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

JANET R. POTASH

Interviewed by: Charles Stuart Kennedy
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Q: Today is the 29th of November, 2012. I'm Charles Stuart Kennedy and we're doing this with Janet R. Potash.

POTASH: I pronounce it Potash, but --

Q: Potash. P-O-T-A-S-H. And you go by Janet or Jan?

POTASH: I go by Janet.

Q: OK, well we'll start at the beginning. When and where were you born?

POTASH: I was born --, I say in Boston, it was actually near Roxbury, Massachusetts in the New England Hospital for Women and Children. Which no longer exists.

Q: And what was the date?

POTASH: June 17th, 1950.

Q: OK. Did you grow up in that area?

POTASH: No. That September, my parents moved to Amherst Massachusetts where my father was hired on at the University of Massachusetts as an instructor in history. And I grew up in Amherst and until the end of my foreign service career I voted in Amherst. My parents are still there.

Q: Ah yes. I know Amherst. I used to go to Northampton for a while. I went to Williams for --

POTASH: Ah, the traditional college rival.

Q: I graduated the year you were born from Williams.

POTASH: Oh my goodness.

Q: Well then, so what do you know on your father's side about the family?

POTASH: Well, I actually know quite a bit. For one thing, he's published a 38-page memoir of his parents. So I know that his father was born in Latvia in a town called Preiļi and emigrated before the First World War. I understand that his brother was about to be drafted, and so the entire family decided that they would move. My grandfather was about 14 when he arrived, I think. He was born in 1891. My paternal grandmother was born in Boston, but she grew up partly in Maine. Her parents had emigrated from near Odessa. They were alive through my college years. In fact, all of my grandparents were alive until I was eighteen. My mother's mother was my first grandparent to die and it was the summer I graduated high school, so I had my grandparents growing up.

Q: And what language did they speak at home?

POTASH: Well, to us they spoke English. My grandfather spoke Yiddish, it was his first language. He spoke Hebrew later. My grandmother, I believe, also spoke Yiddish. But she grew up in New England. So they spoke English to us, but my grandfather always had a Yiddish accent.

Q: Did your parents -- did they speak strictly English or did they --

POTASH: Well, they did try to speak Spanish to avoid us understanding anything. But that was a learned language. My father spoke English as a native language. He studied French and German to get his PhD. He still speaks Spanish quite well, because he's a Latin Americanist and he spent a fair amount of time in Argentina. My mother learned Spanish, more domestic Spanish than academic Spanish. But when she came to visit me in Honduras, she knew more vegetables than I did *(laughs).*

Q: (laughs) Well then, where'd your father get a degree?

POTASH: He went to Harvard for all three degrees. His graduate work was interrupted by the Second World War. He moved around quite a bit in the States, was at Camp Ritchie for a while, and his last eleven months in uniform were in the Pacific Theater. He met my mother when he was posted to the University of Illinois, where she was a sophomore studying mathematics. He came back, married my mother, finished the master's, and PhD, and actually heard George Marshall give the Marshall Plan speech at Harvard when he was a grad student. Apparently the speech did not impress him too much at the time.

Q: What's the background of your mother?

POTASH: OK. All of my family are Central and Eastern European Jews of various kinds. My mother's father's parents came from Romania, but he was born in the States. . My mother's mother was born in Berlin, Germany. Her parents (my mother's maternal grandparents) moved back and forth between Germany and the United States several times and had children born in different times in both countries. The family lived for a long time in St Louis, where my grandmother met and married my grandfather and my mother grew up, but after a family tragedy (my grandmother's older brother was killed in

a factory fire while his father watched and was restrained from trying to rescue him) my great-grandparents and all my grandmother's siblings moved to Chicago. My grandmother always spoke with somewhat of a German accent. The family legend – which is apparently not exactly accurate -- was that my great-grandfather was sent by his family to stay with his brothers in the 1860's. And the brothers were I think in Richmond. So he arrived at their small store and found a sign on the door that said, "Gone to War."

Q: Yeah.

POTASH: And he was about eight-years-old and fortunately, a neighbor woman took him in for the duration. So apparently, I have some people in my mother's family who fought for the Confederacy, which I find *extremely* unusual, given that I come from New England and have always considered myself a northerner.

Q: Well, Judah Benjamin was Secretary of War --

POTASH: Yeah, yeah.

Q: -- for the Confederacy.

POTASH: But no way did I ever think of my mother's family as at all Southern. Well, I guess we do have some cousins that were in Atlanta, but I think they'd moved there in my mother's generation.

Q: Yeah.

POTASH: My mother's parents were great travelers. They would come by train from St. Louis to visit us in Amherst. My father's father was a Zionist fundraiser for most his professional life and he traveled a lot overseas --

Q: I imagine he --

POTASH: Yeah. We have pictures of him with Golda Meir at her kibbutz in Palestine in 1936. In August 1939 he attended a World Zionist Conference in Geneva, just before the outbreak of the Second World War. He traveled home from France on the Queen Mary; World War II was declared during the voyage home. But my father's mother did not travel much at all outside of New England. My parents were married in New York City because they were told that my grandmother wouldn't have traveled as far as St. Louis even for her only son's wedding and then my mother was rather annoyed that after the wedding my grandmother got on a train to visit her sister in Washington *(laughs).* Despite that contretemps, my mother had a warm and loving relationship with her mother-in-law, and we frequently visited them in Cambridge when I was growing up. My grandparents all came from large families. My parents only had one sister each, and I had one sister who died in 2005.

Q: In your family, sort of how Jewish was your family, you know, observance, diet, et cetera?

POTASH: Well, my father's family was literate, or at least knowledgeable in Hebrew but not at all observant, while my mother's parents apparently knew very little Hebrew but were very observant. My maternal grandmother kept a kosher household, and her uncle was an orthodox Rabbi. But for some reason, although my grandmother was very observant in terms of keeping kosher, they had joined a reform congregation because they liked the rabbi, or they didn't like the orthodox rabbi. So my mother grew up in the reform tradition, but with not much Hebrew. She still observes some dietary rules - doesn't eat seafood or pork. My father, on the other hand, grew up in a family that was not at all observant, but was very culturally aware. My grandfather at least knew what the traditions ought to have been, but simply did not observe them, though they did have Passover Seders. My father learned Hebrew, but never became bar mitzvah. I missed having a bat mitzvah as a child for different reasons. I was told that when my grandfather had been in Preiļi where he was born it was thought that he should have gone to the Yeshiva. He came to the States and became highly secular and went to an American high school. And was a bit of a Yiddish scholar. Very much promoted Yiddish, learned Hebrew later in life, as I said, worked an awful lot on fundraising, and was apparently quite successful as a fundraiser. So I'm kind of -- I don't know what I am *(laughs)*. I grew up kind of a mix – moderately literate and moderately observant. I joined a local Conservative synagogue in 1989, and have got much more involved since retirement.. I always tried to find services for High Holy Days when I was overseas.

Q: So did you have brothers, sisters?

POTASH: I had one sister, my younger sister Ellen, Ellie, four years younger than I was. She died of cancer in 2005. I have three nephews and her husband has married again to a woman who has two children. So that's the family of my generation from that side.

Q: Well, so what was Amherst like to grow up in as a kid? Let's take the early years.

POTASH: The early years. You know, it was a small town, college town where nobody ever called each other Doctor because everybody had a doctorate. If you called yourself Doctor you got calls in the middle in the night from people with illnesses. Growing up, there were two colleges in town – Amherst College and the University of Massachusetts. Hampshire College was getting started around the time I graduated high school. Smith and Mount Holyoke are in nearby towns, so there is a five-college network in the area. Amherst had a really good public school system. The kids did tend to be brighter than the teachers, which created a few problems sometimes. When I was in high school they had a program where you could get time off to go take college courses if they didn't have anything appropriate for you in the high school. I took three French classes at the University of Massachusetts in my junior and senior years when my schedule didn't work out to take the right French class at the Amherst Regional High School. The Amherst public schools also had inherited an endowment from the Amherst Academy, which was a 19th century private school. And what it endowed was the teaching of Greek and Latin

for anybody who wanted it. So I took Greek in high school. The classics teacher, who was a Mount Holyoke graduate, taught Greek and Latin. You didn't normally get that in a public school. Well, unless you went to Boston Latin, which my father did.

Q: Obviously, you were caught up in the mesh of an academic world.

POTASH: I always intended to be a professor. My father's parents had moved from Roxbury to Cambridge when my father and his older sister went to Harvard and Radcliffe in the late '30s. Their apartment was right around the corner from Radcliffe, and we used to drive in pretty frequently. And my grandfather, who had very high demands of all of his family would say, "That's where you're going." So I always assumed that's where I was going. And although I applied to six schools and actually got into all of them, there was really not any question but that I was going to Radcliffe.

And I was going to be a historian – to study history like my father. But ever since he'd taken us on sabbatical to Argentina, and I said to myself, "Well, I really would have rather gone to Europe," I decided after I started learning French in junior high that I was going to be a historian of France.. And after that I really never questioned what my major was going to be, although there was a period as an undergraduate when I spent an evening thinking maybe I really should have majored in linguistics, and I had to talk myself out of it. I thought I was morally obliged *(laughs).*

Q: Well, as a young girl, were you much of a reader?

POTASH: Yes. I learned how to read quite young-- apparently I learned my alphabet from my father's dissertation. There was a race between me and his dissertation, as to who was going to arrive first. I beat the dissertation by three years. But apparently the first word I learned was "of" because I'd look at his manuscripts that my mother must have been typing. I believe I learned how to read when I was about three. My mother found out when -- she used to read me The Bobbsey Twins at night and they always ended on a cliffhanger. So one night, the usual cliffhanger, the pet or the animal's either caught or in danger or lost or something. And I told her, "Don't worry, they find it." At which point she realized that I had finished the book on my own. And she gave up reading to me. So.

And then when I was in nursery school –at an experimental lab school run by the University of Massachusetts School of Education -- one of the teachers who was pretty academically sharp told my mother, "You know, she's really reading the books in the reading corner." And my mother said that yeah, she knew. I'd finished them all apparently.

That school was where you went to preschool in Amherst if you could get in, but you pretty much had to sign up at birth. My parents had in signed up my younger sister before we went to Washington for two years, while my father was working at the State Department in what became INR (Bureau of Intelligence and Research). While we were away they lost her registration. And my mother was bound and determined that my sister

would be in that school. And she went to the administrators and said, "Well, show me who's registered." And she saw the name of a little girl. She knew the family had moved away because they didn't get tenure. She said, "She's not coming! *(laughs)* Take, take Ellie."

In 1955 we came to the DC area. We lived in Silver Spring for two years. I went to kindergarten and first grade in Montgomery County. And apparently one day in kindergarten was parents' day. And for some reason or other I was excited or distracted and I didn't take my coat off for the entire day. And the kindergarten teacher assured my mother that I wasn't slow. My mother said, "Yeah. I know. She's reading, you do know that?" And the teacher apparently had not known that.

But the next day she apparently called me in and had me, you know, look at some books and read them to her. And I came back and told my mother, "I think she knows I can read." So I must have had some idea I wasn't supposed to tell anybody *(laughs).*

Q: Yeah.

POTASH: So in kindergarten I was reading chapter books obviously. First grade, I could read. They put me in the advanced reading group *(laughs)* and taught me to read all over again.

Q: What were the --

POTASH: I don't know. They were --

Q: -- sub --

POTASH: So we came back to Amherst and my parents thought that maybe I should skip second grade. And they were told that no, that wasn't a good idea socially for me to be with an older class. I must say, I was extremely awkward socially for all of my school life, so I'm not sure how much worse it could have been. And about the only thing I could think of that second grade taught that I hadn't already learned was cursive and I'm not sure that I've ever learned cursive properly. I have horrible handwriting. But they were going to do a program of enrichment for me in second grade, which apparently turned out to be reciting the Christmas poem at the Christmas concert. And since I was the only Jewish child in the second grade, that was kind of an unusual choice.

Q: Well --

POTASH: But the Amherst schools, they were really good. My parents always made a point of getting to know our teachers. I think my mother might have even had them to dinner and was extremely involved in our school.

Q: Were you a good girl?

POTASH: I was extremely good.

Q: Probably a good speller too.

POTASH: Oh, I won the Amherst Bicentennial Spelling Bee. Amherst was apparently incorporated in 1758. So in 1958, we had a bicentennial. I was in the third grade and we had a spelling bee contest for each grade and I won the third grade prize. I believe that the word I got the edge on was "written" – the runner-up spelled it with only one t. I had to spell another word to confirm my win, but I can't remember now what that was.--

Q: I would have thought you would have hated to be in the spotlight.

POTASH: Probably. I was very very shy, so I probably would have felt that everybody disliked me. Probably did.

Q: I never -- thank God for spell check in the computer.

POTASH: Well, actually I was a pretty good speller. Less so now. I sometimes think I peaked intellectually at 19 when I was a sophomore in college.

Q: Yeah. Well, what was family like?

POTASH: We were very close. I was very much an admirer of both of my parents. I always thought the reason my father wasn't president, was because he didn't want to be president. Which was probably true. I was quite close with my sister. Especially –after my father took a sabbatical, and we went to Argentina for a year in 1961-62., We became each other's closest friends at that point, because we didn't have many other people to associate with. Although we did make friends. My mother was a great believer in public education and decided to send us to the local public school, which at that time was a half a day. And she had somehow gotten the Amherst public school to give her the books for the year we were going to be away, and she planned to teach us from the books in the afternoon. But those textbooks proved to be so uninspiring compared to the level of instruction we were learning at in Spanish that I'm not sure we actually got much from them. My American sixth grade math book had long division and in Buenos Aires in the fifth or sixth grade I was doing factoring , which we didn't get to until eighth grade back home. The public school we went to had really old fashioned wooden desks with ink wells and they were supposed to hold either one or two students. To help me get acclimatized they sat me next to a girl who supposedly spoke English, but I eventually found out it was easier to learn Spanish. My sister made a very good friend in first grade and they remained friends for life. I do remember reading my American sixth grade social studies text, which was the year that we would have done Latin America, by the way. But I missed it, *(whispers)* because I was in Latin America. Reading about the Second World War. And I remember the book saying, "After Pearl Harbor, all of the Western Hemisphere rose to our defense and tiny Costa Rica immediately declared war on Germany." I thought this was very patronizing towards tiny Costa Rica – made you want to give it a pat on the head. At the same time, I had been studying history in the

Argentine class and I saw the difference between the ways that the two countries were writing for school children. I was also independently reading histories of Argentina, and I knew that a lot more was going on – and that Argentina's stance in the Second World War was very far from enthusiastic support

Q: Oh, absolutely.

POTASH: -- of the U.S.

Q: That's why --

POTASH: So that made me kind of interested in history. I mean that's when I first acquired a sense, sensitivity to what history was and could be. And in fact, I used that experience in my college applications.

Q: Was Perón a figure when you were there?

POTASH: Not in person. He had been ousted in 1955 and he was in exile at the time. The Peronist Party was illegal. It wasn't allowed to enter elections, but voting was compulsory, and Perón was still very popular. And so there was something of an underground campaign, voté nula (vote no) or voté en blanco (vote blank) and I remember a joke about a guy who was arrested for asking for a detergent called "Blanco," *(laughs).* While I was there, there was a coup. President Arturo Frondizi was overthrown pretty much for allowing the Peronists to run in and win a local election. It was then annulled. We were sitting in our living room and my father lifted up his ears and said, "That's a tank." My mother kind of protested, but it was a tank. This was right after the coup, and there was a state radio station around the corner.. One faction was trying to gain control of the radio station and prevent other factions from using it. My first coup. Actually, that was the only real coup type coup that I've lived through, though I've been through some unexpected changes of government in my Foreign Service career. So in 1962 we got back to Amherst, and I'm not sure that anybody ever asked to see my schoolwork. I had missed all of sixth grade and I just went straight in and enrolled in seventh grade. Nobody ever questioned it. So I used to say until I graduated from high school I could say that I never finished sixth grade.

Q: Did you find for a kid your age a discernable difference between the Argentine system of teaching and the, the American?

POTASH: Oh yes. They didn't explain things. You learned what they told you and schooling was very regimented. We used pen instead of pencil. And a fountain pen, by the way. I was told that I shouldn't use ballpoint pen in my notebook, it was messy. We wore uniforms. Not exactly uniforms, delantales (aprons), which are supposed to obliterate social difference because you wore this white covering thing over your clothing. But there were very different varieties of delantales. My mother got very ambitious and bought us cotton ones with pleats that were a real pain to wash and iron, Other people had straight up and down nylon, I remember one of my teachers wore, just a

plain up and down thing. Other differences that stood out were , the half day classes, buying your textbooks. One textbook actually, for each year. The fifth grade textbook had different sections for history and science and math and poetry. I learned some Argentine poetry. I never actually had a Spanish lesson and I spent most of my career in Latin America. I used to say I was sort of self-taught. And the only Spanish grammar I had ever had was memorizing the pluperfect subjunctive conjugation. But they never told me how I was supposed to use it.

Q: Yeah.

POTASH: -- I actually did very well in school in Buenos Aires, but it was not a questioning kind of thing. You know, we would, we would put in poems in our notebooks. The notebook was always covered in this blue paper and it was your notebook and you were supposed to keep it neat.

Q: Well, what about extracurricular activities?

POTASH: Well, let's see. In second grade in Amherst I had activities four days a week. I was a Brownie and I took ballet. But I was also taking Hebrew school two days a week, and then the Hebrew classes moved to the two days occupied by the other activities and I decided to sacrifice them. So I, as I said in Brownies, I flew up (to be a Girl Scout) and dropped out. Ballet was probably no loss. I played the clarinet in junior high and high school and I was in regional band, I think at one point. But I can't say that I had that many extracurricular activities. I read a lot.

Q: How about being Jewish in essentially sort of a Protestant/Catholic area?

POTASH: Well, as I said, I was the only Jew in the second grade. In the third grade I got a new classmate who said, "We used to be Jewish." We used to be Jewish. Well, they were sort of -- I think her father was Jewish -- her father was Leo Marx, who wrote The Machine in the Garden and I think her mother was not Jewish. So, they came to Amherst and decided being Jewish was too difficult and became Unitarians.

Q: Yeah.

POTASH: We belonged to a synagogue in Northampton. And so the people that I went to religious school with, I didn't know in school and I never really did, even though I went to Sunday school with them from, second grade through high school. Some of them I never did figure out who they all were. And UNICEF (United Nations Children's Fund) collecting for Halloween was an issue. In Northampton it was organized by the schools. In Amherst, it was organized by the churches. So my synagogue didn't organize UNICEF because it was done in schools. I remember at one point going to a local church to attend the initial Amherst meeting for UNICEF collection and we started out at with a church service and I felt very uncomfortable. Interestingly enough, when I visited Europe for the first time I was very interested in church architecture. I like church music. For one thing, you don't have to worry about the plot. So I like masses because, you know, you -- the

liturgy. And then of course when I did history, one of my fields was early American history and I took courses in the Puritans and read Perry Miller and other historians of the period. I remember reading -- it may have been in grad school -- an analysis of the theology of the Calvinists, the question of justification by faith alone versus justification by works. And I found myself asking myself, "Am I in a state of grace?" And then I remembered that's not my religion at all.

Q: Mm-hmm. Well, did you get a good dose of the Deerfield Massacre and Massachusetts' colonial history and all?

POTASH: Not so much the Deerfield Massacre, When I was in high school, we didn't really do history. We had social studies or maybe even civics. But anyway, we kept starting each year with the pilgrims and we'd hit the Civil War by the end of the year and run out of time. One of the years we actually started with the Civil War so we'd have a good chance of catching up to the present. I think we wound up doing the First World War and the Second World War in the last week of school. So the stuff that people are taught now as U.S. history maybe hadn't even happened then. But when I was in the middle of high school the school system changed into a track system where they mixed all the grades together and they classified them as phases one through five so you could get more credit for getting a phase five A than you would a phase three or four A. For instance a phase five B was equivalent to a phase four A in terms of grade point average. And it was difficult for me, because I took a lot of languages and in most cases you couldn't do phase 5 languages, because they figured you could just take the next grade level up. Although they did have Phase 5 for Latin. And at one point I was taking physics in either my junior or senior year and it was horribly difficult and I could not manage it. And I said, "I can't do this and it's going to ruin my grade point average." I was going to be valedictorian. And they ended up allowing me to drop physics and get the science credit by saying I had taken a chemistry lab as a sophomore or junior. And I sort of said to myself, "Well, I felt really guilty about that. I'll take physics when I get to college." And in fact I did. Harvard had a general studies requirement where you had to take a science. Lots of people took biology with George Wald, who was a very famous guy and a popular teacher. But I always avoided biology, because I didn't want to have to dissect anything, which is how I wound up in physics. And it turned out that the textbook that had been too hard for me in high school was not the textbook that we were using for the basic physics for social scientists course I took in college. It was the textbook that was actually used in a more rigorous course which was premed physics for science majors. So it seems I'd been unable to deal with a physics textbook in high school that was being given to the premed students in college *(laughs).* Yeah. Lost track of things.

Q: Well, in history --

POTASH: I didn't really take history classes in high school, although I was already planning on concentrating in history in college. My schedule of courses made it difficult for me to take an advanced history course, so I did a kind of independent study history course that involved my doing research papers. I decided I was going to do a research paper on the Mexican guest worker program, the Bracero Program, in the '50s and '60s.

The research I did, an awful lot of it was reading old Time Magazine articles. So I would go to the University of Massachusetts library and kind of read through all the articles about the policy involved in allowing Braceros into United States. I had to write the thing up before I finished getting through. I remember talking about the Bracero gap because I kind of started at one end realized I wasn't going to make it, so I kind of went backwards. And I never did close the Bracero gap, but I did write the paper. I did another paper on American anti-imperialism, which involved my reading a book by a guy named Julius William Pratt, called Expansionists of 1898, on the acquisition of Hawaii and the Spanish islands. I still remember the edition I used had a pineapple on the cover.

During my later high school years I was taking classes pretty much non-stop, something like eight classes in eight periods and also trying to get gym and band and orchestra in the same period, which didn't work out too well. I failed gym once. They said I was there in body but not in spirit. I said it was the other way around, because I was taking band and orchestra at the same time, I was also terrible at gym, terrible at team sports and scared of gymnastics. So that didn't do too well. The -- so

Q: Do you recall any book or books that particularly impressed you? Either for fun or continuing in later life, or not?

POTASH: Well, Pride and Prejudice I tend to reread every year or so.

Q: How many daughters did --

POTASH: Five.

Q: Five daughters. There's a problem.

POTASH: Mm-hmm. I remember reading R.H. Tawney's Religion and the Rise of Capitalism. I mean -- well, my father used to take summer assignments. So we would rent other people's apartments and I would read their books. When I was 13 we were in the New York apartment of -- I think it was Fritz Stern who was a scholar at Columbia, and my father was teaching summer school. And they had a collection of George Bernard Shaw's Prefaces so I read all of Shaw's Prefaces. I read Ibsen. I remember reading "Ghosts." And since I was extremely naïve I had no idea what the issue was in "Ghosts."

Q: Realize that this was syphilis.

POTASH: I didn't even know what syphilis was.

Q: Yeah.

POTASH: I remember my high school had a fairly decent library of French literature, and I remember starting at the, you know, beginning and reading my way almost to the end -- I think I missed it by two thirds of Proust's A la recherché du temps perdu (which I finally finished in grad school).. But I did read Sartre's L'Étre et le Néant, which is a

fairly long study of existentialist philosophy. I've read, you know, an awful lot of the classics of French literature. I felt a particular kinship to Montaigne, but that may have come in college rather than high school.

Q: Well, in history, did you find yourself concentrating on any particular area or?

POTASH: Oh. Well, I again, this is where I decided early only it was going to be 19th century France. I did read a lot of 18th century literature, but --

Q: Trying to think of 19th century France. I mean obviously you have the Franco-Prussian War --

POTASH: It was actually --

Q: You had -- but what was there about 19th century France?

POTASH: I mean when you're in high school and you decide these things, I'm not sure -- I'm not sure how I wound up in the 19th century. I think I found the French Revolution a little bit too bloody.

Q: Oh boy.

POTASH: So you know, we were in the '60s, the 1960s then. So there wasn't -- I mean the 20th century was also a little bit messy. So I kind of concentrated on the period between 1815 and 1870.

Q: Mm-hmm.

POTASH: And one of the things that I really got interested in in college and continued in grad school was sort of comparative theories of social welfare. Or how the middle and upper classes who were creating the laws that dealt with the problems of the poor, how they thought of what they were doing. So in the British poor law debate of the 1830s,, for instance, the fear was not so much the class warfare of the Marxists, but a fear that the poor were simply going to be -- well, like today's so-called "takers". They were going to be lazy and reproduce and become too expensive for everybody else to take care of. I found that the British poor law debate echoed across the channel in France, where they didn't have a poor law, but what they had was a system that made abandoned children, foundlings, the responsibility of the state until they were either 12 or maybe 18 depending. And there was a great fear that the poor were abandoning their children.

Q: Yeah.

POTASH: In large numbers. And of course they mostly died, though this was not generally recognized. But that --

Q: Yeah.

POTASH: So that in the French debate about, reforming the foundling system in the ‘30s, they decided that the way to prevent parents who could perfectly well take care of their children from abandoning them, and then perhaps clandestinely “fostering” their own children for pay was to move all of the children away from their foster families, to new locations in other parts of the country.. And the idea was that the mothers who supposedly sneaked in and acquired their own children as nurslings would then be forced to recognize them, or else the true foster families might keep them without payment out of affection. And they thought that was a great, very astute way of correcting the problem. And you did get some nurses who adopted children. But then of course once you’d done it once, you couldn’t do it again.

Q: Yeah.

POTASH: Because then you’d already broken the bonds. So my interest has been in comparative theories of welfare. The development of child labor laws in various different countries, what it meant to be an enlightened employer in 19th century Alsace, which is what I did my undergraduate thesis on. There was a group of socially conscious Protestant industrialists in Mulhouse, which was a little autonomous republic, on the border between France and Switzerland, that was taken over by France in 1798. So that was kind of the theme that I was working from in college, grad school. And obviously I can still get very animated talking about this.

Q: Well, was it sort of -- was Harvard where you were going to go? I mean was that --

POTASH: Oh, It was always where I was going to go as an undergraduate. And I always intended to be a grad student. It happened that when I was applying to grad schools, I applied to Harvard, Yale, University of Michigan, and Princeton. I did not get into Princeton (I was later told that they didn’t think I would actually go there if they accepted me. Harvard did accept me, but they did not offer me full tuition, and I would have had to take out loans for the difference. Yale offered me tuition plus $1800 a year. So I went to Yale for grad school. And I --

Q: Let’s talk about Harvard first.

POTASH: OK.

Q: Was Radcliffe still Radcliffe, or was the situation at that point

POTASH: The situation changed while I was there.

Q: You were there ’62?

POTASH: No, ’68 to ’72.

Q: ’68 to ’72.

POTASH: Mm-hmm. OK. When I arrived you were admitted as a Radcliffe student, women undergraduates, or maybe it was just freshmen, could not use the Harvard Undergraduate Library, but you could use Widener. You were admitted in a proportion of like 300 Radcliffe undergraduates to 1,200 men. Residence was separate. And you got a degree from Radcliffe that was counter-signed by the President of Harvard. But it was not Harvard College that you were at. My freshman year I was in a dorm that was adjacent to where they were building in a whole new house (set of dorms), and the construction noise was so horrible that a lot of the upper class women just plain moved out. So there was a lot more room around my dorm and since I didn't get along all that well with my roommate I found an empty single room and moved into it. Nobody ever said anything. So that was the end of that communal living. My sophomore year there was a great co-education, or rather co-residence, experiment, where three of the Harvard houses agreed to take on an experimental basis, send some of the men to Radcliffe and accept some of the women in Harvard housing. Students were selected by lottery. I got a high enough number to go live at Winthrop House, but I really didn't know anybody to room with. There was this other group, very tight group of girls, women, who wanted to go down in a bunch and they wanted to get a suite. And they had one woman who didn't qualify, but they were planning to bring her anyway. And they needed one other person in order to lay claim to this suite. So they had me. And I was part of this group, but I was never totally part of it.

Q: Mm.

POTASH: It was an interesting experience but it was just one semester I would have stayed on, but I didn't get a high enough number the next year to actually stay when they decided to do it permanently. But I did get a high enough number, because nobody wanted to live at Radcliffe, to lay claim to a unit in what was a little apartment house building. You can actually see a corner of the building in the film "Love Story." The unit had a kitchenette, had a living room with a den and a bedroom. And I located an underclass woman who was one year behind me and said, "Look, you can go in with me on this and you can sort of live more independently." So for the last two years I was in this arrangement. I was always rooming with somebody a year behind me and I didn't really know too many people. I have been back to most of the reunions, including my 40th college reunion just before my retirement in September 2012. But I see people that I mostly knew from previous reunions, not from college life.

Q: Well, I mean, this is a little bit amorphous. I mean were you a Radcliffe student or a Harvard student? What do you think of yourself?

