and by December of 1991, the Belavezha Accord is signed, and the Soviet Union completely falls apart. As the U.S. opened Embassies in the newly independent countries, we really wanted to go to the Baltics. But because we were in a hardship post, we couldn't be released from our assignments, we could not answer the volunteer cables, as much as we wanted to. But we only stayed two years in Burma, so by November of 1992 we had our assignments for Latvia. The Baltic posts were in the Special Embassy Program, which allowed our assignments to be finalized early in the bidding process.

Q: Remind us what was the Special Embassy Program at that time.

PHLIPOT: It was small posts. No DCM. And the idea was to be you wouldn't have a lot of reporting requirements because we were setting up 14 new embassies in a very short amount of time without adequate, or maybe no additional, budgetary resources, so they came up with this. It did not work quite as planned and was eventually phased out. Interestingly, in remote Burma, you could observe reflections of what are going on in the rest of the world. For example, the Russians had a huge embassy in Burma because they were sort of an ally of the Burmese — the Burmese followed a version of socialist policies and were non-aligned. The Russians in Rangoon saw the world that they knew as diplomats falling apart and didn't know what to do. I remember the economic officer, sort of my counterpart, but of course he had a big section, tried to get himself hooked up in businesses in Burma. Czechoslovakia fell apart later, near the very end of our tour, and there was a Czechoslovak embassy in Rangoon. The Czechs and Slovaks divided up

embassies, in places where they didn't need both embassies. So here's this guy who I think was Czech, but the Slovaks were going to take over the embassy and he's waiting for this Slovak to come to hand over the keys, and he never came. This guy just left at some point. So, it would make a wonderful short story.

Q: Especially by Kafka. It's an ideal bureaucratic puzzle. But, we're following you, so we're following you next to Latvia.

PHLIPOT: So, we were back in Washington from summer of 1993 to summer of 1994. Doug was studying Latvian and I studied Russian. I was assigned to Russian language training because at that time you could be trained in either Russian or Latvian for Riga. Because I had Russian in university, but I didn't have Russian in the Foreign Service, for tandem reasons it made a lot of sense for me to study Russian. And I took about a month of Latvian at the end of Russian training.

Q: And both of you, nine, ten months of language training. Ok, alright, so then you go out in 1994?

PHLIPOT: We went out in August, 1994. And again, I am an economic/commercial officer. Like in Burma, there's no Department of Commerce presence, so I had those responsibilities, in addition to economic reporting. Well, where to begin. Particularly because I have been back to Latvia quite a few times it is sometimes hard to remember what it was like over twenty years ago — it's sometimes hard to believe how different it was. It was never like an awful place, at least by 1994, you could buy what you needed, but the first big modern grocery store didn't open until the second half of our three years there. Earlier on, sometimes the best place to go shopping was the little store in the Statoil gas station.

Q: I remember a colleague who was assigned to Minsk and he would travel to Latvia to get his fresh vegetables, at least during the winter, because at least at this time, immediately after the collapse, and while things are being rebuilt, old trade patterns were not quite there anymore.

PHLIPOT: That reminds me that Riga still has this huge farmers' market that is housed in old zeppelin hangers. And even at that time you could buy stuff all year round, even fresh fruits and vegetables. Because the economy was open, unlike Minsk, there were opportunities for traders to come in, whether they were from Western Europe or the Caucasus, and make some money. One of the reasons that made it so interesting and fun to be there at that time was that things were changing daily. It seemed like a new restaurant would pop up every week. There was one nice restaurant, where the expats would have the monthly dinner, which actually exists to this day, but it is wildly expensive now, like 200-dollar fixed menus. And the renovations were going on constantly. Riga has such exquisite architecture, but it was very run down in that time. Beautiful apartments had been chopped up into communal apartments during Soviet times. The Latvians instituted a process to restitute your property if you were a Latvian, either still living in Latvia, or who had left after the war, if you could prove that you

owned it at that time of the Soviet occupation. But people that were living in the communal apartments could stay up to seven years. Some of the owners would buyout the tenants who would then buy themselves a new apartment, usually in the outskirts of town. Nonetheless, you didn't really start to see big changes until the late 1990s when the tenants no longer had the right to live in the restituted apartments.

Q: You heard in those early years after the collapse of the Soviet Union shock therapy, was Latvia one of those countries that adopted shock therapy, where they tried to very, very quickly eliminate the centrally planned aspects and adopt a market economy very quickly?

PHLIPOT: They didn't use that term there, shock therapy, but they did dismantle the system right away. They were slow on the privatization of bigger entities. The enterprises owned by the municipalities, for the most part, were privatized before we arrived, within the first couple of years of independence. And you know they had started to make some changes already when it was still part of the Soviet Union. Under Perestroika there was a little bit of private enterprise allowed and they were starting to make plans. But that said, it was a lot, lot harder than anybody had anticipated. And these big private enterprises, it's a problem that the Belarusians still haven't dealt with, is how do you privatize factories that makes stuff people don't really want to buy, but employ lots of people and can be the heart of certain communities, even towns. So, from a socially responsible point of view, it's hard to do, and there were also vested interests that kept privatization from moving more quickly. There was also considerable corruption and organized crime associated with these state enterprises — some of which the Latvians are still dealing with.

Q: So, you were there from 1994 to 1997. In that case, than what were the major economic developments that took place? You mentioned the privatization, but I imagine that other things that they were preparing to enter the EU I imagine, and so on?

PHLIPOT: Yes, they were. In about 1994 the Latvians submitted their application to join the EU (European Union), so a lot of the changes were dictated by the requirements of the European Union, and they also, of course, were trying to join the WTO. That's what we were involved in a lot, because the U.S. is one of the toughest parties for concluding an agreement on WTO membership. To join the WTO a country has to reach agreement both with the organization and bilaterally with each member. It was much easier for them with the EU because they were on their way to join the EU, but we really held our line on several issues. One issue where their EU aspirations conflicted with what we were insisting on involved motion pictures and cultural rights.

For me, one of the most interesting things economically in Latvia had to do with the banking sector. As in many of these newly independent countries there was a plethora of banks, created even before independence. The largest of these banks, and it may have been the biggest bank in the Baltics, Banka Baltija, was really like a big Ponzi scheme, but even more complicated, and it collapsed. A lot of people lost a lot of money. We really wanted to help Latvians clean up after the collapse. They did not know how to deal

with it. I persuaded the FBI to come in using the argument that maybe there is an American connection here, such as American money in the bank. And it was great. We had a team come out and they poured through all the documentation and as it turned out there wasn't any American money involved. But the FBI established the relationship and conducted anti-money laundering training for the Latvians. It's a relationship that exists, not as intensely, even to this day. The bank collapse was a real wake-up call for the Latvians that motivated them to pass money laundering legislation. At that time their central bank chairman, who was a physicist and had been in the opposition before the independence movement, was a real economic libertarian. His philosophy was, "Let's do as much the opposite ways from the way the Soviet Union did it, if it was a command economy, we're going to have a no command economy." So, he initially didn't want bank supervision, let it all happen, let's not have any laws against what you do. Of course he was a smart guy and he realized that this was not going to work. We gave him assistance on writing money laundering legislation, brought in banking experts to teach them about bank supervision, and how to track financial crimes. I think that was one of my best contributions, working with the various agencies to get these trainers into the country. We also were able to have a legal advisor assigned to the Embassy to advise the Latvians on their financial and banking legislation.

Q: Did they want to adopt a particular model? Were they looking out there and thinking, "Well maybe we have other models in the Nordics." Had it gotten that far yet, or they were still really so much at the beginning that they really weren't ready.

PHLIPOT: By the time we left I think they had draft legislation. You know it had to be EU compliant, but also I think at that time everybody was working on money laundering legislation. Even the U.S. did not have a law against money laundering, although we could prosecute the crime under other legal instruments. So, there was a lot of information, a lot out there, and a lot to consider. And we would try and maybe push them in a way that we thought made more sense and maybe would be easier for us to work with them on. But I didn't get involved in that, it's pretty technical.

Q: So now while you are in Latvia, are there other economic or commercial activities that really stand out besides the whole question of money laundering and financial crime?

PHLIPOT: There's working with the American business community, which was great fun. It was this tiny AmCham (American Chamber of Commerce) or Latvian American Chamber of Commerce I guess you would call it. They were very close to the embassy and I was a non-voting member of their board, so I went almost every week to their meetings. And they were small business people for the most part. One was a developer, another one started out with a chain of pizza parlors. There was a lawyer, there was a Chevy dealer, who actually was Canadian, but he was in there anyway. Almost all of them were Latvian Americans or Latvian Canadians. A lot of my role was helping them deal with the American government and inform them what we could do for them and what we couldn't and enhance their understanding of our regulations and our bureaucracy. To the extent possible, if they had concerns with the Latvian government,

like on regulations, we would add our weight to their complaints and if we thought it would be helpful, we would take up their cause. Sometimes, it was more helpful if the U.S. government was not associated with their complaint, and sometimes we did not agree with them. And now, jumping ahead, it's quite a big AmCham. Because we saw them all the time and we were facing similar programs, we developed pretty close personal relationships.

Q: And often that's one of the great rewards of the small embassies and small embassy communities. Well, is there anything more about Latvia from your point of view or should we move on to the next assignment?

PHLIPOT: It seems like there was one other thing that I want to bring up. Ah, yes, another thing that was quite gratifying. It was a Latvian or Latvian American company, trying to sell radio communication equipment for the rail lines and wanted an ExIm (Export Import Bank) bank loan. When you're starting out, it is nearly impossible to get ExIm bank lending, but, my Ambassador was very, very supportive and we succeeded. That was the first ExIm bank loan in Latvia and it really helped the owner enormously. I ran into him when I was back there in summer. He was still extremely appreciative of the help that we had given him. Again, being in at the beginning you really did get some sense of achievement that you don't when you are a mature market.

I could talk about Latvia for hours. There are different layers. The relation to Russian Latvian relationship is interesting too. At the time of the breakup of the Soviet Union Latvia was about 45 percent ethnically Russian, or not just Russian, but Ukrainian and Belarusian, people whose first language is Russian. We often hear the term Russian-speaking, which is a little bit of a misnomer because at least at that time all Latvians spoke Russian and were educated in Russian. Riga itself was over 50 percent Russian, so out on the street you would hear Russian and not Latvian. When they regained their independence you could only get citizenship if you could trace it back to before the Soviet occupation, so many of the people, I mean there have been Russians there forever, but the bulk of the Russians living there came after the incorporation into the Soviet Union and they did not get citizenship. And there were also a lot of restrictions then on what professions the non-citizens could enter, they couldn't be in the government, and of course they couldn't vote. So, the Latvians set themselves up for problems down the line. Now it's understandable because the Latvians, as a distinct ethnic group, could have disappeared, like the Finno-Ugric peoples of Russia, but they didn't in part because of the diaspora.

Many of members of the diaspora, especially from the U.S. and Canada returned to establish businesses, as I mentioned. All throughout Soviet times, they maintained Latvian summer camps and Latvian language schools, and clubs. Also the Latvians who remained in Latvia really felt that they had to stick to their Latvian-ness. There is some merit in that too. You know, Russians are culturally a little different, Latvians are more restrained for example. It was hard to be naturalized. You had to speak the language, I can't remember all of the requirements now, but you really had to be able to speak Latvian. And Russians didn't tend to learn the language of the republic where they

migrated to. Over the years the Latvians have loosened the requirements and in fact for anyone born in Latvia, the parents only have to check one box and the children are Latvian citizens. There are a lot of Russians that are young that speak Latvian, nonetheless it is still an issue. Russians have always tried to see how they could exploit potential cleavages in the society. And that is what they tried to do. They try to do it in all of the Baltic republics and everywhere else. So that's why the Latvians have this problem of integration and they know it but they haven't quite yet come to grips with it. And to go back into the 1990s, the Russians couldn't enter most professions, they couldn't enter the government. What's left? Business. So, business tended to be dominated by Russians and they did well. Outsiders tend to think that since Russians are a discriminated minority in Latvia, they must be poor. No, to a great extent they are wealthier than Latvians. There are poor ones, but not necessarily poorer than rural Latvians. Also on the economics side there is a strong relationship with Russia on trade and transport that endures to this day. Now because of the sanctions against Russians this business has suffered a bit.

Q: And energy concerns?

PHLIPOT: I had the energy portfolio as well, I'm glad you mentioned that. Latvia has virtually no energy resources except for hydropower. Believe it or not, for a flat country, there is still enough of a gradation, even though it seems very minimal, that it can be used for hydropower, at peak times, but it's not enough to run the country. So, all their gas is imported from Russia. And when they privatized the Latvian gas company, Gazprom bought or kept a third of it, and a third the Latvian government, and a third was either Ruhrgas or some German company. It's all a bit in flux now and it will change after next year. I know they are trying to unbundle it, that is separate sales from distribution. In the early 1990s the three-way deal seemed to be the best option. Keep Gazprom in the tent and give them a stake in supplying the gas. Although, they don't have any resources, but they do have…as they say, "Our only resource is our holes in the ground," which is where they store gas. The Russians use the storage facility, called Incukalns — gas is pumped in during the summer when demand is low and then re-exported to Russia in the winter. All of this is changing, as the technology has changed, as countries are trying even harder to have more energy independence, but at that time when I was there, the Latvians were still totally dependent on the Russians. The electrical grid was also connected to Russia, now a Baltic grid is being developed. They had to pay world prices for their energy from Russia immediately after the breakup. The sudden transition from paying nearing nothing for energy to the same price West Germans pays, was difficult and very hard on everyday people, as well as industry.

Q: So, you weren't there for their eventual accession to the EU? That took place in 2004.

PHLIPOT: Yes, it took longer than they expected. They thought they'd be members by 1998.

Q: I remember being in Romania while Romania was trying to meet the EU requirements and they similarly were overly optimistic about how quickly they could, especially with, for them it was corruption. There was a great deal of endemic corruption. Perhaps not so

bad for the Latvians, but the Romanian economy was very haunted by the remains of the old Communist system and the work arounds that they had to do to make things operate. But this is quite interesting about the Latvian experience, and of course it now has a convertible currency?

PHLIPOT: The Latvians joined the Euro in the beginning of 2014. Estonians were the first of the three Baltics, and then Lithuanians joined at the beginning of 2015. And it was so smooth. I wasn't there when they actually made the conversion, but it was just a half a year later, and people told me that they prepared it very well and had no problems at all.

Q: So, anything else for Latvia?

PHLIPOT: Not that I can think of at the moment. I'm sure more will come up.

Q: Sure. Because what we can do here is we can either break or go on to your next assignment depending on your time.

PHLIPOT: I think it would be a good time to break. And in the intervening days I can think if there are any other things to talk about Latvia.

Q: We're beginning again on February 10 with Constance Phlipot. And we left off, if I recall correctly, at the end of Burma, with some final reflections on that and then your move back to the U.S.

PHLIPOT: No, we left with Latvia. And I did think of something, I don't believe that I talked about Skrunda, which is as important symbolically as it politically. A component of the Anti-ballistic Missile System (ABM), a radar, was located in a small Latvian town called Skrunda, to the west of Riga. The operating part of this was called the hen house, kind of a small building. The Soviets had been in the process of building a tall, 19 or so stories high building, which was not yet completed. It should have been completed by this time, but when things began to fall apart in the Soviet Union construction was stopped. It was a tall building and in a very flat, very thinly inhabited area. The Latvians badly wanted it torn down. I don't know what the negotiations were leading up to this, but the United States gave them a couple million dollars to tear it down, because you just can't knock it over with a bulldozer. And the Swedes ended up putting in some money as well, which was used for environmental remediation. It was turned over to the Army Corps of Engineers to manage the project, but it was then bid out to another company to actually bring it down. The winner was CDI, Control Demolition Inc., who are famous for some big old casinos that they took down in Las Vegas and I believe they took down the old Arlington Courthouse.

Q: Interesting, so this is an American firm?