POTASH: Well, I tend to say Radcliffe, because it's a little bit of false modesty and it's not as easily identified as Harvard unless I want to say it. I do have a Harvard degree, but it says Radcliffe College/Harvard University. Radcliffe disappeared. While I was there there was a non-merger/merger. By the time the class that was my sister's age entered, that had changed. My sister had a friend, a high school classmate, who went to Harvard. She was four years behind me. She thought of herself as a Harvard person. By then

women's admissions were to Harvard Yard. When I was there they never had the girls integrated in the freshman dorms. The Harvard freshman dorms are all in Harvard Yard and then sophomore year you joined a house. At Radcliffe you were kind of brought into a house straight off. So it was a somewhat different system. Over the four years I was there and the next few years afterwards, Radcliffe simply dissolved. At first there was a non-merger/merger. There was the coeducation, the co-residence issue. There was moving to lessen the gap between the numbers of male and female admissions, then doing a unified admission process, which they did shortly afterwards. So very few people think of Radcliffe now, and my class has always had joint Harvard-Radcliffe reunions, The first years when I used to go there would be Radcliffe reunions for older classes. And there was something very sweet about all of these very well-educated, charming ladies 10, 15 or more years older than I was.. And we would have little teas in Radcliffe Yard as part of the experience. This last reunion, there was just one "Radcliffe" event which my class had always had where all of the women got together and talked about their lives. And somebody said, "Could men come?" since some of the men in our class had actually spent time at Radcliffe and others thought that no, maybe they shouldn't come. And then we had the class picture and all the women said, "No, you have to do a picture with the women together," and the photographer said well, he was willing to do it, but he tried to do this for the 25th reunion and he'd gotten booed by those younger women. So I guess I think of it as Radcliffe, but the degree was from Harvard. All of the education by the time I got there, all of the classes were Harvard classes. When my father and his sister had gone in 30 years earlier I think the classes might have still been separate -- the women got the same teachers, but they gave separate classes to women or maybe they could only audit some Harvard classes. Radcliffe was even doing graduate degrees for women in the '60s. But by the time I was there it was the same education, though it was a somewhat different living experience. You didn't get football tickets to the good games, for instance. The only football tickets that the women could buy were to the second rate games.

Q: Yeah. What about -- how did sort of the coeducational thing, I know -- I read something, a woman who went to Williams was complaining about the coeducation, you know, sort of being unable to take showers by herself and all this. I mean was this a problem that you noted or?

POTASH: Well, it never affected me. My freshman year we were in sex-segregated dorms. My sophomore year I was in a suite with about six other women, so there was a bathroom or two but we had them to ourselves.. My junior and senior years I was in a self-contained apartment. I believe there were some attempts to "liberate" the bathrooms in the dorms of the house where I used to go over to have meals. There was some discussion back and forth. I can remember all of these, esoteric discussions of the incest taboo if you were actually in the same dorm with a potential romantic partner -- but I don't know that ever worked. So that did not affect me, but it might have been an issue for some.

Q: Well, what about in classes? You know, looking back on it, one of the strong arguments for a Smith or type school where all women are there, the women aren't sort of up against pushy guys.

POTASH: Well, you know, my mother never wanted me to go to a girls school, among other things. I wanted to go to a research university. Even though I think Harvard didn't treat its undergraduates very well. And Yale, where I went to grad school, didn't treat its graduates very well. So the thing about Radcliffe is there was a four to one ratio. You knew that all of the girls who went to Radcliffe were extremely bright. Harvard, you knew had selected -- or you believed had selected -- for a "happy bottom quarter." The kind of laid-back people who were not going to go out and commit suicide when they wound up in the bottom quarter of their classes. Well, that didn't apply to Radcliffe, so all of the Radcliffe women thought that they had to be much better than the men to get in. Now, that may not be the case. You know, the men may have been more aggressive. I'm a rather shy and retiring person normally, but I can be pretty aggressive in classes. So that didn't --

Q: I was interviewing a man who not long ago was an instructor for three years at West Point. And he said that the women there, first place were all topnotch. Because you know, there were something like still six to one women. So if you were a woman and had gotten in, you were really bright and they didn't take -- they didn't quarter (laughs), I mean.

POTASH: When I was in Bulgaria we sponsored one student to go to West Point. And it was a woman. And at that time they didn't allow women in the Bulgarian militaries. So I'm not sure what the point of that was, but.

Q: Yeah. Well, it's interesting. Well, how about when you were at Harvard, were you involved in or interested in national politics or?

POTASH: *(laughs)* My class -- we had something shut down the university either three or four of the years that we were there for some reason. My freshman year was the very famous University Hall takeover where President Nathan Pusey invited the Cambridge Police into Harvard Yard, which was seen as a great betrayal of the University norms, and we thought that the Cambridge Police were only too delighted to knock a couple of heads of these spoiled kids. I wasn't there. One of the women I knew in my dorm —I've seen her a few times since in reunions, she told me she was an itinerant scholar-gypsy who had found a home in the Communist Party-- I think she might have been either outside or inside. After the police came, there was great outrage. Not that most students had agreed with the takeover of University Hall, but they didn't like the police being called in. So the university was shut down for a while. We had several mass meetings in the Harvard stadium, actually chaired by the resident tutor in my Radcliffe dorm, and we came up with a list of six demands, then there was a seventh demand for an African Studies department I think. Eventually it all fizzled out and we finished the year. I can also remember something about paying women cooks the same as men chefs
Q: There was a lot -- that was the era of worrying about remedial pay.

POTASH: Mm. Well, this was a question of discrimination between men's and women's pay in the cafeterias. That was one of the years. The University Hall takeover was '69, my first year, the spring. And then in 1970, you had Cambodia where there were huge protests, and the killings at Kent State. The University was shut for several days. Everybody went around being politically active and I remember I had discovered that Western Union would allow you to send a telegram to your member of Congress at no charge. That was one of the services. And so my contribution to doing something was to set up a table with my telegraph forms and encourage people to write their congressman, which shows you how very un-revolutionary I was. All of the time, this was the, height of the Vietnam War. That was also the year my father was going through some very difficult issues. He had been selected or was supposed to be selected to be the chair, or the head of the History Department at the University of Massachusetts. And there was a revolt by some of the younger people who didn't like the idea. He was following a colleague of his whom they hadn't liked at all, and they really never gave him a chance. There were some really very vicious activities going on, and it was very hard on my father. And I sort of felt for him and I was in any case not one who really questions authority very much. So I didn't really ever take part in any protests. But again, you know, the idea of this Cambodia thing was --

Q: I remember -- well, I was in Saigon as consul general.

POTASH: Oh!

Q: When the -- but --

POTASH: When I first joined the department, there were a lot of midlevel or senior people that I knew whose first tour had been Vietnam.

Q: Yeah. Well, did --

POTASH: But Amherst was very anti-war. We had a protest on the town common every Sunday for years and years and years, though the cause changed over time. I believe that Tracy Kidder once started one of his books with the remark that "Amherst is a small college town with its own foreign policy." I remember in junior high or high school some students wore black armbands to school as a Vietnam protest and the principal tried to stop it. I can't remember how that came out. I do remember my math teacher seeing the armbands, saying, "We're all in mourning for these very small chickens they served us at lunch."

Q: Ah-ha. Well, did you find yourself -- were you still looking at 18th century France, or were you looking at the Soviet Union or anything of that nature?

POTASH: No, I can't say I was interested in the Soviet Union. It's very much of a Western European focus, primarily France. And as I said, more 19th than 18th centuries. We had Stanley Hoffman on the Harvard faculty. But he was off the year I would have taken that course. Instead we had Theodore Zeldin come in for a year from Oxford – I

think from St. Anthony's College -- to do 19th century France. I remember he had longish hair and seemed to be a rather more "mod" type than the rest of the department. I read all of the optional books on his reading list, which included a lot of novels. Zeldin later did a rather well respected series for Oxford University Press on 19th century France. I took an awful lot of history courses. I did a course in nineteenth century economic history with David Landes. I took almost everything that Bernard Bailyn taught and that led to my doing a minor specialization in early American history-- I was just so impressed by him, and also by his graduate students at the time who were just establishing historical demography as a specialty. And I think now that was something that appealed to me.. Harvard had requirements for general education that made you take humanities, social sciences and natural sciences no matter what your concentration. So I took -- freshman year I decided I should take all of the basic social science courses to prepare for being a historian. I had already done an anthropology course on in an NSF program the summer of 1967 when I was in high school. So I took introductory economics and government (Harvard's term for political science) and a natural science course. I took a "physics for social scientists" course with Gerald Holton to atone for dropping physics in high school. I took Social Sciences 1 which was an introductory course on western civilization. And for humanities, you could fulfill that with language classes. You didn't have to actually take a humanities general studies course. So starting sophomore year I think I took a lot of languages. I know I took a Latin poetry course at some point, and several years of German which I expected I would need for the PhD language requirement, since I already had quite good French. But I think that at some point I also sat in on the lectures of Humanities 1 as well. Freshman year I took Government 1a, which was taught by Carl Friedrich and Karl Deutsch. At one point Carl Friedrich, who in addition to being a distinguished scholar had apparently written the constitution of the German Federal Republic and was by then quite advanced in years -- when Deutsch was lecturing Carl Friedrich came and sat near to me and fell asleep. And as a freshman, I took Ec-1, the basic required economics course for sophomore economics majors, which later became Ec-10, I believe because they decided it was difficult enough to merit a higher number. And it was mostly taught by Otto Eckstein, who spoke extremely rapidly – I recall one of my classmates saying I wish he would speak at 33 and not 78.

Q: Yeah.

POTASH: So I think he permanently ruined what was left of my handwriting. You know in basic economics courses you have a lot of graphs with axes for the supply and demand curves and other macro functions – in my course in 1968 they were labeled "guns" and "butter." John Kenneth Galbraith gave a lecture (in which he managed to allude to the fact that his book on the crash of 1929 had been a best seller). John Dunlop, the famous labor economist, gave a lecture in which he compared some economic phenomenon to a bathtub filling and draining – but while I remember the metaphor, I don't remember what he was trying to explain. These were huge lecture courses. But you actually had most of your teaching done in sections. The lectures were not always three days a week, but maybe one day. There were a lot of sections. I think my section had in it the son of a senior official in the Nixon administration who later became more famous (or infamous) during the Watergate investigation. And I remember my section man saying -- when I

asked if a particular model we were studying worked in the real world -- the real world is only a special case *(laughs).*

Q: Well, how about civil rights? Did that cross your path at the time? Or were you far removed?

POTASH: Well, yeah. I can remember. I did not do any marching myself. But I remember that the older sister of a high school classmate of mine was known to have marched somewhere -- I think before she got into Vietnam activities. When I was 15 I went to a Jewish summer camp (Camp Ramah) and I remember singing "We Shall Overcome." Amherst being Amherst also decided that it needed to integrate when there was nothing much to integrate with, so we imported disadvantaged children from South Carolina.

Q: I would think that whatever integration in that area would have been already sort of done.

POTASH: There were maybe two African American families who actually had been there all along. A child from each of them would have been in my class or the class ahead of mine or behind mine. And the University of Massachusetts started hiring African Americans into senior positions at some point during my high school years and I remember, one of them saying in a newspaper interview that they were kind of steered by the real estate agent towards a home in that one little neighborhood and resisted. And there was the program called A Better Chance (ABC), which was to bring in kids from outside to go to the high school. And I guess the area is a lot more integrated now. But as for civil rights, you know, in college there was kind of the development of the Afro-American studies program -- that was added to the six demands in the 1969 Harvard protest to become a seventh demand. I believe that the Harvard class right behind mine had a significantly higher proportion of African American students than did my class – also, it was rumored, a significantly lower proportion of students that could be identified as radicals.

Q: How about --

POTASH: -- early '70s.

Q: How about the women's movement? Was that going when you were there, or is that?

POTASH: Well, yeah. -- this is pre Roe v. Wade of course. I remember I audited a non-credit seminar, I believe in my sophomore year, that was given by David Broder, the well-known political journalist who died recently – and he was already quite well-known then. The seminar (which might have been sponsored by the Nieman Foundation) was called "opposition politics." The opposition at that time were the Democrats who had just lost the 1968 presidential election. And he had political people come in to talk to us. One of them was Teddy Kennedy, and somebody asked him about abortion. And his response

was, “Well, of course I’m a Catholic, I’m not in favor of abortion.” So this would have been like ’69. Obviously his political views changed over time.

Q: Well, did you find that -- in my time, we didn’t have -- it was called the Silent generation, I guess. I mean these were mostly World War II vets on the campus. And we didn’t have leaders getting us out to demonstrate on anything. Kind of did our own thing. But did you feel that sort of young people trying their wings as --

POTASH: Oh yes.

Q: -- as leaders, you know?

POTASH: I don’t know about -- there were people trying to lead radical groups -- there was an awful lot of ferment. And this was not actually what I had bargained for. I had thought that I was going to go and get a traditional, academic education. The idea of partying or rebelling had not occurred to me. And so to some extent it was uncomfortable for me because I was there to study and to learn and all of this was going on around me.

Q: Well, was there -- and I imagine that the drugs are pretty much marijuana at the time -- but was partying and sex and all included in the demonstrations? Or were these sort of separate movements, or what?

POTASH: Well, I think the marijuana and the sex probably went together.

Q: Yes, I guess so. I guess to all that.

POTASH: *(laughs)* I’m guessing I missed most of it. I missed most -- I was extremely naive. It actually wasn’t until I got to college that I realized that real people actually had sex.

Q: Yeah.

POTASH: *(laughs)* When I was a freshman you had to sign out of your dorm if you were planning not to be there after 10 pm. So if there was a fire drill you knew who was supposed to be there.

Q: Yeah.

POTASH: And there was one woman a year younger than I was who came in and basically signed herself out from day one. She just went to live with her boyfriend at Harvard. But my freshman year we had parietals, which is hours, you know, hours that you could have a person of the opposite sex in your room with the door open. There was even a thing in my dorm called the parietals hook. The doors did not lock. There was kind of a hook on the door, and you would think it would be like a deadbolt, but no, it was a hook to hold the door open this much.

Q: Oh God. Oh boy. Well, I'm --

POTASH: And they used to say, they -- if you were bringing a gentleman up to the floor, you were supposed to say, "Man on," when the elevator arrived to I guess warn the women to scuttle away in their housecoats or something.

Q: Oh boy. Well --

POTASH: That changed. That was my freshman year. That changed a lot.

Q: OK. Now, when you went -- you were at Yale for how long?

POTASH: Too long. I was at Yale for seven years.

Q: Ouch.

POTASH: *(laughs)* It took me a long time to finish. OK. I went to Yale in summer of -- well, 1972. I knew that I was interested in French history. I arrived and they said, "Well, maybe we should have told you. We don't actually have anybody in your field," *(laughs)*. R.R. Palmer, who was their main French historian was retiring, he wasn't taking students anymore. So you had Edmond Morgan who did colonial history and he was very good. I was in a seminar with him. I met Sharon White, who is also in the Foreign Service, first year there (in fact we were introduced at the welcome reception on the first day). And she joined the Foreign Service a couple years before I did. So I did a seminar in early American history. I did something in British history. And then the next year I took intellectual history with Peter Gay. I spent the summer after my first year exploring a possible dissertation topic that would have involved a school that I had run into when I was doing research for my senior honors paper at Harvard. This was a school run by a Swiss educator named Philipp von Fellenberg. He was a follower of Pestalozzi and he'd had a school that a lot of these enlightened industrialists in Mulhouse (that I'd studied for my undergraduate thesis) had sent their children to and they came back with advanced social ideas. Wouldn't it be nice to kind of follow what happened to the kids there. Robert Owen (the well-known Utopian Socialist) had sent his two sons there too. So I went to look at the school and what became of the students. And I did actually find some of the archives, and they turned out to be written in German script, that I was not able to read. Especially Owen's sons, who learned how to write perfect German, 19th century German script. Yeah. So I'd spent six weeks in Bern and discovered that a) they spoke German and b) they didn't really speak German, they spoke dialect (Switzerdeutsch) and I had taken standard German (Hochdeutsch) in college. So I could read some, I could speak some, but I couldn't really understand the answers very well. I was staying in a women's hostel for I think factory girls. So, so that was kind of a dead end. I got back to Yale -- and then by my second year they had hired John Merriman who later became a fairly distinguished scholar at Yale. But it was his first job. He was just right out of the University of Michigan, and he was a follower of Charles Tilly maybe at one remove. So he became my dissertation advisor, but that was not terribly ideal, because you really want somebody who's more concerned about mentoring than about getting his first book

out and getting tenured. And I was never very good at promoting myself. I didn't really understand what you needed to do to get along in academia. And --

Q: Well, I'm -- I don't know. I have a prejudice with this -- the PhD process that the -- just when a student and sort of graduate is boiling over with ideas and all that, they're stuck to sort of serving somebody else a generation or two behind or ahead of them or something. It just seems like it dries up the vital juices.

POTASH: Well, John Merriman had finished his PhD in four years. He was extremely well organized. I saw that he had notes on everything on index cards, and he was focused. It struck me as odd that he had his undergraduates call him by his first name. I wasn't quite ready to do that – I felt it was upsetting the authority relationship. Also at one point he talked in an undergraduate lecture that I sat in on about Voltaire's cases, one of which was Jean Calas, who was accused of trying to forcibly convert somebody from Catholicism to Protestantism, and tortured. And it struck me that John Merriman had not made clear that the guy was supposedly innocent. Well, of course he'd been brought up in Catholic schools *(laughs).* He was much more interested in social movements, while I was much more interested in social theory. I'd developed a theory by this time that welfare reform kind of goes in cycles, because welfare is always conceived of by the haves for the have-nots. And whatever you do, it's not going to work perfectly. It's going to provide perverse incentives in some way. So it will take maybe 10 to 20 years before the perverse incentives become so clear that everybody turns around and does the opposite. In England you went from the Speenhamland system, a means-tested welfare system begun in the late 18th century where parishes subsidized wages of farm laborers according to the size of their families to keep them off the poor rolls, which meant that nobody who didn't have a family was not going to get a job. This also meant that all the townspeople were subsidizing the farmers, and by the 1830s this became intolerable, so in 1834 the Poor Law reform instituted the workhouse system – made famous by Charles Dickens -- establishing the workhouse test to make welfare so unpleasant that nobody who had any other option would take it. And that didn't work either – but it took a few decades for that to become evident.

Q: Yeah.

POTASH: So what I did my dissertation on, eventually, was abandoned children in 19th century France. They had gone from a pre-Revolutionary system where unwed mothers could get child support by identifying the father of their child to the Napoleonic Code which made paternity (and often maternity) suits illegal to protect the honor and cohesion of the middle class family. And they had made it so difficult for an unwed mother to get any kind of support that this encouraged people to give up children, and in many cases they provided for anonymous methods of abandoning them. Also, since France did not have any kind of generalized public welfare system (unlike the British who had the Poor Law), but did establish the principle that foundlings would be supported (by local founding hospitals or by the state) through adolescence, they also got a lot of married people giving up children, perhaps because they thought it was free schooling. So then the middle class social thinkers started talking about the increasing cost of all these

abandoned children, and speculating that a lot of mothers would then manage to get their own children back as paid wet-nurses, and they tried to control the costs – and the "abuses" by moving all the kids around to different parts of the country, hoping that these secret mothers – or foster mothers who had become attached to their charges – would reclaim or adopt the children. Well this might work once, but you'd get diminishing returns. After the Franco-Prussian war, when they realized that their problem was really a population decline, so that rather than too many poor children they didn't have enough they started paying unmarried mothers a small stipend for three years, in order to avoid having the child maintained by the public for 12 (though in many cases, especially at the start of the century, a high proportion of the abandoned children died in the first year). And it worked. But it was a moral dilemma for them to be "rewarding" fallen women and not giving the same support to married women. I found this theory of what people are getting at when they're doing welfare – how the haves imagine the life experience and mentality of the have-nots -- kind of fascinating.

Q: Well, as you presented it, it does strike me that the --

POTASH: And there are so many parallels. I mean think about Safe Havens for leaving a child in front of a church. And in a broader sense, the twentieth century debates on welfare in the U.S. (remember the "man in the house" disqualification for Aid to Dependent Children that was supposedly an incentive to break up families). So, so any rate my first year was not terribly great. -- except for Morgan's class, which I enjoyed. There was one course that I took – I believe it was English history-- where I didn't totally get along with the instructor. And I can remember not doing all that well my first year. At Yale, you could get a master's after one year if you were doing a PhD. You just got it if you asked if were doing your coursework. There was nothing special about it. I remember I didn't feel I'd done well enough that I wanted to ask for it. So I waited until the second year and I asked for my master's then. I eventually came up with this topic on abandoned children and I laid out a plan for what I was going to do that involved randomized sampling of the registers of foundlings to see what was known about them. I got an SSRC (Social Science Research Council) grant. Actually I went overseas before I got the grant. I never filed a final report with the SSRC on my project, which I probably still owe them. But any rate, I, spent a year and a half in France doing research. I was going to do four towns. I eventually cut it down to two. Lyon and Lille, and I spent a little time in Paris looking at the Bibliothèque Nationale and the Archives Nationales. And then I went to Lyon where they had really good records, although halfway through the period that I chose they had changed where they kept them, they moved from the records of the hospital to the records of the department and they lost one or two volumes, but I actually hunted around and found one of them. And my research was -- first, you know, read all the books I could find, look at all the citations in the footnotes, get those books. Sometimes it was more reading the footnotes and getting the books and then not ever having time to read all of them, which is a bad way to do research maybe. So I picked up my random numbers and I was going to pick, you know, X number, see what they had recorded -- you know, in addition to the data about the child, the age, the clothing with them, transcribe the notes, some of them would make me cry. As things went on, they got less lachrymose and sentimental about the notes and there were more actual birth

certificates provided in the records.. Otherwise all I would know is what the note said about whether the child was legitimate or not and what the age was. And I kind of did a database that I then later had coded onto IBM cards and used for my dissertation.. After I came back, I was supposed to write the dissertation, get my degree, and find a teaching job. I had never actually taught before. I got a teaching assistant assignment for one semester for the course on the French revolution that John Merriman was giving, but I had no idea what I should have been doing to teach. I had two sections. For the first one I planned a discussion around the required reading. Nobody had done the required reading and I wound up talking for an hour extemporaneously. I never really got that class back-- I lost their attention for the rest of the semester. By the time I met the second class, I had figured out that I wasn't going to be able to count on them to have read the book and I'd come up with some discussion questions sand actually enjoyed that group a lot more.

Q: Mm-hmm.

POTASH: But I only ever taught for the one semester. My parents subsidized me. My parents paid cash for me all the way through college and they subsidized my grad school -- they gave me something like $300 a month to live on while I was in grad school to supplement my fellowship of $1800 a year. Eventually I filed to receive my master's degree in '74. I came back to New Haven from France in the summer of 1976. At Yale you were supposed to finish your PhD in six years. If you didn't, you had to apply for readmission when you had your dissertation ready. So what happened was because I had the master's degree, they said well, after six years you didn't have to pay -- I think it was $1500 a year even if you weren't taking any courses. You could just reapply when you were done, and since I had a master's degree I qualified for alumni privileges at the Yale library. And so I just stayed. I can remember going with my family on a vacation to either Rockport or Cape Cod, and taking with me the electric typewriter and knocking out a chapter of the dissertation. But I really didn't like writing – or at least I didn't like sitting down to write. My father eventually took to calling me every evening to ask what I had written that day. He'd call at six and at 5:00 I would sit down and type out a few pages and *(laughs)* read them to him. So eventually, I finished my dissertation, and reapplied to get my PhD in 1979, but by that point I was aware that I wasn't all that fond of teaching, or writing – and also found that the jobs were not going to be there. I was at the wrong end of the baby boom.

Q: Yeah.

POTASH: So I had a PhD, and I was living in an apartment in New Haven. This was not my preferred city of residence, but without a real job prospect somewhere else, there didn't seem to be any point in going to the expense of moving. So I walked into the Connecticut State Unemployment Office and said, essentially "I'm, overqualified and under-skilled. Do you have any work that anybody's applying for?"

And they said, "Well, you know, there's a savings bank around, I think they're hiring tellers." Turned out they weren't, but they had me in for an interview and they kind of liked me. I had kind of embarrassedly left off the PhD from my job application, and

prospective employers were naturally curious about what I had been doing for those years. I first said "taking some classes" and eventually admitted to the degree.. And once I cleared up what I'd been doing for those extra six years, they hired me.

I had more or less said to myself, "Well, I'll give them a year, you know, if they're good enough to hire me," *(whispers)* at minimum wage. "the least I can do is to work for them for a year." I later discovered their average turnover was something like three months. But any rate, I stayed. I enjoyed it. Didn't have to think. If I had been able to sit down on the teller line, it would have been nice. They were a small mutual savings bank. This is in the early '80s, the midst of the S&L (savings and loans) crisis. So they were losing money fast. They had a main office and four branches, all in strip malls around the New Haven suburbs. I worked in three of the four branches at one point or another. It was a little family. Maybe 75 employees and I was a teller. I got very good at it. We had mechanical cash registers, and we had to close down once a day between noon and two and make sure that the cash register balanced out with the written record. We would spend time looking for a penny discrepancy, because if you could identify the source of a discrepancy under a dollar they would let you take the amount from petty cash – otherwise it somehow went on your record as a black mark. I guess that was to keep us honest.
Q: Yeah.

POTASH: You know, I kind of figured out that the time you spent looking for a few cents was much more valuable than that -- but I got very, very good at balancing to the penny. And so for about a year and a half I was a teller at various branch banks in local shopping centers. It was kind of nice. The bank branch would be open from 10 to three, so you got there at 9:30, parked for free, and you were out at four. And you got to know certain regular customers. And then they sent me to the main office, which aside from being in downtown New Haven where I had to get paid parking, opened at nine and kept us till five. Also, it was where all the big shots were. The executive vice president, who was an up-from-the-bootstraps Polish guy from New Britain, was tipped to become president when the then president (a WASP type who may have inherited his position), retired. He wasn't very good at his job, but the date of his retirement was known. And the EVP took a liking to me (I think he was impressed with my degree) and encouraged me to get a business degree at the University of New Haven He said "When I'm president you can be a marketing director if you get your degree." There wasn't really a marketing director at the time, but I he took me off the teller line and created a "market research analyst" job for me. So I went back to night school to better myself.--

Q: And so that brings us up to when?

POTASH: Well, I started working for the bank in '79. I worked for only five months in '79. My first W2 had something like $2,500. So I was earning $120 a week until they gave me another $20 more a week -- they said it wasn't a cost of living increase, it was just that the new people that they were bringing in were getting $20 a week more, so everybody got a raise. When they made me the market research analyst, they said, "You will get a salary of $13,000 a year." This would have been around 1981. And $13,000 a

year it turned out was just enough money that they didn't have to pay me overtime. The fair wage and salary act said that if you earned that much you were considered to be, you know, managerial. So I was making $13,000 a year, which eventually went up. They gave me a 10% raise the next year and then I got my degree in marketing research. This was the first time I ever realized that you could charge college courses on a credit card. I would charge my class, which was a few hundred dollars, and they would reimburse me when I showed them my grades. Of course by that time, I had enrolled in another class. Because I was trying to get this thing really, really fast. And when I took summer school classes there was one point where I might have had, payment for three quarters outstanding *(laughs)* – At one point the timing was such that I couldn't schedule macroeconomics, which was a prerequisite for taking statistics, which was a prerequisite for taking something else. I said, "This is going to throw me off. How can I graduate in time if I can't take this prerequisite?" So I dug out my freshman year, 1968, 1969 notes, syllabus, exams from Otto Eckstein and all those other guys at Harvard and I took them down to the head of the department and I said, "I've had this before." I'd already done micro, and their micro, as I recall, was nowhere near as rigorous as the micro I had done a dozen years earlier.

And they looked at my notes and exam papers and they looked at the syllabus and they considered it and said, "Yeah, I guess you have. You can take the next course. So there was some benefit to that Ec 1 course a decade later.

Working at the savings bank was a whole new experience for me. At the New Haven office, I made friends with, some of the secretaries, who were of a higher status than the tellers. I got invited to Tupperware parties. And I can remember one young woman who was secretary to the executives. She was married and her ambition -- her main goal in life -- was that her husband would get a good job at the post office, which would mean that she could afford to quit work and have a baby. For me it was a cultural revelation – my first culture shock.

But the bank was losing equity fast. We had an FDIC inspection and wound up with an outside auditor kind of camped out in the office, who asked management "Why are you paying taxes? You know that you're losing money." And apparently -- our financial people were not even bright enough to realize they didn't need to be paying taxes if they were losing money. So we got taken over by the big player in the state of Connecticut, People's Bank, now called People's United Bank. People's agreed to keep most of the staff after the merger. The president was retiring, of course. My patron, the EVP, was slotted somewhere in middle management, and he gave up and left after a year or so. Our personnel officer, who'd just bought a house on the opposite side of New Haven from People's Bridgeport headquarters, wound up with a much longer commute. Another friend who was a loan officer in New Haven wound up in the student loan department at People's. He kept joking that he was actually working for Butler Business School, because of the volume of shoddy loans they sent him. He saw a lot of seedy for-profit schools taking advantage of the Sallie Mae loan program. And this was in the early '80s. So I've never felt really good about for-profit education, so-called education, you know, that recruits people through deceptive advertising, gets them to run up loans and then

flunks them out. I got moved to be the number two market research person in their marketing department. So I had to commute to Bridgeport, and often carpooled with my old colleagues. I'd managed to get the MBA (master of business administration) just before then, because I didn't want there to be any question about whether they'd be repaying me. I stuck it out for a couple of years. I had very little autonomy, but a lot more resources.. I got to go to New York a few times for quarterly forecasting meetings at DRI, a consulting firm co-founded by Otto Eckstein. So I'd hear my former economics professor again giving his views on the economy. The bank bought a computer for me to use. I think it was an IBM PC. And I got them to get the SPSS program to do analysis, though I didn't really make much use of it. I was doing analyses of where would be a good place to put a branch if you had the authority to add a branch. They had a few rights to put in a couple of branches and wanted analyses of what's the neighborhood like, what was the competition like, but I think their senior executive made his decisions by instinct. My predecessor in the market research job was the daughter-in-law of the chairman of the board. She got moved to a new, more glamorous organizational unit -- not marketing, but something called depositor services or strategic analysis. So she did pretty well out of it. I was working for an assistant VP who was the head of marketing research. And he was working for the head of marketing who was a VP. And there were a couple of other people who did public relations and advertising. I kind of liked talking to them about their areas , but it was their job, not mine, and they were rather territorial. I stuck it out for a couple of years. I applied for a couple other jobs in the banking sector. I had a degree in marketing at that point that could have made me more competitive. And I took the Foreign Service Exam a few times. I passed the written part every time with no problem – I've always been pretty good at multiple-choice standardized exams and I found taking the Foreign Service exam exhilarating.

Q: Mm-hmm.

POTASH: I didn't do so well on the oral at first. I took the Foreign Service Exam for the first time in '78 before I even joined the bank. At that time I'd indicated an interest in USIS. I passed the first stage, but was not selected. I repeated the written exam every couple of years. The first time I encountered the inbox exercise in the oral exam I didn't quite know what was going on. Having worked in the bank actually helped me a lot with the inbox

Q: My God. Well, when did -- did you get through the oral exam?

POTASH: I did eventually. I must have taken the written exam in '78, '80, and'82, I had always passed the written part and finally passed the oral exam after the third time. I remember that I ran into my grad school friend Sharon White on the State Department Shuttle Bus on my way to take the oral exam. Working in an office environment actually helped me with the inbox exercise. After I passed the oral exam, I rather dragged the entry process out over a couple of years, since I didn't actually enter the foreign service until 1985. I procrastinated on completing the security background questionnaire and getting the health exams. I think I even retook the written exam in'84, though by then I was already on the accepted list. It was difficult to do the background questionnaire

because of trying to remember where I had lived over the course of my life. We moved around a fair amount. They offered me political, consular, or admin cone, and I said I wanted to be econ cone. My econ background was a bit thinner than they liked, but I did have the MBA. They said that the econ list was tighter than the others, and they'd have to think about it. And then they offered to bring me in in the econ cone as an FS-5, which was the middle range of entry grades—if you come into the foreign service just out of college, you come in as a six; and you could come in as a five if you had some work experience or a graduate degree. And I said, "Look, I have a graduate degree. I have work experience. You need to bring me in as a four." So we debated about that for a little while, and that took another two months.

And finally they said, "You can come in as a four, you can come in as an econ officer."

And I said, "Fine, I'll come in." So I came in to the Foreign Service in June 1985.

Q: OK, I'm looking at the time and this is a good place to stop. And we'll pick this up the next time --

POTASH: OK.

Q: -- in June -- what?

POTASH: June 1985.

Q: June 1985 when you're coming in the Foreign Service. And great.

POTASH: Probably a whole lot more that I can tell you *(laughs).*

Q: Have at it.

POTASH: OK, well we'd gotten to '80 -- I wanted to say before, I got into my -- there were two State Department related things.

Q: Wait a second. Let me, let me just put in here. Today is the 14th of December, 2012 with Janet Potash. Yeah.

POTASH: Now retired.

Q: Yeah.

POTASH: Before I actually arrived in Washington, there were two kind of State Department related incidents. One was when I went to the New Haven DS office for my DS interview and fingerprinting, It turned out that the local DS agent had been an old friend of the personnel person in my bank.

Q: Ah.

POTASH: So I feel like I reunited them.

Q: Oh yeah.

POTASH: And the other is that before I went away, my former colleagues who had come with me from the little old chummy bank to the new impersonal bank, gave me, a send-off with bunch of farewell gifts, including one which was a matchbook cover that they had done in the style of a trucking school ad. And they had made it for "Diplomat School."

Q: Ah. Oh wonderful.

POTASH: So *(laughs)* I don't know if I still have that or not, but that was sort of -- I guess it was a claim to fame.

Q: OK. Well let's see. You came into the Foreign Service when?

POTASH: June of 1985, 28th A100.

Q: And so you want to talk about the composition and your A100 class?

POTASH: Well, I was above the average age. There were two or three people older than I was, but the average age was around 30 and I was 35. There were considerably more men than women. And of the women in the class, I think only two or three were married. At least one of the two or three was a tandem. And the one who was married to somebody who was not a tandem, I later heard was divorced after the first tour.

Q: Mm-hmm.

POTASH: So it was, you know, the days when it was very difficult to, to be female in the Foreign Service.

Q: Yeah.

POTASH: Not that it is easy now, but it was harder then. I came in too late to be part of the Alison Palmer class action which was settled in 1984, but I was eventually included in the penumbra of the Alison Palmer class in the 1990s. So I later got some side benefits from that. Including, they said, I could be a political officer if I wanted to. And I said I'd already rejected being a political officer, so that was not of interest, but I did take the opportunity to have one of my EER's upgraded.

When I entered A-100 we were still at the height of the Cold War. Several of my classmates went out to Manila while Marcos was still in power. I believe they had a rather eventful first tour. We sent several to Korea. I have memories of doing that well-known exercise in cooperation where people play what they think is a zero-sum game and

then are told after the first round that you're not scored on individual winnings but based on how much the table wins. And we were told that when they tried this exercise with Japanese participants they could never manage to make it work because the Japanese automatically cooperated from the start.

Q: Yes.

POTASH: We had a fake Soviet impersonator who was actually an actor come and talk about U.S.-Soviet relations. And I can't remember if we did the Myers-Briggs test or not. We did the MLAT – that was the first time I did the MLAT. I think you can only do the MLAT once because you're contaminated.

Q: MLAT is Modern Language Aptitude Test.

POTASH: Right. With the MLAT, they give you this language that they tell you is Kurdish. They give you a few vocabulary rules and a few grammar rules and you're supposed to be able to extrapolate from what you know to make assumptions about additional statements. I did actually quite well on that. Later on in my career one of my supervisors told me what may have been an apocryphal story about someone who came out of the MLAT test saying, "That really was Kurdish. And I speak Kurdish."

Q: (laughs)

POTASH: At the time Kurdish was a language that you usually could count on students not being familiar with. Now I don't think they could do the same test because we actually do teach Kurdish and we use Kurdish, so you'd risk having results contaminated. In fact, I knew a Kurdish-born FSO. She's from a family that had been exiled presumably under Saddam. Came to the United States as a refugee, had joined the Foreign Service. And when I had first known her she was being sent back to Iraq to work there after the invasion

Q: Yeah.

POTASH: -- and is subsequently quite senior.

Q: Well, what were you pointed towards? I mean you personally?

POTASH: You know, I can't say that I really was pointed towards much of anything. That was one of the times when we came in coned. There was a period after that where they came in unconed and they reverted back again. So I said I was going to be an econ officer. They pretty much told you your first tour you didn't get any choice. You were allowed to identify the three countries on their list of expected availabilities that you thought were best. And I don't think I got any of mine. I do remember, after we were given this list of availabilities, there was a period of about a week when Lagos – which I think was then still the capital of Nigeria -- suddenly appeared on the list. And I remember being in the department for some kind of talk to the travel and transportation

people. I can't think why, because we weren't anywhere near being assigned then. And I mentioned oh my goodness, Lagos has suddenly appeared. And the woman in transportation said, "Oh, Lagos isn't the worst post in Africa."

And I said, "Oh? What is?"

And she said without hesitation, "Guinea-Bissau," *(laughs).* So, I mean that's *(laughs)* -- so I guess she must have known from her years of shipping people back and forth.

Q: Yes, yes.

POTASH: And when I was in AF there was a period when we didn't even have an ambassador there.

Q: We'd had people in it.

POTASH: We had a post but the ambassador was covering it from somewhere else. So it was not -- so *(laughs)* --

Q: But that's where you were assigned?

POTASH: No, I was assigned to Honduras, about which I knew very little. You know, on the day they tell you your first assignment they hand out little country flags. I looked at mine and wondered, "Where is this?" Honduras. When I'd come in I'd said I wanted to take the language exam in French, Spanish, and German. I had just spent, you know, the last 12 years doing French history and I wound up being assessed at three plus, four plus, which was not enough to get me permanent language status or --

Q: Yeah.

POTASH: And then Spanish, I think it was something like two-three, German two-two plus. And they assigned me to Honduras after they had the results of the test, and with no language training. So I said, "Well, you know, my Spanish is self-taught or from having spent fifth and sixth grade in Argentina." So I understood enough, but I was not particularly correct in speech.

Q: Yeah.

POTASH: And I can remember the desk officer saying, "Well, would you like me to back channel you some language instruction?" And I for some reason or other said no, I'll go down with just the few weeks of Latin America area studies I'd been scheduled for. My A100 colleague, Eric Rubin, was also assigned to Honduras -- actually there were at least three first-tour officers assigned that summer. Eric got there much later than I did, because he was actually taught Spanish at FSI. So he came out speaking it much better. I did pick up a lot on the job -- I learned about six ways to ask people what their

income was on the visa line. And I did ConGen Rosslyn (the consular training course) before going out of course.

Q: How did you find the consular training?

POTASH: Well, I had one classmate who was a Mormon who fooled me every time during visa interview role-playing. .I was pretty good at sussing out who was pretending to be a fake, lying to me according to the script they had been given. But this one colleague who had such an innocent and sincere face managed to put one over on me every time. He was tragically later killed in an automobile accident in Ukraine some years later, along with a daughter.

Q: Ooh.

POTASH: And I didn't find out about it until months later. His name was Greg Hulka, killed in November 2001. You know, I had run into him again at one of our earlier A-100 reunions but hadn't known his family. He had not been married when we were in A-100. And then I read in either the Foreign Service Journal or State Magazine about his death. It was months after it had happened and it was such a shock – he may have been the first one of our classmates to have died , and I don't know if he's the only one at this point. So yeah, ConGen. I was leery of doing the bit where you role-play in a mock prison, taking turns being a prisoner and being a consular officer. But actually, when I got to that part it was kind of fun. So completed ConGen, and went off to Honduras. I got there in October 1985, shortly after John Negroponte had left.

Q: October. And you were there for how long?

POTASH: I was there for two years.

Q: Two years. What was the situation in Honduras?

POTASH: Well, - it was a very poor country. There was some debate about whether they were the poorest country in Central America or whether Nicaragua, which was then under the first Sandinista government, had managed to sink below them. But I think at the time, and I was asked to check at one point, it was still the poorest country in Central America. The U.S. basically ran things. The IMF (International Monetary Fund) would come by every once in a while to discuss the possibility of a program. The IMF would tell the government "You need to devalue." But Honduras had its currency pegged in an *extraordinarily* unrealistic rate to the dollar. So the Hondurans would say, "No, we don't want to." And the IMF would go away again. And as long as the U.S. was supporting them, which we were because of their role in supporting the Nicaraguan Contras, they didn't have to please the IMF. As soon as USAID (Agency for International Development) cut off financial support, they devalued right away and they started doing a lot better economically.

My time in Honduras was long before the current violence and gang problems-- at the time it was an island of peace between Nicaragua, which was under Sandinista control and El Salvador, which was in the height of the civil war, the Zona Rosa massacre took place a few months before I got to Honduras, June 1985, and one of the Marine guards who transferred in while I was there had been assigned to San Salvador and had lost buddies in the attack. And Guatemala still had really a bad civil war going on. I guess Costa Rica was doing OK. But the gangs in Honduras were not yet too bad and the locals were saying, "Oh, it's all these Nicaraguans who are coming in." The country was full of Nicaraguan exiles, full of contras, there were contra camps on the Nicaraguan borders. I was in the consulate first, and then I was supposed to have a rotation as Ambassador's staff assistant. But the Ambassador I would have been staff assistant for was John Ferch, and he was fired publicly before I would have rotated. His successor didn't think he needed a staff assistant, which was actually a relief to me since I didn't see myself as a front office type.

Q: What happened?

POTASH: Ambassador Ferch didn't get along with Elliot Abrams, apparently. What some people said was that he had lost control of the other agencies (including USAID), in terms of what was going on in his country. The department waited until the DCM, who was Shep Lowman, was on the plane rotating out to his next assignment before they fired Ferch. Because I think for whatever reason someone in ARA did not want Shep Lowman in charge of the embassy. I had heard someone say that he was known to not want to ever hurt anybody because of his experience in Vietnam where he felt that we had betrayed the locals. In fact I believe that he did not tend to take a firm line in general. So this was couple of days before the annual Fourth of July party. And Ambassador Ferch sent around a memo to the effect that you may have the rumors that I've been fired, and they are true. It's two days before the Fourth of July party. And you know, are we going to cancel it or not. Well, they held the Fourth of July party and people sort of treated it as either a wake or a despedida.

Q: Mm.

POTASH: But obviously -- the politics was way above my pay grade at that point.

Q: Well, was there a feel of thank God he's left, oh my God, he's left or --

POTASH: There was a feeling that he had been hard done by,. I think that the GSO (general service officer) Section found his wife rather difficult to deal with. Of the two Americans in the GSO Section, one resigned and one curtailed to go to Yemen while I was there. I didn't really interact with the Ambassador or his wife at the time, though I did encounter Ambassador Ferch a decade later when he was working for ILAB, the international office at the Department of Labor. But Diana Negroponte had been much beloved in Tegucigalpa, so there was a high standard of comparison -- though I never met either of the Negropontes.

Q: Yeah.

POTASH: But we knew stories about them adopting five children from an orphanage. So Ambassador Ferch left. The Fourth of July party would have been right before I should have rotated into the Econ Section.

After they fired John Ferch, they sent in Richard Melton to be acting chargé. And we were given to understand that it was unheard of to have an acting chargé. It's since not been so unheard of. But at the time they said the last time that this had happened was about 10 -15 years previously in Equatorial Guinea when we had a two-person post and one of them killed the other.

Q: Yeah.

POTASH: You remember that. So supposedly that was the last time or the only previous time we'd had an acting chargé. It was not for very long. Though during that time we had a high-level visit (possibly Under Secretary Armacost) who was put up at the vacant Ambassador's residence with a bunch of staff, and I was assigned to run the cable traffic up there a couple of times a day – I remember the staff had on the television with Oprah Winfrey – the first time I'd heard of her. I was very impressed with the efficiency with which one staffer went through the traffic to highlight anything "Mike" needed to know.

And then we got Ted Briggs, who was a delight.

Q: Ted who?

POTASH: Ambassador Briggs. Edward Everett Briggs. He's the son of an Ambassador, later went on to be Ambassador to Portugal.

Q: Yeah.

POTASH: He's a cartoonist. He typed his own cables. At one point I was called in his office -- he was typing along on his manual typewriter. He did little drawings. He had a great sense of humor. And I still remember some of the stories that he told. He was telling the story of being in FSI (Foreign Service Institute) learning German in the language lab with some very dull vocabulary about renting an apartment. And he got rather bored, he said, and he started listening in on the person next to him who was learning Spanish. And he was hearing. O qué, una huelga general, o qué, una revolución." He said that was a much more exciting language to be learning *(laughs).* But he was, you know, really very, very impressive. At one point I had just come back from R&R and I arrived without my luggage because of the vagaries of the local airlines and had to turn right around and accompany the Ambassador on a trip to San Pedro Sula -- without any of the new clothes I had just bought in Miami, or much of any luggage at all. Meanwhile, my luggage was apparently offloaded in San Pedro Sula but I had no access to it and had to wait until it followed me back to Tegucigalpa.

The local "American" carrier was called Challenge Airlines, but people referred to it as Challenger *(laughs).* It was supposedly the only American airline flying to Honduras so we had to take it under the Fly American rule, but they constantly overbooked, so your luggage would always come on the next flight. And sometimes they gave their crew some leave and they did a wet lease with a rented crew that wasn't familiar with Toncontin airport, which was a real nightmare for the unwary. I came back once from leave and they said, "Oh, we're not flying to Tegucigalpa. We're not going to do that airport. We'll take you to San Pedro Sula." And then the plane's going to San Salvador. You know, how do you expect me to get back *(laughs)?* So I ran into somebody I knew at the San Pedro Sula airport and we drove back *(laughs),* but it was no thanks to Challenge airlines I made it to Tegucigalpa. We had the Contadora process while I was there. The Central American peace process. And at one point, - there was a plane that brought in a bunch of officials, Secretary General of the OAS, and I think the Secretary General of the UN as well for some kind of negotiation. The dignitaries were on one plane and there was a press plane following. The crew of the press plane just refused to land at the airport *(laughs).* They went somewhere else. Strange airport. Close in, so more convenient, but a straight drop to the runway. The situation at the Quito airport was somewhat similar.

I started out in the Consular Section. I'd been a bank teller. And there were a lot of similarities between being a bank teller and being a visa officer.

Q: Yes.

POTASH: Except that you could sit down on the visa line and you didn't have to be so polite to the customers *(laughs).* We had a really, really excellent FSN (Foreign Service National) who was the head of the NIV (non-immigrant visa) Section. She used to station herself outside and do prescreening interviews without looking at any of the documents and grade the applicants. She had an extraordinary sense in how to judge bona fides. The other FSN's who did it were not nearly as intuitive about it. She kind of burnt out of that job and went out to do a different job in the consulate. But for some reason or other, I really only ever did NIV's. I never rotated to the IV (immigrant visa) Section. I never did American Citizen Services. I had two tours as consular officer. And there were only a couple days in that time that I did anything but non-immigrant visas. I started out kind of wanting to get to the bottom of all the documents and at least give people the courtesy of reading them, even if I *knew* they weren't going to get a visa. And that slowed things down dreadfully and led to horrible amounts of overtime. I eventually had to pick things up a bit. But you learned from the visa line about the hierarchy in the country. It was in Ecuador where I first came to understand that that everybody's got an entourage, and the more senior the person the worse the visa referral. Because you're starting to refer your gardener's cousin's aunt, you know *(laughs).*

Q: Yes.

POTASH: Political Section and PAO (Public Affairs Officer) Section referrals were often horrible. The Econ Section and the Commercial Section usually referred good cases. And

anything that made its way to the ambassador's office was usually a very bad case *(laughs).*

Q: You might explain what a referral is.

POTASH: Oh. Well, the legal presumption on every visa applicant is that he or she is a would-be immigrant so the default response is to deny them absent evidence to the contrary. And in heavy refusal rate posts, the well-connected always tried to use every connection they can to get somebody to recommend them from the embassy, from another section. And the referrals can get out of hand sometimes. So they would, for instance, corner the ambassador at some event and say, "I've got this connection, he needs a visa."

And so the ambassador would say, "Oh OK, send me a letter." I don't really know what the ambassador would have said.

Q: Yeah.

POTASH: Because I was never there at that end of things. But you know, the front office would send the passport in with the referral form and it might serve as additional evidence – or not. Then we had the Contra referrals. These were basically fighters who wanted to go to Miami for a little R&R (rest and relaxation). And they would come in, or even just send their passports in, and ask for visas. Well the trouble was of course if they or other Nicaraguan exiles were using their Somoza-era Nicaraguan passport, which was the light blue as opposed to the dark blue Sandinista passport, you knew they weren't going back again to Nicaragua. So that was going to be a problem. Some of the Contras would come to us with special Honduran passports. The government of Honduras issued special passports (of lesser status than official or dip passports) for a lot of people just basically as favors, If the applicant had a dip passport, or even an official passport, you might not have to interview. We interviewed all people with special passports. I had one case of couple of kids, teenage children of a Contra supporter who came in with their Nicaraguan passports, were refused, and then came back with special passports with the same photographs. And our brilliant FSN caught the fact *(laughs)* that they had used the same photographs. They were a no-go. There was a "special case" that I was asked to interview because the previous system of doing some Contra visas without interviews was no longer considered to be entirely impartial. The interviewee, a heavily pregnant woman, was supposed to be some very, important person who needed to go to Miami because of the stress of having her Contra husband fighting. I interviewed her in my office and asked, "Why do you want to go to Miami, U.S.?"

And she said, "Well, I want my baby to be born an American citizen."

"I'm sorry," *(laughs).* That didn't work either.

And we had another case of a supposedly important person – a Honduran government official who absolutely had to have a visa issued on a Saturday on her special passport.

My boss, the consul general, agreed to have me do this at the request of the Honduran government. So I came in to do this emergency service, and it turned out she was a crony of the then president who was going to Miami for a special shopping trip. She was probably a good case, and she got the visa, but I suspect that the special passport was primarily to facilitate customs transition.

There was an election. We went from Roberto Suazo Cordoba to José Azcona -- I believe they were nominally members of the same Liberal Party, but not close allies. Honduras had one of those one-term limited Central American presidencies. Suazo Cordoba was notoriously corrupt. If you drove along the highway you could identify his home town in the distance since it was the only settlement with paved roads and electric lights visible for miles around. So we were kind of told coming in that it was pretty much a political patronage situation and almost any government official could be fired after the election, even if he or she was a member of the same party that won the election. I expressed something of that to one pair of visa applicants, I think they were teachers who wanted to go to Miami on a honeymoon, and it wound up in the press *(laughs).* Fortunately, they did not publish my name. But I learned to be a little bit more cautious after that. I had apparently explained that we weren't giving visas to government employees right now and I said something like come back after the election if you still have a job. From my point of view, if a visit to Miami to see Disneyworld is a life or death matter, you're not telling the truth on your application.

Q: Yeah.

POTASH: I mean --

Q: Was there much going on inside Honduras? Was there any sort of insurrection or?

POTASH: Not -- well, not while I was there. There was a Sandinista incursion during Easter week of 1986. Somebody once referred to it as the Easter Week War and got kind of frowned on in country team, but that was fairly minor. It came nowhere near Tegucigalpa. And of course the Iran Contra scandal broke the second year when I was there.

Q: Ah.

POTASH: The scandal broke in two stages in the autumn of 1986, because first, the Iran part made the news, and then, after the downing of Eugene Hasenfus in Nicaragua, the Contra connection was revealed. The capture of Hasenfus was front-page news in Honduras. By that point I was in the Econ Section. Because Ambassador Briggs decided he did not need a staff assistant, my rotation became consular-econ and since I was an econ officer that was just what I wanted, getting in-cone experience during my first tour. It was nominally a three-person section, but there were long periods of time when we had gaps in one or another of the jobs. For a lot of my last months at post I was doing the job of the number two person and then the new number two person came, but then the former Econ Counselor left, so we remained short staffed and I got more experience than I might

have otherwise. I remember discussing the Iran-Contra issue over Thanksgiving. Apparently, one of the Embassy officers who had been working with the Contras had initially told my boss, the Econ counselor, thank goodness, we weren't involved in that. Of course that was before the other shoe dropped and the Contra part became known.

Q: Yeah.

POTASH: So there were soldiers all over the place. In Honduras you could not wear camouflage if you were a private citizen. It was illegal to wear camouflage. But there were a lot of U.S. military types out there running around. There was a base at Palmerola. But they were not under our jurisdiction. We had a very, very large mil group, which was the training office, in addition to the DATT Office. And we were constantly having U.S. soldiers who would come into Honduras with no passport, because they travel on their military ID card. And then they were kind of undocumented here. There was a very sad case of a female NCO who was accidentally killed outside a nightclub on New Year's Eve by an intoxicated Honduran who was firing off his gun in celebration but could not raise it high enough to not hit somebody else in line. The deputy consul was married an officer in the mil group and she said they had to tell the family. Also, while I was there, Juan Ramon Matta-Ballesteros, the Honduran-born drug kingpin, bribed his way out of a Colombian jail and came back to Tegucigalpa where he set himself up as a local do-gooder in a residence right across the street from one of the junior officers. The Embassy had to move her to a new residence, because her guards and his guards started fraternizing. And right after I left Honduras, we essentially kidnapped him to bring him to trial for his involvement in the murder of DEA agent Kiki Camarena. He was put on a plane – probably with Honduran complicity – and we had U.S. marshals arrest him over the jurisdiction of the Dominican Republic. This is the classic way to get rid of powerful but inconvenient people in Honduras – put them on a plane out of the country. A few years before I arrived, Gustavo Álvarez Martínez, the overly powerful former head of armed forces before the so-called elections had made Honduras a free country again was put on a plane to Miami, paroled into the country, and he was there indefinitely until he returned to Honduras in 1988 and was assassinated. This is also pretty much what happened to the last president, Manuel Zelaya, in 2009, when they had a sort of coup -- they woke him up, put him on a plane (in his pajamas), and got him out of the country.

Q: Oh.

POTASH: After the Matta-Ballesteros arrest, there was a huge street protest in Tegucigalpa. Protestors marched down the street in front of the Embassy and burnt down the building across the street that housed the consulate, USAID and Public Affairs. We had just put in the new visa system, NIVCAPS, which I think was totally trashed. And I believe the local police did absolutely nothing to divert the huge rowdy march or prevent it from getting out of control.. The embassy, which was across the street, was much better guarded, but I believe they also burned some staff vehicles parked outside. I think they've since moved into new Embassy quarters that are less exposed.

The old Embassy was a pretty decrepit place. In fact, we did some renovations during the second year I was there that had a bunch of us moving from our offices into temporary quarters. We had the entire econ section in one room along with the refugee officer Laura Clerici and a small unit that was supposed to be monitoring what we were doing with the Contras on behalf of the State Department. The officer in charge of that operation was Rick Chidester, who had had an earlier tour in the political section a few years previously. The idea for bringing him back was he was supposed to supervise what was going on to make sure the Ambassador and the Department were in the loop, but as a result he was later caught up in a lot of the public and Congressional discussion of our Central American policy. This was before the smoking ban in federal buildings and the econ counselor was a smoker. Fortunately he agreed not to smoke in our common office for the duration. The renovations also involved moving the offices of the ambassador and the DCM outside the hard line, which created some problems, since the Marines tended to pounce for a security sweep whenever the DCM was called into the Ambassador's office. I think they eventually worked out some kind of a gentleman's agreement on a grace period.

Q: What was social life like?

POTASH: Let's just say it was a great life for philistines. If you were athletic, there was a lot that, you could do. You could do horse riding. I think I was told that there was somebody there who'd actually acquired a horse. But I was not terribly athletic. You know, the embassy people socialized with each other. There was a very small Jewish community -- not exactly a formal Jewish community, but there were several local Jewish people, some of them fairly prominent, and they had Rosh Hashanah services that I went to, in a hotel owned by a local businessman. We entertained each other in the Embassy community. At one point I was named control officer for the visit of a presidential management intern, who later joined the Foreign Service and served quite, quite successfully (including at one time becoming my supervisor) before leaving to start a consultancy. She'd been working on the Central America Desk and was sent down to do a visit of the region. Actually, her bosses advised her to go down right before Labor Day so she could be in Guatemala and do some sightseeing during the Labor Day weekend holiday. And in fact, I had already decided to do the same thing on my own. So I arrived in Guatemala City more or less at the same time and kind of glommed onto the sightseeing tour that her control officer there had decided to arrange for the holiday weekend. It was very interesting. But while she was in Honduras we went out to look at a refugee camp near Choluteca on the southeastern border, supposedly to see the plight of the Nicaraguan refugees there. But somehow or other when we got to Choluteca, the driver couldn't find the refugee camp in the city so we were very late and when we showed up and wanted to see the supposedly terrible conditions in this refugee camp, we found that all of the adults were at what was essentially a PTA (Parent Teacher Association) meeting to discuss the Christmas party *(laughs).*

Q: They were what?

POTASH: They were all at a PTA meeting to discuss the Christmas party. Not the picture one would expect of a desperate situation.

Q: Oh yes.