PHLIPOT: Yes. It was open to other bidders and a Latvian firm bid and tried to sue because they didn't get it, but it is just this crazy kind of stuff that happens in the former Soviet Union. Anyway, that was a headache, but it didn't actually stop the process. So,

CDI won the contract sometime in August or September of 1994 and the work continued through the winter. I learned that buildings are not blown-up, they are blown-down, imploded. Before the implosion the company was removing dangerous and potential useful materials, such as scrap metal, that they sold as part of their remuneration. Anything really valuable, like copper wire, the Soviets, had stripped out before they walked away. So, it's all ready to go, the final implosion in the spring, and the Latvians wanted to make this a very, very symbolic event. They chose May 4, which was the day commemorating the Restoration of Independence. They have two independence days, one was Restitution of Independence and one is the old Independence Day from 1918[h]. They commissioned music for it. This is very Latvian, very big emphasis on culture. A piece of new age music was written for it. The event was in the morning. It is an hour or hour and a half from Latvia, and we're all left in a convoy at 8:00 in the morning. I remember being in the little bus that kept falling further and further behind.

Q: Let me ask a question here. So, the Latvians have invited…is it the whole diplomatic…

PHLIPOT: Probably, I don't really remember, but it was certainly us since we were paying for it, but I'm pretty sure that they made it a big event. It's hard to remember how many people there because it was a very large, like an open field. The President of Latvia was there, they had a folk choir, and CDI went along with this big show by putting fireworks or some sort of firecracker in various places in the building to go off sequentially. These explosions had no purpose, they were just for show. Oh, and they started the process and then a small airplane went by and it was stopped. It was just a coincidence. The strategically placed fireworks go off and then the thing just slides down with this new age music in the background. It was just marvelous. And you can Google it and find it on YouTube. But it was the symbol of the Soviet military leaving, even though they had actually left early. I think August of the previous year was the agreed departure date of the Soviet troops, but this event was really the tangible thing, Plus these elements that to me are so quintessentially Baltic and particularly Latvian.

Q: Very interesting. So, it took several months for the remains of the building to be removed?

PHLIPOT: Well, after they were took all of the stuff inside in the period up to the implosion, there probably was work after that and the remedial work. We visited the site a year ago November when we were in Latvia and there really isn't anything to see. Some of the old buildings that were barracks are still there, but otherwise it's just this empty area. What they are going to do, if anything, with that area I don't know. There's so much undeveloped land in Latvia that there's no pressure to clean it up further and build anything there.

Q: Interesting. Is it like a tourist attraction in the sense…Because in Hungary there is a location outside of Budapest, where they dragged many old Soviet statues and it has become a bit of a tourist attraction.

PHLIPOT: No, there's nothing to see. There's a field and the barracks and I don't think

there were any signs.

Q: Alright, very good. So that's the conclusion of the tour in Latvia.

PHLIPOT: Yes. This actually happened early, it was in my first year.

Q: So now from Latvia where do we go next?

PHLIPOT: From Latvia I went back to the United States to the office of North Central Europe.

Q: And this is in 1990…?

PHLIPOT: 1997, yes. Before the breakup of the Soviet Union and the Warsaw Pact, t the office of Eastern Europe and Yugoslavia was divided into two parts and later turned into two offices — North Central and South Central Europe. North Central was Romania to Poland. Baltics had originally been included, but as part of a re-structuring, probably under Assistant Secretary Holbrooke, they were folded into the office of the Nordic countries,. I was the regional economic officer for this group of countries and then in the second year I became the de facto deputy director — this was a period when there were no official deputy office directors — not one of the brightest innovations in the European bureau. Somebody had to do a deputy's work. And for a time, in the second year or so, I was acting director because my boss, the director, became a DAS, Deputy Assistant Secretary. They didn't fill this slot until the summer when I was leaving. This is 1997 to 1999. It was a very interesting, active time for these countries, because a number of them became members of NATO in 1999.

Q: The first tranche was Poland, Czech Republic, and Hungary, that was the first tranche.

PHLIPOT: Right, that happened during that time. They were at various stages of joining the European Union and one of my responsibilities was working with colleagues, particularly in Commerce, to make sure that the agreements that the Central Europeans were making with the European Union, before they became full members, were not prejudicial to U.S. trade interests. The big issue was automobile parts. And another issue was cultural production — motion pictures, the broadcasting directive.

Q: Intellectual property?

PHLIPOT: No, culture, it's the EU, I don't know if it's in the EU, it might be the Council of Europe, requires that a certain percentage of films be made in the EU — this hurts American movie producers. And that's one thing that I did get involved with regarding the Baltics and Latvia in particular, because the Nordic office didn't have somebody dedicated to economics. Latvia was not yet in the WTO so I was helping that desk, the Baltic desk, with our concerns regarding WTO membership with Latvia. We had not yet finalized the bilateral agreement, I think I talked about that before. What was holding it

up was this concern about the broadcasting directive. The EU was pushing the Baltics to adhere to that, which contravened what we considered to be responsibilities under WTO. So, it put the Baltics in a very hard place because they wanted to get into the EU and of course they also wanted to get into the WTO and they were aggravated at us for insisting on so much for such a teeny-tiny market. I tried to help find a right place so that both needs could be met. I can't remember what the resolution was, but they are in the EU and in the WTO, so I guess it worked out ok.

Q: Wonderful. Yes.

PHLIPOT: So that was one thing. I'd also had like a vision that the United States should really cultivate an economic relationship with the Central Europeans, because I thought as did several other people that they would be allies for us within the EU because they were more market oriented, less central government dictated than many of the old European countries. Stuart Eizenstat was the Under Secretary for Economic Affairs at that time and he seemed well disposed to this idea. So, one of the mechanisms that we were using for trying to build this relationship, were big bilateral meetings where we would have a group of people from Treasury, Commerce, and other agencies. A couple of times I was able to get Eizenstat to chair it. The Central Europeans would bring in their relevant people and we would systematically discuss the bilateral economic issues that were on both of our plates. And that worked very well. It was wonderful at that time working with Eizenstat's office, very, very hard working staffer, very cooperative and logical, and like I said they were on the same sheet of music on this issue.

An extra responsibility that I took on was property restitution, which is interesting because you are delving into the unresolved issues from World War II, but extremely frustrating. Some of the things that I worked on are still not resolved. Our main concern was communal property restitution, which was property that belonged to churches and to religions there. Most countries had properties that they couldn't just quite get resolved. With Poland it was not communal, that they resolved pretty quickly, but private property restitution. They still do not have a private property restitution law. Other countries were doing it more the other way, like the Latvians, resolving private property first. To this day, the Latvians haven't resolved the communal property issues.

Q: Interesting how from country to country it varies. Were there also issues related to persecuted minorities like Jews or others that you were working on regarding property as well, because this of course also becomes an issue with a variety of countries after the fall of the Berlin wall and the end of the Soviet Union?

PHLIPOT: The communal property for the most part was Jewish property, but not individual. As far as individuals, that was part of the issue with a Polish law. In the United States many felt that it worked against the interests of Polish Jews that immigrated to the United States because of how the draft laws determined who is a Polish citizen and had rights to the property. There were a few instances in other countries in which the minority religions didn't get their communal property. Greek Catholics, for example, might not get their property back, but the other religions, whoever was the dominant,

whether it was Roman Catholics or Protestant group got their property. It's interesting for bureaucratic history, administrative history of what happened here. There was a special envoy working on it, I think placed in the European bureau, but no real staff, so that's why I was doing it as an extra part of my job, and not just regarding my countries, but all the former Communist countries. But the biggest issues were with the North Central European countries. That's why the responsibility was housed in NCE. I'm sure that there were big issues across the hall in South Central Europe, but they had, other issues to worry about — this was after the first Balkan war with another one looming.

Q: I'm sorry, repeat once again the countries that made up your office of NCE.

PHLIPOT: Poland, Hungary, Romania, Slovenia, Czech Republic, and Slovakia. Later on Bulgaria moved from SCE to NCE, but not in my time. There were problems in Hungary with property restitution. As I said Poland and Hungary were probably the biggest accounts there.

Q: It's interesting, just as an aside, I was assigned to Hungary from 2005 to 2008 and did travel around the country, and I saw many synagogues from that era that were still standing, but were chained closed behind gates and no sign, no explanation. They were of course over grown and unused, and I never really found out and just wondered what had happened to the property that had owned it, whether it was waiting to be used or what its final decision was?

PHLIPOT: The Jewish communities in these countries are now so small that they can't take care of the property. This was the case in Latvia when I worked on it years later. The community wants it back, but as I said they can't take care of it, so they would like to get them restituted and then sell them. Not synagogues so much, but cultural centers, schools, hospitals. The people that are opposed to the restitution part argue, "Why give this to you? You are not the community that you were before, so why do we give it to you rather than use it for our own purposes."

Q: And the question continues. It's not fully resolved.

PHLIPOT: It's not going to be resolved totally for another generation. I think people will eventually just give up on it. I personally believe the two sides need to make a compromise and then forget about it. I was talking about the bureaucratic history. There was just one person responsible for the issue in the European bureau, but at that time, because the Under Secretary for Economic Affairs, Stuart Eizenstat, was passionate about the issue, his office worked on it a lot. There was a lot of tension between field and Washington on this, because in the field you feel a lot more sympathy with the country, while in Washington you feel the political pressure from the American Jewish community to resolve it, as well as a sense that you have to right the historical record. But anyway, eventually it became a real full-standing office in the Department, the Office of Holocaust issues, I think it was called, headed by someone with Ambassadorial rank. It took up other issues, such as holocaust art. The Washington Conference on the restoration of art works seized by the Nazis from Jews took place at the very end of my

tenure in NCE.

Q: And you have the famous issue of the restitution of the Klimt painting and other things like that.

PHLIPOT: I do remember my Hungarian desk officer, who was kind of young, saying he never thought that he would spend so much of his time on things that happened in World War II. So, the other big event, of course, was the Kosovo War and the impact that that had on countries that were not yet in NATO, but knew the decision had been made to bring them into NATO, and were being called upon to help. And some of us in the office were afraid that this was a little bit too hard for these countries. They wanted to do the right thing but I don't think that they were really yet quite prepared for it. Their countries' idea of joining NATO was to help themselves, and you don't blame them. They wanted the protection of NATO, the idea wasn't that "We're going to help you."

Q: What were the kinds of things typically that we asked of them during the Kosovo War?

PHLIPOT: I don't really remember, but we asked them to contribute to things like field hospitals. I don't know what they did with troops or anything at that point.

Q: And in terms of economic sanctions, I personally don't remember, but I know that with the breakup of the former Yugoslavia, there were sanctions on Serbia, and there may have been other kinds of economic pressure.

PHLIPOT: Serbia itself suffered greatly because of this and that being the largest economy in the former Yugoslavia, Serbia's devastation had an impact on the others. The Department started a series of interagency meetings that my office was tangentially involved in at the end when the war was winding down, about rebuilding this whole area. A real sticking point was how do you rebuild the region when you are not doing anything to help Serbia. Serbia was being sanctioned under Milošević; he didn't fall until like a year or two later. Also countries felt the impact because of refugees coming from Serbia to Hungary and possibly Slovakia. Now, Slovakia at that time was on our bad list because of Meciar. And though he was pretty much a dictator we had some relations with Slovakia — an American company, U.S. Steel, bought a steel mill there.

The other thing was because the countries were so close, actions that were taken against Serbia that affected the Danube would affect Romania. One of our jobs was to keep people from getting a little bit too cowboyish in what they were doing in the neighborhood. And then the other thing is, of course, there was a constant task force in the ops center manned by people from the European bureau, so one of my jobs was recruiting every week to get somebody in there and doing it myself several times as well.

Q: Was that a 24 hour operation, the task force?

PHLIPOT: Yes.

Q: So, the Department was taking this quite seriously because to setup the 24 hour task force…

PHLIPOT: Yes. And a lot seemed to be trafficking refugees because people were on the move. One of my most memorable times on the task force was when a Foreign Service Officer in Macedonia — we had people in different places, even though we didn't have an embassy or anything — called in to report on refugees. He was practically running. I remember him out of breath, telling me who is coming across the Macedonian border and how many and describing the situation. It would be great to have a recording of that conversation. He was calling on his cell phone and I was desperately trying to take notes for the record of what's going on.

Q: And of course these small countries that surround the former Yugoslavia and Kosovo are so small that even a thousand refugees would be a difficulty for them to handle on their own.

PHLIPOT: Yes. So, I think those are probably the highlights of those two years. And from there I did a year at the Industrial College of Armed Forces, now called the Eisenhower School. And not too much to say about that. It's an interesting and rewarding break because I was already assigned to Moscow and had Russian language already.

Q: Ok, and this was, since you had Russian, this was a year to sort of fill before the job was open in Russia?

PHLIPOT: Yes. You know we have this mechanism so that you can bid in advance when you already have a hard language but it never seems to work, jobs come up at the wrong time. It happened again to me before I go to Belarus. The academic year was over in June, so there was a little bit of time to refresh my Russian before I went out to Moscow.

Q: So that is 1999 to 2000 and then you go off to Russia into 2000?

PHLIPOT: That's right.

Q: And to which position?

PHLIPOT: I was deputy economic counselor. The economic section was split into two parts, plus we had Treasury with two people and also two people that worked on coordinating assistance. There were two deputies, but only one, my position, really had the deputy counselor role, the other only led their section. The section that I had was economic reform and also you could consider it as an internal economics and the other external because it was chiefly dealing with trade. It's mirroring the political section that had internal and external sections. So, at this time the Russians were still serious about restructuring, reforms. And the kind of things that we were tracking were the utilities sector and electricity and gas and what is called communal housing, and the pension system.

Q: These are big, these are very big.

PHLIPOT: They are very big. They are very, very hard also, because whereas early reforms, such as pricing or privatization, didn't have an immediate impact on everyday people. You start with things like changing people's perks and their subsidies and then you get a backlash. Plus they are also complicated. About this time we had the fiasco with the electricity sector in California, when certain parts of the system were reformed at different times leading to a mismatch of supply and demand and electricity prices at the residential level really shot up. One of the more memorable events was that President Putin's economic advisor, the economic advisor to the presidential administration, Illarionov, happened to call me, it must just have been the economic section phone number he had, and he said, "Could you provide me with information on this whole California business, because I think that maybe we are moving too fast and in the wrong direction in the electricity liberalization in Russia." By the way, within a few years after this Illarionov completely broke with the Kremlin and was in the United States. He is at the CATO institute. So, he didn't quite probably understand the electricity sector restructuring; this stuff is very complicated. These are natural monopolies and you can't just treat them like breaking up the book industry or something.

Q: Sure. So, there was concern that moving too quickly would be harmful?

PHLIPOT: For some. There also are just vested interests in it and that's particularly the case at Gazprom, the gas monopoly.

Q: Now at that time the electricity industry, much of the electricity was coal fired, petroleum fired, or gas fired, or was it a mix?

PHLIPOT: It was a mix. And atomic energy. And the issue in electricity was separating the distribution from the production. One of the problems with Gazprom being the only producer and nobody else allowed to produce and sell gas, is that when an independent oil producer found associated gas when drilling for oil, they would just flare the gas — because they weren't allowed to sell it. Another thing about the gas industry in Russia is that there are tiers of prices. Belarus, for example would pay, because it was pretty close to Moscow, less for gas than somewhere farther away from Moscow, even if it were in the Russian Federation. For the most part domestic gas was not sold at world prices which was a disincentive for conservation. And anybody who has traveled in winter in the former Soviet Union knows how much gas is wasted at the residential level. There will be snow all over except for a green patch where the pipes lead into the house because they are poorly insulated. One of the reasons you have these tremendous icicles hanging from the roofs of buildings in Eastern Europe is because the heat goes out of the roof and melts the snow and then refreezes. And the things you don't see are the industrial side of energy not being used inefficiently, continuing reliance on the industries that use a lot of energy because it is cheap, whereas overall it might not be very efficient to produce many products, but they continue production because you can produce cheaply and sell it cheaply.

Q: Now were they aware of it, they meaning the people in power who had some ability to make changes?

PHLIPOT: Yes. At that time there were still some very good people, heads of ministries, who were listened to. Like Chubais was head of the electricity sector. Gref was economic minister. Chernomyrdin was the prime minister. Gaidar was still alive then and was head of an institute that was listened to, consulted, respected. Economic reform was not only in the oppositional dissident activity, it was real policy. As I said, pension reform — the Russians were working toward a very modern system that, like Chile and some other countries have adopted, where you have a three-tiered system, part compulsory, part additional, and part that is completely voluntary. It was cutting edge, the Russians weren't just trying to reach middle of the road European or American standards, but to do what was considered the best kind of pension system at the time. And it was hard, very hard, as we can see in the United States with social security.

Q: Certainly. Were there positive outcomes from any of these reform efforts? Did any of them actually take root?

PHLIPOT: I don't know if we could see anything while we were there, but I think electricity has moved forward, not much has happened on gas, to a great extent because Gazprom is such an economic and political power in the country. The other reforms very little if at all. Now oil had already been reformed, and if anything has gone backwards. There's more control of the oil industry by the state and big companies. And as far as Gazprom, this can get really sort of technical, but it wasn't 100 percent owned by the state, it was partly privatized and shares were traded, but not all of them. It was something called the ringed fence that kept it from being totally transparent. An interesting player in this field was Browder, who subsequently became rather well known, an American that might have had some Russian background or his parents were Communist in the past. He was an investor trying to break into the gas market as a portfolio investor. He was really gung-ho on Russia, that it was a good investment opportunity. And we thought, to some extent, naive. He got badly burned, and his Russian lawyer may have been killed in prison. It's one of these cases when it wasn't clear if he was beaten, or not given his medicine for a life-threatening disease. Browder is now one of the harshest critics of Russia and the reason Congress passed the Magnitsky Act, which bans visas from people that were involved in the incident.

Q: Interesting.

PHLIPOT: So, it really was an interesting time, a turning point time. People were still positive about Russia, at least economically, even if we are starting to see the writing on the wall as far as clamping down on civil society. You had people like Asland, who is a Swede, lived in the United States for a long time, was with Carnegie and is now with Peterson or something, still gung-ho on Russia, and now very, very negative, can't see anything positive that happens in Russia economically. You asked about positive things, the agriculture sector was starting to change a bit, in particular in food processing. When the price of oil fell dramatically in 1998, the ruble plummeted and the Russians didn't

pay back their IMF loan, and defaulted on other loans. When the oil price was high Russians were importing everything, including lots of their food. It was an incentive when the ruble fell so low to develop these industries domestically, which they can do. Even though it's not the greatest place to grow food, it's a big country and there is a range of climates, so they did a good job of that. They used to talk about the mystery food in the glass bottles with rusty lids and "What is in there?", and now they produce world quality processed food.

Q: And it's food that is grown or produced there, which is then preserved, canned, bottled, so on?

PHLIPOT: Yes. And then even exported, before the latest sanctions it was exported at least to some of the neighboring countries. So that was positive. Another positive thing was the development of economics as a profession. When the Soviet Union fell apart they had no real PhD economists. The first ones got their PhDs outside of Russia. When I was there, the professional economists were just starting to play a role in Russia. We got familiar with a group called the New Economic School, which was an American and Israeli and then also Russian joint venture. They were young, they were fun to talk to, very dynamic, excellent, perfect English. Some people related to the school created an economic think tank and also did some projects with USAID funding. And then one of the young economists that we became friendly with, when I say we I mean the economic section, became the rector of the New Economic School. About two years ago, he left Russia for Paris because he no longer felt it was safe to be there. His wife, who is a Harvard PhD graduate, had left before that. So, to me, these kinds of things, that these people we knew, now they are gone, they have had to leave — it is very disheartening. And they were committed, I mean very committed to their country. Another group was called the Club of 2015 and they were fairly high ranking managers, economists, accountants, who worked for western companies or in western influenced companies, and after 1998 and the collapse, some of them got together to create the kind of Russia that in in 2015 they would want their kids to live in. They wrote papers, a small book and had an affiliated "think and act tank". They wanted to do projects as well as produce papers. And it is just so ironic, last year was 2015 and that was not the Russia that they would have wanted their kids to be in.

Q: Sure, but by in large, you saw them as well trained as economists, to the extent that you talked to them and understood their work, you felt, the embassy felt that they were responsible?

PHLIPOT: Yes. And the philosophy of such people like Guriev, who became rector of the New Economic School, had a values component to it, it wasn't just about strict economics, but what they thought was the right thing for the country, and of course that is what then got them in trouble with the authorities. Also, I was saying you started to see the clamp down on civil society a bit, it was not something that I dealt with, it was more in the political section's portfolio, but my husband was head of the political internal section in Moscow, so we had a lot of collaboration. As an aside, one of the things we tried to do in the Embassy was get the sections to work together more. Moscow being

such a big embassy had this history of the political and economic section hating each other. My husband and I did a joint informal "welcoming" event at the end of summer for the political and economic sections, including some other people in the Embassy that we worked with, such as USAID. One of my best officers, who was in her second or third tour, was married to the deputy in the political external office, so that helped as well.

But back to civil society: Russian authorities were trying to get their handle at this time on civil society. I think there were still people in the government who realized that you needed civil society in a modern society, politically and economical. But the authorities were afraid of non-governmental actors so they tried to organize them. They held a "civil society forum" to bring all the civil society organizations together. Some of civil society actors cooperated with it, genuine people, human rights activists and others. The "think act tank" was one of the leaders in it. But then civil society got disillusioned, and of course now civil society and the Russian government are at war with each other.

Q: Sure. And reports never seem to be good about that.

PHLIPOT: But I don't think that at that time that it was totally a case of evil intent, that Russian authorities and administration had decided that they didn't want any freedom in civil society, in the NGO world, but it evolved to that.

But it was all fascinating. Russia is fascinating every moment as well as frustrating. I remember an example of the frustrations of living in Moscow: one day every appointment that I had, I was so late for because I was in traffic that I missed the point of the discussion, then I had to leave early in order to get to the next one, but was still late, and it cascaded down from that. I spent most of the day in the car. These were all potentially interesting meetings or conferences, which would have made for a rewarding day. And that is Moscow. And that is 15 years ago, not quite, so it is probably even worse. We in the economic section gave up trying to organize dinners when we had guests visiting, VIPs, because you just couldn't count on whether the Russians would RSVP, or if they did, if they would really show up. Finally, we said, "Just forget it. We will do lunches. They are more predictable and people are still at work, and that's it." And also trying to put together a visitor's schedule was really problematic. It's a Russian phenomenon that the assistant to a minister does not have the authority to put anything on their schedule without the principal's permission, but it is difficult for them to get hold of the minister to confirm the appointment. You have someone like Under Secretary Al Larson, who was Stuart Eizenstat's successor coming into town and a couple days ahead of time you do not have the schedule for him. It does not make such people or their assistant's happy. The most prized possession one could have was the personal cell phone number of a minister.

Q: And liberally call the minister directly.

PHLIPOT: We wouldn't do it very often.

Q: That is pretty bad, as day to day functioning goes. That is pretty bad. And you never

hear that when you hear about the U.S. embassy in Russia. You don't hear about the day to day frustrations. You generally only hear about the policy issues. But were there other rewards for being in Russia at that time? I mean being able to travel more freely and see things outside the capital and I don't know, build contacts in the hinterlands?

PHLIPOT: Yes, sure. As far as travelling more freely, you know, you still had to get permission to travel, which the Russians had to do here as well. That system dated from Soviet times. You usually could get permission, but you still had to plan ahead a little bit. One of the most rewarding things that I did in Moscow was working with building contacts between American and Russian female business leaders. The ambassador asked me if I would want to take on the role of coordinating women's programs with Russians. I thought that would be interesting and I was looking for a special role for myself. The Embassy had already developed contacts between Russian and American women, though not yet much in the business sphere. That happened in part as a result of the White House's Vital Voices initiative and the Beijing UN women's conference. In Russia, women's groups had not been connected or even aware of each other or of other individual women activists, until they were all invited to the American Embassy and we encouraged them to network. I worked with a woman who was actually not a business woman, but had taken upon herself the job of working with business women. Her vision was to get these women to cooperate and to put their energies into helping other women or to do other good works, but that was difficult. They were delightful women. A lot of fun, articulate, super smart, a lot of them had gone into business because they had been scientists just before the collapse of the Soviet Union. They tended to be roughly middle-aged, 40s to 60s, and they were difficult to work with as a group. They were very individualistic, but they liked it when we brought them together with their American counterparts. It was a real thrill for them and very interesting for the Americans. Somehow we brought over a group of fairly high-powered American business women, including the woman that founded Weight Watchers. We organized a little mini conference that included a lot of time to socialize and make business contacts. I don't know what happened to it — the activities continued for a few years after my departure and then I think it collapsed like everything else. By the way, I was at a meeting in one of Russian business women's office the evening — morning in New York — on September 11. One of the Russian women got a call on her cell phone as we were sitting there, informing her about the first tower. I always get chills thinking about this. And we thought, "Oh, this is someone playing video games, this is a prank, this can't have really have happened." So, the first time I hear about the attack was in Russia over somebody's cell phone.

Q: I think everybody, certainly everybody in the Foreign Service will remember where we were when this happened because it changed our lives. It certainly changed America in a lot of ways, but for anybody working in the government, especially those in the national security agencies, it became a watershed.

PHLIPOT: Yes. So, when it seemed like this was real I called back to my office to say I knew what was going on. Then I went to my friend, the NGO leader's office. We tried to get more information but the internet wasn't working because the destruction of the

cables underneath the towers was already affecting internet service in Europe.

Q: What was the reaction to 9/11 in Russia? I imagine there must have been a few Russians in the buildings who lost their lives? Or was Russia not…

PHLIPOT: Yes, there were Russians. The Russians were deeply grieved about it, not because there were Russians there, but because this tragedy had happened. Many cultures are like that, especially the Russians. Even though they may be mad at you, if you are hurt, this sympathetic mode rises to the surface. They put vast amounts of flowers, candles, outside of the embassy, it was just outstanding. And you know Putin was the first person to call the President about it. I think mostly, I don't know about Putin, but everybody else, it was sincere, a real sympathy. Also the Russians were concerned about terrorism. The response at the governmental level was also political, tactical, calculating. They were already thinking that having a common ground on this issue would distract from other kind of issues that we don't agree on. Chechnya in particular. The first Chechen War was over, but a second one had started. The U.S. criticized them a lot for how they were treating Chechnya and dealing with the situation there. They certainly wanted to deflect attention from that and have us be more sympathetic toward them because we had this common enemy of terrorism.

Q: Aside from the Caucasus there are not many other areas of the country that are Muslim or in Central Asia, but of course those republics had already separated, but in terms of inside the Russian Federation, besides the Caucasus, where there other areas where there are still Muslims?

PHLIPOT: There are Muslims in Tatarstan, though they tend to not be practicing. They are very kind of secular, but there were a couple of hot beds of Wahhabis in the southern part of the Volga. Something like 15 to 20 percent of the Russian population is Muslim.

Q: Ok, I didn't know that. Wow, that's more than I thought. Alright, so we are up to 2001, your tour must be ending by the next year I imagine?

PHLIPOT: I spent three years in Moscow. But I was thinking of other rewarding things and also travel I travelled a fair amount although you never get out of the embassy quite as much as you would like to because things come up or you have visitors or administrative matters to take care of. I went to Vladivostok once, over on the other side of the country. And to Novosibirsk and Tomsk in Western Siberia. Siberia is very rewarding to visit, at least at that time, because you realize you are so far away and people are a little more open and entrepreneurial. In Novosibirsk there was an American who had come sometime in the 1990s, first involved in selling used cars. It was a big deal at the time because Russians didn't have enough cars. He married a Russian, but never learned Russian himself. He was involved in all kinds of different activities and had done quite well. He built a big American looking house, like you might find in McLean and I think he was trying to set up a 911 system in the town. Also Novosibirsk has the Academy of Sciences Institute. I visited with scientists there. It is just a very dynamic place. Another place also in western Siberia is Tomsk, very university and scientific

institute kind of place. Annually they hold the "Days of innovation" that received some USAID support. I went twice to give some little speech and meet with people there.

Q: And when you travelled there, you would go by plane? Or would you take the Trans-Siberian Railroad?

PHLIPOT: By plane.

Q: Because otherwise it would be quite a long journey.

PHLIPOT: We came back from Kazan by train once, Kazan is on the Volga. I mean that country is so, so big. And in 2002 my husband did six weeks as acting consul general in Yekaterinburg. I went out with him and then travelled with some people from the consulate to a few other places to the East, like Tobolsk and Tyumen. When you are on these trips, talking to people far from the capital, you think, this is what it means to be a Foreign Service Officer, not sitting in the embassy. Ambassador Collins, he was the ambassador for the first of the three years that I was there, had a fantasy to have an embassy on a train. You would just keep traveling, stop here and talk to people, do some reporting, and then go on. As I said, the country is so vast. Another interesting trip was to Archangelsk, which was not in our consular district but in St. Petersburg's. I went with a couple people from the consulate. It's pretty far North but it is a warm water port, a non-freezing port. What is striking to me though is that there was a snow storm in late March, in fact it was just when we had started the war in Iraq. People were having trouble getting back to St. Petersburg, my first flight was cancelled. The thing that struck me is that the Russians officials provide no information. It's not like you go to the service area and say, "My flight was cancelled, put me on the next one." It is totally chaos. As a traveling diplomat, you always have a "handler." The local office of the Foreign Ministry is assigned to take care of you, or else someone attached to the mayor's office. And they are with you practically holding your hand and do all this interference so you don't have to worry. But it is such an inefficient way to do it and we only got this service because we were VIPs. For the average Russian it is total chaos.

Q: It is easy to imagine because every time there is a problem, any time there is an international crisis and CNN covers Moscow, they show people sleeping in the airport because of problems and so on. It's famous. I only went through the Moscow airport twice in my life and it was perfectly effective at those times, in the sense that there were no crises, there were no stoppages for any reason, and still it was very difficult for somebody used to world travelling to just go through the Moscow airport and just figure out where things are and how to get your luggage. It just seemed like chaos.

PHLIPOT: My best story in that sphere is: near the end of our tour, June of 2003, a long weekend in Russia, Constitution Day or Russia Day or something, and we were finally going to Lake Baikal, where we had always wanted to go, but had not found the time. By chance another group from the embassy went, but on a different flight. We thought we were going to be late to the airport because there was a lot of traffic. Lots of people were going away for the weekend. But the taxi driver does this Russian thing and drives on the

sidewalk and whips us out to the airport in time to find that the flight is delayed. First we had no idea why it is delayed, then we heard it is due to forest fires in the East and there is no visibility. We were supposed to leave at 9 or 10 and we left at 3:00 in the morning. I fell asleep and luckily we didn't both fall asleep, so we got on the plane. Ok, so far, we are taking off, and run into some parliamentarian that we know on the plane, nice guy, from the opposition. And we talked to him once we were awake in the morning. And he says he heard that we were not landing in Irkutsk because of the fires, but there is no other information. And when we are finally ready to descend, the pilot announces, "We are now approaching our landing to Bratsk." Bratsk is 600 kilometers away from Irkutsk. And there you are at an airport that looks like a bus station. At first we had to wake people up to take our luggage out of the plane. We asked them, "What do we do?" We didn't know whether to take the next flight back to Moscow. There were a few other Americans, from the Embassy, as well as an English language specialist who was working somewhere other than Moscow, I believe. We started talking to a Russian who was some business man also on his way to Irkutsk, and he said, well, I can get us a couple taxis and we'll all go in a convoy to Irkutsk, 600 kilometers. We lost the other vehicle in the first mile, and unfortunately we had one of our colleagues' passport because the bags got mixed up. And then the Russians says, "You know, if you don't mind, I want to stop on the way. I have these real old friends who live here where there is an open pit mine." It turns out it is the largest open pit mine in the world.

Q: Even bigger than you see the photos from Brazil where…

PHLIPOT: It might be like that. It is really huge. So, what can we say. The guy is organizing, we wouldn't have gotten to Irkutsk without him. We thought this was all arranged, but he actually hadn't told his friends we were coming until just about the time we got there. They had to go scramble to put some dinner together and of course everything takes longer than you expect, but it is about 9:00 p.m. when we eat. It wasn't even supposed to be dinner, we were just going to stop by, but of course it's dinner. The wives have to go find some food to feed us. It turns into an all-night party. After we had dinner, then we have to make a little campfire and drink vodka and eat toasted "salo." Salo, which the Russians, Ukrainians and others love is actually quite dreadful. It is like the fatty part of the bacon, called salt side, I believe, in some parts of the U.S. There are whole departments in Ukrainian markets that sell salo. And then they want to go swimming. And then we also have to go see the open pit mine in the pitch dark. So finally, 6:00 in the morning we hit the road for Irkutsk.

Q: This is an ordeal.

PHLIPOT: But it was fascinating. They talked to us openly over dinner. They were interested that we were Americans but they didn't feel threatened by it. It was one of the most interesting events that I've experienced.