POTASH: So we couldn't interview any adults and we wound up having a little chat with some teenagers *(laughs).* And they were just interested in going to the United States. So it didn't seem like they were in very dire straits. Got back a bit late. I was hosting a dinner party for the visitor and I wanted to detour back to the embassy to get my car. So we wound up with my first guest, who was Eric Rubin in fact, arriving at my house before I did. Fortunately, he was a fellow junior officer and a friend and he actually helped my housekeeper arrange the table. That was the first dinner party I'd hosted, and all the guests were colleagues. I believe I held no more than three dinner parties in my Foreign Service career, though I did host several large cocktail receptions. My parents visited me everywhere I went, so that was always an excuse to have a large reception.
I never had to be control officer for a CODEL while I was in Honduras, since most of them were handled out of the Political section, but we had a constant stream of visitors. One of the political officers referred to it as the "Catracho Caravan" (Catracho is the local nickname for Honduran). It came in two flavors – the supporters of the Contra effort and the opponents, each of whom had their own itinerary of spots to see to make their own political points. One group (I think Pennsylvania state representatives) brought along a model of the Liberty Bell and made a point of it being cracked – presumably like the Honduran democracy. The local press reported this with some dudgeon. Senator Chris Dodd's brother, the academic (and later Ambassador) Thomas Dodd, visited and frustrated Embassy efforts to keep track of his activities since he spoke fluent Spanish and we were unable to attach a staffer to him in the guise of an interpreter. The only outside visitor I was involved with was a fairly young man who may not have had an official position but who certainly shared the views of the then Administration. I believe he was related to Clarence Pendleton, head of the Civil Rights Commission at the time. He was vocal about his admiration for the Central American leaders as the equivalents of U.S. founding fathers. I somehow did not see Jose Napoleon Duarte as the Salvadoran George Washington. We also had a visit by then Vice President Bush (Bush 41). All the staff crowded into the cafeteria for the meet and greet, but I didn't get anywhere near him (and didn't actually try very hard). I remember another Consular officer saying somewhat disbelievingly "he shook my hand" We also had a visit by Deputy Secretary Whitehead – at that point I was not attuned enough to State Department hierarchy to understand the significance of that visit. One of the more memorable visits was that of Philip Habib, at that time a special envoy for Central America, who took time from his official meetings to convene a no-host mentoring dinner for junior and mid-level Embassy officers. I remember him recounting his experiences as a junior officer in Seoul, where he became part of a social and professional network of young Korean bureaucrats called the "mad dogs" who seem to have enjoyed a spirited nightlife in keeping with their name. The connections stood him in good stead in his professional life, but I recall thinking at the time that such a course would be more difficult for a female foreign service officer.

Q: Well, you left there when?

POTASH: I left there in October of'87. I didn't pay enough attention when they told us about bidding in A100, and I didn't at first realize that when you bid you're really supposed to, you know, lobby for jobs, even as a second tour officer. Or that if you bid on a "now" job that has been vacant for several months, you are likely to get it even if it is not high on your bid list, which is what happened to me.

Q: Yeah.

POTASH: So I bid on a second consular/econ rotation in Quito and I got that. And I arrived late in 1987, after taking all of the home leave I was entitled to (I think the only time I was able to do that). I was going to travel on the day after Thanksgiving and get there in November. And I wound up being delayed overnight in Miami so I got there in December, technically a whole month later, which could have done something to my transfer eligibility date.

Q: But you were there --

POTASH: I was there for two years, well not -- a little less than two years.

Q: Bolivia, huh?

POTASH: Oh no, Ecuador. Ecuador.

Q: Ecuador, I mean Ecuador.

POTASH: Quito. I did actually spend a day or so in the consulate in Guayaquil, but that was sort of a familiarization thing. I started out in the Econ Section in Quito. But the person I was in the rotation with had gotten there a lot earlier. So I had to leave the Econ Section on his schedule rather than on mine. I got there in December 1987 and I left in the summer of 1989. I arrived in Ecuador a year or so after a major earthquake and a few months after a significant aftershock. There was only a minor tremor or two while I was there, and the local volcano was emitting some ashes from time to time, but did not erupt until some years after I left. I was told that many of the tall buildings in Quito had survived pretty well since the builders had cribbed plans from Japanese architects, but they were rather encouraging us to find residences lower down . Quito was an unfurnished post, so you had to locate your own housing, but of course the realtors who worked with the Embassy knew what your allowance was and allowed landlords to raise the rents accordingly.

Q: Mm.

POTASH: Ecuador was a fascinating country, and not nearly as turbulent as it was to become later. The neighboring countries, Colombia and Peru, were both more violent than Ecuador during my time there. Nevertheless, we did see some unrest. The embassy was located at the intersection of two boulevards, which had universities on either end.

So whenever the students would march the teargas would come out. We got gassed quite a bit. Ecuador was a beautiful country, with microclimates and micro-ethnic groups that still followed traditional ways. Some years after I left the indigenous tribes united in one political movement and made the country even more ungovernable. One of my favorite memories is at the museum at Mitad del Mundo, which may not actually be on the equator, but that's where they have the official marker, there's an ethnographic museum in which they have diorama displays of the indigenous people in their different costumes with labels, one of them being the Selva where the description of traditional dress was "none" – this jungle tribe wore mostly loincloths. But I remember one fascinating experience, watching a couple of young girls, you know, mid-teens in their ethnic dress looking at the diorama of their own particular tribe.

I arrived shortly before we were to have an election there. I seem to have elections no matter where I go. The President was a guy named Leon Febres Cordero. (I believe he was related to another Ecuadorian Febres Cordero named Francisco, a witty journalist who wrote in colloquial Spanish that he spelled the way the people actually pronounced it so it took some effort to figure out what he was saying). Leon Febres Cordero had become very unpopular. He had had a couple of coups attempted against him and at one point before I arrived he had been kidnapped by an Air Force general named Frank Vargas Pazzos, and held hostage for a time. And the legislature, which was apparently not too thrilled with him, passed a resolution blaming Febres Cordero for allowing the incident to happen *(laughs).* In fact, whenever the parliament disagreed with one of the President's policies they would impeach the minister responsible for that area – even though he was carrying out the President's orders.

In the run-up to the presidential election, Febres Cordero was clearly spending down Ecuador's foreign exchange reserves in order to keep the currency in somewhat reasonable relation to the dollar and perhaps influence the election to benefit an ally. But as soon as the election was lost to a candidate from a rival party, the currency suddenly depreciated by a huge order of magnitude This was some years before Ecuador started using the dollar as its currency.

Q: Ooh.

POTASH: Ecuador eventually dollarized, but that was well after my time. There were at least 10 people running in the election, and they had a two-round election with required voting. So you had people with a wide range of different platforms, and the campaign for the first round was chaotic. The guy who won the election was Rodrigo Borja, whose private house was couple of doors down from the Econ Counselor's residence. And apparently his presence became very disruptive after the election but before he moved in to the presidential house, if he did. He had a couple of teenage sons who were not the best behaved. I believe they attended and disrupted one of the embassy parties for teenagers. Borja was a center-left politician from the Party of the Democratic Left – I think that meant a non-Marxist socialist or social democratic party.

Secretary of State George Shultz led the delegation to the inauguration in August 1988 – Vice President Bush would have been too busy campaigning to come to the inauguration. There had been a *huge* flap before the event because a very well-known Ecuadorian artist named Oswaldo Guayasamin (his studio was quite near my house) who did very political murals, as well exotic natural paintings, had recently done a mural in the chamber in which the ceremonies would take place that had some anti-American picture on it. I think it was a Darth Vader-type figure that may have been intended to look like a Nazi, wearing a helmet with an American flag. We protested and he replaced the flag with a label that said "CIA" – which wasn't much of an improvement (some people thought it was actually worse). So there was some question about whether the Secretary would even attend the ceremony in the presence of a such a calculated insult, but eventually decided he would. And apocryphally, because of course I was not there, we heard that that as the president-elect launched into the second hour of his inaugural speech the head of the Soviet delegation turned to Secretary Shultz and said, "You had an excuse to get out of this. Why didn't you take it?" *(laughs).* So that was Ecuador. I didn't get involved too much in the politics. In the economic sphere, there was the oil issue, there was the macroeconomic issue. But that was when I discovered what I call the animal, vegetable mineral rule for a three-person economic section. The econ counselor takes the IMF and the schmoozing with the ministers. And the number two guy had agriculture and other stuff that I thought was interesting. Well, in this case he also had oil because he'd done a master's thesis on Ecuadorian oil issues in preparation for this tour. And I was left with mining and civil aviation *(laughs),* issues which I did not find very exciting.

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Q: Well, what was going on with Peru at the time?

POTASH: Oh! There's a story there. Relations were very unfriendly. They were not at the time actually fighting with Peru (they'd already lost a huge chunk of land near the Amazon in a conflict in the 1940s and would subsequently engage in another war in the 1990s). However, when I transferred to the consulate, which happened about nine months after I got there, we were encouraged to join the consular association, the consular corps, which, unlike the diplomatic corps was mostly made up of honorary consuls. These were local luminaries who were very wealthy and used their local clout to become the honorary consuls of countries that had not sent their own nationals. At the previous year's annual meeting, the newly reelected Dean of the Consular Corps, who was a local political figure, had made a very belligerent speech that sounded like a call to go to war with Peru. The rest of the consular corps did not like this idea at all or think it appropriate behavior. And so the foreign members of the consular corps decided to engineer a kind of coup to replace him as Dean of the Consular Corps at the next election with another local who was much more diplomatic -- a wealthy sausage manufacturer with a glamorous and outgoing wife who was the Austrian honorary consul. The couple were prominent hosts and socializers who lit up the room when they entered. So we had to lobby and crack the whip with the foreign members of the corps. And what happened was all of the people in the consulate were assigned to go and lobby consuls from other countries. The hilarious side to this was that we conspiring with the consuls from Soviet bloc countries, – this was in 1988 or early 1989 -- to unseat the current head of the Ecuadorian consular corps and put another one in. I was assigned to call the Israeli Embassy, and so I called and I started

to explain how it's a very important matter -- and the person on the other end of the line said, "The U.S. wants to do this? Of course." Rather a let-down after all my preparation to make the case.

(laughs) When we had the election, I remember that the Polish consul, who was a bit more suave and diplomatic than some of his colleagues (I was told that the East German was "your basic KGB agent"), could not be there and sent his wife (who was even more outgoing) to vote in his place – I don't think it was according to protocol but no one protested.

Q: Ah.

POTASH: One of my colleagues in the consulate had a sort of guerilla view of consular interviewing and took a very creative approach to a bureaucratic problem. His household effects had been held up in customs, as had those of our new Ambassador. My colleague waited until we had a "good case" who was a customs inspector and the nephew of a senior customs official – we considered anyone in customs to be a good case, because you sort of assumed that anyone who's got a job in customs has money-making opportunities in his position that are too good for him to want to stay in the U.S. illegally. So instead of just issuing the visa without an interview (this was in the days before we had to interview everyone) he called the applicant in and said "You will get the visa when the Ambassador gets his household effects – and I get mine." I was not as fortunate with my own household effects which had arrived some time earlier. I had a partial shipment coming from storage, and because it arrived separately the customs people insisted (against the rules) that they needed to inspect the crate – and a rather inept driver attempted to get the crate off the truck by taking a running start with a forklift – and stabbed the crate with the prongs of the lift. I was watching helplessly while this happened – at that point I was able to call a halt. I had to have some repairs done on a chest of drawers that had borne the brunt of the charge.

The new Ambassador, by the way, was my first political ambassador. When I arrived there the ambassador was a career Ambassador, Fernando Rondon – he had been called Fred, but while in Ecuador he went a little bit Hispanic on us and became Fernando. His replacement was a political appointee named Richard Holwill. He had been at ACDA (Arms Control and Disarmament Agency, later folded into State) before coming to Ecuador and was a rather colorful character, whom I found refreshingly down-to-earth. I believe he had once been a roustabout in Louisiana. One specialty in Ecuador was "cui" which was a kind of guinea pig, and the Ambassador had been served this at some occasion on one of his trips. He reported back to the country team that it tasted like greasy squirrel – I was tickled that he had that standard of comparison. His wife said that her father had been a country lawyer whose clients often paid him in kind – with game they had shot. Ambassador Holwill once reported that when he was shown a supposedly poor village in the country, he replied that the village could not be all that poor since there were piles of garbage to be seen – a truly poor village would not have let anything go to waste. And he would sometimes phone down directly to visa officers in the consulate and announce himself with "This is Dick Holwill." Oddly enough, and I think

in part because of that informality he was the first ambassador I ever felt really natural calling Mr. Ambassador.

Q: Uh-huh.

POTASH: But he actually didn't act as if he was really expecting it.

Q: Yeah.

POTASH: So yeah, you get the best war stories in the consulate.

Q: Oh, I know it.

POTASH: Somebody once told me that you learn two things in your first tour as a consular officer, if you haven't learned those lessons before: you learn to say no and you learn that people lie. So we had some really interesting cases there. So --

Q: Where did the Ecuadorians go for the most part? Is it Miami, New York, or?

POTASH: I think New York. There was one place where -- there's a book called The Panama Hat Trail, which was written --

Q: I remember reading the book.

POTASH: Right.

Q: Yeah.

POTASH: That had been come out shortly before I got there. And in fact, I believe he may have stayed with one of my predecessors. When I was in transit between Honduras and Ecuador, I went in and talked to the people who had been in my rotational job there before. One was Lisa Bobbie Schreiber-Hughes who later went on to the Homeland Security Council and a few other things. And one was Shari Villarosa, who had become an Ambassador by the time I retired. And I think she was the one who said that the author had stayed with her for two weeks, kind of mooching off her, and neglected to acknowledge her assistance in the book.

Q: Yeah.

POTASH: But any rate, there was one chapter in that book about an area in the U.S. where almost all of the inhabitants from one small town in Ecuador had gone and they were all Italian specialty cooks, because that was a labor category for which you could get a work visa.. In Ecuador, there was one particular town, Ambato, where it was common knowledge in the consulate that a lot of the visa cases from there were fraudulent. I don't know why. I drove a couple of times from Quito down south to a few smaller towns along the highway to Cuenca. And I went and looked at Ambato. Said to

myself, "Well, it's a fine looking town. Why have they got all these visa fraud cases?" So *(laughs).*

Q: Well, did you have much contact with the Ecuadorians?

POTASH: Some of my neighbors, yeah. I -- well, my downstairs neighbor was kind of an interesting person. He was a Jewish industrialist whose family came from Alsace; he and his brother had married women from Chile and Italy. I got to know them fairly well. At one point I invited him to a reception for my parents with some of the embassy people and introduced him to the Embassy people. I realized that he later became a good contact to the DCM. There was also the consular corps. Not only was I a member of the consular corps, but as a female consular officer I was included in the social events of the Damas Consulares – the Ladies' Consular society which was primarily the wives of the Consular Corps. The Consular Corps had a custom of presenting a silver tray to departing consuls. My boss and I were leaving at the same time, so I was included in his despedida. My boss got a large tray. And then my tray was a smaller size. – either they ran out of the larger ones or these gifts were calibrated by rank. And I can remember exclaiming, "Ah! My first tray." It was also my last.

Q: These are trays --

POTASH: Yeah, so --

Q: -- usually everybody signs it.

POTASH: No, I don't think anybody signed it. But I had my name engraved on it. It's where you put the calling cards, I mean if you get calling cards-- It got kind of tarnished over the years but I still have it somewhere.

Q: Ah.

POTASH: It was.

Q: Where did you go after Ecuador?

POTASH: After Ecuador I went back to Washington. I had hoped to get into the Econ course, where there was an unexpected slot available, but found out belatedly – and just days before my departure -- that I had not been tenured and was thus not eligible for the course. I was later advised that I should have taken a more proactive approach to my EERs and certainly should have objected to some negative language that was not substantiated by examples, I had been overly naïve about the process, and my rating officer was new to supervision. My CDO (career development officer) told me "You know, I was going to send you a counseling statement, but I never got around to it," or something like that. I would have appreciated getting a heads-up.

Q: Yeah.

POTASH: So I was given a one-year extension and told you get tenure or you're out. At that point there were two jobs still open in EB (Bureau of Economic and Business Affairs). One was in aviation and one was in the Office of Food Policy and Programs. I talked on the phone to both offices from Quito and decided I really felt more kinship to plants than to airplanes. The aviation people kept saying as an incentive, "And we're the only economic issue on which the State Department has the lead in negotiating." Well, yeah, they've got the lead in negotiating, but they've got the entire aviation industry that comes along and looks over their shoulder.

Q: Yeah.

POTASH: So I wound up in the Office of Food Policy and Programs in Washington, and that turned out to be a really great tour. The Office of Food Policy and Programs had been two offices or two sub-offices before I arrived. There had been separate divisions for Food Policy and Food Programs. Food policy meant trade issues and food programs was food aid and commercial sales under USDA programs. Just before I arrived the office was merged and downsized so there was only one deputy director, and some of the staff now had portfolios with both food aid and food trade components. Also, the office had been part of the trade deputate until Gene McAllister, the then EB Assistant Secretary who was known for being difficult, had had some kind of a failing out with the then Deputy Assistant Secretary who did trade. So he'd taken this office away and put it in the same deputate as the Commodities Office and the two Energy offices. It later moved back to be with the other trade offices in the next administration after I left.

Q: What sort of food did you end up dealing with?

POTASH: Well, I did food aid for half the world, which was mostly Latin America and later Europe. There were two of us doing food aid, the other guy did Africa, Asia and the Middle East. Most of the other people in the office did primarily food trade issues. I had one food policy or trade issue: I was desk officer for the International Coffee Agreement, which we were at that point in the process of trying to renegotiate – unsuccessfully, since right after I left we dropped out of the agreement and didn't rejoin till some years later. The ICA was one of those producer/consumer cartels where the kind of coffee that we wanted, Arabica from Central America and Colombia, got short-changed in terms of quotas while Brazil had a stranglehold over much of the market (and was suspected of making incorrect declarations about its coffee stocks as well) and the EU insisted on a lot of quota going to Robusta from African former colonies so the kind of coffee that we wanted we couldn't import. And a lot of countries were breaking the rules or relabeling coffee and transferring it from East to West Germany. So it wound up driving up coffee prices in the U.S., but not getting benefits for the people whom we wanted to help. But we were still hoping to salvage the agreement. This was the first time I experienced the EU's (European Union) strategy of overwhelming us by bloc voting where they voted a lot of European countries onto the board and took up more seats than we expected or wanted them to. During that period I saw my colleagues deal with a lot of the U.S./EU agricultural trade issues, including the beginning of the banana wars, and the hormone-

treated beef restrictions. I found the issues fascinating to observe, but aside from coffee my responsibilities were mostly food aid. At the start, my portfolio was primarily Latin America, but this was also the period from ’89 to ’91, which was quite an exciting era in food aid. It was the period when we had wholesale democratization in Latin America and Eastern Europe, as well as the first Iraq War During the Iraq War my colleague who did the rest of the world was called up as a reservist, so I wound up covering Africa, Asia and the Middle East as well.

Q: Well --

POTASH: And Europe suddenly also became more active, because you know, whenever any country is liberated or goes democratic and we want to do something nice for them generally all of our assistance budget is tied up, but food aid – at any rate before the 1990 Farm Bill changed things -- was considered “presidential walking around money,” so you come in and you find some food aid for them. We did that after the Panama invasion -- sent somebody down there for a quick trip who said, “Oh, they could take $10 million.” Well, it turned out they couldn’t. And we had a real hard time trying to figure out what we could find to give Panama for that amount of money..

Q: Well, when you say food aid as a, as an item --

POTASH: PL-480.

Q: OK, but what -- Iraq has -- well, Kuwait wouldn’t need food aid.

POTASH: No, no. We wouldn’t have given food aid to Kuwait. The reason the Iraq War increased my workload was that the colleague who handled Africa, Asia, and the Middle East/South Asia was a reservist who got called up and left me to cover his portfolio. Pakistan became a problem, but not because of democratization.

Q: Pakistan. What would this be?

POTASH: Well, the problem with Pakistan was the Pressler Amendment. I’m one of the few people outside the Pakistani government and military who actually knows what the Pressler Amendment is. The amendment said that after Pakistan had incontrovertibly passed a certain threshold in their pursuit of a nuclear weapon, then we couldn’t do assistance to them anymore. And that kicked in at one point while I was in OFP. So in addition to terminating our security assistance, we also could not do non-emergency food aid.

Before the 1990 Farm Bill, our food aid was mostly provided under PL-480, which was basically started as a way of disposing of U.S. surplus agricultural goods and it was supposed to be win-win, and it wound up being very messy. At the time, the pre-1990 Farm Bill, there was kind of an equal consortium of five agencies, State, USAID, USDA, OMB, and Treasury. And there was something called the DCC, I think it stood for the Development Coordinating Commission that had to agree to all the allocations of food

aid and various other things. I remember my boss at the time gave me his perspective on the different interests among the DCC agencies. He said that USDA wants to sell agricultural products. AID wants to do development. OMB is concerned about the current budgetary impact and Treasury's concerned about the debt impact. And State, he said, was the neutral party. The 1990 Farm Bill took that apart, basically split it in two -- gave half to AID -- half to USDA-- and cut State out of the picture. We were seen as too political. We pretty much got cut out of it, fought a losing rearguard battle because the AID Associate Administrator who ran food aid programs was going behind our backs and conspiring with the Senate and House staffers who were rewriting the law. And we couldn't get him to sign off on an administrative position defending State interests because he was negotiating with the enemy *(laughs)*, He was a former Helms staffer. So the State Department wound up losing most of its role on the distribution of food aid. But when Eastern Europe started democratizing, food aid was the first thing that we could provide to Albania or Romania or Poland even, though Poland probably didn't need much of it. The variety of legislative authorities for providing food aid was extraordinarily complex. And I can remember at one point, I and one staffer in AID were the only people who actually knew the varieties of food assistance we had provided for Romania under a panoply of authorities. And it was --

Q: Romania's --

POTASH: It was, it was -- you know, it gave me a feeling of power or expertise -- yeah, we did stuff for many of the newly democratized countries. Romania though was a pain.

Q: Well --

POTASH: It was not just PL-480, but also Section 416 (b) of the Agricultural Act of 1949 for surplus donations when there were surpluses. Some of the PL-480 was grant and some of it was concessional loans. And then there were commercial loans under the Commodity Credit Corporation (CCC) – which I mostly did not deal with. One of my more vivid memories was when I was at a big interagency meeting chaired by Dick Crowder, the Undersecretary for International Affairs at USDA (United States Department of Agriculture). And he discovered that Treasury in the latest multilateral debt reduction deal with Poland had forgiven his agricultural debt out from under him. They had apparently gone to somebody in the Comptroller's Office for a USDA clearance, and no one had mentioned this to him. So wherever the miscommunication was, the USDA Undersecretary for International Affairs was not aware that a considerable amount of USDA's Polish debt had just been forgiven. So it was a moment to behold-- I think they cleared the room after he found out. *(laughs).*

Q: Well, you know, going back. You mentioned you got involved in banana wars.

POTASH: Mm-hmm, though a lot of that came during my next assignments.

Q: What were the issues of the banana wars?

POTASH: OK, the issues of the banana wars had to do with the EU single market. The fight began in the early 1990s, really heated up after I left OFP, and wasn't settled for years.. Before the European Single Market came into existence, EU countries were allowed to have their own banana importing policies. Some countries like Germany and the Netherlands did not have any banana production interests, while some countries like France, Spain and the UK had territories or former colonies that grew bananas. Some countries were huge banana consumers, the Germans particularly, and the East Germans saw unrestricted access to bananas as one of the benefits of unification. So there were the EU bananas and then there were the dollar bananas. The dollar bananas were the bananas that were grown in the former Latin American colonies of Spain, which had been independent too long to be part of the EU's preferential trade with ACP (Africa Caribbean and Pacific) countries. Spain itself had competing production in the Canaries which it wanted to protect. So that as the EU constructed the rules when they made a single market, they put in huge tariffs and restricted quotas. They put in advantages for the bananas that were produced in former colonies or overseas territories of France, Spain and the UK, or produced in countries where the Anglo-Irish company Fyffes had interests. They gave advantages to those producers of inferior and more expensive bananas, and they allocated small quotas and imposed huge out of quota tariffs on bananas grown in the dollar area, which would be the Central America, Dominican Republic bananas, where U.S. companies Dole and Chiquita had interests. People kept saying the U.S. didn't really have standing, but the way they had done it they actually had disadvantaged some of our companies too. Much of Ecuador's banana production was controlled by a local family enterprise. So the EU banana decision (one of the last details to be settled before the initiation of the single market in 1993) was a very close vote. EU voting rules required a qualified majority to pass, and the then Presidency country joined the majority apparently out of institutional respect though they did not agree with the way it was done, and later were powerless to reverse it.. Any rate, the EU had put in place this immensely pejorative prejudicial banana policy that we were fighting. And every time we won -- we kept winning in the WTO (World Trade Organization) and they kept putting in place something that was just as bad and so that we'd have another round. So what we wanted was for the dollar banana countries to sue. And I think some of them did. The initial WTO case was brought by Colombia, Costa Rica, Guatemala, Nicaragua and Venezuela. The U.S. and some other Latin American countries brought another case later. It just took years and years and years and, and it finally I think may have been settled in 2001. So that was a major, major EU-U.S. thing. There was also the beef hormone issue, which led to the EU banning almost all exports of U.S. beef, and still- active GMO (genetically modified organism) issues, There was an even more long-running dispute over canned peaches. At one point during a subsequent assignment I had occasion to go into the treaty office archives and found a very early trade agreement signed by Bill Casey (later somewhat notorious for taking his knowledge of Iran-Contra to the grave) when he was Undersecretary for Economic Affairs and Sir Christopher Soames of the European Commission. I actually saw the original Casey-Soames Agreement. So that was the banana thing and it was just -- if you cared about it at all, then you cared about it a lot. A lot of the countries where I served over the course of my career grew bananas and/or coffee. Honduras, Ecuador, Nicaragua were all dollar banana countries. Jamaica was an EU banana country.

Q: How about coffee? Did that parallel or not?

POTASH: That was somewhat different from a bilateral U.S.-EU trade dispute because the International Coffee Agreement, managed by the International Coffee Organization, was a producer/consumer cartel, where both the EU and US were consumers, but with somewhat differing interests. One interesting situation with the coffee agreement arose when Vietnam unexpectedly put in a bid to join the international Coffee Organization during a meeting in London. This was when the U.S. still had very tense relations with Vietnam because of the POW issue. We hadn't expected the decision to be made so swiftly, but apparently once the other ICO members realized how large the Vietnamese production was (poor quality but with the potential to affect the market) they wanted them to be inside rather than outside the cartel. So the decision was moving very fast, the vote was imminent and our delegation was asking "What are our instructions?" And all of the people on this side of the Atlantic who could have said one way or the other, were at a UN meeting in New York, and I couldn't get anybody in EAP to opine in time for the vote. Eventually I had to instruct our delegation that they had no instructions, which apparently is a contradiction in term -- but that was the best I could do. That wouldn't happen these days with email and blackberry of course. Another more satisfying Vietnam-related incident occurred in connection with my food aid account. This happened while I was covering Asia during the first Gulf War. We were supposed to give our views on a program run by one of the international organizations, probably the FAO (Food and Agriculture Organization) or WFP (World Food Program) to provide humanitarian assistance for Vietnamese women and children. And I took the paperwork to EAP to the Vietnam desk, to ask for their concurrence for us to abstain on this program as per usual. But the Vietnam desk officer said, "Hm, something's going on. Let me take it upstairs" This was during the discussions on the POW/MIA issue led by General Vessey that eventually a few years later led to restored relations. And they apparently took it to Vessey or to someone in his office and he said "Look, this is an opportunity. You know, women and children, -- we can vote for it. It'll look good in the negotiations." So they did.

Q: How about soybeans? Did you get involved in --

POTASH: Oh yes, but later on. That was my next assignment.

Q: But not on this assignment.

POTASH: No. -- I mean well obviously the issue had been simmering for a while, but it was not part of my portfolio then. I didn't really do any trade issues except for the coffee agreement. I talked to my colleagues a lot. I mean I was friendly with the people on the other side of the house who did trade issues, including bananas, which were just starting to be an issue, and soybeans, which were a growing problem tied into the Uruguay Round discussions that went on for years. There was also a lot of interagency discussion about the various EEP (Export Enhancement Program) deals – especially the Iraq wheat EEP

that was concluded shortly before Iraq invaded Kuwait. There eventually was a huge Congressional investigation about that -- if you remember Frank Lemay.

Q: Vaguely.

POTASH: He was the Special Assistant to the Undersecretary for Economic Affairs and he had drafted a memo describing some issues involved in providing wheat to Iraq under EEP, which was a credit type program with favorable terms that some other countries considered anti-competitive, I think. And he was called before all sorts of committees and he was extremely unwell I think at the time and later died very young. But he was somebody that I had known as the person who cleared on my paper for E -- and then he was later really treated very badly because his name was on the memo. One interesting EEP anecdote from slightly later on – then Under Secretary Zoellick reportedly had taken a keen interest in one particular dairy EEP and encouraged State to advocate strongly on one side of an interagency dispute. I heard that after he moved back over to the White House with Secretary Baker in the summer of 1992 he immediately decided the issue for the contrary view. Which I took to be solid evidence for the truism that "where you stand depends on where you sit."

Q: Well, you were working with this for -- what was -- how would you describe the relation between the Special Trade Representative and, and your office?