Q: The same thing happened in the Caucasus where you have a planned activity with a planned end time because they are Caucasus people, they are used to entertaining quite late, and the famous remark about Armenians is, "It's the only place in the world where

you can say goodnight, leave, and then come back in for another cup of coffee." And so it goes.

PHLIPOT: You just have to be totally flexible and then you will enjoy it. In Baikal, we were going to be staying in almost a bed and breakfast, a very uncommon thing in the rest of Russia, but they exist in places like Baikal where there are a lot of tourists. They are unregulated and very personal. Our hosts were frantic when we didn't show up on time. First of all, the place Bratsk is notorious for bandits on the road. They were terrified about what had happened to us, when we were a day late. We could not see Lake Baikal unless you were right up to the water, and then you couldn't see across because of the smoke.

Q: The people who went to Lake Baikal, was it more for sort of camping, or what kind of activity would you do there once you got there?

PHLIPOT: Well we were going there to just see it and go walking. I think that was it. There was some kind of thing that you could do to see the fish in the bottom. But as I said, it was such an unusual situation. You could hardly see anybody to tell what they were doing. There is good fish to eat. You can buy fish to eat, either smoked or fresh all along the coast. Then the business guy that got us into this whole thing, came to see us. I don't know how he found us — though I guess it is not so hard to track down American diplomats. And he said, "I'll take you to dinner." So, we went to a restaurant and ate the very best fish I have ever, even up to this day, eaten. Very unpretentious place, and just marvelous. I wanted to write it up for Gourmet Magazine or something because it was so unique — in a place that nobody has ever heard of and absolutely first class.

Q: So, in the end you never actually saw much of the lake because the fires.

PHLIPOT: The smoke was lifting as we were flying out on Monday.

Q: Oh well. But was there also awareness of the ecological problems or the challenges effecting Lake Baikal?

PHLIPOT: Yes. It would be in the papers and talking about it.

Q: Because when Lake Baikal makes the news, it is not about the great fish restaurants these days, it is always about the latest problem that the lake is having, whether it is diminishing and becoming more polluted and so on and so on.

PHLIPOT: Something also that we heard about while we were there that people didn't know much about at that time was that Chinese were actually coming in over the border. There were whole little towns of Chinese. I think it was not really legal, but the farther away that you get, the less tightly the rules are enforced. The Russians have such a fear of Chinese that you never could tell for sure how much of this was truth and what was that they were afraid that it was going to happen.

Q: I imagine they are not alone in having fears of the "other" and having fears of what is over the border, but certainly that makes complete sense. As you look at the macro economy during the period that you were there, was there generally a feeling that both opportunities and just the economy itself was improving or becoming worse? What was the general feel that you were getting?

PHLIPOT: Oil prices were rising during that whole time and that is another thing that put the brakes on reform. When things are going well, there is not much pressure to change. As I was leaving, my feeling was that reform was not going to go anywhere and that part of the problem was that the hold on discussion-making, particularly economic decision-making by the "siloviki." That means the power ministries — especially the security services. They were largely in cahoots with organized crime. I did not leave optimistic about Russia.

Q: And when you are speaking now about organized crime, take a moment and talk about, to the extent that you know, the black market, the grey market, because obviously in a lot of countries that can account for a lot of economic activity. Did you have a sense of to what extent that was going on?

PHLIPOT: Not exactly the black market, but small enterprises had tremendous difficulties doing business because of the extra-curricular activities of the local administration. First of all, there were just bureaucratic problems — all kinds of permits that you needed to carry on business, that you don't need in most countries. Also the bribery that you had to pay at every stage. And perhaps you overcome these start-up obstacles, but then the mayor's brother owns a competing business and your business is stopped. I didn't think of it so much as grey economy in the sense you have it in the third world of things being sold without being recorded, but more of this bribery at all levels of the transaction. The friend of mine that ran the NGO working with the business women told me that she had to pay a bribe to get her daughter in college. You just could not do anything without bribes. Russians don't like it, but that was the only way. Without paying a bribe, you couldn't get a driver's license.

Q: Could you pay a bribe to get out of military service?

PHLIPOT: Yes.

Q: That was true in the Caucasus as well. It was expensive, but you could do it. Wow. And of course that does get reported and I imagine the real economists that you were talking about earlier in the economic think tanks and so on were aware of this problem and were aware of the distortion that it created.

PHLIPOT: Yes. Absolutely. Actually Guriev, who I mentioned, his wife, who was a Harvard economist, led a think tank that published a kind of index or survey of problems that small businesses had. We in the economic section thought that one of the most important reforms was to promote small business, to achieve economic and political stability.

Q: Of course. Building essentially a middle class or at least a more thriving commercial class that was not utterly controlled by the center. Yes. It continues to be a problem. Wow. Well, would you like to conclude this session here?

PHLIPOT: Yes, that is good.

Q: Ok, so we are continuing with Constance Phlipot. We're in Russia during her tour there in the early 2000s.

PHLIPOT: During that time, I think it was 2002, President Bush visited and I, kind of by chance, ended up being Laura Bush's control officer. When the advance team came out we looked at a number of options that would be something significant for her to do but would also represent her, something that she was really interested in. One idea was an Afghan refugee center and we talked to one of the Afghan refugees there, who then ended up calling on us because of some problem she was encountering in her life. There were two or three of us actually working on this to see if we could help her out. Anyway, we did not end up doing the refugee center, but we did two things, one was going to the children's library where Mrs. Bush read a book out loud to children, that was then translated in Russian. It was close to where I lived on the other side of the river from the Embassy. From the outside it just looked like any early Soviet era library, but due greatly to the woman that ran it, inside it was a marvelous place. It was much more than a library; the children did crafts and other activities. There was also a fairytale room that was painted in these marvelous illustrations of Russian paintings. It was a fairytale in and of itself.

The woman that ran it, she must have already been in her 70's. She said that her idea when she retired — which she had not yet done — was to come in there and read fairytales to children. The head of the foreign language department of the children's library was also a very good woman and extremely patient. Even though the event was with children, we had to have the security lock-down, so the kids had to be in place a couple of hours early. The foreign language librarian had the task of keeping them quite while they waited for us to arrive. And it was interesting that it was hard to find an American or English language children's story translated in Russian. Lots of American literature is translated into Russian, but their own children's stories are so good that they didn't translate very many of them. But somehow someone found one, which in English is called Make Way for Ducks and it's a great one to read out loud to children because it has duck noises and sounds good in Russian as well. So, Laura Bush read it in English and an interpreter read it in Russian. Everything went very well, the children seemed to like it, and I should add that Misses Putin was also at these two events, I'll mention the other one briefly, and as far as I could tell she also enjoyed it. She didn't radiate personality, I'd have to say. We were all getting ready to start the whole thing, and Mrs. Putin said she had to go to the restroom. That irritated Laura Bush's handlers. And we said, "Listen, it's her country, if she wants to go to the bathroom, she can go to the bathroom." The other event was a visit to the Tretyakov Art Museum. That was a lot of fun because in preparing for the visit we got to see inside and all around it, in such detail

that you never get an opportunity to as a normal visitor. It's my favorite art museum in maybe the world, certainly Russia.

Q: How does it compare, just in terms of size, with the Hermitage?

PHLIPOT: Much smaller. It would have been like a prince's home, so of course it was very big, but not super, super grand like the Hermitage, and it's all Russian paintings with a concentration on, at least what sticks in my mind, the Romantic period in the 19th century, which to me is quintessentially Russian. I know art historians would say that it is adapted from other artistic styles in Europe at the time, but to me this super romanticism is very Russian and also shows their love of nature. So, as I said, it was a lot more fun than if I was handling the President himself. Even though the staff was a little hyper, it was relatively relaxed. And Mrs. Bush was lovely.

Q: Ok, so in being the control officer for the First Lady, you had your planned events, did anything unplanned happen?

PHLIPOT: No. Only Mrs. Putin going to the bathroom. That was it. So that also made it very good, is that everything went well…ah, and another thing, because I was part of the whole general group working on the Presidential visit, I got to be included in the tour of the Kremlin. You don't get to see that very much, and it is just as fabulous as you see in pictures.

Q: Lovely. The visit lasted how many days?

PHLIPOT: I think was just a day. It was certainly an overnight, possibly two overnights, I don't know, it is a little fuzzy now, I think it was just one overnight. We did these two events with her back to back, and I'm sure she was part of the overall general events, so then they probably left the next day. It's hard to remember because the actual whole plan with the planning, the advance team, takes a couple of weeks of your life. And then the actual visit just flies by.

Q: At the end of the POTUS visit, the Presidential visit, did he address the staff, or was there any event for the staff prior to their departure?

PHLIPOT: Yes there was. I think at the beginning of it. Condoleezza Rice was with him as well. I remember being in the auditorium. Another big event that I witnessed but didn't have any planning part of it, but my husband did, was his address to representatives of civil society at Spaso House.

Q: And of course, way back then in the early 2000s, there still was a pretty active, relatively robust civil society in Russia to address.

PHLIPOT: Yes, absolutely. As I think I mentioned before, we could see the attempts to corral it, control it, already apparent.

Q: Ok, wow. Alright, so now this is one of the highlights of your tour there from 2001 to 2003?

PHLIPOT: 2000 to 2003.

Q: Were there similar events like this, a Secretary's visit or anything like that?

PHLIPOT: Yes. The one that I was also very much involved in, and was acting economic minister at the time, was what we jokingly called "the three tenors," because it was Condoleezza Rice, Secretary of Treasury, and Secretary of Commerce, so my section of course was very much involved in the Treasury and Commerce business. You know, it is hard to remember what the issues at that time were, but that does bring me up to one thing that probably others who have served in Russia may have talked about it, the issue of what we nicknamed "Bush legs." Have you heard of that?

Q: No, I haven't.

PHLIPOT: After the 1998 crisis in Russia, the U.S. gave Russia some food aid, and that included chicken legs. There is an excess of chicken legs in the United States because Americans prefer white meat. The industry lobbies are heavily involved in developing food aid packages. It was a good fit, because Russians liked the chicken legs, it was good protein and very cheap. The Russian people got used to eating chicken legs, then as the Russian economy and particularly the agriculture sector recovered pretty well in Russia, with a boost from the ruble devaluation in 1998 that made it too expensive to import food. The poultry producers started to see the American chicken as a competitive threat. Russia has a long tradition of raising chickens and other poultry, you know the climate is just fine for that, it is easy. They began in a very quintessentially Russian way to come up with reasons to block the imports. They used fake phytosanitary regulations and made claims that our chicken or places where they produce or take care of chicken and package them, were not clean. And anyone that has been to Russia knows this is ludicrous because they don't handle their meat products well at all. The struggle just goes on and on and on, and also interestingly, the Russians probably couldn't have picked a worse product because, a little bit like Lockheed Martin, the chicken industry strategically has production facilities in every state. So, the lobby is powerful. You have all the state delegations hammering on the State Department, "Why are you not fixing this?" and the Russians are just so obstinate, and you know, to tell you the truth, I don't know what happened with it, but Colin Powell, at times, had to field questions and phone calls about chicken legs.

Q: Of course chicken legs in the end are not the only issue. You end up with the question that came up with the Hillary Clinton emails about, "Are we ok with the Kosher pickles from Israel," or some product from Israel that we were importing, and there was some issue with importation or some rule that was creating an irritation in the relationship. It's just funny how food items can become such a huge issue that even the Secretary of State has to pay attention to, pickles, or in this case chicken legs. Alright, good. So, 2003 takes us where next?

PHLIPOT: So, my next assignment was as DCM in Minsk, Belarus, however I had a year to spare between the assignments, because I already had Russian language. We went back to Washington and I split that time between the office of Ukraine, Moldova, and Belarus, filling in and training the Moldovan desk officer and also a few things on Belarus, in particular in cooperation with the Lithuanian Embassy, because the Lithuanians were one of the few countries interested in Belarus. And while filling in as the Moldovan desk officer, I helped the new U.S. Ambassador to Moldova prepare for her assignment. She was new to this part of the world, having mainly served in Latin America.

Q: Who was that at the time?

PHLIPOT: It was Heather Hodges, a career officer. A plus for me as I accompanied her on meetings, especially those outside of the Department, was that the same people that handle Belarus handle Moldova. She was also from Cleveland, so we had that in common. And then the rest of that time I served in the office of Coordination of Assistance to Central Europe and Eurasia (ACE). Excellent opportunity. The reason that I got to do that temporary duty was that somebody that I knew quite well was going to be DCM in Kiev, and she got the office to agree to let her leave for six months of Ukrainian, since she was able to recruit me to fill in. She hadn't been assigned to Ukrainian training because she already had Russian, but even then it was an advantage to be able to speak some Ukrainian, as well as Russian. In that six months I learned so much about assistance, budget process, project management, that really stood me in very good steed with my next tour, and then even some things I'll mention as we go further down the line.

Q: Yeah, I had plenty of experiences with ACE in Romania because as part of Eastern Europe, you are basically in constant touch with them whenever there is a question of money, assistance, programs, projects and all of that, sure.

PHLIPOT: I think ACE was an excellent model of a way to handle assistance that they tried to do in the rest of the world when they created the F Bureau. But there were certain specific elements of ACE that weren't present for the rest of our assistance. Most importantly, ACE had its own allocation from Congress. So, there was money specifically, a specific bill, for those countries. The combination of having a policy guidance from the State Department, as well as hand- on management was very beneficial for the programs. As you say, ACE was in constant contact with posts. It took some time for USAID to be comfortable with ACE, but I think by the mid-2000s they were comfortable and even liked the model.

Q: Did you work with two-year money or do you recall?

PHLIPOT: It was two-year money.

Q: Yeah, that was a fascinating thing as well, because I had received one-year money in other places, but AID's was two-year money and that was very nice. I wish I had two-year money for everything because it lets you plan much further out with more certainty.

PHLIPOT: Moreover, we could re-allocate money if needs changed. There was a lot of flexibility. We seem to have spent a lot of time in Dan Rosenbloom's office (he was in charge of the former Soviet Union accounts) and slice and dice the budget. Take a little over here where not all the money has been used and put a little over there where you have a special need.

Q: I remember that vividly. Yes. Many people to talk to. In constant touch because the money is moving and you have to follow it and know where it is going and if there were changes in allocations for various reasons. You are right, from my point of view, it's an office that worked, but it required a great deal of attention to make sure you knew what was going on.

PHLIPOT: So that brings us to about August of 2004 when I went to Minsk. Belarus is a very special place for me, because I don't know if I had mentioned about my grandparents, yes, I had mentioned about my grandparents. Did I talk about seeing my grandfather's house and all that?

Q: No, not your grandfather's house in Belarus. No, not at all, not yet.

PHLIPOT: Well even before as I went out there as DCM, when I was doing the UMB job, I got to go to Minsk because I was representing the office at a donors' conference in Vilnius, Lithuania. We had to conduct sensitive meetings outside of Minsk. So, I went to that in Vilnius and from there to Minsk for a couple of days. I asked the Embassy if they would mind, since I was going to be there a whole weekend, if I could go to the place where my grandfather was from. They said it was fine; I went with one of the junior officers in the Political/Economic section.

Q: Say the name again.

PHLIPOT: Demyanki. Our embassy driver was quite enthusiastic about this, he liked the challenge of going there. The village is beyond Gomel, the second largest city in Belarus, in a heavily wooded area in a region affected by Chernobyl, but you were allowed to visit. Seeing the road sign for the village that I had heard about all of my life was a very thrilling experience. When we approached the village, we encountered a barrier or gate. But there were no guards, so we raised it and continued into the village. The first buildings were Soviet type, low-rise structures, no apartment buildings and then a town of small, but surprisingly sturdy looking, houses in the traditional manner with a gate on the side of the house, and beyond that a small barnyard with ducks and chickens. We drove all the way through the village and didn't see any people, until the end of the village when the driver spotted some young guys who looked like they were fishing. He asked them if they knew of my grandfather's name. "No, but there is an old lady who lives up there and she knows everything." We found this old lady who was about my mother's age, at that time about 80. She was a very spritely lady, dressed right out of central casting with a kerchief on her head and kind of a mismatch of a sweater and long skirt and this and that and felt boots or something. And she said, "Yes," she did know this

family, and in fact she knew the house, and, I'm paraphrasing, "this house was built about 150 years ago, yes, I'll take you to it." So, she hopped in the car and we went. She found the house and we walked right into it. Imagine the feeling of being in this place that supposedly was where my grandfather and great grandfather had lived, and even if it wasn't the right house, it would have been one like that. It had meter thick walls, maybe not a meter, but really, really thick walls, a stone stove in the middle like in the fairy tales that the grandmother sleeps on top of it, but it was a teeny little house. Small, but it was a real house with a basement under it that was very nicely done with the bricks fashioned into an arch. And there was still a jar of mushrooms or something that had been home canned. In the upstairs there was a piece of newspaper from the 1960's on the floor and a vase that I would have just loved to have taken. But of course as this is a Chernobyl zone, it wouldn't be a very good idea.

Q: Oh, so it had basically been abandoned because…

PHLIPOT: Yes. There were different radiation zones and Demyanki is in the second zone where people were evacuated once the Soviet government acknowledged the disaster and started evacuating people, but then they were allowed to return. Some areas are permanently closed to habitation. However, very few people returned, mainly older people like this lady. The village is really cut off from any public services. This lady was probably able to survive because she had a daughter in the next slightly larger town that had not been evacuated. In this town, a mansion that was built in the 19th century for the land owner still stands. Originally this territory was owned by Lithuanians or Lithuanian Poles but after the first partitions of Poland it become part of Russia. Eventually, over time, the Russians replaced the Lithuanians and Poles with their own people, although in this case their own person was really of Saxon background. He became the last governor general of Finland.

Q: It's interesting that the last person should be a Saxon because the same thing happened in Romania. In the 1500s and 1600s as Romania is slowly, slowly becoming a nation state with the sense of Romanian personality, you have the huge area of Transylvania that is essentially unsettled and the local princes invited Germans to come and settle. So, for a long time Romania had, not a huge German minority, but maybe five percent of the population was German, and they built these fortress castles throughout the region, which was quite something to see in their heyday, and are now crumbling. There is no more German population there and nobody is really taking care of them as historic sites either. There is a little bit going on, but for the moment Romanians are not very concerned about old German historic sites. But it is interesting they were Saxons as well.

PHLIPOT: The mansion was in the style called Moscow baroque, very elaborate, but the original high-pitched roof had been destroyed by bombing in World War II, and replaced with a flatter roof. It became a boarding school during the Soviet period. I read or heard once that after the Bolshevik revolution there was a plan to tear it down and that the local people protested against it and it didn't happen. It could be apocryphal, but it is a good story. The elderly lady, named Halla, took us to this mansion. Though a ruin, it was

enough intact that you could get an idea of what it looked like when it was habitable. The grounds were parklike as was characteristic of the country mansions of that time, with a pond, romantic bridge and some statuary. During the next year when I was back in Washington, before going out to post, the colleague that went with me took another trip to Demyanki and met with Halla — the Embassy developed a nice little relationship with her.

To finish up that story, I made two more trips during my time as DCM, one was when my Ambassador had the idea that it would be a good human interest item to ask Komsomolskaya Pravda, which was the Belarusian edition of the Russian paper of the same name, one of the more free papers at the time, to do an interview with me in the village. Eventually the paper was taken over by the Moscow hardliners, but at that time they were allowed to be a bit more edgier, maybe because they published more on what people were interested in. They tended to not be really overtly political that gave them the freedom to be a bit more open on discussing social issues, so they had no problem doing this interview with me. So, we went out there in the winter, probably about February of 2005. There was snow up to my knees and during the interview in the house I am barely able to talk because it was so cold. But it turned out very well — the headline was something like American Vice Ambassador searches her Roots." After it was published, the Embassy got a few calls from people claiming to be my relatives. Now, we were kind of cautious, but there was one that rang true, and so I met with this woman that turned out to be a second cousin. She was born one day before I was. We were really blood relatives, but she actually didn't know much about my grandfather's side of her family. She remembered being in Demyanki when she was a child, but she grew up in Minsk, her family lived in Minsk. I think her mother lived in this other town called Dobrush, the same one that Halla's daughter lived in.

And then another remarkable thing is one day I come in my office after the interview was published and found a fax on my desk with pictures, copies of pictures, from my childhood. My grandparents together, my whole family, myself and my cousins and my aunt and uncle and my parents in front of our old house. So, I think this is too weird, it was like a ghost story. At the bottom of the fax it was written, "if you can identify these would you please call me" at a number I recognized as a Moscow phone number. Then I remembered that my grandfather sent pictures back to his relatives, maybe up until the 1960s. So, I called the number, it was a young woman, she lived outside of Moscow; her family had moved to Russia, I don't know exactly at what time, and it was her father who was particularly interested in finding out about the family from Demyanki. He knew that they had family that had gone to the United States. He had considered going on a Russian television show called, "Find me", that people use to search for lost relatives, before the KP story popped up.

Q: Isn't that amazing. Wow. That is extraordinary.

PHLIPOT: Then I went out to the village a final time, not very long before I left, and at this time the Belarusian authorities were getting a bit more aggressive. They made us get permission because we were foreigners going into the Chernobyl zone, I think you

always probably needed to, but previously nobody was paying any attention. We had to go into Gomel, the regional capital, and wait around to get this permission and, of course, that gives all the local authorities an opportunity to know where we are going. We were hounded while we are there by these, what I call, fake journalists, who really work for the intelligence agency. They were always trying to interview us or take pictures of when you just want to be alone or you want to talk to somebody. Then another footnote, years later when I was living in Poland, my office — I was working for an international organization there — got an email for somebody looking for me, a young Polish guy who had read this Komsomolskaya Pravda article. His great, great grandfather, I think, was the man who owned the manor. So, we got in touch, mainly by email. He has a Facebook page for his great, great grandfather. He has an obsession about it, I guess you would say. But he has gathered a lot of information that I could never have and he willingly shares it.

Q: There were similar things in Romania now that the Ceausescu regime was gone and there were possibilities for regaining old property. You would every once in a while run into people who work, relatives or great grandchildren of counts or barons, who at one time owned one of these hunting lodges and so on and they would show up, or you would even get an invitation periodically to come out, and of course what they are trying to do is get help in the restitution. But it is sort of becoming an eastern European thing.

PHLIPOT: But I don't think this guy is looking for anything, I think he is really just a little obsessed.

Q: But the mere fact that he had gathered so much material, it could give much more dimension to the visit.

PHLIPOT: Ok, so back to Belarus, there was a lot going on there, including parliamentary and presidential elections during my time. In both of those cases they were of course not free and fair by any means, there were protests afterwards, that the authorities clamped down on. But the more dramatic one was during the presidential election in 2006, a little over a year after the Orange Revolution in Ukraine, which gave some hope and inspiration to the Belarusian democratic opposition. They formed their own little tent city in downtown Minsk. The authorities left it there for just a couple of days and then they carted everybody off. There was a sense that that this might be a kind of turning point in the opposition movement, that more of the population would be radicalized, because so many of the people that were hauled off were young people. Their mothers and fathers saw this and it was thought that this would build some sort of sympathy for the democratic opposition, but that feeling just lasted a couple of months and then it was back to normal.

Q: And it is all Lukashenko.

PHLIPOT: Yes, it is all Lukashenko, but of course there's got to be some group around him that is interested in the status quo as it is. The interesting question is why is Belarus the way it is, why did it turn out that way. I think there are a few factors. One is the difficulty for the Belarusians to form a national identity. It had never been an independent

country, always been a part of something else, and for the most part the Belarusians didn't care. The everyday people in particular didn't care. There was a small group of elites, maybe in the 19th century and the 20th century that were trying to form a Belarusian identity, but it was not a movement that really caught on fire. It was said that in those days, if you asked somebody in the Belarusian hinterlands, "Who are you?" most likely they would say, "I'm from here. I'm a "from here" person." There's a specific word in Belarusian for that. Not uncommon in other parts of the world, but it is so prevalent there it probably precluded the development of a strong national identity.

Q: And yet, despite that, there is still not any particular groundswell of interest to rejoining Russia, becoming a…

PHLIPOT: No, if anything, over the past 20 years there is probably more of a sense of national identity than there had been before, and in a way because of Lukashenko. He has played this game of trying to get out of Russia what he can, but not letting himself be totally subjected to Russia. They do on paper have this union state, but this was initiated by Yeltsin and Lukashenko joined. Yeltsin did it after his last election, it was a popular idea in Russia. Lukashenko thought this might mean that he would be equal to Yeltsin — co-presidents. Then Putin comes in and it is said that Putin can't stand Lukashenka, considers him a country bumpkin. He made some crude comment about Lukashenka that it not translatable. At that point Lukashenka realized that if Belarus joined Russia he would only end up as that governor of a small oblast in the Russian Federation. He no longer wanted to have anything to do with this union idea. But of course he couldn't just turn around and say, "Bye bye Russia," so he has to play this game of appeasing Russia, without surrendering sovereignty. In the process the Belarusians created some sort of national identity. And I have talked to, particularly after I left, some of the dissidents were starting to feel it would be better to have Lukashenko than to leave themselves open to the possibility of being taken over by Russia. And I'm sure that the sense is even stronger now after Ukraine.

Q: Sort of the devil I know is better than the devil I don't.

PHLIPOT: Yes. They also are rather proud that their roads are better than the roads in Russia. They look over across the border to Russia and they believe their side looks better. And it is true, at least the roads are better. Another factor is that over time the ability for them to make democratic change has weakened. The elites have left. The democratic elites have left. Some young people have gone to the United States. A lot of Belarusians left to work in Russia because no visas — or even external passport — are needed. Many members of the political opposition are in Poland and Lithuania. A lot in Poland because Poland was quite open to them and gave them some financial support. Remember I said that Komsomolskaya Pravda was pressured to be less open, less liberal. The editor that we in the Embassy knew well was forced out. For a while, she was the head of the Minsk office of European Radio for Belarus, which was broadcast out of Warsaw. And then the protests after 2010 elections in Belarus were quite brutally put down. Several opposition figures, such as this editor, were not able to return to Belarus if they had left.

The Belarusians never implemented comprehensive economic reforms, but have done some tinkering that has both prevented major economic collapse as well as a major readjustment in people's lifestyles. Belarusians are also used to putting up with a lot of hardship. Moreover, Lukashenko always gave enough space to private enterprise, or maybe it's not really private but controlled, so the middle class is able to buy their washing machines and hair dryers and most modern goods. Even ten years ago, you might not have been able to buy top-of-the-line goods, but you could buy anything that you needed in Belarus. And if you didn't find it there, it's only about 60 miles to Vilnius.

Q: And there aren't huge tariffs bringing it back? Or you just pay abroad?

PHLIPOT: I don't know how it really worked, but somehow people brought goods back constantly.

Q: Ok, they managed.

PHLIPOT: I don't think it was in Lukashenka's interest to make this as a point of contention. Now, at times he has imposed certain taxes and restrictions, principally on small business owners. And they have faced more serious economic problems in the past few years. More recently, Lukashenka introduced a tax on being unemployed — it is referred to as the "parasite" tax, because the unemployed were called parasites in Soviet times. It's like the opposite of unemployment compensation. (2017 update: this law fueled protests across Belarus in spring 2017, which were crushed. However, Lukashenka delayed implementation of the law, which was to have come into effect this year, but has not rescinded it.)

Q: And the opportunities of course for misuse of power in determining who does not have a job, or in firing people so that they are left without a job.

PHLIPOT: Sure. The percentage of people who work for the state directly or indirectly is very high. Around 2006 or 2007, the government moved most people to a contract system, which makes it very easy to fire someone. For example, you can lose your job for participating in a protest. Even private business person who support the opposition or fund NGOs that aren't government sanctioned will find their contracts drying up and ultimately will lose their businesses, or worse. Lukashenka has the country under his control. And it is a bit like a marionette performance. He doesn't clamp down totally on everything, but just sort of keeps it going along. People are boxed in, but also, depending on what one's interests are, life might be ok, not great, but ok. Most people don't really have a sense of what might be better and they fear change.

Q: Totally understandable. Now he is getting on in years?

PHLIPOT: No, he's not, he's our age.

Q: Oh, for heaven's sake, I didn't realize…I thought he was much older. So, he'll be

around as far as we know for quite some time.

PHLIPOT: And it seems he might be grooming his young son to succeed him. I have seen some strange pictures of Lukashenka and his son, Kola, both dressed up in military uniforms. This son is not the child of his wife. He never divorced his wife, he just stuck her out in the country. He has two older sons who are in business or something, children of the age that one would expect of somebody that is 60. There are various theories of who is the mother of the young son.

Q: And isn't there a bit of a historical continuity between what aristocracy did back in the 19th century with wives they didn't really want any more and what they are doing now? If I remember right, Russian aristocracy, if there was a wife who for whatever reason had become un-favored, she might find herself out in a dacha somewhere for the rest of her life, while another more favored person would be in the mansion.

PHLIPOT: Yes, that's true.

Q: Interesting how that persists even in a completely different political and economic system. Not in a good way, but there you are. Because I mean Castro did the same thing and it just seems almost part of Communist upper echelons that troublesome spouses find themselves put out. So, your recollections now of being in Belarus, how about running an embassy in that kind of place?

PHLIPOT: Yes, there are challenges. The good thing about it is that it was small and people for the most part worked together well. Of course we had our problems. We had one communicator throw a fork at someone and we kicked him out. As the DCM in a place like that, that's a little bit hard, because you become very close and motherly toward your officers, who generally are also very young. And then you worry about them when they travel because, particularly in the last year when we were more frequently harassed. Actually the Belarusians would be irritating but not harmful. There are some harmful things that happened to other people, but they tend not to bother foreigners too much. But psychologically they could be pretty awful. The Belarusians did a weekly show called Panorama on Sunday night, which often highlighted the alleged activities of the foreign embassies. And they were just awful. I gave up watching it after a while. At first you would watch it to talk about it on Monday and then you just can't stand it anymore. They use the same footage over and over and out of context. The basic theme was that we — the U.S. and a few other Western Embassies — were paying the democratic forces in order to destabilize the country. This campaign was never terribly nasty against us, but it was to a couple of other embassies. For example, they entered the apartment of an allegedly gay Latvian diplomat and filmed some real or recreated compromising activities. He ended up leaving the country. A similar thing happened to a Czech diplomat. Frequently, they take a tiny, tiny bit of truth and blow it out of proportion and twist it around — totally psychological warfare. The Soviets were excellent in that and the Belarusians preserved it like a copy of the KGB playbook word for word. For us, it was usually just irritating. At least twice when I had a reception at my apartment, these fake journalists photographed everybody who came in. Not

surreptitiously, but out there just like the paparazzi and they tried to interview some of the guests. And many of my guests were not in the opposition — they were librarians, teachers or innocent NGOs like the one for bird watchers. And they didn't know what to make of it. They asked me was I doing this? This was done to harass us and they hoped it would scare people away from having contact with the Embassy.

Also, as you say, running the embassy in a place like this can be complicated. For instance, the Ambassador's residence was about 16 kilometers away, much of it on a dirt road, not ideal for us, for him, and certainly not for guests. So periodically we would go through this exercise of trying to find a new place for him to live. Now, the history of this is, until the mid-1990s many ambassadors' residences, including ours, were in a nice peaceful area of town, that was also very accessible. Lukashenka decided that he wanted this property for himself and his cronies. So, he kicked the ambassadors out. This is contrary to the Vienna Convention, so our ambassador at that time went back to Washington and sat out the rest of his term. When the new ambassador arrived there was nowhere to live but this place in the sticks. As I said, periodically we would try to find a more suitable place. First we would collect some offers and when we would try to pursue them we would be told, "Oh, we decided we don't really want to rent." So, it never happened. Our building itself was built just after World War II, it was a very old fashioned property that had been the office or residence of a high ranking Soviet military officer. The structure could not support our heavy communication equipment; the wall developed a huge crack. We kept imagining coming into work some morning and finding the communications center sitting in the middle of our office because the wall had crashed in. Now, since we don't have an ambassador or secure communications that building has been abandoned. Everybody is working out of the newer building that is unclassified. If we bring ambassadors back and try to create a fully functioning Embassy again, we will have a big problem with finding suitable space.

Q: Lukashenko shows every sign of being there for a very long time and the issue…

PHLIPOT: Right. There are discussions of exchanging ambassadors again. The Belarusian Charge mentioned it at an event at the Kennan Institute, and it seems to be true. I don't know the details nor how far along it is.