POTASH: Well, USTR was not really involved in food aid decisions. I dealt more with USAID and USDA, both on bilateral food aid and on issues related to the World Food Program, where I participated in a couple of delegations to Rome while we were attempting to reform the organization and break the stranglehold of the FAO director on its activities. USDA and USAID were supposed to alternate leading the U.S. delegation, but the USAID Assistant Administrator (the same one who sabotaged State on the Farm Bill) insisted on always participating, and the USDA official who was senior enough to have outranked him as head of delegation found him so unpleasant to deal with that he declined to participate and sent a then less senior USDA representative, Mary Chambliss, who was able to get along with the most impossible people – including a truly obnoxious Colombian head of delegation who was a perennial figure at WFP meetings. Mary Chambliss told me she had had bonded with the Colombian over a lengthy drafting session that had been dominated by South Asians. The U.S. delegation was generally so large we always had to occupy one of the corners of the square meeting room table in Rome. Actually, when John Bolton was IO Assistant Secretary he did enforce delegation discipline – at my expense. I was supposed to go along on a final delegation since I had developed some expertise on the subject, and EB had even found the funds to pay for my trip, but USAID decided to send an extra senior official (they had a new person who wanted to go but also wanted his deputy to support him) and Bolton refused to allow me to go since that would have exceeded a numerical limit on delegations that he had imposed. On the coffee agreement, I did deal with USTR, but the coffee negotiations had gotten above my level by the time I took the account. My predecessor used to go along to the London meetings as part of the delegation that USTR led, but during the time I had the account it was the OFP office director who represented State. I did get to know some

of the same USTR people with whom I continued to interact on OECD issues in my next assignment. I think the AUSTR who led on coffee was Peter Allgeier, who had held a number of portfolios over there -- he had done Latin America, and the OECD, and later Europe I believe. In general, the relations between EB and USTR are not always that great. What happens is that if an issue is really, really important USTR tends to bypass EB and go directly to the desk. Later on when I worked on trade issues in the Africa Bureau I saw the advantages to that kind of direct collaboration.

Q: Mm-hmm.

POTASH: And the relationship between USAID and State was never that great. Pakistan was one example. At one point we had word that AID was going to delete Pakistan from its list of planned beneficiaries for that year's PL-480 program and reallocate the funds to other countries that could use them. This certainly made development sense and it made budgetary sense because we already knew that Pakistan was not going to qualify because of the nuclear issue, so why not put the funds to good use. But the Pakistan desk wanted to put off the announcement of the decision so as not to exacerbate bilateral relations. I found out at one of the interagency meetings that USAID was about to drop Pakistan – and the news would surely be public – and gave Anna Borg (who was then Deputy Director of PAB) a heads-up that this was imminent. The Pakistan Desk wanted to fight this because it was going to be a very bad political signal. They really didn't want it happening that publicly at that point. And so we had prepped A/S McAllister to make the case to Bob Bauerlein (responsible for resource decisions under D) with the USAID official arguing the other side..

Q: Mm-hmm.

POTASH: And the first thing the USAID official does is say Pakistan has a Pressler problem. And we hadn't mentioned the name of the amendment, I guess, or -- it hadn't registered with McAllister that the Pressler Amendment was the problem. And USAID totally kind of defeated us by our not being able to be prepared to discuss what Pressler was. So I know what the Pressler Amendment is.

Q: Well then, after this were you able to get tenure?

POTASH: Yes. Yes. I did very well. I told the Office Director about the issue when I arrived and he made a concerted effort to get me tenured. He said to me, "Look, the guy who's nominally supervising you doesn't really write very good EER's, so. I'm going to do your EER and have the DAS do the review." And they both did a super job, and I was tenured and promoted in the same year (I believe 1990).

Q: Mm.

POTASH: Of course I was also doing pretty good work in the office *(laughs).* I mean I was working really hard on the whole issue of food aid to Eastern Europe that kind of

blew up from insignificance into a major concern. And later on during the Gulf War I was doing two people's jobs on food aid --

Q: Well, before the --

POTASH: -- –and working on the Farm Bill, which was written during that time to unfortunately write us out of the process. So. Obviously I was tenured, because I'm still here.

Q: Food aid to Eastern Europe must have been tied to the collapse of --

POTASH: Yeah. See --

Q: -- the Soviet Union.

POTASH: -- I had had responsibility for Latin America and Europe, but nobody was doing anything in Europe until all of a sudden they were. And as I said, food aid was the first thing that you would think about if a country suddenly became qualified for assistance and you'd allocated all your other aid for that year. I remember on one occasion having to kind of call over and get approval from somebody senior at USDA, for a dollar commitment for Albania. USDA had sent someone to an interagency meeting who did not have decision-making authority and the Eastern European policy people called me afterwards and said, "We need to be able to announce a program -- how much money can we announce for Albania? Baker's going over there." That was when they carried his car on their shoulders, remember?

So I was sort of delegated to be the State Department person to pick up the phone and call Chris Goldthwait (who was then USDA Assistant Administrator but I'd been dealing with him for some time in interagency meetings) and say we need a commitment for USDA funds —because none of the staffers from USDA in the meeting were able to commit to anything. I managed to get him on the phone and say "We need to put a number on this. You know, can I have five million?" And he said right away, "Yeah, I can find five million." By this point they had put into place the precursor of what was to become EUR/ACE (Coordinator of U.S. Assistance to Europe and Eurasia), but it was at that time D/EEA,. Deputy Secretary Eagleburger was officially the Coordinator for Eastern European Assistance; the Deputy Secretary of Treasury and Chairman of the CEA were the Deputy Coordinators. But it was actually Ambassador Bob Barry who ran it, it was a very small shop. And his job was to kind of coordinate all the assistance, everything that everybody's running around doing in the newly democratized countries. His chief staff person was the former Presidential Management Intern I had hosted in Honduras.

Q: Well then, '88, '89, when you left there?

POTASH: I left Ecuador in '89. I was in the Office of Food Policy and Programs from '89 to '91, and then I took the econ course. I would have had a place in the econ course in

’89, but I didn’t get tenure. And I thought well, maybe I could take it in ’90 after I was tenured. But by then of course I was in a two-year assignment in EB/OFP. So I basically lost two years in there, because I wanted to take the econ course. I came in as an econ officer without all that much economic background and kind of always planned to take the econ course as soon as possible. So I did that from’91 to ’92. Of course the topics they were teaching us then included a lot about transition economies. At the time they were still having us take the GRE (Graduate Record Examinations) towards the end of the course. They later gave that up because the GRE became much too technical. But it was a good experience. Unfortunately, when I eventually went to Bulgaria, which actually was a transition economy, I had done a direct transfer from a curtailed tour in Jamaica, and I placed most of my econ course materials in storage back in Washington so I didn’t have it with me to help me do my job in Sofia. *(laughs).*

Q: So ’91-ish. Where’d you go?

POTASH: Well, Rosslyn for the econ course. It was in one of the old FSI facilities, before the new NFATC center opened.

Q: How long was the course?

POTASH: It was a nine-month course then.

Q: Huh?

POTASH: It was nine months at the time. It was later shortened to six.

Q: How’d you find it?

POTASH: Oh, I loved it. I like going to school. Lisa Fox was running it then, as she was for a number of years thereafter, until she retired (I went to the retirement party along with a lot of former students). I probably made some good connections there, including Mary Jo Wills, who was later my office director in AF, and then became an Ambassador. We had adjacent carrels, and got to know each other.. I did pretty well at FSI. I generally do well in classroom settings.

Q: Hm. Well, what parts of the course did you find particularly useful and which ones were not particularly pertinent?

POTASH: Well, probably all those macroeconomic curves were not directly relevant to my later work. It seems like every set of curves has got another set that it’s built on. On the other hand, learning how to splice a price series was useful since you occasionally do have to splice a CPI (customer price index) index. As I said, the transition stuff would have been more useful if I’d actually had it with me when I went to a transition country. But it was helpful to have at least covered it. We did one unit run by the IMF. We also had to do a research paper, and my topic was on Portugal’s experience with IMF programs. The conclusion I came to was that they’d failed to get on the right economic

track despite a series of IMF programs, but the one thing that really helped them get their economy in order -- well, at least for a while, maybe less so now -- was joining the EU because they had to take corrective actions in order to be allowed to join and there was a big incentive for them to comply with the requirements. On the whole, I liked the econ course. There was maybe one guest instructor that I found rather disappointing, but I can't remember who that was.

Q: Well then --

POTASH: So I came out of there and supposedly being in the Econ Course was going to give you an advantage on bidding, but it turned out that that was the year it didn't. So I had a really hard time finding a job and I eventually wound up in the Office of Bilateral Trade in the Developed Country Trade Division. EB/TPP/OTA/DCT for short. You know, in the Department, the longer the acronym for your office the lower your place in the food chain , At that time, the "developed countries" under the responsibility of DCT included Eastern Europe, Canada, the EU, other non-member Western European countries and Japan. And "developing country" trade included Latin America and the Asian Tigers, go figure. That office was physically located around the corner on another corridor, while DCT shared an office suite with part of the multilateral trade office that worked on WTO issues, where there was actually quite a bit of intersection because of the major impact of U.S.-EU trade relations and trade disputes on the agenda of the WTO. EB later reorganized the bilateral trade office on regional lines, which makes more sense as the rise of emerging economies makes the developed/developing distinction less obvious.

Q: What piece of the bilateral trade did you --

POTASH: U.S.-EU.

Q: Who?

POTASH: I did U.S.-EU trade relations. There were two of us on that account. And the way we divided up the portfolios, it turned out to be that my colleague covered the Boeing-Airbus trade negotiations while I had agricultural trade issues, except that it was the Ag Office, my old office that was taking the lead on most of them. When it wasn't USTR running things. So it was rather a frustrating experience. I was involved or informed about my issues, but most times I did not have the lead on them – not in the interagency, not in the Department, and often not even within EB. I didn't have any portfolio that I really owned.

While in DCT I also handled the OECD trade committee, which was technically run out of EUR. At that time EUR/ERA was the official OECD desk, but the practical work for much of it was done in EB. About a decade later EB became the official OECD desk.. I got to know the people in EUR-ERA fairly well during my time in DCT since we had to coordinate with them a lot both on the OECD Trade Committee and on U.S.-EU trade issues. I remember walking back from USTR to the Department with Larry Butler, at that

time my somewhat more senior counterpart in EUR/ERA, when we crossed paths with and I was introduced to a much younger Nick Burns, at that time an up-and-coming FSO detailed to the NSC.

So that's where I fought the soybean war. It was coming to a head during the time I was in DCT, when we came to the brink of imposing Section 301 trade sanctions on EU exports over their oilseed subsidies. While I was in DCT we also expanded an existing whisky agreement to cover more of the EU and include a couple more beverages. We had wanted the EU to give name recognition and to protect American and blended whisky, and the EU had said, "Not only will we not protect them, but we will not let you export them because they don't fit our new EU qualifications." So that was a real mess.

Q: Well, I'm just -- Europeans doing drink blended whisky, do they?

POTASH: Well, certainly they didn't drink American blended whisky once the EU banned its import. The manufacturing process our producers used did not comply with the new EU-wide regulations defining what could be sold as "whisky." This had happened before I arrived in DCT. The issue going forward was that we had a limited agreement from several decades back, before the EU took over all trade negotiations, under which I believe the UK and France agreed to protect the names of Bourbon and Kentucky whisky, and in return we did the same for Scotch and Irish whiskies, as well as Calvados, Cognac and Armagnac. We wanted all of the EU countries to recognize and protect at least Bourbon and Kentucky whisky. We would have protected some of the European names anyway, because the U.S. whisky authorities (at that time Treasury's ATF bureau) would not have allowed U.S. sellers to label anything as Scotch or Irish that wasn't authentic. But in order to get the agreement to apply to all the countries of the EU, we had to agree to protect the names of a few lesser-known alcoholic beverages, including Brandy de Jerez from Spain and at least one more, possibly Greek Grappa. I believe we drew the line at German corn liquor. The Europeans were clearly trying to make the deal more palatable to member states by having it cover products from as many EU countries as possible so the deal would not look unbalanced. At some point during the process I needed to verify the original agreement, had to go into L/T's treaty archives to dig out the original 1960's agreement and make a copy to attach to a decision memo when we finally managed to come to terms on a deal.

Q: Well, I would have thought that -- particularly on beverages --

POTASH: And we had a wine agreement that went nowhere.

Q: You know, it's -- I can understand the Europeans wanting to do it, but the fact that we could cut off certain things -- I mean we're a huge market for them.

POTASH: Oh, we weren't going to cut off any spirits exports over disagreements on the whisky agreement. There wasn't even really any danger that we would allow or encourage U.S. manufacturers to produce local versions of Brandy de Jerez or any of the other forgettable European spirit products, and I doubt there was much interest in doing

so here. We were just reluctant to commit to give them name exclusivity for additional alcoholic spirits (and undertake the regulatory burden of protecting them) without getting something in return. Unfortunately, what we really wanted (market access for American blended whisky) was impossible under EU regulations, and by the time I got to DCT we had pretty much recognized the impossibility and were down to haggling over details of how many obscure German, Greek, or Spanish spirits we were going to have to cover. The wine agreement, on the other hand, was hung up in a cycle of shorter and shorter extensions over what were beginning to seem like irreconcilable differences.

The wine agreement was going nowhere because we had a number of permanent sticking points where they didn't want to approve some of our wine making procedures and we didn't want to protect (and stop local production of) Champagne, Burgundy, and Chablis. Basically the U.S. domestic wine industry had been producing its own versions of French wines using French place names for decades and we weren't prepared (or perhaps legally able) to tell our wine industry to stop doing it, though of course we knew those products could not be exported to the EU. A lot of smaller countries, that depended a lot more on the export market, had agreed to phase out the use of certain nomenclature terms in their domestic market, terms that referenced places in the EU, that the Europeans were becoming increasingly uncompromising about protecting. And that was a sticking point for a permanent deal, though it is possible that the Europeans recognized that the U.S., with its large domestic market, was unlikely to agree to restrictions on domestic production as easily as smaller export-oriented wine producers like Australia. Certainly a lot of the better winemakers here did not want the U.S. to be producing, quote, burgundy. But we couldn't move faster than the market. And then there were smaller but still intractable problems such as the fact that wine produced in Madera County, California raised Portuguese hackles because it sounded similar to Madeira – even though it's spelled a different way and the wines are in no way similar. The Madera-Madeira issue came up in every discussion when we tried to exchange lists of local appellations for recognition. So we had kept extending an old wine agreement where we tried to gloss over some problems, because we could not get agreement on the underlying issues regarding winemaking procedures. U.S. vintners used certain chemical procedures that made wine taste better than the French thought it had a right to. And the French were upset about that. Then they had some winemaking procedures that involved using substances like ashes and blood, and we weren't thrilled about that *(laughs)*. We were resigned to operating under repeated extensions where we agreed to put off a permanent solution and keep trading, but the Europeans started insisting on shorter extensions, and we thought that could be a sign of intensifying problems. I think we eventually did come up with a deal many years later – though it does not seem to have stopped the production of "burgundy" in California

Another type of long-running U.S.-EU trade dispute is the kind where we complain about one of their trade practices, and after a lot of arguing they agree to stop doing it, and then they don't, so then we make another complaint and get another agreement when they say they'll really stop doing it. And then they still don't. The canned peach agreement, which has been a subject of successive back-and-forth complaints since at least the 1980s, is an example of this dynamic. So *(laughs)* I got very cynical about U.S.-EU trade relations.

While I was in DCT I also sat in on some preliminary discussions about creating mutual recognition agreements with the EU. Commerce had the lead on that issue at that time. The idea was that rather than harmonize our very different philosophies for economic regulation, we could agree to treat the results as equivalent. At the time it seemed like an unrealistic undertaking, but I believe that the initiative has since led to some useful cooperation.

And I did actually attend, as the State Department representative, a hearing on the Section 301 trade case we brought when it looked as if we might be about to impose punitive tariffs on the EU over our oilseeds trade dispute. The hearing was at the ITC Building. We had published a broad list of potential products that might be targeted, and a whole bunch of interest groups sent people to explain how they didn't want us to put tariffs on their particular products and how it would kill their business. And people brought samples. The Dutch brought samples of exotic Dutch peppers in different colors. The Italians brought pastry, which just sort of sat out there in the hot courtroom. No one was eating any of it and I think it was cream-filled and thus in danger of spoiling rather quickly *(laughs)* -- They were bringing all of these things as a kind of show and tell to demonstrate why their commercial interests needed to be spared if we could not resolve our tariff dispute.. In practice, we were working off a much narrower list of targets. The idea was to find products whose trade value was equivalent to the losses the EU had inflicted on our soybean trade – and at the same time products that were chiefly exported from the countries we blamed the most for the dispute rather than from our putative allies within the EU. That meant finding a way to target French wine, since it was obvious to us that the French were the chief villain in the dispute. But the value of French wine exports was much, much higher than the damages we were able to assess legally under our rules. Eventually somebody in the Commerce Department figured out a way for U.S. customs to distinguish red wine from white wine (apparently the existing tariff numbers did not do so sufficiently), and that person won an award that year. So USTR drew up a short list of retaliatory targets where the chief target would have been white wine. It was highly symbolic, and rather Machiavellian. However, at the last minute we cut a deal to avert any punitive tariffs in November 1992. It was called the Blair House Agreement, which the French pronounced (with hissing contempt) "blerouze." And it paved the way for the completion of the Uruguay Round under which the WTO was established in its modern form.

The EU was far from the only trading partner with whom we had contentious issues. The people in DCT who dealt with Canada got so frustrated that they wouldn't even speak the name Canada and started calling it "Country X." As for the Japanese -- well, the Japanese were always difficult and they were especially difficult at that point. The Eastern Europeans were much less difficult at that point.

My responsibilities around the OECD (Organization for Economic Cooperation and Development) Trade Committee, mainly involved writing instruction cables for our Paris-based representative to indicate what our views were on the trade issues likely to arise at the periodic meetings of the locally based Trade Committee representatives. In

practice, he would fax me the likely agenda items, along with his suggestions for what he ought to be saying, and I would write up his points and try to get them cleared around the building before sending them back as official instructions. And on one occasion I got the opportunity to go to Paris as the State Department representative to an OECD Trade Committee meeting with capital-based delegates, along with two senior USTR officials, Peter Allgeier, as head of the U.S. delegation and Geza Feketekuty, who had been chosen to be the chair of the committee. I recall that my per diem was stretched because my USTR colleagues made a point of dining at Michelin one-star restaurants.

Q: Well, did you get involved during this time with the genetically modified crops?

POTASH: I was aware of it the issue This was fairly early on in the development of GM products. There was the beef hormone problem, of course, which essentially locked us out of the European beef market. I also recall several interagency meetings on a new procedure for hormone-treated milk.. I believe at least one was chaired by FDA chief David Kessler. And I can remember someone saying if they had to start with a food product, why milk? That had such sensitivities. I think a lot of the GMO stuff may have come later. But certainly the EU hostility to all types of GM food was manifest, and they were beginning to spread their point of view in international trade and technical bodies through what we viewed as devious or unfair use of their power as a voting bloc.

Q: The so-called Frankenfood.

POTASH: Yeah, although they weren't calling it that then, I think.

Q: Well, then you left EB job when?

POTASH: 1994. I had once again been having a hard time finding an onward assignment, but this time I needed to go overseas because I'd been in DC for five years. I was offered the opportunity to go to our new consulate in Yekaterinburg, as deputy in a two-officer post, but then got cold feet about the cold and the isolation. And then Kingston came up. Kingston was available at the end of the bidding cycle because they had been in the process of combining and downsizing their pol and econ offices and wound up deciding to cut one less position than initially planned.. After I got there I came to the conclusion that they should have followed their initial plans. My position was designated as a labor/econ officer, which meant I took the labor course at FSI with two gentlemen of the old labor school, both of whom have since died. The labor officer course was rather a fun thing to do, and I got quite a bit of labor education, which was also valuable.

Q: Well, did you find -- labor had sort of disappeared off our radar. I mean at one time back in the '50s and '60s, this is really hot stuff.

POTASH: Yeah. Well.

Q: And then all of a sudden -- well, I mean it --

POTASH: Yeah.

Q: -- also reflected what happened in the States too.

POTASH: Yeah. The story we were told is that the labor specialty was in the political cone because historically one of the early labor officers had been the only person in London who actually knew anybody in the Labour Party when they unexpectedly won the elections after World War II. So State had kept the specialty in the Political cone. Well, the interesting thing about Jamaica is that both of the major parties had labor origins – they were called the Jamaica Labour Party and the People's National Party, but they were both based on labor movements that had gone different ways. Interestingly, the PNP is the more left-wing of the two. Michael Manley, son of the PNP founder, had led a rather left-wing government in the 1970s that was seen as not entirely friendly to the U.S. JLP leader Edward Seaga defeated him 1980; the Seaga administration was much more oriented to the free market and Seaga was a favorite of the Reagan administration. In 1989, Manley returned to power as a born-again free marketeer, and then retired a few years later in favor of P.J. Patterson, who was Prime Minister throughout my tour. The Patterson government was not without its critics, and I recall a lot of discussion of the need for a cabinet reshuffle to restore some of its popularity. Both Manley and Seaga remained active figures on the political scene. Manley was apparently in poor health, but still making his presence felt. One of his ex-wives had a popular radio talk show. Meanwhile, Seaga continued to head the JLP, though at one point during my time in Jamaica there was an internal revolt in the JLP when a rival for leadership tried unsuccessfully to unseat him and there was some thought that the JLP might fracture.

My job was not a fulltime labor officer job, but it had a strong enough labor component to be included in the DRL list of labor jobs. After Kingston had merged the political and econ sections, the Embassy had an econ-political counselor who was econ cone, a dedicated econ officer who did almost everything else econ-related, and a political officer who got a great deal of autonomy and actually went to country team meetings because he was the only real political officer at post. And then there was me. I had labor, human rights, and Cuban relations, It was not a terribly active portfolio, and I actually liked the labor part the best. Shortly after my arrival I got to participate in an alternative labor dispute settlement conference on Barbados one weekend. I had been responsible for confirming the arrangements for the Jamaican participants in the conference, whom we were funding, and the Embassy agreed to let me accompany them. A small crisis arose before the conference since one of the three participants identified by my predecessor was associated not with one of the two major unions (associated with the JLP and PNP respectively) but with an upstart union founded by controversial left-wing politician Trevor Munroe. Munroe was an academic of extreme views who was definitely on the list of individuals that the U.S. Embassy tried to stay clear of but the labor organization in question had been doing some innovative work in alternative labor processes. I am not sure to what extent my predecessor had vetted his choice of delegation with Washington, but at some point after my arrival someone there got cold feet and I was instructed to disinvite the Munroe-tainted delegate and find a substitute. The replacement was politically safe, but hardly dynamic; the original nominee might have made for a more

productive discussion. I found the conference enlightening, though the air connections between the islands were terrible, and the rather ritzy hotel complex we were at lost all of its water for nearly a day. We had been experiencing rolling water cuts back in Kingston and I had hoped to get away from the problem in Barbados.

As part of my initial round of contacts I took the permanent Secretary for the Labor Ministry to lunch. He started a conversation by asking me what religion I was, which I found a rather surprising question that would not have occurred to me to use as a conversation-starter. He was in fact Catholic, a fact I was aware of from post bios, and seemed interested that I was Jewish. Jamaica at that time had the remains of what had been a thriving Jewish community. They had a rather nice synagogue but no rabbi, and a lot of the community had emigrated after some strife in the 1970s. The Labor Minister at the time was Portia Simpson, whom I met personally a few times (once when she called me in to complain about something the U.S. government had done). She is now of course Prime Minister of Jamaica.

Jamaican culture was very interesting, but not something I would have chosen to immerse myself in. Neither Washington nor our new political Ambassador appeared to be very concerned about the pol/econ section or the ups and downs of the Jamaican economy or political class. The Ambassador, a former Marine, was a stickler for neatness in offices and the proper style and polish of staffers' footwear. And Washington, I was told, cared about only two Jamaican issues – immigration and the drug trade – neither of which involved my portfolio or even my section. A few months after I arrived we got inspected, and the inspectors decided that they really didn't need my job after all. By that time I could have told them that. So the inspectors said that I should be allowed to bid on the next cycle, and if I could get another job before then, that would be fine, but they wouldn't fill my position behind me.

Around this time – late 1994 and early 1995 – our involvement in Haiti was again on one of its upswings. And the office director for Central American and Caribbean issues back in Washington wanted to send another body into to Haiti. He'd already identified a candidate but needed to find another job slot from somewhere else in the area to reallocate. I began getting a lot of pressure to leave Kingston right away and was offered a transfer to somewhere else in the region. However, I didn't much like the options on offer in the area. I was invited to become the third officer out of four in Panama, or if I preferred, a similar slot in Guatemala. Neither option appealed. I was not keen on returning to Central America at that point and ten years into my career I really did not want to take another assignment as number three econ officer in a small section. So I called my CDO and basically said, "Get me out of ARA." – though by then the bureau had been renamed WHA. My CDO informed me of an unexpected opening in Sofia, which was indeed pretty far from ARA. The guy who had been paneled to the sole straight econ officer job in the Pol/Econ section had had an issue with the medical clearance for one of his family members, and had to break his assignment. I said OK, with no hesitation – and without knowing much of anything at all about Bulgaria. My CDO told me that if I went to Bulgaria they would get me a language waiver up front, but that I could also go back to Washington and do a little language training.. At that point I

didn't even realize Bulgarian, which was considered a hard language, was written in Cyrillic, but I said, "Fine, just get me out of here."

The Pol/Econ counselor in Sofia was Ruth Hansen, whom I had previously met when she was Romania desk officer in EUR and I was working on the Romania and Bulgaria food aid programs. I recalled with amusement that when we had presented the Bulgarians with our standard food aid agreement, the boilerplate language specified that the recipient promised not to discriminate in the food distribution according to ethnic, religious, national, or tribal adherence. And the Bulgarians took offense. They said, "We are civilized people. We do not have tribes!" *(laughs).* I thought we should tell them "Well, then if you don't have tribes, don't worry," but we convinced them this was standard language and they signed.

Q: Yeah.

POTASH: So Ruth had worked with me already and I was at least a known quantity. We had a little phone interview in which she asked me "How are you in macro?"

And I took a deep breath and answered "Oh well, macro. I've taken the macro courses." Which was of course true -- as far as it went. So, so she said, "OK, welcome to Sofia."

I came back to Washington, did 13 weeks of Bulgarian training, and tested out at two-two plus. Had I continued for 16 weeks I would have gotten a language pay incentive, but I didn't realize that at the time. Not only was post urging me to get to Sofia, but this was the fall of 1995 and I could see a government shutdown coming. Since one thing I was sure of was that if the government shut down no one at FSI would be exempt, I decided I'd rather be in Bulgaria where I might have a chance of being allowed to work. This proved to be the case. I hadn't been on Embassy Sofia's original list of exempt employees, but only because I had not yet arrived at post. As soon as I got to post they put me on the list of people that they really needed to be there. I remained on the exempt list for the second shutdown as well.

Q: So how long were you in Bulgaria?

POTASH: Almost three years. I got there in October of '95, was promoted to FS-02 in 1997, and left in the summer of 1998. My third nephew was born November 11th 1995 and I was overseas by then – I didn't see him in person for a long time. One of the reasons post gave for seeking my early arrival was that they wanted me there to write the Trade Act report, which was apparently overdue. Once I arrived, I began working on the trade report, but then we had the shutdown.

I went to Ruth and I said, "OK, here's this trade report, which in fact is more or less ready. We are officially closed. This is a congressionally mandated report that we don't see that we should really need to do anyway (there was an ongoing effort to streamline reporting requirements). So if there's *anything* that I'm not doing while the government is

shut down it's going to be this trade report." And the Front Office agreed with me, that we should not send the report out until after the shutdown was over.

Q: Tell me. What was your impression of Bulgaria moving from -- it had had a little time to move from the communist system to the demand system?

POTASH: Well, it was a very bumpy transition towards a democratic market system. They had issues with corruption, with gangsterism; they had done an awful lot of things the wrong way during the post-Communist transition. There had been some really, really bad times in the years before I arrived, some really cold winters and some really desperate economic times. I got there after the worst was over and I loved being there. It was in many ways a beautiful country, with a well-preserved heritage and a wealth of untapped archeological sites, though there had been an unfortunate trend to place ugly Soviet style factories in the midst of lovely landscapes – this was a deliberate strategy of dispersing resources in the interest of homeland defense.

I liked learning Bulgarian. I thought Bulgarian had a lot in common with Latin in terms of how words were formed. And I loved that you could write French words phonetically in Cyrillic and be sure to pronounce them correctly (though sometimes retranslating it to English the spelling came out quite different – for instance, I lived on Zholio-Curie Street, which was named I assume after Irene Joliot-Curie) I found it fascinating that Bulgarian had borrowed a lot of what I called the words of nineteenth-century civilization from the French (words for sidewalk, lampshade) – as well as eighteenth-century craft vocabulary from the Germans and twentieth-century business jargon/computer language from the English and Americans. By the way, in the end I did get my three plus four in Bulgarian – by virtue of taking the language test right off the plane at the end of my tour. I continued studying Bulgarian with the post language program and learned enough to get by reasonably well, especially when it came to reading the Bulgarian-language press, although I never felt that I had been totally trained in speaking and missed not having completed the full course at FSI – for instance, I felt I never quite remembered which words used V and which B (and unlike Spanish, where b and v are sometimes interchangeable, the Bulgarian derivations are not the same) and was sometimes unsure which syllable took the stress (there appeared to be no rules to follow – you just had to know).