Q: It is very interesting in your recollections about Belarus, even though you are an economic officer, there's very little to say about the economy so to speak, other than Lukashenko makes it work to the limited extent he wants it to and that's basically it. It is unlike so many other places like Burma where there is at least a little bit more ferment and interest in developing a more modern economy somehow, even if their notion of it might not be exactly what would be the best and the same thing about the Baltic Republics and even in Russia, it seems Belarus is about as far back as it could be economically, from the point of view of moving forward from…

PHLIPOT: There are a couple exceptions. The hydrocarbon industry floats the economy. They buy the oil and gas at low prices from Russia. It's actually a little more complicated than that and has to do with export taxes and tariffs, but basically they are living on this

margin between world prices and Russian prices. They process the oil and gas, so they are selling gasoline and other products to the Europeans at European prices. The Belarusians are one of the few producers of huge, huge tires, like for airplanes and very heavy road equipment. One economic intervention that I tried to make while I was there, was interceding on behalf of Caterpillar because the Belarusians were not honoring the contract to sell a specific number of these humongous tires to Caterpillar. I went to the director of the company and explained this contract. He flatly said that they had their preferred contractors, buyers in this CIS countries. And that was that. I couldn't convince him anyway.

Q: Good lord. That's horrible.

PHLIPOT: The other thing is they do have good computer scientists, programmers, and that. As much of the former Soviet Union did. The Belarusians have developed several very successful apps and provide back office services to a number of world companies. By the way, the FBI would love to be able to cooperate with the Belarusians more on fighting cybercrime because they understand it well.

Q: Interesting. That alone is an interesting little sideline that you wouldn't expect necessarily.

PHLIPOT: If you were looking at the countries at the time of the collapse of the Soviet Union you would probably give Belarus the rating of most likely to succeed. Because it had better infrastructure, good roads, well educated, hard-working people, no ethnic strife. But it didn't turn out like that. On the other hand, maybe in the future. Lukashenko's goals are to stay in power, avoid disruption, and he has succeeded at it.

Q: Now, your tour in Belarus ends in 2006. Shall we pause here then? Or would you like to go on to your next…

PHLIPOT: I could go on perhaps, because the next job I had was in policy planning and Belarus was one of the countries that I worked on. So, I was in the policy planning staff, what they call a senior advisor.

Q: One last question. So, you are there from 2004 to 2006. Is your husband with you?

PHLIPOT: No. He was in Serbia and was a deputy mission director to the OSCE mission. That position is generally seconded from the Foreign Service. So that was something that personally made it harder. We could talk on the phone, but not about the things that you really want to talk about like what the stupid things that people are doing in the embassy because that's not what you want the bad guys to hear. I traveled to Belgrade whenever I could. There were no direct flights. We went through Vienna, which sometimes worked and sometimes didn't and one of us would end up spending the night in Vienna. My husband was able to travel a little more often than I was. That was the reason that even if I could have extended I probably wouldn't have. We both went back to Washington in 2006. I had the assignment as senior advisor for Russia and the former Soviet Union.

Q: In the policy planning office?

PHLIPOT: Yes. The way the policy planning is organized is that each member is responsible for several functional, or geographic, areas. It was not a good time in the life of an administration to be in policy planning because it was the last two years of the Bush administration. Policy planning's key role is to create ideas, flush them out to a certain extent, and then turn them over to somebody else to actually run. But you don't have new initiatives in the last two years of an administration. The other problem for me was that there wasn't a big interest in Russia, neither in the administration nor in the leadership of policy planning. Now of course, Secretary Rice was very interested in Russia, she knew a lot about it, and had her own ideas. I have to say, when I once got a session with her just to talk about Russia, it was good. She listened. She was very thoughtful. I found that enjoyable. But that was a rare kind of thing to happen. I also don't sit still that well, so I looked for more hands-on projects. I took over as a little project, how to commemorate the 200 years of Russian-American diplomatic relations. It was something the embassy was crazy about in a positive way and there were a couple of people on the Russia desk that were interested. And it was kind of fun. We tried all different angles, went out to Hillwood Museum to see how we could cooperate, at the Smithsonian, with some universities. The idea was that we were commemorating the full relationship, as much cultural as anything else. We arranged some interviews with former U.S. ambassadors in cooperation with the historian's office. We put them up on their website and they are good. If they are still around, I recommend that anyone who hasn't looked at them to take a look. Ambassador Collins, who was U.S. Ambassador to Russia my first year in Moscow was at the Carnegie Institute in Washington. He was trying to do something similar. He got the Russian ambassador to the United States and former American ambassadors to Russia to have a forum. But, for the most part, it was a rare, really hard to get anybody outside of the Russia desk to be interested in this because of the relationship. The European bureau was not wild about it. And then the poisoning in London further spoiled the relationship.

Q: Polonium 210?

PHLIPOT: Yes. So, it was just a pretty bad time. But then the other thing, as I said, I worked on Belarus. During this time, we imposed economic sanctions against Belarus. It took a while to convince Treasury to do it because they have to make sure that no American investors are going to be affected by it and that it is not going to cause a general collapse in the country that will then have an impact on other countries. They proceed very cautiously. However once the sanctions are implemented they take on a life of their own. There are two kind of groups of sanctions. One is a visa ban against certain individuals. The Europeans have a list of banned persons; we do not maintain a list. But for all intents and purposes, it works like a list that is nearly identical to that of the Europeans. The other type of sanctions is against doing business, including banking, with companies that are in some way tied to Lukashenka. So, what happens is that at the outset Treasury doesn't know all the Belarusian companies that would meet the criteria to be banned. As Treasury finds out more and more companies have a link…for instance, say

you want to export to company XYZ in Belarus and you ask Treasury, "Is this ok?" they are obligated to look into it and if they might find out that the company does have a link to Lukashenka, it is added to the list. To the Belarusians it appears as if we are ratcheting up the sanctions when we add companies, but that really isn't the case. After one of these additions, the Belarusians decided that they weren't going to take it anymore and said, "We think that your Ambassador should go home for consultations and we'll send ours home to Minsk for consultations." And of course we say, "We'll decide when an Ambassador needs consultations, not you." So, then they repeated it and we thought, well, ok, she'll go home for consultations. Then the Belarusian government announced that we have to cut our staff by, I forgot what the first number was, down to 15 or take 15 people out or something like that. We had to do that, but we wanted to make sure that we decided who is going to go home. And then the next day or over the weekend, the Belarusians said we could only have five diplomats in the Embassy.

Q: Wow, I had forgotten about that.

PHLIPOT: And the State Department came close to deciding to close the embassy and had even begun discussions with the Lithuanians to take care of our interests. I don't know if I had any influence on it at all, but I was of the mind that this should not happen. Some people said we couldn't have an embassy that small, and I thought, yes you can. We do have very small embassies in some parts of the world. So, I believe that the decision went up to Condoleezza Rice, and she decided in favor of keeping the embassy. So not only was it just five permanent diplomatic staff — if somebody else came into the country with a diplomatic passport, somebody had to leave the country. In the last eight years, it has improved a little bit, they've given more exceptions to this rule and the total number has increased by one or two people. And as I said there are discussions about ambassadors.

Q: And we haven't lifted sanctions. Or have we?

PHLIPOT: We did lift them and then we re-imposed them. Now, we have not lifted, but have suspended them, with review every six months, I believe. The Europeans lifted them after the last Presidential elections. Not because they said the elections were good, but Lukashenko freed the political prisoners just before the parliamentary elections. It's part of Lukashenko's game to balance between Russia and the West. So, what else happened? We spent a lot of time on Moldova and Transnistria and things went absolutely nowhere. Discussions on Georgia. I saw my job as trying to keep people realistic about Georgia, because there was a tendency in the Department to romanticize Georgia. I got to go back to Moscow once during that time. I went to a meeting that the German equivalent of the policy planning staff organized in Berlin and then I went on to Moscow.

Q: And once again, this is 2007 to 2008?

PHLIPOT: 2006 to 2008. The director of policy planning for the first few months was Steve Krasner, from Stanford. He had very good access to Condoleezza. They had been colleagues at Stanford. But he had some medical problems, a heart issue, so he wasn't

very dynamic while he was there and then he left before the end of my time in SP. David Gordon replaced him. He had been the deputy director of the National Intelligence Council. He was smart and energetic, but he did not have the connections. It's almost a caretaker role at the end of the administration.

Q: So that winds down and takes you to the end of 2008 and perhaps we should pause here then?

PHLIPOT: That's good because the next job is so different.

Q: Today is March 16 and we are picking up with Connie Phlipot in SP.

PHLIPOT: As I mentioned dealing with the Transnistria issue was one of the things that I looked after. In SP you don't have an active role, but you are there to see that the Secretary's interests are being represented. My impression during this time that the Transnistria crisis probably could have been solved had there been political will on all sides. The Russians did come up with a proposal that was not acceptable. It seemed as if the Russians were not trying to be obstructionist, it was just that this was not what we liked. And of course I don't remember the details after all these years, but I had the feeling from this time that the Moldovan government was not all that interested in solving Transnistria. It served their political interest by giving them somebody to blame for their failure to govern well. They could use that to justify the lack of progress in other areas. Moreover, it served the personal economic interests of many in the Moldovan administration because TN is an organized crime paradise. Anything could be trafficked through Transnistria, all kinds of smuggling. We know that Moldovans have an interest in the criminal activity there. And it just never hurt anybody, at least anybody in power, to keep it unsolved. For the Russians it was fine. It was an insurance that Moldova wouldn't be accepted quickly into the Trans-Atlantic institutions. Not that they would have anyway because of their inability to run their government and their economy. The United States and the European Union were honestly interested in solving it, but it just didn't get above the deputy assistant secretary level. One of the conclusions I reached after SP was that for small countries not deemed of a particular interest, like Moldova and Belarus, and the Central Asians countries (except for the base issue) above the deputy assistant secretary nobody is interested.

Q: I think that's an important point, in other words, in general policy has to attract the attention of a sufficiently high official or enough of a sufficiently high level of officialdom in order for it to move. And I don't think that Transnistria was the only issue of that nature. There were other sort of small unsolved problems in the post-Soviet sphere that also went on, in part because the top level of the administration had other fish to fry, more strategic level things, more strategic business with the players. But that being said, please go on.

PHLIPOT: And then you could probably say similar things about Armenia and Azerbaijan, although that was a more heated conflict with almost daily skirmishes on the border. But it served both Armenians and Azerbaijanis to keep it alive. However, it is

more difficult to solve than Transnistria. It reached deeper into strong ethnic animosities, which I don't think was the case in Moldova and Transnistria. And then you also had at that time the other frozen conflict regarding Georgia and South Ossetia, which soon after I left SP blew up.

Q: From your point of view, with regard to Ossetia and Abkhazia, does Georgia lose very much of value in losing those two provinces? Or is it more the sense of sovereignty and national pride that they want to keep them?

PHLIPOT: Certainly Ossetia doesn't contribute anything to Georgia. Abkhazia could be a great tourist site. But I think in general it has to do with national pride, of which the Georgians have a lot. The Georgian-U.S. relationship was very interesting to see. We did not read each other well. The Georgians, like I think many other nationalities, would translate our niceness, our "Oh, we'll try to help, we like you," into "You are our ally and we will be there no matter what you do." And we would also take people at too much of a face value. And we are not very good at seeing what ulterior motives that people have.

Q: Now you also wanted to remark a bit on SP and how it functions.

PHLIPOT: One more thing on the substantive side was something I was really, really interested in and got involved in quite a bit, but it went nowhere in that administration. That was gas pipelines. The national intelligence officer for the area, who at that time was Fiona Hill, was also very interested in it. The National Intelligence Council (NIC) had money for conferences and to bring in scholars, which I got to take advantage of. It was an amazing learning experience on gas pipelines. Natural gas differs from other energy issues because it is in a pipeline and you don't have the flexibility that you do with oil or coal or anything to physically pick up and transport. And it takes a long time to build a pipeline. And secondly it is such a political and economic issue, as well as a business issue. Whereas if Russia or before that the Soviet Union, wanted to build a pipeline to avoid transiting one country or another, they just build it. But in our world, a capitalist, western European world, the companies have to be sure that there will be gas to put into it and that there will be somebody to buy it at the other end. The schemes that some people were coming up with in the US to avoid transporting gas through Russia, such as the Nabucco pipeline from Turkey to Austria to bring natural gas from Azerbaijan to Western Europe, did not meet that business criteria. For example, it was most likely that Azeri gas would peak before there was adequate gas to make that pipeline profitable. The other leg of the scheme was to pipe Turkmen gas under the Caspian to add to the Azeri gas. But it was really a long shot that agreement could ever be reached and the pipeline built in any reasonable time frame. So, a number of us were trying to suggest, "Let's look at different ideas: why is it necessarily that we can't work with the Russians on this?" So, based on that, talking to different people and the conference in Berlin, I did a paper on an alternative strategy. But again, that was the end of the Bush administration and Russia was in the dog house, there was just no interest in that.

Q: This is 2007-2008?

PHLIPOT: Right. I did remember getting a very nice note from Bill Burns, who by then was either Deputy Secretary or Under Secretary for Political Affairs, telling me what a good piece it was. But it still didn't go anywhere. However, the idea was explored in the next administration when Morningstar became the special envoy on Caspian energy, but I was out of SP by then.

Q: And the idea of Nabucco, if I remember right, was an alternative to Iranian natural gas?

PHLIPOT: No, its purpose was to avoid European dependence on Russia. To get Azeri and Turkmen gas into Western Europe without having to rely on the Russians. But of course, the whole question would be different if Iranian gas was brought into the picture. One of the reasons it is so hard to plan for natural gas is you don't know who will be your friend at the time that the pipelines are completed — they take about ten years.

Q: But the strictly economic viability question, you mention that Azerbaijan's gas actually peaked before the pipeline could be completed. Is that true of Turkmen gas and potentially Iranian gas? In other words, could it be economically viable if other players were involved?

PHLIPOT: Yes, it could be. Iranian gas was out of the question, then. There is lot of gas in Turkmenistan, but you've got the Caspian Sea in between. That's why I was thinking "Why not bring in Russian gas?" The other technical part with gas is you have to keep it going through all the time, it's not like if there's not enough gas we'll shut it down, because a certain pressure has to be maintained. But it is fascinating, so even if our ideas didn't go anywhere, I certainly learned a lot.

Q: Without going too far afield, one last question on natural gas. The whole pipeline question, are people in the industry also looking at the potential for liquefied natural gas and moving it that way?

PHLIPOT: They were only beginning to then — it was very expensive, but now there is a lot, lot more LNG. That was another thing, we were trying to say to Western Europe — "Widen your perspectives, don't think we are bound forever to Russian gas. What about LNG and other kinds of alternative sources? The answer to your problem isn't necessarily another gas pipeline, it might be something else entirely different."

Q: I was just wondering to what extent the something else…

PHLIPOT: And then the other potential game changer, globally not specifically for Europe, is shale gas. At this time the United States wasn't the gas producer that it is today. Many years later when I was in Poland, U.S. companies were looking at the potential of shale gas in Poland because the geology was similar to Western Pennsylvania/Eastern Ohio. As far as I know this has not panned out.

So, now to SP in general. It is far from Kennan's concept in the 1940s of really being an independent think tank. It seems more tied to the particular administration to be really independent. However, a plus is that SP staff don't have to worry about the day to day problems that, as any desk officer or office director knows, eats up every minute of the day so that you don't even have time to think about what is really important. People in SP can sit back and think about that. The difficulty is then trying to influence anything and that can be frustrating. The other positive aspect is that you are the nexus between the outside academic and think tank community and the policy makers and policy implementers. Not only could we go to conferences and Carnegie Endowment meetings and everything like that, but we also had enough authority, because in principle we are part of the secretariat, to invite people to come in and just talk to us, or bring together a little group. I loved bringing together a group of about less than a dozen from, for instance, DRL, (Democracy Human Rights and Labor bureau), the desks, and listen to somebody who devotes their whole academic or think tank life to a specific issue. The area that was particularly useful and interesting was the North Caucasus. It was far from the front burner at that time, but people in DRL, some on the desk and a few other types, were eager to understand the area better. So, we had our little North Caucasus working group. What good it did, I don't know, but it was interesting. And then later, when I was at the War College, I wrote a paper on it and got it published in Parameters, the Army journal.

Q: Ok. So that does explain pretty well the role of SP. The only thing I would question about that is your connection to outside think tanks and outside thinkers, was it broad? In other words, did SP under the Republicans bring in, what might be considered, Democrat experts, and under Democrats did they bring in Republicans? Or was it pretty well understood that you were only going to look at a certain group of think tanks because they were consistent with whatever the administration at the time?