By the time I arrived in Sofia, the country had already gone through the first wave of a democratic opening, though it was a very slow process. There had been something they called a political round table that got rid of long-term Communist strongman Todor Zhivkov (he was forcibly retired to a life of luxury in an upscale gated community – until he died of natural causes during my time there), but which left a lot of the old communist nomenklatura in place. And then there had been an initial government by a pro-Western alliance, but they had squabbled and had lost power in a national parliamentary election before I got there. When I arrived Bulgaria had a, quote, socialist government in place that was really the same faces as the one-time Bulgarian Communist Party, except they had renamed themselves the Bulgarian Socialist Party. USAID and everyone who was partnering with them had pretty much figured they couldn't work too well with the

central government, so they were working with municipalities where they could. A lot of businesses tended to be run by gangsters who often called themselves wrestlers, because they had often been on the Olympic wrestling team. They formed "insurance" companies that were really extortion rackets. I remember someone saying the insurance policies were a binary choice. Get the insurance (from the right company – the one that was dominant in your particular neighborhood) and you will not have an unfortunate accident with the plate glass window of your store. Neglect to get the insurance (or use the wrong company, as I believed happened to a new Hugo Boss boutique) and you will. I think a lot of them had made their money smuggling into Serbia to get around the embargo during the Balkan conflict. I handled all econ issues so I was coping with the counterfeit CD industry, which was morphing into counterfeit software while I was there. The authorities were doing absolutely nothing to prevent former state owned enterprises from renting out space in unused factories to private entrepreneurs who set up machines to mass-produce them. And since Bulgaria was still a music cassette market, none of this was credibly intended for domestic consumption. So we were constantly saying, "Well, have they done enough to avoid being targeted in this year's Special 301 report, or, what, what level of warning or priority attention are they going to get on the black list?" The Bulgarians were very sensitive about black lists because they were on the former COCOM list. They were excluded from the Wassenaar Arrangement at first. They did join while I was there (actually I was the one who hand-delivered the official invitation to join to the Bulgarian protocol office). They had been left out of the EU's Schengen Agreement on visa-free intra-EU travel; they were instead on the negative list for the Schengen Agreement. And then we were talking about another black list for CD's. They're very sensitive to that.

A lot of events occurred on the economic and political front while I was in Bulgaria that were rather exciting. I got there in '95. For the first time in my career, I was the senior economic officer at post, so I got involved in a lot of issues. Also, both the Pol/Econ Counselor and the front office were very good about bringing me in on issues where I could contribute. The new Ambassador was Avis Bohlen, who was very generous and a delight to work for. Like Ambassador Briggs, she was a second-generation diplomat, the daughter of Chip Bohlen who had been Ambassador to the Soviet Union. I remember at one point when we were commemorating the 50th anniversary of the Marshall Plan I mentioned that my father had heard George Marshall give his famous speech – and she replied that her father had written the first draft of the speech. Rose Likins, the DCM, had been Honduras desk officer during my first tour and to my surprise said she remembered me from that time, as well as apparently from our interactions when she was a staffer for Deputy Secretary Eagleburger. As DCM, Rose Likins was one of the most formidably organized people I had ever encountered. The Embassy ran a flawless Secretary of Defense visit under her guidance. She never missed a beat, not even when SecDef, who had found the arrangements at his previous stop less than satisfactory, unexpectedly asked to arrive in Sofia a full day early. At the time some of us may have thought that we over-prepared for such visits, but post missed her rigorous planning after her departure when the arrangements for a subsequent VIP visit suffered from a rather more laid-back approach.

Bulgaria hosted the EBRD (European Bank for Reconstruction and Development) meeting in the spring of '96. They brought in delegates from all over the continent, including a largish and not always harmonious U.S. delegation from a number of different agencies for which I was the Embassy contact. At one point all the visitors had left the plenary to do side meetings and I wound up in the U.S. chair behind the flag – though naturally I did not try to say anything. I remember it had snowed *(laughs)*. It was in April and it snowed. And the delegate from one of the countries started his official intervention by saying "Let me congratulate our hosts on the variety of micro climates they have provided us" Tragically, the plane crash that killed Commerce Secretary Ron Brown occurred just before the meeting. Among those killed in his party was the U.S. EBRD director who had been on the way to attend the meeting.

Another of my issues was the energy situation. Bulgaria had six Soviet era nuclear reactors in Kozloduy on the Danube. The oldest ones were, though not the exact model that had caused the disaster in Chernobyl, a close cousin of it. Bulgaria had committed to the EU to close down the oldest unit and remodel the rest. DCM Likins took a well-informed interest in the project, since as D staffer she had been instrumental in getting Westinghouse a contract to remodel the Temelin plant in Czechoslovakia, beating out at least one EU bid. The EU was hoping such an outcome would not happen again. So one of my jobs was advocating for Westinghouse to get a contract for at least some of the renovations at Kozloduy. The local Westinghouse rep was actually Greek, and Westinghouse, which also had status as an EU company for some purposes, was playing both sides of this game. They would stress that they were an American company in seeking our support for the remodeling contract, but also bid on some EU-only jobs using their European subsidiary. Part of my portfolio thus included keeping in touch with the Westinghouse rep for the latest information on the bidding, as well as going to talk to the Bulgarian safety and energy officials to talk about shutting down the oldest unit at Kozloduy. They were behind schedule for winding down operations, but they were dependent on it for a large share of their electricity needs. Their electrical grid was plagued by leaks both physical and financial. Much of Sofia was heated out of a centralized system. Every spring they shut down the heating pipes for servicing, and many of us had to rely on individual water heaters for hot water.

I remember at one point I accompanied Ambassador Bohlen, who had arrived shortly after I did, to call on the Energy Minister.. And she of course spoke fluent Russian, but she had done a pretty good job of learning Bulgarian (we were briefly in language class at the same time). The energy minister spoke some English. And he had a translator with him. I was there with only marginally better Bulgarian than Ambassador Bohlen to take notes and assist in communications. The Minister's translator, however, was absolutely atrocious. And so, he would translate something and I would correct him. But occasionally he would be translating and one or the other of *them* would correct him! It's one thing when the plus one corrects the translator – but not when the principals start correcting the translator!

Q: Yeah.

POTASH: *(laughs)* What good is it going to do to even have him there? At one point we defaulted to "OK, I'll speak English, you speak Bulgarian, and we'll understand each other." That kind of thing. And this translator, by the way, later had the nerve to ask me for a recommendation for him to go study in the U.S. citing his English skills *(laughs)*.

In 1996-1997 Bulgaria experienced a complicated political and financial crisis. The economy was in difficulty, the banking system was collapsing, the currency was in free fall, and the socialists became more and more unpopular. And eventually the BSP decided that in order to shore up their power, the very young and you would have thought forward looking, but in fact very hard-line BSP prime minister Jean (or Zhan) Videnov should resign and turn over the prime minister's job to another Socialist Party figure named Nikolay Dobrev, who was then the Interior Minister. Since the Socialist Party controlled a majority in parliament, they thought they should be able to do this under their existing mandate to govern. While this may have been legally correct, the public was increasingly of the view that the BSP had lost its moral authority to govern, and should turn over the reins to new blood. Dobrev, moreover, was seen as an old-style party figure. There were street protests, there were parliamentary difficulties, and all this was happening in the wake of a Presidential election where the Socialist ticket had clearly lost to the candidate of a pro-Western democratic alliance named Petar Stoyanov. The Presidency was a relatively weak office, but one key responsibility the President had was to call on a prime minister to form a government.

Stoyanov's electoral victory, by the way, owed at least something to U.S. democracy programs, particularly the IRI (International Republican Institute) and NDI (National Democratic Institute). The socialists had gamed the electoral rules so that if no candidate won a majority in the first round the runoff would be between the top three, not the top two vote-getters. The Union of Democratic Forces, which was the liberal anti-socialist party, wanted to run a candidate to replace President Zhelyu Zhelev, who had been a sort of compromise choice from the first flush of the transition but had lost a lot of support from the more anti-socialist democrats; however, a three-person runoff could easily have led to a BSP win .So the Embassy encouraged IRI to persuade the opposition of the benefits of, a primary and advise them on how to hold one. Zhelev, who had hoped to be reelected, agreed reluctantly to enter and be bound by the results of the primary. Petar Stoyanov, who was a divorce lawyer, a family lawyer, won the primary in June 1996 and became the candidate of the democratic alliance. Stoyanov came in first against the socialist candidate and a minor party candidate, he won the run-off, and he was scheduled to take over the presidency in January 1997.And it was during the period right before the inauguration when the president should have called upon the majority party in the parliament – who were still the quite unpopular socialists – to form a successor government under their newly designated leader. There was supposed to be a ten-day period for this to happen, and Zhelev just plain didn't do it. He left it to his successor to deal with the crisis. And Nicolay Dobrev, a hard-liner whom I for some reason found rather appealing, never did get to be prime minister.

So protests became more vociferous. In addition to mass demonstrations chanting outside the Cathedral calling for a new government, groups of young protestors took to blocking

major crossroads. Our consular officer was bringing home his newborn twin daughters when he ran into one of these roadblocks. He got out, called out "newborn twin babies" and they let him through (the Bulgarian birthrate was declining rather sharply at the time, and children were always given special treatment). It also turned out that one of the demonstrators had previously been interviewed for a visa (I'm not sure if he got it) and recognized the officer. Embassy officers went out several times to observe the crowds outside the Cathedral. Every so often a chant would ring out: "koi ne scatche e cherven" "Whoever doesn't jump is a red." So those of us observing had to jump up and down too because we didn't want to be pointed out as a red.

Eventually the protests became more destructive. There was a small fire in the parliament, which made international news, and Christiane Amanpour came in to report on the situation. By the time she arrived the violence had subsided and everybody was going around trying to interview her. There was a sense of "Look, we're an important country; here's Christiane Amanpour interested in us." But without a dramatic crisis to make headlines, she had nothing much to report on, and left after a couple of days, though not before the Ambassador managed to grab her and give her an actual background brief on what was going on in Bulgaria.

In order to resolve the political crisis the BSP eventually agreed that there would be early elections to select a new parliament, which would then vote in a new Prime Minister. This was expected to be the leader of the Union of Democratic Forces, Ivan Kostov. In the meantime, Stoyanov appointed a caretaker government headed by the mayor of Sofia, Stefan Sofiyanski. According to Bulgarian law, members of the caretaker government could not run for parliament, so Kostov could not participate. Instead, the caretaker government was made up of people who either were technocrats or who had no national ambitions, except for those who had been promised appointed positions in the upcoming Kostov administration for which they did not need to be members of parliament. Thus Alexander Bozhkov, a senior UDF figure, became Deputy Prime Minister and Minister for Industry after serving in a similar position in the caretaker government. This was supposed to insure some continuity in policy.

The Ambassador took the opportunity to pay courtesy calls on various people in the caretaker government, and her note-taker (either me or the one of the political officers) would then write these meetings up as cables. Often the caretaker ministers were more interesting than their politician successors. A well-known conductor became caretaker Minister of Culture, for instance. One of the meetings I accompanied Ambassador Bohlen to was with Ilian Vassilev, a British trained business expert who was the interim head of the Foreign Investment Agency, and who had what seemed to be some great ideas to promote investment. I wrote up a very enthusiastic cable and said something like, "He said that his job is temporary but the new government would be wise to consider keeping him on," which they eventually did.

So the next time I saw him at an event, he said, "Thank you for putting me on the internet."

I said, “What?”

He said, well, a friend of his called and said, “Look, you’re on the internet.”

I didn’t let on *(laughs)* -- didn’t say it was a mistake. Went back and discovered that the Department of Commerce had been taking our unclassified cables, and because of the way the Sofia communications system was set up most of our cables weren’t classified if we could possibly avoid it. It was very difficult to do classified work, which could only be done in a rather inconveniently located secure area. We could not even process SBU material on our office computers. So Commerce had started taking Sofia’s unclassified reporting cables and putting them on the Central and Eastern European Business Information Center (CEEBIC) website, which they had set up for businesses interested in Eastern Europe -- but without letting us know they were doing this. They’d apparently had an intern picking out the cables for the past several months and he or she decided that it was fine to just put up our reporting cables freely as long as they took out anything labeled “comment” before posting. The bit in my cable where I’d suggested that Ilian Vassilev should keep his job, that fortunately was not on the internet. But I looked at the CEEBIC website and I said, “You know, OK, this was the Ambassador’s conversations, and should not be posted for anyone to see.” They had posted not only this cable, and other unclassified reporting I’d done on economic issues, but also much all of our political reporting throughout the crisis in the winter when we had gone out and reported on the crowds protesting Of course, this kind of stuff made fascinating reading for Commerce’s audience. Those cables were some of the most popular items on the CEEBIC website, but they hadn’t told us they were doing it! And so I decided to prepare a cable whose subject was going to be something like technology can betray you or the internet is not your friend, in which I protested this and suggested that the Department should encourage use of a slug line on cables that says something like don’t put this on the internet or not for internet distribution.”

I sent the cable to Washington but also included as info addressees all of the countries in the catchment area for CEEBIC. And everybody else chimed in saying, “Yes, yes, do this.” I did notice that for years afterwards people would often indicate that their unclassified cables were not for internet distribution.

Q: Mm. How much did the unrest in --

POTASH: I never did tell Ilian that I had not meant to put him on the internet.

Meanwhile the economy was tanking, The newly privatized banking system was full of well-connected crooks who used the banks to lend money to themselves. There was kind of a slow motion bank run because the banks wouldn’t let people in to get their money out, so you constantly had long lines of people waiting for banks. At one point the head of the central bank basically stepped in and purchased a failing bank for the equivalent of a dollar or a lev or something like that, to which the IMF guy who came by periodically is supposed to have said, “Look, here are five dollars, buy me five banks,” he was so furious about this whole thing. At the same time, the value of the currency dropped

catastrophically, the economy approached hyperinflation and eventually Bulgaria decided to adopt a currency board in which they would peg their currency to the deutschemark and eventually to the Euro.

And at the time the local resident representative from the World Bank was from Argentina, and he was frequently called on to talk about the Argentine experience with a currency board type of system. The economist Jeffrey Sachs came in to argue against it, and then another academic named Steve Hanke, a Johns Hopkins economist who thought very highly of himself, came in to advise them on doing it. Hanke claimed that he had advised the Argentines on their currency board, which I think may have been an exaggeration of his role in that country. Bulgaria eventually did put in a currency board, and their currency is still pegged to the Euro.

During my time in Bulgaria I had the opportunity to do election observations on several occasions. I observed the 1997 parliamentary elections in Sofia, and after the polls closed I observed the vote count. There was great collegiality and when the election officials managed to reconcile the count of vote tallies with the actual paper ballots a cheer went up around the room.

When the 1996 primary elections were held, I observed some voting on the east (Black Sea) coast. I had been attending an intellectual property conference held in a Soviet-era nomenklatura resort and I did a little election observing before returning. Many of the polling places were bars, cafes, and social clubs, since the socialists, who were in control of the traditional polling places, primarily schools, refused to let them be used for the opposition's unprecedented and unofficial primary elections, which they viewed as suspect and illegitimate – though in order to maintain official impartiality in the election we had also offered to advise the BSP on doing their own primary, an offer they declined.

Q: Mm-hmm.

POTASH: I can remember watching a little old lady saying delightedly, "I voted!" Well, she was saying it in Bulgarian *(laughs).*

My first election observation experience was during the 1995 municipal elections shortly after my arrival in country. I went out with a colleague from USIS to Plovdiv, Bulgaria's second city, a couple of hours away from the capital. We had our driver take us around the area to check up on various polling places. My colleague, who had observed in the area at the previous parliamentary election, suggested, "Let's go look at this voting place up in the hills because they had some good cake there last time." So we went. And in fact, by then, everybody had already voted and there wasn't much to observe, but they did still have cake.

And the socialist local leader -- it was a very socialist area – explained to us "Everybody here has already voted except for a few residents, but we're keeping the polls open just in case. You know, there are three people in the district who are sick. The shepherd hasn't come down from his mountain. And one resident has gone into the city on business and

might come back." And he said, "In the old days, under the Communists, of course we would have rousted out the people who were sick and made them vote. But we're now a free country. People are allowed to not vote if they don't want to." So.

Q: So how did it come out?

POTASH: The socialist party won most of the local elections, which made USAID's dealings with local governments much more problematic.

Q: Ah. How much did the unrest in the former Yugoslavia spill over?

POTASH: *(sighs)* Well, it was of interest, obviously. The Bulgarians were pressured into admitting that Macedonian was a separate language by our Balkan people in Washington. They'd long insisted that Macedonian was merely a dialect, but we had some senior people argue forcefully that this was one problem that we just didn't need to have. The Macedonians were fond of complaining at the time that they were besieged from all sides, since the Serbs contested their border, the Bulgarians their language, and the Greeks their flag -- and their name. The Dayton Agreement was a major event and very, very widely publicized. They said locally that a lot of the indigenous mafia types had made their money in the smuggling business. Some of my embassy colleagues had actually been in Serbia beforehand. But I don't think we had very much Yugoslavia-related violence. Andrey Lukanov, an influential former communist official who had become a power behind the scenes, was assassinated in October 1996, while I was on home leave, but I think that had more to do with his rumored Russian mafia connections, than anything else. He'd had dinner with the Ambassador just a few days before he was killed – in the lobby of his apartment not too far from my residence. At one point after the assassination I remember the Ambassador got a press questions about what happened at that dinner and, she said to the press attaché "you can confirm the dinner menu."

Q: Yeah.

POTASH: I don't think they ever found out who was responsible. Then there was a guy named Ivan Pavlov. Pavlov wasn't actually his last name. It was his father's name and thus his patronymic middle name. But he was seen to be the most powerful of the gangster-businessmen. There was a weekly newspaper called Capital, which had some really good investigative journalists who discovered that there was a network of fake companies that all appeared to be corrupt. All the companies were named after stars in the constellation Orion, so this network came to be referred to as the "Orion Group." I used to read about six Bulgarian newspapers a day in Bulgarian, and when I found something that looked as if it would interest Washington I would sometimes ask FBIS to have it translated.

I can't say that there was a lot of the kind of interethnic violence that you saw in Bosnia at the time. There was some prejudice and discrimination against minorities in Bulgaria – Turks, Roma and ethnic Bulgarian Muslims – but not organized violence or ethnic cleansing The war was an ongoing presence of course, but I don't think Bulgaria was that

directly involved, except for sanctions, and the impact on travel across international bridges. Also, the Albanian pyramid schemes collapsed during the time I was in Bulgaria. We had been seeing Tirana cables coming in alerting us to the situation. They even referred to the enterprises as pyramid schemes. So everybody knew it was going to happen and *(whispers)* nobody did anything to stop it. .

Q: Well then, so you left -- I think this might be a good place to stop.

POTASH: Might be a good place to stop. I'm -- yeah. I'd say -- I left Bulgaria. Ambassador Bohlen was still there, but a lot of the others I'd worked with had departed by then. We'd had a female Ambassador, DCM, political counselor, I was female obviously, my colleague who was the chief political officer was female, we had a female head of the Commercial Section, a couple of other females. The Bulgarians didn't know what hit them. And all of a sudden they went -- they were all replaced by men. So it was very strange.

Q: Huh.

POTASH: The interesting thing is that a lot of the banks and other organizations I visited were still run by these old Bulgarian types who spoke only Russian.

Q: Yeah.

POTASH: But often they had young secretaries who spoke excellent English. And my feeling was the secretaries were going to be the ones to do well in the future.

Q: Just put at the end, where did you go?

POTASH: I went to Buenos Aires.

Q: To where?

POTASH: To Buenos Aires --

Q: Oh yeah.

POTASH: -- after that. Yeah.

Q: OK, we'll pick it up -- in what year?

POTASH: '98. I got there in August, I think, right around the time of the Russian default.

Q: OK. Today is the 15th of January, 2013 with Janet Potash. And Janet, where did we leave off?

POTASH: I believe we had left off as I was leaving Bulgaria in 1998. I'd been overseas for about four years at that point. I had gone straight from Jamaica, where I curtailed, to Sofia. I'd been there for three years and felt it was time to go. Sofia had been an extraordinarily female-friendly post and then suddenly a lot of the females who had been in key positions were gone and the Ambassador and I were about the only ones left. And the atmosphere just felt a lot different. I did a direct transfer to Buenos Aires, although I did come back to Washington to take the Bulgarian exam at FSI and take some home leave. As part of the language exam, I was asked to read some of same newspapers that I had been reading all along, including at least one potentially tricky article that I had already read. So I did a lot better on the Bulgarian exam coming out than I had coming in, possibly better than I deserved *(laughs)*. But the experience did teach me the wisdom of taking the exam right off the plane before anything goes away.

Q: Yes.

POTASH: I didn't get a good enough score in Bulgarian to have a permanent qualification. My score was something like three plus four, which meant that I was likely to lose proficiency, and I definitely have. In fact, a few years later when I met some Bulgarians in Buenos Aires, I was not able to converse with them very well.

Q: I know. Well, I found this is the problem with these.

POTASH: That's one of these things that has so impressed me about some of the senior people that I have known. In Sofia, the ambassador was Avis Bohlen, who had just come out of Paris. And the DCM was Rose Likins who'd spent a long time in ARA. And I had been in their presence when they would be speaking to the Spanish ambassador or the French ambassador and switch into that language. And it so impressed me how they were able to think simultaneously in two foreign languages.

Q: So we're talking about you being in what, Buenos Aires?

POTASH: Yeah.

Q: And you were there from when to when?

POTASH: I got there in the summer of 1998 (our summer, their winter), shortly after the Russian default had started upsetting the markets. And I left in the summer of 2002 after Argentina had been through an economic upheaval that somebody once called the slowest train wreck in history. I was there for four years, I extended for a year. Partly I said – not entirely in jest – that I wanted to see the World Cup in a country that cared about it. Although Argentina did so poorly in 2002 that it was very depressing to watch. It was just one more disappointment on top of all their other problems.

I may have mentioned that my father is a Latin American historian and most of his work was done on the Argentine military and politics. Beginning in the mid-80s he had become a bestseller in Argentina. So his name was very well known, and Potash is definitely not a

very common name, though they may not have realized in Argentina how very unusual a surname it is. So I kind of started with an advantage --

Q: Ah yes.

POTASH: People would recognize my name and ask if I was any relation. And I would say oh yes, that's my father, and then there was generally a great opening of doors. Even though my father's a pol-mil type and I'm an economic type. My father made frequent trips to Buenos Aires and usually called at the Embassy, spoke to the Ambassador. He was visiting during the time I was bidding on an onward assignment from Sofia, and met with the Chargé Manuel Rocha. And Manuel Rocha asked my father if he was related to the person who had bid on the open econ job, and if so, was I serious about wanting it. And he said yes *(laughs)*, so maybe that helped me get the job – though in fact I had served with Manuel in Tegucigalpa so he at least had some idea of who I was. I think that was probably the only *(laughs)* time I have been able to use influence to get an assignment -- I've always been particularly *bad* at lobbying for jobs. But in that case maybe it worked. My job was classified as Fin/Dev. That meant I was supposed to be the macro person (and I may have mentioned that macro is not exactly my strong suit – moreover, my Econ Course macro notes were *still* in storage in Washington where I'd left them on going to Kingston four years earlier). Theoretically I should have had the number two job in the Econ Section, but that did not happen until a year later. For much of my time in Buenos Aires, we were without an Ambassador. Washington had at least three nominees who fell through for one reason or another and the result was that Manuel Rocha spent most of his DCM tour as Chargé. And thus, someone else senior had to be pulled from their office to be acting DCM. At the time I arrived, the then Econ Counselor was pretty much permanently installed as acting DCM and there was another econ officer at post who had been acting Econ Counselor for some time. Since he and I were of the same rank, the front office decided that he would remain in charge of the section for the remaining year left on his tour.

Q: Well, let's talk about Argentina.

POTASH: Yeah.

Q: The period you were there. I'm going to go for -- see the --

POTASH: OK. Pause.

Q: OK.

POTASH: OK. I arrived in Argentina in the summer of 1998, which was towards the tail end of the Menem years. And just after the Russian bond default, that unsettled a lot of the markets. This was a period of world-wide financial turmoil. The Russian default followed the Asian financial crisis of 1997. These forces eventually brought down the Argentine economy, and the Argentine government, and to a large extent Argentine society as well. But we didn't know that at the time. President Carlos Menem had kind of

turned on its head the traditional Argentine/U.S. relationship, which in the past had often been hostile or at least tense. He was often portrayed at the time as an extravagant caricature of himself, but he actually made some important changes. When I arrived Manuel Rocha's standard briefing message for visitors described the many ways that Menem had succeeded in turning around the U.S.-Argentine relationship. Menem described the new relationship as "carnal relations." Convertibility, a quasi-currency board system that pegged the Argentine peso to the U.S. dollar, had been extremely successful in taming the hyperinflation of 1989 and making a lot of people confident -- perhaps overconfident -- to invest in Argentina. And it was sort of thought that this situation would continue on no matter what happened. Prior to Menem, the Argentine constitution limited presidencies to one consecutive term. Menem had arranged to amend the constitution to allow himself to be reelected to a second term; at the same time the length of the term was shortened. But it was well known that Menem was trying to find some way to get a court ruling that the new electoral law did not apply to his first, longer, term and therefore he should be able to run for another term. It was eventually decided that he could not run again without an interval out of office. The political counselor used to say in his briefings during that time that there was a whole bunch of uncertainty about the election that was going to take place the next year, but there were two things that were certain: there will be an election and somebody will win *(laughs).* Actually, the Argentines had a system where a candidate could win with less than 50% of the vote if he or she was more than 10 points ahead of the next person, which made it more likely that an election with multiple candidates could still produce a winner. And in fact, I believe that Argentina had never at that point had to have a second round. After I left there was one election which might have gone to a second round, but the weaker candidate withdrew before it came to that.

Q: Yeah.

POTASH: So I don't think they've ever had a second round. When I arrived, the general feeling was things had been going well for ten years of Menem. Argentina had weathered the Tequila financial crisis in 1995 and come out in even better shape with convertibility intact. So there was a great deal of confidence in the system being OK. But if you're dealing with Argentina, you just know that this is a setup for something bad about to happen.

Buenos Aires had been without an ambassador for several years. After James Cheek left in 1996, the Clinton administration had a terrible run of bad luck with the people they wanted to name to succeed him. They had tried to nominate Jim Dobbins. And because of his bad relations with Congress over Haiti a few years before Congress refused to take up his nomination. The administration waited rather a long time to see if they would change their mind, and they didn't. So then they had nominated a political contributor named Hassan Nemazee – who, ironically, had been a college classmate of mine, though our paths never crossed. He was an Iranian-American financier who was a major bundler. He turned out to have engaged in some shady financial dealings and the week before his hearings were finally scheduled an embittered former business associate inspired an expose in Forbes Magazine and he withdrew his nomination. He was later convicted of

fraud. But while he was waiting for his confirmation hearing he had a lot of bio information passed to him on the people in the embassy, including photos, and nobody knows what he did with it. One of my colleagues actually called on him while in Washington and relayed that Nemazee had told him that given the low pay and the poor psychic rewards for Foreign Service officers, it was amazing the quality of people that we managed to get. My colleague did not know quite how to take that one. After the Nemazee debacle, they thought they were going to nominate Toby Moffett, who was a former Connecticut congressman. However, since joining the private sector, Moffett had acquired a number of business interests, including substantial holdings in Monsanto, and he had six children. As the nomination process dragged on he realized that he was going have to divest all of his personal holdings, go through a possibly contentious confirmation process, uproot his large family, and likely serve for only six months. And he gave it up. So throughout most of the period I was in Buenos Aires, we had Manuel Rocha, who eventually became Ambassador to Bolivia, as the chargé. He had arrived after the departure of Ambassador Cheek. I was told that when Rocha had first arrived the department had arranged for the outgoing DCM to stay on as Chargé for a short time to help him cope with the responsibilities. By the time I had arrived Manuel Rocha was at the height of his confidence and people occasionally called him the pro-consul. He was very influential despite not being officially the Ambassador. Washington eventually convinced career FSO James Walsh, who had been on the point of retiring, to come back from Madrid and take over as ambassador in 2000. He got confirmed fairly easily and became a well-respected and very popular Ambassador, I knew he was going to be welcome at post when I saw the motor pool drivers run up to hug him on arrival *(laughs).* I used to see him in the Embassy cafeteria eating with the local staff. So he was very well loved. And actually, the new econ counselor who arrived about a year after I did got the same kind of greeting from the driver who met him. Buenos Aires was a post with a lot of what Manuel Rocha called “repeat offenders” because people who’d been there once before often wanted to come back.

Q: Well, when you arrived there -- and just before you got there -- I mean maybe from your father as well, but counting in the State Department -- I mean, you know, people served there. What were they saying about Argentina at that time? We’re talking about --

POTASH: In ’98? They were not yet anticipating what was to come. I think a fair amount of what happened to Argentina in 2001 and 2002 had to do with the impact of 9/11. When I arrived a lot of people were not anticipating the economic turmoil ahead. There was some concern about the upcoming elections. It was a very close election, and it was going to be the first time that a Peronist government was potentially going to turn over power to another elected government.

Q: Well, Menem --

POTASH: Menem was --

Q: The term Peronist can mean a number of things, you know. Well, I mean, was this one which was very closely allied to or tied to the forces that had been behind Perón? I won't say the shirtless ones, but --

POTASH: No, Menem was a different kind of Peronist. He'd been a governor. He was of Syrian extraction and he was definitely from the business-friendly side of Peronism, though with a tendency to crony capitalism. He was thought to be somewhat corrupt. When he was first elected Washington was leery of him but they grew to trust him. I remember our DCM relating that when Chavez was first elected Washington asked Menem for his opinion -- will Chavez be another Menem or another Castro (I think Menem may have vouched for Chavez) Because Menem had also been thought initially to be a dangerous person. He drove a fast car, had a somewhat chaotic personal life, divorced his wife while in office. He had a psychiatrist, had had plastic surgery when he was around seventy. Of course, some of this was fairly normal for Argentines. They say that the three ways to measure the anxiety level in a society are the levels of psychiatrists, plastic surgery and eating disorders. And Buenos Aires ranked very high on all of those. I guess Buenos Aires resembled Woody Allen's New York with more high fashion and better food.

Q: Yeah.

POTASH: But you know, really *(laughs)* it was a very interesting place to be. So no, Menem was highly regarded by the White House. By then he was judged to have worked a miracle on Argentina's economy and to have transformed the formerly contentious relationship to one of, as he used to say, carnal relations with the U.S. Argentina became a major non-NATO (North American Treaty Organization) ally under his presidency, got into the visa waiver program, which helped relations a lot. And Argentina cooperated with the DEA (Drug Enforcement Administration), on a whole bunch of issues. So certainly at that stage we were very close to the Menem government. Manuel Rocha had a three-point briefing on Menem's Argentina that he used to give visitors – of which we got a lot. We heard it frequently, and we could all do it for our visitors. You got a lot of businesspeople coming down, you had executive branch officials and a lot of CODEL's. One of my first jobs after arrival, while I was still in temporary housing, was to work on logistics for the COP-4 (United Nations Conference on Climate Change) meeting that was held in Buenos Aires which involved a lot of visitors including three Senators and a mega-CODEL from the House of Representatives.

At that point I was still in temporary housing, but my parents were planning to come visit me. My parents, by the way, visited me for I think four times while I was there, often for Thanksgiving. When post was looking for housing for me I told them that my parents would be visiting a lot so I needed a bedroom that they could be comfortable in. Since the local staff also knew who my parents were, they were fairly amenable to finding me a place that would hold my parents. As a single officer I didn't rate a lot of space, So when GSO wanted to equip my smaller second bedroom with twin beds, I convinced them to put in a double bed for their sake. Over the years my parents had made a lot of visits to Argentina, and they got used to staying at the same apartment hotel. So when my father's

wide circle of contacts heard he was in town, they tended to call the hotel to find him. I think the hotel caught on pretty soon and told callers how to find him at my place. When my parents were visiting me I found myself hosting all sorts of people I didn't know. I'd come home from the Embassy, walk into my living room, and there'd be my father and mother hosting a tea party with a general and his wife. Their visits gave me the opportunity to host a couple of well-attended receptions that doubled as useful representational entertainment.

Q: Well, let's talk about some elements there. How stood the military at that time?

POTASH: Oh, that was interesting. By the time I arrived the military had definitely taken themselves out of politics, and the idea of something like a coup was pretty unthinkable. General Martin Balza, a very old and good friend of my father's by the way, was reaching the end of his term as Chief of Staff of the Army, which was the most influential military position. Some years previously he had done what he called an "autocritica" or self-criticism of the 1976 coup and the military's role in the subsequent years. Balza had spent much of that period away from Argentina and had not been associated with any human rights violations, though he was an artillery commander in the Malvinas war. So he was very much in favor of the army staying out of politics. In the past, my father has said, whenever the military intervened there was always a large section of the civilian population calling for them to do so. Past coups were generally supported by one or another section of the civilian population. During my time in Buenos Aires I don't think I ever heard any serious calls for a military solution. Nevertheless there was still a lot of hostility against the military among some civilians, particularly the left wing of the Peronist party which included some former Montonero types. Balza himself suffered undeservedly for his stance. He was hated by a lot of the old guard in the military, and after he retired, the Circulo Militar, the social club for active and retired officers, took away his membership. He was also detained for several months at Campo de Mayo, a large military base outside Buenos Aires, because of his supposed involvement in a covert arms sale to Ecuador during its conflict with Peru. I think the arms sale was illegal because Argentina was supposed to be a guarantor of the peace between the two countries. The prosecutors who went after him were really trying to get at Menem, who had by then left the presidency but was beyond reach of prosecution at that time on some technicality. The arms – which by the way were of inferior quality – had come from military stocks during a time when Balza was in overall charge of the army, but the bureau that managed weapons repair and resale actually was controlled by the defense minister, who was also accused in the case, so there was only flimsy evidence that Balza had personally known of the transaction. While he was in custody, my father went to visit him for a while, and found that Balza was housed in reasonably comfortable quarters and had used the time to write a memoir. He has since become Ambassador to Colombia and Costa Rica. But as an economic officer I did not tend to follow military issues very closely.

In the last years of the Menem era, Argentina had become more of a presence on the world stage. Shortly after I arrived, in November 1998, Menem hosted COP-4 – the Fourth Conference of Parties to the United Nations Framework Convention on Climate

Change. Buenos Aires did have a Science and Environment Counselor, but the main focus of the Embassy was on all the official visitors this gathering would bring us, especially the congressional ones. There was a large House CODEL which included some fifteen representatives. We had one Embassy officer assigned to manage that. We gave individual control officers to each of the three Senators attending: John Kerry, Joe Lieberman and Chuck Hagel. Kerry and Lieberman had come down to advance the Administration's goals for COP-4 and were there specifically to be helpful. I was assigned to be Senator Kerry's control officer, because I'm from Massachusetts. But Senator Kerry stuck pretty close to Senator Lieberman, they tended to do the same meetings and events. And then there was Hagel, who was seen to be at that time a bit of a problem. He'd come down rather skeptical. He had his own views. And they were definitely not the views of the administration or of --

Q: This is the Clinton administration.

POTASH: -- It's the Clinton administration. And of course at that time the Republicans had control of both the House and the Senate, and the Embassy was concerned enough about Senator Hagel's visit to pull an experienced political officer off the 15-member House CODEL and assign him to handle Hagel. They gave the House CODEL to another econ officer. All this was approximately six weeks into my tour. I had visited Buenos Aires a few times over the years, but had not had time to learn the ropes of steering important visitors around the city. I asked for advice and was told that the first thing you needed to know was how to find Eva Perón's tomb at Recoleta Cemetery, because everybody was going to ask to see it. Control officers tended to spend a lot of time showing people around.

Well, my parents were planning to arrive for their first visit , and I wasn't able to meet them because of my control officer responsibilities. I gave my car keys to Norma Gonzalez, the head of the Fulbright Commission, an old family friend who was a former student of my father's, and asked *(laughs)* could you take my car to get my parents and take them to my quarters, get them settled in. I was still in temporary quarters, having postponed my move to permanent quarters till after the conference was over. At one point, after Lieberman's control officer and I had accompanied the two Senators back to their hotel where they planned to confer together for a while, I mentioned to Senator Kerry that my parents were supposed to be arriving. And he said, "Go home -- go greet them," He was very gracious about it, though the other control officer later took me to task for abandoning my charge, since as control officer you were not supposed to leave your designated VIP until the end of the day.

Senator Kerry did have one side meeting unrelated to COP-4 that I had arranged. Prior to his arrival, one of his staffers had asked for us to set up a meeting with Ana Kessler, the head of the Argentine Secretariat for Small and Medium Enterprises (PYME) their version of our Small Business Administration. She was a crony of Menem's and a bit of a lightweight, but she was very engaging. It took some doing to set up this meeting for a time that was not already devoted to COP-4 business. And then when it came time to drive to the meeting, there was some COP-4 reception that was scheduled for the same

time, and Senator Kerry asked "Do I have to go?" I managed to get the courage to tell Senator Kerry yes you have to go *(laughs)*. So he went. And it was just as well he did, because Ana Kessler had invited all of her top people to a formal meeting in her conference room, so it would have been a bit embarrassing if the guest of honor hadn't shown. That was actually not the first time that Senator Kerry suggested a change in plans. Coming in from the airport, we passed a soccer stadium and he exclaimed "Oh, I want to go to a soccer game." I made some responsive answer, but I was nervously thinking, "We've already scheduled the entire time. How am I going to do this?" So I consulted a local employee who was well known to be a soccer fan, and who told me that the good games are not played on the only night he might have available. Fortunately Senator Kerry did not pursue the idea.

Q: Oh.

POTASH: I too was a fan of Argentine soccer. I never went to a game in person while I was there. They were not necessarily good places for women to be. But I watched a lot on television. The ones you could see on free TV were usually not the top series, but Primera B teams, the second-string league. So I got to watch the teams as they fought their way into the top league, and then of course I couldn't see them anymore. Ambassador Cheek, the previous ambassador, had been a vocal fan of San Lorenzo. And he was well known for that. He'd later come back as a lobbyist. So he would show up --

Q: Yeah.

POTASH: -- in the stands. And you know, if you're a foreigner, it might not be politic to pick a team, or to be a vocal partisan of one of the more prominent teams like Boca or River or San Lorenzo. So when asked, I always used to say I was a fan of Chacarita, because that was a second line team that would not make me enemies. Although Chacarita was actually the property of one of the more vicious and corrupt Peronist union bosses, Luis Barrionuevo. I believe he controlled the Waiters Union. Barrionuevo had famously said earlier in the Menem administration, when told about a large budget deficit, "Well, let's just stop stealing for a year. We can fix the deficit," *(laughs).* So when I left, my staff gave me a lot of Chacarita memorabilia.

Q: Well, how did the -- from the, the embassy point of view, the economic crisis begin to become apparent to you as an economic officer. How did it lay out?

POTASH: Well, it happened over a period of time. The Russian bond crisis in the summer of '98 created some turmoil in the markets. But Argentina kind of weathered that and everybody looked back and said, "We got through it in '95 with the Tequila effect, we can get through it now." What really did Argentina in was Brazil devaluing in I think January of 1999. That set things in motion. The problem for Argentina was that they had their currency tied to the dollar, and the U.S. didn't have enough inflation for Argentina's needs, so the peso became overvalued and there was nothing they could do about it. Also, they never got their fiscal problems under control. They had a horrendously complicated system of revenue sharing that was really beyond the control of the central government.

There was also a lot of provincial debt. At one point I tried to figure out what the rules were for the revenue sharing, co-participation they called it. I did some lengthy reporting cables about the system which may have explained some of the peculiarities, but I still wasn't sure that I understood all of the intricacies. And so Argentina borrowed to make up the difference. And as long as they were seen as a really good bet they didn't have problems with funding. When I was in Bulgaria I was told by an investment bank representative, "No portfolio manager's ever going to be punished for not having Bulgaria in his portfolio." The same could not be said for Argentina; everyone had Argentina. They became very dependent upon short-term borrowing, and they eventually reached crisis point when they could no longer roll over their debt at reasonable rates. But it took a couple of years to reach that point. So things were looking pretty bad after the Brazilian devaluation. By 1999 the Presidential election was looming. By that time the Menem economic team was on its second or third string. I can remember that after the election and before the inauguration the then Economy Minister, Roque Fernandez, remarked that he was rallying his staff like the coach does in a soccer game "come on, there's only one minute left" when in fact there are really three minutes left, but you want to encourage them to hang on. A decade later I heard Roque Fernandez speak in Washington at a panel at the Center for Global Development along with a former subordinate of his, talking about a proposal for a regional financial fund for Latin America, which they all agreed Argentina wouldn't now qualify for.

In the 1999 presidential election the Peronists ran Eduardo Duhalde, who was the Governor of Buenos Aires Province, the most powerful province in the country. He had formerly been vice president in Menem's first term, and left to be the Governor of Buenos Aires, which is a more important job. The opposition had a primary in which the two main candidates were Fernando de la Rúa, who had been Mayor of Buenos Aires City (a separate political entity from the Province) and Graciela Fernández Mejide who was a more of a populist. She had had family members tortured or lost under the military rule. Going into the primary, the agreement between the two was that the winner would run for president, and the loser had the option of running for Governor of Buenos Aires. So Graciela Fernández Mejide lost the primary and she also lost the election for Governor of Buenos Aires, which I'm sure was a great relief to Fernando de la Rúa. The Peronist candidate, Carlos Ruckauf, won instead. So de la Rúa assumed the presidency and brought in his team of people. De la Rúa was from the Unión Civica Radical (Radical Civil Union), the radicals, which was Raul Alfonsin's party. But de la Rúa was not terribly close with Alfonsin, the first president elected after the return of democracy, who was still a power in among the Radicals and had his own loyalists. De la Rúa took office in December 1999, insisting vehemently that he wanted to keep convertibility, the financial system that Menem put in place and that the public saw as having saved them from financial instability. But the financial situation was increasingly difficult. There was one prominent economist, who was also a UCR supporter, named Ricardo Lopez Murphy. He came from a respected think tank called FIEL, with which the Embassy maintained close ties. Lopez Murphy was thought to be a good candidate for the Economy Ministry. And de la Rúa put him in as Minister of Defense. He appointed Jose Luis Machinea as Economy Minister. Where Lopez Murphy had been a good contact of the Embassy, I recall that Machinea had had more distant relations with us. After his

appointment, we tried to get closer. His reputation was not helped by the fact that he had been President of the Central Bank during the hyperinflation of 1989.

The economic situation deteriorated over the course of de la Rúa's first year in office. Meanwhile, de la Rúa's political support was eroded with the resignation of vice president Carlos "Chacho" Alvarez in protest over perceived political corruption in late 2000. I recall that a popular television parody of the reality show "Big Brother," which caricatured well-known politicians competing to be the last one left in their reality show house, had the Chacho Alvarez character continually trying to sneak out and escape.

At the start of 2001, Argentina reached an agreement with the IMF to refinance debt and provide a cushion against default in return for some structural reforms that proved very difficult to implement. The press referred to this agreement as the "blindaje" or armor, but it did not prove effective. The financial situation continued to worsen and finally President De la Rúa decided to move Lopez Murphy to the Ministry of Economy. And they announced that there would be a big speech in which Lopez Murphy was going to explain what his program was. And this was on a Saturday. And I can remember watching it attentively on television and taking detailed notes, because Washington was eagerly anticipating the news of what was supposed to be a major proposal for solving the financial crisis. He also spoke to one of the business chambers, and the foreign service national economist went to hear it in person to report on atmospherics. And then I went to the embassy and wrote up my notes and my assistant's impressions and managed to get them out on a Saturday. Lopez Murphy's big speech was a major disappointment; his economic proposals were unpopular, and he was gone within a couple of weeks. So then de la Rúa brought back Domingo Cavallo. Cavallo had been the supposed economic wizard who'd been responsible for stabilizing the economic system by introducing convertibility under Menem. He'd subsequently run unsuccessfully for Mayor of Buenos Aires and was supposed to be a miracle worker. He wasn't. He had a whole new set of policies for de la Rúa, but the magic was gone and things just got worse and worse. Interest rates were going up. The peso continued being overvalued because the U.S. didn't have any inflation. In desperation, Cavallo announced a new program under which the government would only make payments according to the receipts they took in, one for one. At that point, my boss who was the econ counselor said "they're done." He was right, but it took a while for things to hit bottom. In December 2001, Cavallo introduced something called the corralito, or little corral, which drastically limited the amount of cash people could get from their checking accounts. They could still get money from savings accounts, though, so the system really distorted consumer purchases. Some bank payments were permitted, but cash transactions became very difficult. A couple of entrepreneurs invented a board game called "corralito" – my staff managed to locate a copy and give it to me as a farewell present. Buenos Aires Province and several others started issuing their own paper which could be used for local payments -- in Buenos Aires they were nicknamed "patacones," a name familiar from an old-time comic strip.

The international situation did not help. Influential economists close to the Bush administration began publicly discussing the advantages of a debt restructuring, which some in Argentina viewed as proposing a partial default. In the wake of 9/11, the

international economic climate became even less favorable for Argentina. So by the end of 2001, both the political and the financial situation reached crisis point

Q: Yeah.

POTASH: The people started banging pots and pans in the street and especially outside the banks that were holding their cash. These protests were called cacerolazos. There were bank runs. By that time, most of the big banks were owned by foreign companies, and there was some question about whether the parent banks would bail out the Argentine branches or let them go under. There was a Citibank branch and BankBoston (by then owned by Fleet Financial). The Spanish banks Banco Santander and Banco de Bilbao had bought up local banks as well and had a large presence. There was just one of the bigger banks that was still owned by a local family, called Banco de Galicia, just to confuse things. And that one really took a hit because a lot of people thought their money would be safer in a foreign bank. A lot of these banks had professional economists on staff that were among my contacts. At one point when we had to hire a new Foreign Service National, because my long term economic specialist decided to apply for a special immigrant visa and move to California, we interviewed a lot of them.

Q: Oh yeah.

POTASH: In December there were several days of really bad protests in which there was some looting and couple of people were killed. And de la Rúa just gave up and resigned. He left the Casa Rosada in a helicopter just as Isabelita Peron had after the military coup of 1976. The image was splashed all over the local press. And afterwards, some people thought that the Governor of Buenos Aires, Carlos Ruckauf, might have encouraged this disruption to happen or deliberately let it get out of control to benefit the Peronists. And in the Embassy there was some debate about whether we should view de la Rúa's departure as a civil/constitutional coup. The UCR (Unión Civica Radical) probably never recovered from that debacle. They're no longer a force in Argentine politics. In fact, a lot of Argentine politics is now between rival Peronist leaders. I no longer follow Argentine politics because it is both complicated and depressing, though my father still does.

Q: Well, what was happening to your convertibility? Or was there a problem, because you had the dollar so I guess --

POTASH: Well, when de la Rúa resigned, that was the end of convertibility. De la Rúa had been holding on to convertibility, partly because in the presidential campaign he had been accused of either intending to destroy it, or being unable to maintain it. So he was determined not to be the one to let it go under. After his departure, there was a chaotic period of 10 days when there were five presidents. After de la Rúa resigned, since there was no Vice President, the president of the Senate was technically in charge until Congress had a special election to pick an interim president. Rather surprisingly, they chose Adolfo Rodriguez Saa, who was the Peronist governor of a small province. He gave up after five days because of political missteps, fled back to his province and resigned, but not before he took the step of suspending payment on the Argentine public

debt, and announcing the creation of a third currency, which would circulate along with the dollar and the peso. His official declaration of default was actually applauded, which depressed me. After another technical presidency, the legislature selected Eduardo Duhalde, a much more serious politician, to be interim president. Duhalde formally repealed convertibility, which had become untenable after the default, and was then faced with the task of reconstructing some sort of currency system to replace it. The de-dollarization of the Argentine economy created enormous difficulties for business. It essentially broke every contract in the economy. The new regime converted assets and liabilities at different exchange rates. They told the banks that they should pay out 1.2 pesos for every dollar in deposits, but convert and collect on all their loans at one to one. It screwed the banks. And it created a huge mess. They were still working it out when I left Argentina, but I believe they allowed the currency to float after a while. After the dedollarization or pesification, all contracts that were in dollars were now supposed to be in pesos. But again, at different levels depending on the type of contract. And that really created problems. It created problems in trade finance, it created all sorts of issues for landlords. The Embassy had mostly been paying rents for employee housing in dollars, and we were now allowed to convert the rent to pesos. This was only the latest in a series of ways that the government of Argentina managed to destroy the savings of the middle classes. I remember being told that it didn't hurt the truly wealthy because those people had moved all their assets offshore generations ago. They might dive into the Argentine market briefly to take advantage of favorable interest rates, but they would not again trust their major assets to the Argentine political class.

Q: And move a --

POTASH: I was told that back in the '20s the Argentine middle class had invested in real estate, you know, rental properties. And then the government put rent controls on and destroyed property values. So pesification was yet another betrayal. There was a book that I bought at the time-- El Sueño Eternal – translated as The Eternal Sleep or The Eternal Dream --it's the same word in Spanish. Eternal sleep meaning you're dead, or eternal dream meaning you're hopeful despite all past evidence that Argentina will somehow manage to get and stay on the right track. So Duhalde did his best to restore stability but eventually he had to recognize that he was not going to be able to convert his interim presidency into an elected one, and it is in large part due to his influence that Argentina got the Kirchners, and what a disaster that has been.

So when 9/11 happened that added additional stress to Argentina's problems.

Q: This was the terrorist attack on our Twin Towers in New York.

POTASH: Right. I was in Argentina. I remember having been, in a meeting with the DCM, who by that time was Milt Drucker. Manuel Rocha had gone off as Ambassador to Bolivia. And we came out of the meeting and somebody came in and said there's been a plane that crashed into one of the World Trade Centers. And at that time we thought it was a small plane. And then we all went over to the television set in the front office to watch. At that time only the front office had a television set in the secure part of the

embassy; one of the effects of 9/11 was we all got *(laughs)* television sets in our sections. I remember the second plane was just hitting and the head of Regional Affairs came in and said, "That's a terrorist attack." He was right. I was supposed to talk to a reporter on background, at 10:00. Just about the crisis. I don't think he was yet aware of what was going on. And we started the interview and then we also turned on the television in the Public Affairs office. And then we could see the first tower collapsing. It was actually the second tower to be hit. And at that point we said to each other, "I don't think we're actually going to continue." Actually, at that point, the Embassy sent us all home out of concern for our security. I remember it was the first time I ever heard --

Q: There was a substantial --

POTASH: They said --

Q: -- Middle Eastern population --

POTASH: No, I think they were sending people home from embassies around the world.

Q: Yeah.

POTASH: It was just, we didn't know what was happening.

Q: Yeah, this place was shut down.

POTASH: Yeah. So that was the first time I'd ever heard of Fox News, because I *(laughs)* – found that channel on my television at home and it seemed to have better coverage. And at one point they had a news flash to say there's a car burning in front of the State Department. Remember that? Turned out to be not true.

Q: Oh.

POTASH: Among other things, in the wake of 9/11 Argentina lost its visa waiver. For one thing, the country was in a mess and there were too many people going to the U.S. and staying, but security concerns also played a role. Having the visa waiver meant that huge sections of the consulate had been given over to PAO, because they weren't needed anymore. And then the consulate suddenly had to take them back. We announced the end of the visa waiver over the weekend. And we weren't allowed to tell people ahead of time that it was going to happen, so we had to dissemble to people planning travel about whether they should believe the rumors and take the opportunity to fly while they still could. It got a lot of people mad at us for sure. CA (Bureau of Consular Affairs) sent in a team and they kind of terrified the consular staff at one point. At one point, the deputy in the Consular Section, who was an FS-3, found himself in a rather tense discussion with the Assistant Secretary. It rather unnerved him.

The anthrax incident a few weeks later rather unnerved some of the Embassy employees. I remember our office manager wearing a mask and gloves to open the mail. And at the

height of the anthrax scare I came down with pneumonia and had to be hospitalized for a week. After I came back, I was told that the Embassy had actually been concerned that I might have been affected by anthrax.

In the midst of all of this, the Bush administration in Washington was debating how they might help Argentina. I didn't think Argentina had been helped much previously by all of the people from the Heritage Foundation or the American Enterprise Institute saying Argentina should selectively default or strategically default. It may have accelerated the crisis and encouraged the disastrous dedollarization. Eventually, they decided that the best option was to send a Treasury attaché down to Buenos Aires to keep an eye on things. And supposedly that would somehow or other help deal with the Argentine crisis – or maybe just let Washington know what was happening.

Q: Yeah.

POTASH: So the embassy was not thrilled about that. The first thing that happened was the econ counselor retired *(laughs).* Went into the private sector, took a job at a financial firm. He said he was just not going to work in the same embassy as a Treasury attaché. By that point I was the number two. So I became acting econ counselor for the last seven or eight months, which was kind of exciting for me. But the next thing was that the officer who was next in line to me, and who had agreed to stay on and take my job after I left, decided he did not want to be Fin/Dev officer in an embassy where there was a Treasury attaché. So he curtailed and went to Islamabad. So we were kind of shorthanded and the econ officer who was left said, let me see what I can do to see if WHA (Bureau of Western Hemisphere Affairs) will send somebody TDY (temporary duty). We did get a staffer from WHA/EPSC for a few months, and he did excellent work. We had a very good intern from the State Department program who helped out, and we also brought on one of the DCM's college-age daughters through the Embassy summer hire program. I remember the CLO (Community Liaison Office) asked me if I would be interested in hiring her, and if I had any problems supervising the DCM's daughter, and I said, as long as we could get her a clearance I'd be happy to have her in the section. We didn't normally get clearances for summer hires, but we were able to make an exception in this case. She was actually a delightful young woman, and she did a couple of cables for me that got kudos from Washington.

And at one point the Embassy interns were going down to look at the protests until the security office put a stop to it. They said, "No really -- the liabilities are too great. We cannot have interns going down and maybe getting caught up in protests," *(laughs).*

Another issue I got involved with in my capacity as Fin/Dev officer was money laundering. We had tried to persuade the Argentines to adopt stricter money laundering laws and to establish a financial information unit or something like that to control it. They eventually created some kind of Central Bank office, but it was quite weak. This was one area where I found myself at cross-purposes with my private sector contacts in the banking system. And in early 2001, the U.S. Senate held hearings on Citibank's less than vigilant behavior over some large Mexican accounts of dubious origin, which the

Argentines picked up on because the local Citibank chief executive had been somewhat marginally involved. A lot of this was used as fodder for a politicized attack against the Argentine Central Bank President and against some of the other large banks in Buenos Aires, although the Senate investigation had really very little to do with the Argentine situation. I remember collecting all the articles published on the issue, which kept getting more and more overblown, and labeling my collection "the mudball." And this was used to portray all of the banking class in Argentina as money launderers, when I thought that was rather unjustified.

We had a big issue, by the way, with the head of the DEA, who was actually born in Argentina and who was constantly saying things to the press that disturbed the front office. At one point he went too far and he was removed from the country overnight. We also had an FBI (Federal Bureau of Investigation) office down there. When the DEA office decided they wanted to add more agents they no longer had room for the FBI in their secure office space, and they moved him into the area that we were using. So then they remodeled everything and scrunched the offices of the econ and environmental officers. When the Treasury attaché arrived he had to be given an office in the Econ section too. He was actually a nice enough colleague, but he never quite bought into the idea of clearing or sharing his reporting. He also never got used to writing cables. He emailed a lot of information back to his home office – on the unclassified network – that the rest of us didn't get to see.

So by 2002 we had Duhalde in the interim presidency, and the political system was a bit of a shambles. The Peronists had basically occupied *all of* the political landscape by the time I left. It was like government and opposition were all Peronists. And it still is that way.

Q: (laughs)

POTASH: For instance, under the Argentine system, there were three Senators from each province. The leading party got two seats and the other party got one, but one person on the slate had to be a woman. So in some cases there were two competing Peronist slates and they took all of the seats. The Peronists even won a provincial election in Córdoba, which had always been a stronghold of the Radical party.

By the end of my tour, the Argentina I knew had changed so much as to be almost unrecognizable. All of a sudden everything in Argentina was a bargain and I just felt really, really bad, with CODEL's and tourists and visitors coming in and getting all of these great bargains while the locals were suffering. It depressed me and I was at the end not sorry to be going. So I was out of there in the summer of 2002. Came back to Washington.

Q: Did the embassy -- did America -- was it accused of causing a problem or anything like that? Or often this is the case when things go bad.

POTASH: Well, certainly we took heat over the visa waiver thing, and probably the new security measures after 9/11 made things worse. If we didn't cause the problems, we certainly weren't seen as helping. The IMF (International Monetary Fund) probably did more than it should have for Argentina. They gave Argentina one last loan when the situation was likely beyond salvaging, and we obviously would have had to be on board for that to happen. At the same time, there was this bunch of scholars from conservative think tanks saying Argentina should default. So.

Q: And did it default?

POTASH: Yeah – but not the way that these economists had thought they should.

Q: Now, what were the consequences of that?

POTASH: Well, obviously a lot of savings went up in smoke. Other consequences were that the Kirchners came in eventually, and they were probably a disaster for Argentina politically and economically. They've done all sorts of weird things. Argentina kind of lost its first world status, if it had ever had it. I don't know that the U.S. was blamed so much for that. Maybe they thought that we could have helped more. But I don't remember too much anti-Americanism at the time. I think there has gotten to be a lot more. Certainly the Kirchners were much more anti-American, and anti-IMF. They had Montonero friends. After I left, they hosted a Summit of the Americas in which they basically insulted President Bush to his face. But that was years later.

Q: Well, Chavez has been messing around there, or was.

POTASH: Again, that was after my time. Oh, I was there when Venezuela had the famous coup against Chavez that we refused to declare a coup. This would have been in April 2002. And Otto Reich was visiting Buenos Aires. He was given a recess appointment as WHA Assistant Secretary, but the Senate would not confirm him. He'd also been Ambassador to Venezuela before that. He was quite charming during his visit, and at one point he did a press thing to say, you know, I'm not as bad as I've been demonized. But the attempt against Chavez happened while he was there, and Washington was refusing to call it a coup. In fact, we even almost recognized the temporary government until they started pulling some really bad things. And while Reich was visiting, Duhalde came out and said, "This is a coup." I found it interesting that it was the Argentine government and not the USG that took the stand that you don't say something is or is not a coup just because you like or don't like the person it's directed against. Something similar happened with Honduras a few years later, when some in the U.S. refused to acknowledge Zelaya's ouster as a coup. Argentina has seen itself as a regional power and thus not always happy to see other powers contesting their influence. Certainly there have been past eras when the Argentine government saw the U.S. as a hostile influence.