PHLIPOT: No, it was broad. We could do whatever we wanted basically. I would go talk to people at Brookings and at Cato. That also raises a good question about who was in SP. You know, there weren't many Foreign Service Officers on the staff. There were a couple civil servants, who actually belonged to another bureau and had short excursions in SP. And then there were think tank people and one of them I recall was from Brookings, an Iranian expert. She returned to Brookings, and she is still quoted frequently. I recall her saying how appalled she was of how little people knew about Iran anymore in the State Department because of years without any representation there. But again, as I said, there would have been room to do what I wanted, had it been early in an administration that was eager for initiatives, but at the end it wouldn't have mattered what kind of administration it was. But other than that, our conversations would be all over the place, and exhilarating.

Q: Now you finish in SP in 2008?

PHLIPOT: Yes.

Q: And interestingly, your next assignment is the War College?

PHLIPOT: Yes, as an instructor. I had studied at ICAF in Washington, that would have been eight years earlier, but it was actually my husband who was interested in doing this. We both bid on it, there are two slots, and I got the assignment first, maybe because I had had the War College experience. Somebody else wanted to stay for family reasons in the second slot, but we were able to work something out so that he, you're not supposed to be there more than two years, worked out something at the peacekeeping institute.

Q: Institute of Peace.

PHLIPOT: No. In Carlisle, at the Army War College, there's a peace keeping institute. It worked out that both my husband and I were the two State Department instructors at the War College in Carlisle, Pennsylvania. The State Department people are assigned to the Department of National Security and Strategy. The other teaching departments are leadership and one based more on warcraft and planning. Our department is the most like one in a civilian university. We would teach, usually together with somebody else, the theory of war strategy and then national security and policy. I had never taught before and I soon found out that I loved it. And I loved teaching about the theory of war and strategy. Of course the national security is much more what we are used to, what we know well. It is a wonderful format of about 17 students in seminar. At National War College they call it a committee. At the Army War College the same group of students stay together until March. There's a lot of bonding. I liked that format a lot because you were not expected to lecture; you are really guiding a seminar discussion. And they were not shy, so it was never hard to get a discussion going. Of course they are quite smart people because they are those that are expected to have the potential to be generals, but their backgrounds for the most part, except for the few that are Foreign Affairs Officers or Attaché types, have all been doing operational things. They had huge responsibilities, maybe having 100,000 people working for them, but to them, the idea that you could write a memo and there's two people between you and an under secretary was just mind boggling. Everybody really liked having the State Department people there. They liked our perspective. Of course they didn't always agree with this, but almost to a person, their perception was that if we at the State Department, as well as AID, were given the resources, than they wouldn't have to fight. You really do learn that the most cautious people about going into war are the people who have to fight it.

All the schools are now multi-service, so even though this is called the Army War College, maybe half were from the army, one or two from the other services, air force, navy, marines, and civilians, technically including non-DOD civilians, but we only had civilians from DOD agencies.

Q: Let me just clarify one thing. I'm confused between whether you are talking about the War College here at the National Defense Institute in Carlisle.

PHLIPOT: I'm specifically talking about Carlisle. But all war colleges are inter-service and inter-agency. Now, I haven't been to the naval war college or the others, but I know they are all set up along similar lines. You've got this mix of all kinds of different

specialties — you have pilots, you have medical professionals, you have intelligence officers, public affairs people, it is a really, really good mix. Plus you have a couple of foreign students. They are all from land forces, at least they were at that time. I had two foreign students in my seminar. The first year was Bahrain and Romania. And the next year Romania and Mongolia. And they have subsequently increased the number of foreign students there. For the most part, they are really sharp students because it is prestigious to be able to go to the U.S. war college senior schools. They had good English.

Q: Exactly, just to have the level of English you need to interact at that level. Sure.

PHLIPOT: And they were a lot of fun as well and usually got along well with each other whatever their nationalities. I'm sure you observed this in similar circumstances, the students from the former Yugoslavia, whose countries had been at war, were friends at the War College. They would get together at a store/cafe across the street from the barracks that was owned by a Bosnian woman. Soon after we arrived in Carlisle we were walking around and we saw something called the "European" store. We had heard somebody mention something about it, but didn't know what it was. When we started to look around I said to my husband, "Wait a minute, the labels on the jars are in Serbian." And then we realized that it was all this stuff from the former Yugoslavia. We talked to the woman who owned it and learned her story. She was a refugee and quite an amazing and impressive woman. She also baked traditional Balkan bread, called lepinja, at home and brought it into the store. We had a standing weekly order. The students from the various countries of the former Yugoslavia would gather there, as well as the Bahrainian from my first class. He would talk to her about Islam, which she enjoyed. Similarly, the Pakistani and the Indian students were almost always good friends. So, it was a nice mix. And the first year I got to know the foreign students even better because, I was able to go along on their trip across the United States in February. At that time, the American students have a course that is American specific and requires a security clearance.

The foreign students' trip is focused on the combatant commands. The vice president of the war college, who is always from the State Department, comes along, as well as one of the State Department instructors. It was great. We started out with an introduction at the Pentagon and then to Fort Carson near Denver and to NORAD to talk about air security. Then we went to Hawaii. Can you imagine going to Hawaii in February after you've been in the middle of Pennsylvania? We went to the Pacific command (PACOM) and the East West Institute, which studies that whole Pacific area but also has a security focus and works closely with PACOM. Then to Tampa for the SOUTHCOM and CENTCOM. And then, if you can believe it, we went down to Key West where there is a joint operations on border control. Then back up to Virginia Beach. It's very much fun and you really learn a lot. I was impressed by the sheer size of the military operations and their role in non-combat issues. They are always talking about the soft side of security, as well as strategic communications, as they called public diplomacy. It leaves you with the question of why is the military engaged in these activities. But they have the resources for it. And I'm sure it is quite puzzling to the foreign students as well, who have much smaller militaries.

So what else about that? As I said there is a big emphasis on bonding — sports is one of the main instruments for that. Softball is almost obligatory in the first weeks. And there are many injuries as you would expect when forty-something year olds engage in sporting activities they haven't done for decades.

Q: This was also true when I spent a year at ICAF, which is now the Eisenhower College. The expectation that you would take part in baseball. They chose baseball for whatever reason and these people are military, you tell them that they are going to play a sport, they do, but most of them were in their mid to late 40s, maybe even their 50s, had all kinds of physical problems due to their deployments, and it wasn't easy for them to run and maneuver and so on. Plenty of them had aches and pains and I just wondered wouldn't there be a better way for men of that age to do whatever their physical training has to be, bearing in mind that they've been spending the past 20 years basically wrecking their bodies in various operations. But of course, I'm not part of the military and I am in no position to tell them what to do.

PHLIPOT: I only watched the softball games. But since running is my strong point, I was asked to be the ladies running coach. Jim Thorpe Day, which takes place in late April, is a big event for all the senior service schools, but it is biggest for the Army War College because it takes place in Carlisle. Jim Thorpe attended the Indian School which later became the Army War College Barracks. Training starts in fall or early winter for the various sports. The running events are relays, and the women do a five kilometer and the men do a five-mile run. Well I had been running since I was 20 but I had never been a coach and had no idea how to be a coach. I learned from the men's team coach. I think was my main role was just being out with the women runners and encouraging them. I was at least 10 years older than they were, so I gave them inspiration when I ran with them.

Q: Yes, that's great. So, you spent two years then?

PHLIPOT: I spent the first full year there — teaching the two required courses in the fall and an elective in the spring. They stay in their seminars until March and then they have an elective for the rest of the year. I taught one on economic issues. Then that next summer my husband retired from the Foreign Service in order to take a job as deputy director of ODIHR, the Office of Democratic Institutions and Human Rights in Warsaw. Since I hadn't lined up anything specific to do in Warsaw, I decided to stay in Carlisle, at least for the standard courses in the fall and in the meantime figure out what to do in Warsaw. Through a lot of work I got myself to be seconded to the secretariat of the Community of Democracies.

Q: Interesting. Ok, so you are at Carlisle for two years from 2008 to 2010?

PHLIPOT: Yes. I actually left at the end of April in 2010 so I did not teach the economics course the second time, but I did do the other two.

Q: And then you went to the Community of Democracies on the secretariat there?

PHLIPOT: Yes.

Q: I have to admit, I didn't know that it had a secretariat.

PHLIPOT: Well I'll tell you for the record the whole story of the Community of Democracies (CD). It was founded, I'm not sure founded is the right word, it was conceived in 2000 by Madeline Albright, then Secretary of State and Geremek, who was the Polish Foreign Minister. They convened the democratic countries of the world in Warsaw in July 2000 who signed the Warsaw declaration, a long list of attributes of the democracy. The criteria for being invited was rather loose and it was not a membership organization. There was no structure. The idea was we're not going to have a bricks and mortar kind of institution. It sounded nice, but left the question, "so what is it?" For the first six or eight years that they had rotating presidencies, each presidency would have a similar kind of meeting as the Warsaw meeting at the culmination of their presidency. What they did in their presidency was up to them, and actually very, very little was ever done. The Presidency was rotated among continents, so I can't remember if Korea was next or Columbia, Mali had it one time, and of course, Mali had no money for it, so it was bankrolled by the United States. Portugal, who was not interested in the CD, was the last one in this rotation. It seemed to be petering out. At the Mali ministerial the idea was put forth, that would have been 2005 or 2007, that there should be a secretariat, that the CD needed some kind of continuity. There would also be an NGO component of the Community of Democracies called the Council for the Community of Democracies (CCD) that was centered in Washington with a loose structure of NGO leaders throughout the world. Actually, the CCD has recently been replaced with a different arrangement. Anyway, they put forth this idea that you need a structure. One of the leaders of this was Mark Palmer, who had been an ambassador to Hungary and was really one of the most forceful and committed American diplomats to the idea of promoting democracy, that democracy is part of foreign policy.

Q: As I recall, just very briefly, Colin Powell did go to the summit in Korea and had at least a positive view of the initiative. I don't know that he actually took it up.

PHLIPOT: Yes, he would have been Secretary of State during the for Korean Ministerial.

Q: Ok. Because not from 2000 to 2004.

PHLIPOT: When was he Secretary?

Q: He was first Secretary of State for George W. Bush.

PHLIPOT: Ok, then he would have been there. Ok, that's possible. Yes. I think Korea was the first one. So, it would have been 2001 or 2003.

Q: I just vaguely recall that going on. But I don't know anything further.

PHLIPOT: And you know, it was, even though it was a Democratic initiative, it was embraced by the Republican party. I think Under Secretary Paula Dobriansky was quite interested in it.

Q: My impression was when George W. Bush came in, that they didn't just want to get rid of it. They saw it as something positive and maybe they weren't certain about exactly what it was going to be or how to use it, but they were favorably disposed.

PHLIPOT: Well, that could be. So, I think it was Mali, at the Bamako conference the idea of the Secretariat came up. The Poles took up the cause, because the CD began in Warsaw and their beloved foreign minister who died in a car accident in 2008, was one of the initiators, and because they really did believe in democracy promotion. Warsaw offered to host the secretariat. Lithuania became the next Presidency after Portugal. I can't remember now how this came about, it was probably because there was nobody else willing or able to hold the presidency. There really shouldn't have been two European presidencies in a row. The Poles starting up this new secretariat and the Lithuanians having the presidency made for a very interesting and often painful experience. And despite these people, or maybe because these people are rather alike, and went through similar experiences of getting out of Communism, they do not get along politically. And unfortunately, the animosity would work its way to all levels. And it did make it at times very difficult in that office because the head of the office, the director was Polish. He belonged to the Foreign Ministry, but really was not a diplomat — he was an academic. He had been involved in the solidarity movement. He was, to make things even more complicated or more unwieldly, the chair of sociology at Catholic University in Washington, DC. So, he split his time between the two capitals. I got along quite well with the Lithuanians, I think because Lithuanians really like Americans. Not that the Poles don't like Americans, but I think the Lithuanians, as a smaller country, look toward us more.

Q: And you've had some experience in the Baltics.

PHLIPOT: Yes. So, I worked well with the people that were running it from the Lithuanian side. Every presidency appoints somebody as a focal point.

Q: Like a chairman or something.

PHLIPOT: Yes. At a fairly high but working level. The first Lithuanian to hold that position became the ambassador to the United States from Lithuania, a very energetic guy. He was replaced by a woman, I think a career diplomat, who was a little more self-effacing. She couldn't stand most of the Poles in our office. Anyway, by 2009 the office is being set up in Warsaw in space rented by the Polish Foreign ministry on what is called the King's Way, not very far from the U.S. Embassy and the Foreign Ministry. It was a very dysfunctional office. It was too Polish to be an international office. I was the only non-Pole, except for the occasional intern. After a while, the Poles started to turn their attention elsewhere. They were the main initiator of the European Endowment for

Democracy, an EU organization modeled after our National Endowment for Democracy (NED). I ended up spending about a year and half in the Secretariat. In that time, the Poles organized a tenth-year commemoration of the Warsaw Declaration in Krakow in July 2010. And it got pretty high-level attendance at the ministerial level. Secretary Clinton came to it and gave a very good speech in which she launched a civil society initiative. And I think it was a little bit a part of a turning point in which the Obama administration started to more openly talk about supporting democracy. Supporting democracy got a bad name during the Bush administration. It seemed to me that the Obama administration tried too hard to not talk about it, but it is one of our core values. You have to talk about it and you should talk about it, and Clinton started with that speech. Tomicah Tillemann, a speech writer in SP, wrote Secretary Clinton's speech and really took up the case of the Community of Democracies for the State Department. A special office was created under S. Previously the Bureau of Democracy, Human Rights and Labor (DRL) was responsible for CD. The new office, which Tomicah headed, was devoted to civil society and emerging democracies. That gave a big push to CD and helped it get beyond this sort of funk that it was in. The Polish director was replaced by a very competent and devoted Swedish woman, the staff doubled or tripled, and the United States has given it more money. It is still an organization trying to find its role in the world, but it is better situated to do that than it was before. It's a bad time to start anything new, I mean it has been for the last 10 years because of countries' financial situations, and it is not over yet. I don't think they are on that solid ground, they can't depend on the United States to say what it should be.

Q: And in a way it is kind of strange that in Poland, in the capital, you have ODIHR, which is essentially doing the same thing, although in perhaps a more limited regional ODIHR promoting democracy, human rights and so on. And you have another one also headquartered in Warsaw, doing something international with the same thing.

PHLIPOT: They are different. ODIHR is Central and Eastern Europe only and it is much more focused on assistance to help countries fulfill their commitments on elections and other human rights and democracy functions. But that said, the fact that there are two of these things in Poland and that the Poles were behind EED (European Endowment for Democracy), which is now run by a Pole in Brussels, is that they really see themselves as one of the very few countries that puts democracy at the forefront of their foreign policy. And another country that does is Sweden. Again, just to fast forward a little bit on this, the current president of the Community of Democracies is the United States, which is also not how it was supposed to be. Ok, I was going back to the last year and a half that I was there. After Lithuania was Mongolia, who were very committed but resources and experience were limited. That was followed by El Salvador, which was difficult and Nigeria was to be next. But at the El Salvador ministerial last summer, it was announced that the next Presidency would be the United States. What happened is that the Nigerians, sometime last spring, said they can't do it, that they had enough problems. And by some discussions it came out as the United States. This could be good to give some added dynamism and resources, although we don't always spend the resources that we should on things like that. On the other hand one of the criticisms of the CD is that it was a U.S.-Polish collaboration. For the U.S. to be right out in front is maybe not good in the long-

run.

Q: But the U.S. as president would only be a one year president?

PHLIPOT: Two years.

Q: Yes, I see. So, it would be a bit unusual in the very short bureaucratic history that they've had that it would be two years.

PHLIPOT: No, everybody does two years.

Q: Oh, I'm sorry. I thought it was year by year.

PHLIPOT: No, it's every two years. So, in that time we had the Vilnius summit to conclude the Lithuanian presidency. The Secretary came to that as well, which we were a little bit surprised by. She had a very nice meeting with civil society activities there, including a number of Belarusians. And then, as I said, soon after that I decided that this was enough and I was about ready to retire, when the political economic chief in the embassy in Warsaw asked me if I would join the team to follow the Polish presidency of the EU. There had always been a practice that when a European country has the presidency the State Department sends a small group to that Embassy to follow it. Their senior person broke her ankle or something and they weren't going to replace her. So, I said ok. I'll give it a try. And that was also very interesting. There's not much work to do in it anymore because since the Lisbon treaty, the presidency does not have much of a role on foreign policy. It is really a reporting function rather than really any real activity, but I learned a lot about the European presidency. Most of my career I had not served in EU countries, or I had served in them before they joined the EU. That was how I finished up my career in the Foreign Service, but pretty soon I was back at the embassy and working on Belarusian issues.

Q: So how did that happen?

PHLIPOT: In my last month or so I had heard something about some assistance projects for the Belarusian democratic forces being administered in Warsaw. I knew people from this time when I worked in EUR/ACE so I sent them a note saying I'm going to be free and if there is anything I can do to help…Well, the timing was perfect, because after the brutal crack-down in December 2010 elections, there were a lot of Belarusians in Poland. And also it was proving to be difficult for our tiny embassy to do lots of things. Having to rely on FSNs (foreign service nationals) a great deal, who were very good, but for have trouble writing well in English. EUR was looking for somebody to coordinate projects, have outreach to the diaspora and help Embassy Minsk remotely. There were several on-going projects for Belarus run out of Poland. One was the European Radio for Belarus, which was FM transmitted out of Warsaw with some retransmission from Ukraine. FM is difficult to do outside of the country because the transmission span is not very long. Another activity which the U.S. has had a kind of conflicted relationship with was Belsat television station, broadcast from Warsaw. The Poles were really big on this. They are

the major donor and provide Belsat the use of the headquarters of the Polish public T.V. So, there were already things to be following. And we had also had this interest in, and the Poles did too, of working together on joint projects not just in Belarus but in Moldova. EUR couldn't use a WAE slot for technical reasons, so I had a contract through a third party. I worked part time on a combination of these things: talking to the diaspora, checking up on projects, and then editing for the embassy.

Q: That is very interesting. You came in on a third party contract. That's fine.

PHLIPOT: Because we don't do personal contracts anymore, these companies in this area are kind of like a pass through.

Q: Ok, sort of an employment agency or something like that?

PHLIPOT: Yes.

Q: And the need once again was because the embassy in Belarus was so small for all of the reasons you explained earlier, Belarusian activities were essentially followed by the embassy in Warsaw?

PHLIPOT: Well…no. Minsk is a full-fledged embassy except we don't have an ambassador in Minsk, but the Embassy is fully responsible for all diplomatic activities, except visa processing is limited. The main function embassy Warsaw, and Vilnius as well, provided was the use of classified processing when Minsk Embassy officers visited. What I did was basically technical. The post would send me FSN drafts to edit. Maybe once or twice I did something for them like follow-up on an election issue with ODIHR. There are some other countries that do essentially run some embassies, out of another country. The Canadians, for example. They have nobody in Minsk, but the number two in that embassy in Warsaw, who became a good friend of mind, was responsible for and accredited to Belarus. And she actually had a little group of people that did this, such as the Swiss. And I was included because I looked after issues even if it was a different role. The Dutch also run their Belarusian relations from Warsaw. The British have a small embassy in Minsk, but the Warsaw Embassy provides considerable support.

Q: So, the year?

PHLIPOT: So, I started doing that in 2012.

Q: Were there significant things going on in Belarus during that time?

PHLIPOT: No. Well, there was something, at least it was amusing — the "teddy bear drop." As a kind of political stunt, a Swedish PR firm dropped teddy bears into Belarusian airspace. It was extremely embarrassing to the Belarusians that these little planes were able to get into their airspace. I think it was not only embarrassing but rather alarming for the Russians too because they were counting on the Belarusians to protect their common airspace and here this little advertising firm was able to violate it. The

Belarusians were furious with Sweden. They threw out the Swedish Ambassador — who, incidentally they were already aggravated with because he was quite outspoken in support of democracy and human rights protections. But the incident was not sanctioned by the Swedish government in anyway.

Q: A bit like the gyrocopter that landed on the capital lawn.

PHLIPOT: But that one didn't come from another country. Closer I think is the Rust guy who landed in Red Square in the late 1980s, that revealed one of the little chinks in the armor of the Soviet Union. That was not long before the collapse. But for the most part it was a quiet time. One of the new democratic movements in Belarus, called "To Tell the Truth" campaign, started an initiative to go out throughout the country and really talk to people. They were hoping to eventually have a referendum on issues of concern to the population. A small group of their representatives came through Warsaw to try and garner some support. Otherwise after the 2010 election crackdown it was very quiet.

Q: And no other significant changes in Belarus? Things are essentially as you have described them? There are no new industries, no new anything.

PHLIPOT: Basically yes. I think there is a bit more vibrant cultural life now. I observed elections there last fall, the presidential elections, and noticed that Minsk looks better. Some money has come in, some of it Chinese, some of it Russian. I stayed in a hotel that could have been anywhere in the West. There are decent restaurants. I went to a wine bar that could have been in Clarendon. But the countryside was still the way it was ten years ago. I did my observation in the Gomel area. That's very near Demyanki. Everybody is always positive about their village, but the one thing that always came through was how much the school age population in the village had shrunk. Frequently the polling stations are in schools, so the election commission is made up of teachers and school administrators. Basically they are civil servants and they do what they are told. But the teachers like to talk about being teachers and one of their comments was on the size of classes.

Q: So, you are there, again in 2012?

PHLIPOT: In Warsaw. I didn't travel to Belarus — my role was restricted to supporting the Embassy and ACE from Warsaw. I did some teaching at two private universities in Warsaw. It is a small industry in Warsaw to offer EU degrees taught in English. These universities are not necessarily concerned about teaching credentials, so it was easy for me to get jobs. Having a diplomatic background seemed to be enough for them. We also had students on scholarships and a lot of them were from the eastern partnership countries. I had one student, a Belarusian, who wanted me to go to Belarus to meet with this study group there. I would have liked to have gone, but even if I went as a private student, the Belarusan authorities would have interpreted it as me being in an official capacity.

Q: And it wouldn't have been possible for the Belarusians to come out to meet with you

in Warsaw at this little private meeting?

PHLIPOT: They actually can, but that wasn't the point. He wanted me to talk to the larger group in country. It is interesting, in this same class, a lot of the students were Ukrainian females with varying degrees of English ability. And I was teaching them international relations theory. So that was a challenge.

Q: Without very high English speaking capacity, it is extremely difficult to teach that.

PHLIPOT: So, I lived in Poland a year and a half after retiring.

Q: So, in total you were in Poland at this period from 2010 to 2012?

PHLIPOT: 2013. I worked a whole year part time on this contract.

Q: And in the course of that you retired?

PHLIPOT: No. I was retired when I worked on the contract. I retired in February 2012. I started working in the summer for EUR/ACE via the contract. And did that until my husband's contract with ODIHR ended in the end of July of 2013.

Q: And then you returned to the U.S.?

PHLIPOT: Yes. And I spent seven months over two tranches in Latvia.

Q: Also in 2013 or now we are into 2014?

PHLIPOT: That was 2014 and 2015. The end of 2014, basically from September to December and then May to September of 2015.

Q: And those were WAE just at the embassy with reporting?

PHLIPOT: I was acting DCM.

Q: Well, there must be something more about this?

PHLIPOT: The Ambassador had left post. He's actually the dean of one of the FSI schools. He left earlier than he was planning, but not suddenly. There was somebody in the pipeline to become ambassador but because of the problem with Senate confirmations it took over a year for the ambassador to be confirmed. She was first contacted about the assignment in March, 2014 but didn't get to post until the very end of August 2015. The DCM was just arrived in August of 2014, a first time DCM. Since Ukraine had just happened, the European bureau really felt that they needed an experienced person to be DCM. They wanted the DCM to be the Chargé, so to have a certain kind of continuity rather than right away bring in a Chargé. It could have been a potentially awkward situation, as I was much older and senior than she, but it worked, we got along very well.

To me, almost 20 years after first being in Latvia, it was a dream. I loved Latvia and to see the changes and work there in a different kind of environment was fascinating. I knew quite a few senior people in the government, people who had been junior officers when I first served in Latvia. We knew the foreign minister — he had been a young civil servant in the Ministry of Defense when we were there. There were several others like that who had been starting out in their careers 20 years ago.

The embassy, when I served there in the 1990s was in a 19th or early 20th century building in the center of town. It became too small, because the idea when these embassies were set up in the 1990s is they would be small and stay small. But it is impossible for the U.S. to keep anything small. The building was physically too small and since much of the soil of Riga is very sandy, it was sinking. My office in the 1990s, was visibly sinking. The windowsill was at a 30 degree angle. And then after 9/11 the U.S. put up a hideous big strong fence. This is a beautiful street with the glorious French embassy and then we have this thing with a concrete wall in front of it. In 2011 we opened a new embassy outside of town. It was not really far from the center, about four miles, but nobody else is out there, none of the other agencies or embassies. Nothing is off in that direction. The commute wasn't bad to and from work if you live in town because you are going across traffic, but to go to the foreign ministry in the middle of the day and then if you have to go back to the embassy near the end of the day the traffic can be awful. The major problem is that the river separates the downtown with the area around the Embassy and there are few bridges. The old embassy was cramped but kind of homey and located right in the middle of town where you could walk to almost all appointments. I would often run into somebody that I needed to meet while walking was across the park. The new embassy is the same model, but smaller, as the Kyiv Embassy and I think similar to Tbilisi, with high ceilings, beautiful representational space, but a layout that seems to encourage staff to confine themselves to their offices.

To overcome this isolation, the Embassy leadership has to invent reasons to organize social events to bring staff together.

The big thing for me that made the political relationship so different from the 1990s was the large, U.S. military presence. There is no base, but there is a continuous rotation of U.S. and NATO soldiers for training. As I learned during my travel to the COCOMs, the size of the military is hard for a small embassy to manage. It is hard for the Latvians to as well. They are excellent hosts, but we have so many flag generals — probably more than their entire militaries — the Latvians cannot give all the visiting generals the attention that the generals are used to. And Latvia is now became an interesting place for congressional delegations. In the 1990s, Latvia was exciting because it had so recently regained its independence from the Soviet Union. Then in the early 2000s I think it had become a sort of backwater . In 2004 they joined the EU and NATO. Latvia was just a small European country. Nothing exciting. Then Ukraine happened and suddenly the Baltics are back on the map.

Another interesting issues in addition to the military presence, was Russian information warfare. We were trying to come up with ways to help the Latvians deal with it. There is

a significant Russian speaking minority in Latvia. People whose first language is Russian and get most of their information, their news, from Russian sources. There is no independent Russian media. The Latvians used to have Russian versions of their own media. That basically doesn't exist anymore. Even their local Russian stations are based on Moscow media. So, there is a steady diet of propaganda. And the Russians are skilled at making attractive TV programming. I think people are mainly watching Russian TV because there are movies and song and dance shows and nature shows and everything. But with the entertainment comes the propaganda. The Latvian media couldn't keep up with that. It is a big question for us what do we do about it. Some people in the USG think that we should do what we did in the 1980s, in the cold war. But you can't fight propaganda with propaganda. So, what do you do? Some of it is training journalists, and, to the extent that you can, provide some content, help local initiatives. It was just a constant theme that we were dealing with.

Q: Have the Latvians looked into somehow purchasing more private U.S. content? In other words if they are getting these entertainment from the Russian…

PHLIPOT: The Latvians have to make the decision that they are going to put the money into Russian media. Latvians whose primary language is Latvian don't watch the Russian media. Maybe they will watch a movie or something like that, but they are getting their news from other sources. Could there be some way to subsidize the private company or selling them stuff that is real cheap? Nobody could come up with the right solution or any solution. I don't know what's going on now, I've been out of it for several months, maybe you just don't do that much and you let it…

Q: Right, until it sort of just runs out of its own weight.

PHLIPOT: You know, young people get most of their information from the internet and there are lots and lots of sources. A good example is a web-based news service that journalists in Russia founded in Riga — mainly for Russians in Russia — called Medusa. And it is really good. And I don't know if eventually they will plan to make it live radio or T.V., but right now it is on the internet. And there are good programs. One way we try to help them is to get interviews with American policy makers. And they really appreciate it. They are originally from LENTA, a private Russian news agency. The head of it was forced out by the Kremlin, so they moved this operation to Riga. And they are kind of cutting edge, they are real cool. Another thing about Latvia and media is the NATO Center of Excellence for strategic communications. The Centers of Excellence are not really NATO organizations but are supported by NATO. I mean they are not run out of NATO core budget, they are based on the contributions of the countries that decide to join. And it is not all NATO countries and it can even be countries that are not NATO or at least could be affiliated with them. Each of the Baltics have one of them. In Estonia it is cyber-warfare, which makes a lot of sense. Lithuania is energy security, but in the sense of energy facilities. And then the Latvians came up with the one about strategic communications. They did a very good study on how the Russians used information warfare in the build-up of the Crimean takeover, which is available on their website. We also looked at how we can support that operation and had come up with sending some

short-term experts there, Fulbright type of people, but at the Embassy we wanted to find a mechanism for longer term support.

Q: That is quite interesting. Well, would you like to sum up, in a way, kind of looking back at the full spectrum of your career, about how you feel about the changes that the Department, the Foreign Service has gone through, or the region that you have been following for most of your career. Because I think that would be a good way to end if the sort of events and the chronology that you have outlined, that you've come up to today.

PHLIPOT: Well, let me start with the region. When I joined the Foreign Service we had the Soviet Union, and as I started out my story, I said I was going to go to Moscow, but one of the things that defeated that possibility was the Soviet invasion of Afghanistan. Now of all these newly independent countries only a handful are successful. As I say, this is not very politically correct, but we don't have children, but we feel like some of these countries are our children. Latvia is like the child that went to Harvard and the others haven't done so well. There has been tremendous change in this region, but the road was a lot bumpier than people thought, than we even thought, when we were seeing it all start to happen in the late 1980s and the early 1990s. Again, look at Latvia. Problems that have their roots in the Soviet era and in the post-Soviet era, like corruption and organized crime, they are still dealing with today. It's a democracy but it is a little bit fragile because they don't yet have faith in government, in an elected government. People are a little bit cynical. They don't believe that the government cares about them, they believe most politicians are in politics to pursue their own personal interests. Of course that exists in many countries, but when you only have 20 some years behind you, it is a little scary. And when we see what is happening in countries like Poland and Hungary, the new democracies seem a little shakier than we thought in the early 1990s. So tremendous change, but still a lot of possibilities for things to go wrong. The important lesson is that you have to keep working on it. We have to still be supportive of democratic forces. But mainly it is in the countries themselves that have to do it.

Q: So, in essence, as part of that, the whole notion that Poland, whether its own democracy is a bit fragile or flawed, that it wants to take on the mantel of housing international or regional democracy is a policy the United States would most likely like because, in other words, it helps the Poles remain focused on democratic development and managing change.

PHLIPOT: I don't know that it does. When I was working in Poland I would have said that I did not think that Polish democracy was at all fragile. I thought that proof of their stability was that the government didn't even come near to collapse when they lost most of their cabinet in an air crash in Smolensk. The situation seems to have changed in just the last six months. When I was there you could see an increase in popularity of the Peace and Justice party, the far right, but I didn't expect to have a constitutional crisis and crackdown on the media. So how well this goes with their promotion of democracy abroad I don't know because it is a little bit of a different game. What scares me as a student of the last century, what happened between the wars in all of these countries, the descent into fascism.

As far as the State Department, I find it hard to compare and to look at it, to look back because I see the early State Department through the eyes of a 24 years old who thought that the people above me knew a lot and I was just learning. The career, it seems to me, is probably a little scarier. There weren't so many unaccompanied posts then. So I don't really know, is the world scarier and a more dangerous place in 1979 or is it just now our perception? It seems to me there is an attempt to provide more direction to one's career, an official career plan with requirements of different training and assignments. And in some ways it is good because a lot of us fell into a pattern of doing certain jobs which weren't really good for our career. But I don't know how that ends up in practice. In Latvia I would drive into work with younger officers and hear about the problems of getting assignments and it seemed as if the situation was more uncertain than ever. It is probably like a pendulum of direction and non-direction, concentrating in one area to another, making certain that you had at least two concentrations, too many jobs and not enough officers to too many officers and not enough jobs. What is heartening is that people are still enthusiastic. I like to see that the State Department personnel system is adjusting to a different kind of workforce, a different economy. I was always in favor of letting civil servants do foreign service excursion tours and not putting obstacles in their way if they had the skills. Being friendly to families — I think that is a lot better than it was.

End of interview