Q: Well, sort of going back in history, but at the time you were there --

POTASH: I mean we meddled in their elections in the ‘40s, so yeah.

Q: Yeah. But by the time you were there, had the problems of the disappearances and the illegal adoption of children, had then been pretty well resolved?

POTASH: It hadn’t been resolved yet. I mean by then nobody was really denying that the disappearances had happened. It was generally admitted that there had been human rights violations, although the scale of the disappearances was certainly questioned. The Madres de la Plaza de Mayo, who were extremely left wing, were still active but increasingly seen as extremists. Hebe de Bonafini made some truly outrageous statements. The grandmothers of the Plaza de Mayo were more respectable, and they were the ones focused on recovery of illegally adopted children. Certain wings of the Peronist Party still glorified the Montonero past, and these gained more influence under the Kirchners. I think there was some unease about their influence because during the 1970s the Montoneros killed people too. It’s not that the military spontaneously decided to go around killing people. There was a lot of ‘70s era urban revolutionary activity that they were reacting against. So there was still a lot of division within Argentine society, between the people who were more conservative and the people who thought that nothing good could ever come out of the military.

Q: Now, how stood relations with Chile?

POTASH: Well, let’s see. By that time Pinochet was gone. Argentina and Chile had come pretty close to war over the Beagle Channel, but that was a number of years before I got there. A certain amount of rivalry remained. President Menem, after he left the office, was dating and later married a Chilean woman, Cecilia Bolocco, who was a former beauty queen, entertainer type. She had a sympathetic role on the original version of the telenovela Ugly Betty, playing herself. There were probably some snide remarks made about the relationship, but as far as I recall, relations with Chile were pretty decent. The Argentine Military had already made its strategic decision to get out of regional confrontations --including their incipient nuclear program -- and specialize in international peacekeeping. So that was where their focus was. I didn’t notice anything particularly hostile with Chile. There is an old rivalry with Colombia over soccer, Brazil was a rival in soccer as well in regional influence, and of course the Brazilian devaluation in ’99 started the chain of events that led to their problems while the Brazilian economy bounced right back.

Q: But I mean it wasn’t front page. What about Falklands, slash, Malvinas? Was that a --

POTASH: Always an issue of Argentine national pride, but not a very active confrontation. I think at the time there was some discussion about whether ships could make direct trips from the islands to Argentine ports. There was even a teenaged boy from the Falklands/Malvinas, a promising soccer player who got a tryout at Boca. That made the news as a human interest story. So relations were certainly less tense than they have since become. Of course, the last Falklands crisis led to the downfall of the military government and the reintroduction of democracy to Argentina. I don’t recall international

tensions being a big thing during my time, but of course I was an economic officer. I did pay a lot of attention to internal politics, but less to Argentina's relations with third countries. Menem had apparently once vouched for Chavez to the White House And of course he turned out to be wrong.

Q: Yeah. Well then, you left there when?

POTASH: I left there in the summer of 2002.

Q: And then where?

POTASH: I went back to Washington.

Q: What was your thought as you left, wither Argentina?

POTASH: Oh, I was so sad. A lot of it was personal. For instance, my parents had for years kept a box of small household items that they needed to make their lives comfortable in the apartment hotel they always stayed at. And they would leave it with my father's publisher in between. So when I came down there, she brought me the box and I used some of the things and I kept them for my parents when they came. Well, as I was leaving, I disposed of the contents of the box. I gave some of it to friends, I took some of it home. And this final disposition of the effects meant to me that they likely weren't coming back and that I wasn't coming back, and it was just very sad. But then the way the country had fallen apart also made me very sad, and reluctant to revisit. Even so, I'd say it was my favorite country to have been assigned to. Also, the new econ counselor was coming in as I was leaving, and I really didn't want to be hanging around having to go back to my old job when I'd *been* econ counselor.

Q: Yeah.

POTASH: So I went home.

Q: So what job did you -- you went back to Washington.

POTASH: I went back to Washington. I worked in the Office of European Union and Regional Affairs, EUR/ERA, which was an office that I had my eye on for at least a decade. I'd I lobbied very hard to get this job and I thought I had a good rapport with the guy who was doing the hiring. And of course by the time I arrived, he had gone on to his next assignment. The new person -- when I mentioned to my colleague, the political counselor in Buenos Aires, who the new deputy director was going to be, he gave me a funny look and he wouldn't say anything more *(laughs).*

Q: Mm-hmm.

POTASH: So I came back to a country that was changed by 9/11, most of which I had missed. Being overseas, you just didn't realize what the changes had been. Came back to,

you know, obviously a different administration from when I'd last been in the Department. And so I spent two years in EUR/ERA. The first thing that went wrong was they had been moved out of the office space I remembered them having, so I had to retrieve all of the office packages I'd pouched to myself to what was no longer the right office. I wound up in a rather small cubicle initially, because everybody else had come in before my arrival and taken over the better offices. And I was given a telephone number that I knew had been that of the receptionist in the old days, so whenever the main State switchboard had to transfer somebody to EUR without further information I tended to catch the call. I should have protested at the time, but by the time I thought to do so the number was on all my cards. The office handled US-EU relations. I was on the political side, as opposed to the economic side. So that was kind of an interesting change.

Q: So what --

POTASH: Oh! I took the Spanish exam at FSI right after arrival and this time wound up with a four-four-plus in Spanish. I remember coming in to the room and asking, "Do you mind an Argentine accent?" And either the tester or the native speaker was Argentine, so they said no, they didn't mind it. And the other one was Venezuelan, so when I could refer to Carlos Andres Perez as CAP, that kind of thing *(laughs)* I think that impressed them. It's always helpful to get on the good side of your testers. So two years in EUR/ERA. It was the period in which the Iraq War began.

Q: Mm-hmm.

POTASH: And our relations with the EU were not always pleasant about that issue. We were trying to get cooperation on counterterrorism, on a broader Middle East initiative, which we kept renaming a couple of times. It was going to be the Greater Middle East. Apparently that had Nazi connotations, we changed it to Broader Middle East. I was in EUR/ERA for two years, 2002 to 2004. As always, there is a lot less autonomy in the Department. I didn't seem to have a portfolio that made sense. The office had divided responsibilities both by substantive area and by the level at which we interacted with the EU. We had periodic meetings with the EU at the summit level, we had ministerials, we had meetings that might be at undersecretary level or at a more working level. At lower levels you might have some control over the agenda through discussions with your opposite number. I had the ministerials and the summits, where there is very little autonomy for a desk officer to propose agenda items.

Q: Yeah.

POTASH: You really have no input for meetings at that level. The White House takes over completely on the summits, the secretary's people take the initiative on ministerials. A lot of what I wound up doing was transmitting our proposals for dates and agendas to the EU side. I also made arrangements for the Troikas, which were approximately 20 different regional or functional level conferences, mostly the at the deputy assistant secretary level. And that I could get more involved in. But much of what I did involved persuading the U.S. leads to do the meeting at all, passing along agendas, scheduling

videoconferences when they were unable or unwilling to travel. I did get to know a few people around the building, which was useful. But a lot of them saw the Troika as an obligation they didn't necessarily want to do. The people in EUR were different. Deputy Assistant Secretaries in EUR were generally interested in discussing the Balkans or Central Europe with EU counterparts. I was quite pleased that I was able to help get the deputy assistant secretary who did Eastern Europe together with his European counterparts. Eventually they kind of had each other's cell phone numbers and when something bad happened in Belarus they were on the phone crafting a statement. So I figure I kind of influenced that a little bit. I also had a substantive portfolio managing U.S.-EU relations over the Balkan area (minus Romania and Bulgaria which were in the process of joining the EU), though the EUR Balkan desk officers as well as EUR/ACE (Office of the Coordinator of U.S. Assistance to Europe and Eurasia, Bureau of European and Eurasian Affairs) were already coordinating pretty closely with EU officials over the Balkans.

Q: Was Russia included in your portfolio, or was that separate?

POTASH: You know, I can't remember. I might have covered it at some point, but temporarily. I also was in charge of doing an instruction cable for all EU capitals in anticipation of the EU's monthly ministerial meetings, called the General Affairs Council, the GAC, which later became the General Affairs and External Relations Council, the GAERC. This involved finding out every month from our people at USEU Brussels, who were pretty good at their jobs, what was going to be on the agenda of the next foreign ministers meeting, and what our views on the subject might be, and then checking with all the relevant offices in the Department that had equities in those issues, distilling it, drafting the cable, and getting it out to all twenty-seven embassies so they could deliver these views to their host government contacts before the ministers left for Brussels. This was sometimes rather difficult, because the agenda wasn't published ahead of time, and the Greek minister might have to get on the train to Brussels before Athens got our cable. But I think they were useful. And you know, it was a way of sticking our nose into a tent we had no invitation to.

Q: Were there any indicators at the time you were doing this about the European debt crises and --

POTASH: Oh, we're talking 2002 to 2004. I think the economy was going pretty strong at that point. We'd recovered from the dot com bust, and this was the time when we were getting tax cuts in the U.S. because we were going to have too much money in the Treasury. The issues that I recall being touchy tended to involve the Iraq War, our trying to get the Europeans on board. After the invasion, the Europeans were more amenable to cooperation on the reconstruction effort. At one point I was assigned to listen in to the early morning conference calls between our people -- it would have been Al Larson, who was then E (Undersecretary for Economic, Business and Agricultural Affairs), Dov Zakheim, the Comptroller at DOD, several international organizations, the Japanese, and the Europeans – both the EU itself and the Presidency country. The call had to be at 7 a.m. because of the time differential between Europe and Japan. I remember that

somebody in Rome had Vivaldi playing whenever they put the phone on hold. I don't think the Italians realized that whenever they took themselves out of the conversation, Vivaldi played over and drowned out the entire teleconference. I didn't say anything, of course, since I was just taking notes for my boss, who wanted to be able to let the Assistant Secretary know before the Secretary's 8:00 staff meeting if anything important had happened. At that point I was coming in quite early for logistical reasons, so it was not much of an imposition to monitor the call. After a while, I did get to expand my areas of responsibility. I had taken on the whole issue of European defense, the relation of the EU's incipient common defense policy and the NATO obligations of European member states. Our NATO office, channeling DOD views, was very concerned about how development of European defense institutions might affect NATO, and we had to manage that. I also somehow got responsibility for U.S-EU discussions about the China arms embargo. I eventually wound up with quite a few miscellaneous issues that I was following, but never felt that I had a real portfolio that I could manage.

Q: Well, what did we do with the Chinese? We were keeping the Chinese out of things?

POTASH: Oh, no, the Chinese arms embargo. That was a relic of the Tiananmen Massacre , where we had said we weren't selling arms to Chinese, and the EU had a similar embargo, although it was enforced variably across the EU. And there was a great deal of pressure from some quarters -- I think mostly France -- that it was time to lift the arms embargo because they wanted to sell to China. Now, this was the time when we thought that our Asian partner was Japan and the Europeans were already saying their most important Asian partner was China. So they were very anxious to maintain good relations with China, and you had a lot of people pressing, including the Chinese obviously, for lifting the arms embargo. And the EU then tried to argue that lifting the EU embargo wouldn't mean they would actually sell arms, because they would be replaced with national embargos. And I think while I was there, we managed to hold the line. And it was an issue that was very dear to the hearts of certain people in the Department. So we were constantly putting in language about this issue into our demarches. We also had some counterterrorism language that we were trying to get the Europeans to buy into. We were negotiating to get a strong counterterrorism message in the joint statement that would be issued after the summits. These were the days when the Homeland Security Department was first being put in place and colleagues of mine -- I didn't do so much of that -- had to deal with aviation security – the intersection of European privacy legislation, and our desire for our airlines to know everything about everybody who's flying. And at one point, I believe that my colleague who covered that issue had a better idea than DHS (Department of Homeland Security) about what we were doing, because the DHS people from different legacy agencies weren't talking to each other so well. So I --

Q: Well, it sounds like you've got a good feel for the complexity.

POTASH: Oh yeah. But you know, I'm a European historian by trade, I've always been interested in the European Union. And this was at least the second time I dealt with U.S.-

EU issues. So I felt like I knew about them -- although I'd been away from EU issues for five to ten years and they had changed a lot of their bureaucracy and their nomenclature.

Q: Well, did you feel that -- I mean this was -- the various bureaus and all dealing with this was a mature, well operating organization, knew what it was about or --

POTASH: The EU?

Q: Yeah, at your level, were there divisions --

POTASH: Yeah, they're very professional. The EU commission was a big bureaucracy, but I dealt a lot with the European Council staff. At the time, the EU delegation in Washington represented the Commission, not the EU Council. The Council had the lead on foreign policy, but not a large staff, and no one on the ground here. What they had was Javier Solana, who was a very experienced diplomat. He would come here with maybe one or two people and do consultations. He was a good guy, so most of the Washington principals were happy to meet with him. But the EU delegation wouldn't take the responsibility for his relations with the U.S. They wouldn't request port courtesies for him on arrival, and they didn't request the meetings with U.S. officials. I wound up doing the requests for port courtesies (that is, VIP treatment) through our protocol office. That situation has now changed. Since 2009, when the EU institutionalized the Council Presidency, the Delegation has officially represented both Commission and Council. But during my time in EUR/ERA, our Washington interlocutors were the Commission officials, who were all nationalities, whom we got to know pretty well, and then every six months we'd go to a different embassy when their government took over the rotating EU presidency. There was always a big meet and greet at the beginning of the presidency. So I dealt with the Italians, the Greeks, the Irish, and the Dutch who were about to take over the presidency as I left. The presidencies took on different personalities with different countries in charge. But even though the EU had a lot of different nationalities to cope with, they were certainly not dysfunctional. The EU was a worthy opponent. They were always trying to increase their influence in international affairs. For instance they kept trying to push for an extra seat for the EU Commission on international bodies where they already had a significant voting bloc of 12, 25 or 27 member states. Holding the line on that was one of the institutional positions that we tried to maintain. Sometimes we had to convince other substantive offices of the importance of defending this principle. I wasn't doing economic issues with them at all, which was interesting because I'm an econ officer. We had our office split up into two sections, one was political and the other was econ. And the desk for the OECD (Organization for Economic and Commercial Development) at the time was in the econ side. EUR later managed to hand responsibility for OECD relations back to EB (Economic Bureau) because it had gotten to be much more than a European organization. But at the time, when EUR/ERA was still acting as OECD desk, they always had to deal extensively with EB because the head of the U.S. delegation to the OECD meetings usually came from EB. It stopped making sense to have an EUR officer prepare briefing books for the EB assistant secretary.

Q: Well, did you feel that the EU -- was there a significant sort of let's stick it to the Americans?

POTASH: Oh, among some people. I'm sure there was. But that kind of thing was more evident in the European parliament.

Q: Well, it struck me as being a non-working --

POTASH: Well, it's -- you know, the European Parliament is elected according to party line across countries. And since much of the electorate takes little or no interest in it, it's very easy for dedicated extremists to get elected. However, over the course of the years, the parliament was given more of a role in approving budgets and approving the slate of commissioners. I think at one point they said no to an entire slate – after there had been some corruption issues on the previous Commission. And parliament had some very anti-American ideas or views that opposed our positions in several areas. I didn't cover these issues, but my colleagues who worked on adoption, or environmental issues had to reckon with the European Parliament. I had no direct responsibility for relations with the European Parliament and I don't think I ever had much to do with it. I think one of the U.S.-EU summits may have had a component that involved exchanges between Congress and the European Parliament.

Q: Mm.

POTASH: But I definitely didn't have the parliament on a regular basis. As far as I know, they were competent, even if some of they may have been more or less anti-American. But they were defending their view of things.

Q: Yeah.

POTASH: The EU view of regulation and the U.S. view of regulation are coming from totally different perspectives and they often clash. The EU tends to be much more prescriptive. They've got a different concept of privacy than we do. The Europeans tend to worry more than we do about businesses having access to and sharing personal information. So there were difficulties. But I didn't mostly deal with the substance; I dealt with the mechanics.

Q: Well, this is probably a good place to stop. You left that job when?

POTASH: I left that job in the summer of 2004 and although I was not all that keen on packing up again only after two years back in the States, I wound up in Nicaragua.

Q: OK. And so we'll pick it up in Nicaragua.

POTASH: OK.

Q: OK, let's take a look at the calendar. OK. Today is the 25th of January, 2013 with Janet Potash. And we're not quite sure where we left the last one. So we're going to start in Nicaragua.

POTASH: I'm pretty sure we did leave when I was going to Nicaragua.

Q: OK, when did you go to Nicaragua and how long were you there?

POTASH: I was there for two years. It was a two-year post, which later became a three-year post as I was leaving. When tours were two years too many people would be leaving at the same time. I arrived in July 2004, touching down as I recall on a major Sandinista holiday, and I was there until the summer of 2006. I was the economic counselor, the first time I'd actually been officially in charge of a small office. There was a separate political section. Before I went down, I had the opportunity to consult pretty extensively with Washington officials interested in Honduras, including with INR. And fortunately for me, the outgoing Econ Counselor was an A100 classmate who met with me while he was doing his consultations and also left me a very useful write-up of the issues and personalities he had dealt with. The Americans in the Econ section were me, the deputy who also ran the commercial office because we were a non-commerce post, a junior rotational officer who was frequently dragged off to help out in the consulate, and a dedicated property officer, because of Nicaragua's history with Sandinista confiscations and expropriations. There were four FSN positions as well. Two reported to my deputy, one designated as economic assistant and one as commercial assistant – but the commercial assistant was paid for out of the State budget. The property officer supervised two local lawyers to help with settling expropriation cases. There was also an Agriculture FSN, officially supervised by the agricultural attaché who was based out of Costa Rica. The agriculture specialist more or less coordinated with me and generally showed up at our staff meetings. So.

Q: OK, who was the ambassador?

POTASH: It was Barbara Moore when I arrived. And she, unfortunately, had very serious medical problems and had to leave midway through. There was a long interregnum. They sent in Oliver Garza, who had been the previous Ambassador to Nicaragua, to try to work some political magic. I'll get to that later. And then Paul Trivelli came in before I left, and he had actually had my job many years earlier. So that was the second time I had a boss who'd already done my job. Always interesting *(laughs)*.

Q: OK. Well now, let's talk about Nicaragua. When you got there what was the status of things there?

POTASH: It was complicated. Of course in 1990, the Nicaraguans had actually voted the Sandinistas out of office and they had elected Violeta Chamorro, who was kind of an icon of democracy, she had, you know, had --

Q: Yeah.

POTASH: -- She had complicated family politics with people on both sides of the conflict. She was in poor health, I think. So in 1996, when she left office – at that time the Nicaraguan constitution did not allow for the immediate reelection of a president, but they could be reelected after a cleansing interregnum out of office -- the Nicaraguans had the misfortune to elect a charismatic crook named Arnoldo Alemán to succeed Violeta. He had been a very popular Mayor of Managua and belonged to the main anti-Sandinista party, the Partido Liberal Constitucionalista (Constitutionalist Liberal Party), called the PLC. And he had a lot of influential supporters in Washington, so anything that Washington did or that we did in the Embassy was immediately made known to him by his friends. Alemán had served his six-year term and left office in 2002 to be succeeded by his former vice president, Enrique Bolaños. And Bolaños had taken either a very courageous or a politically irresponsible step of deciding that the corruption under Alemán was so bad that it had to be dealt with. And he pretty much broke with Alemán, who had been his political boss in previous years. Bolaños had no standing in the party. He had very few supporters in the unicameral National Assembly. He had managed to get Alemán convicted – I believe with the help of the Sandinista-dominated judiciary -- but Alemán I think never actually went to jail or only briefly went to jail. He was put under house arrest because he was apparently so fat that he couldn't be safely imprisoned. But he was still very powerful. And so in order for Bolaños to get anything through congress, he had to deal with the Sandinistas who had a very substantial parliamentary presence and who also still controlled most of the judiciary, the electoral mechanisms, and of course the army and the police were still the Sandinista Army and police forces. The Sandinistas were reasonably popular. The Sandinista electoral base was around 30 to 40%. So if the opposition was divided, they would win elections, and they did everything they could to divide the opposition and exploit their control of electoral mechanics. When I was in Nicaragua, they had regional elections, which the Sandinistas mostly won, including taking over the traditionally very anti-Sandinista town of Granada. Daniel Ortega was very much a presence and he and his wife suddenly became converts to Catholicism, so they won over the politicized Catholic hierarchy at the time to kind of take their side.

The Embassy and WHA were very concerned about the direction of Nicaraguan politics. The Bush administration at the time included political appointees who if not pro-Alemán were certainly strongly anti-Sandinista. The decision to cut loose from the blatantly corrupt Alemán had no doubt been difficult – and some in Washington still questioned whether it had been wise. We were pretty invested in Nicaraguan politics. We had sort of adopted a young politician in Alemán's party, the PLC, called Eduardo Montealegre, who had previously been finance minister and foreign minister. By the time I arrived he had left office to pursue his political ambitions – Nicaraguan rules did not allow people to campaign while in office. But the idea of what we were trying to do was to get the PLC to abandon Alemán and support Montealegre, who'd have a better chance of getting elected. Part of what Oliver Garza was supposed to do while he was in the country was to act as an emissary to try reconcile the disparate wings of the PLC under the leadership of a more or less clean politician, and try to get them to jettison Alemán. He had drawn up lists of political contacts and had everyone in the embassy involved in a series of

meetings with various political figures to test the waters for a political reconciliation. It did not work. So there were a lot of debates within the embassy or the government as to how far we should go in pursuing corruption within the PLC. I guess we had made the decision to abandon Alemán and to go after him and his family for corruption issues. And some of his properties in the States had been forfeited under U.S. asset forfeiture procedures and part of the proceeds returned to the Nicaraguan government. We had a legal attaché in Managua who I believe had come on loan from the U.S. Attorney's office in Seattle to work on anti-corruption issues. At the same time, there was kind of a reform movement within the Sandinista Party, spearheaded by a man named Herty Lewites, who was the former Mayor of Managua. He had been the mayor when I arrived and he later left and was replaced by a more hard line type who then promptly tried to undo everything Herty had done, including taking his name off a newly-dedicated public park. So Herty was the hope of the Sandinistas, and there was this prospect of a four-way election where Montealegre would take votes from the PLC candidate -- if we could not convince the mainstream PLC not to run a candidate, which of course they did, and who turned out to be the then vice president, who was an *extremely* sleazy figure. And then Herty would take votes from the Sandinistas. And people in Managua were always saying you can't trust Herty. He had been the money man for the Sandinistas during their rebellion. He had not actually had a very violent Sandinista past, but was probably on one of our exclusion lists. So the embassy was quite intrigued with him, you know, talked to him, and other people were saying no, you can't trust him, he'll do something to ruin your hopes. And what he did was to die of a heart attack *(laughs)*. So that kind of – put paid to any candidate taking votes from the Sandinistas. There were of course lots of conspiracy theories around his death because he was reportedly on blood thinner before he'd had open heart surgery, which is kind of a no-no. And so eventually after I left the Sandinistas won the presidential election. But while I was in country we had weekly meetings to discuss how we could use our resources to influence the situation, how do we try to use PD funding and to use --

Q: PD being public --

POTASH: Public diplomacy. They had some funding that could be used for small programs. There was AID funding, democracy funding, and there was DRL funding, I think. And then you had IRI (International Republican Institute) who had a guy that was kind of controversial who was I think a Dominican. He would come in and also meddle in PLC politics. So the people in Washington were pulling in many directions in their desire not to have the Sandinistas come to power.

Q: Well, was anybody in the embassy say a different tact, say OK, the Sandinistas are gathering strength and, you know, may take power.

POTASH: We should get to know --

Q: How can we work with them?

POTASH: Yes -- fancy you ask. Well, the political counselor when I first came in had been -- I think he was a Cuban born and he was very anti-Sandinista. Later went on to work at the NSC where I ran into him a few years later. He was succeeded midway through by a woman who had just come out of Iraq, Victoria Alvarado. She'd joined the Foreign Service rather late. And she had begun her career in Venezuela where she had told me that she had tried to convince her boss at the time that Chavez was going to win the election. Said yes, he's a clown, yes, he's all that you say, but he's going to win. So she convinced the front office that we should be talking to the Sandinistas. And she also asked me to go along to meet Bayardo Arce, because he was one of the original comandantes and was known to be their businessman, who was also probably quite corrupt. So she and I went and called on Bayardo Arce.

Q: When you say corrupt, are we talking about an entire political class or society that was corrupt, or were these people who were corrupt who stood out because the rest of the people weren't?

POTASH: I think some of them stood out because they were more corrupt than usual. I don't know that anybody was totally pure, but of course the Sandinistas had come to power against an extremely corrupt government -- the Somozas were very corrupt, in fact it was their misappropriation of relief funds in the wake of the 1972 earthquake that brought the Sandinistas much of their popular support. The Sandinistas came in and they expropriated or confiscated a lot of private property, and then turned it over to their supporters, including many Sandinista bigwigs. One of the issues for us is that there were an awful lot of American citizens whose land was confiscated by the Sandinistas. And we espoused the claims not only of Americans whose land was confiscated, but also of anybody whose land was confiscated who subsequently became an American, of which there were quite a few given the history of the '80s. So as you know the Sandinistas went out of power in 1990. And I think until 1994 we were still adding people to the rolls of expropriated U.S. citizens. And we also had this legal requirement where we had to certify that the Nicaraguans were making progress or else all sorts of bad things were going to happen to our assistance. And there had been one year when we hadn't certified it. There's a well-known report that we do every year in EB, reporting on investment disputes and foreign government expropriations all around the world -- well, Nicaragua, by law I think had its own annex in which we just listed all of the properties we couldn't get back. By the time I arrived, we had pretty much restored everything that was easy to restore. And there were just some remaining cases that were not solvable -- they were really, really tough.

Q: Was there any real restoration while you were there?

POTASH: It had slowed down by my time. We were making at least some progress but then half-way through my tour the Sandinistas helped pass a new law that made it more difficult. Some of the restorations were not literal restorations, but settlements. So if you could get the expropriated person to agree to some compensation, which could be money, it could be getting some other property back, we could close the case. There was one case where the claimants were simply impossible. It was a couple, who quarreled with

absolutely every person they ever dealt with and then wrote nasty letters to Congress about it. I managed never to get introduced to them by name, which was just as well. But they had totally burned my first property officer who was extremely charming and persuasive -- she was an interpreter on a civil service excursion tour, Puerto Rican born. And she, you know, really interacted and got to know all of the claimants, but was absolutely unable to get through to this couple. And then, the next property officer came in and she was also quite fluent in Spanish and was a former PD officer. And she thought, oh, I can make a fresh start to deal with this case. And you just couldn't. And all that happened when you got to know them is they started writing nasty letters about you. At one point the Ambassador saw them, which I would never have recommended had I been able to prevent it. But they had a lot of friends in Washington too. But so the property claims issue -- yes, we did make progress. And until midway through my tour when they changed the law to make it more difficult, put in a new administrative body for property claims and made us run all cases through them, we actually had been making progress. The pace of settlements was down considerably, we had already solved thousands of cases and I think we were down to several hundred outstanding ones, it might have been close to thousand. And we would maybe settle 10 cases a year. Some of them were just never going to get settled, either because they were too difficult or because the claimant was unreasonable. So they're probably still out there. -- I'm sure they're still being reported. Anyway, to get back to Bayardo Arce, Victoria and I went to call on him and talk to him, and of course he sounded quite reasonable and pragmatic, and I wrote the thing up under a cable we titled "Coffee with a Comandante, which was a kind of exciting thing to do. I think he's still around. Also, while I was in Nicaragua we had a succession of very bright mostly female young, recent business school graduates come to work as our economic or commercial assistants. And one of them had Sandinista parents. Her second name – her mother's last name -- was the same as Daniel Ortega's second name. And I'd asked was she related, and she thought well maybe some kind of a cousin. Her father was a policeman, so he was obviously a Sandinista. And she later told us that when she was born her father had been in hiding in the mountains. So she brought an interesting, different kind of perspective to the section--

Q: Well, was the embassy, would you say it was divided at looking at things or was it pretty much on target?

POTASH: Oh. Well, for one thing, we were physically divided. The embassy was still in the metal huts that were put in as a temporary measure after the '72 earthquake, and some other offices, including USAID, were across town. We broke ground on the new embassy while I was there, which brought all the sections and agencies onto one compound. I had a very good working relationship with the second political counselor, and we tended to see things from a similar perspective and we didn't have the problems I'd sometimes seen previously with say the political officer writing on economic topics without checking with econ. There were some -- I don't know if they were political or just simply turf battles between the Political Section and AID after they brought in a new guy to do democracy programs, and he was something of a self-promoter. Anyway, they were not always on the same page—which tends to be typical of State and USAID. And of course AID was across town so you didn't talk to them face to face so often. Also I remember

our military people at one point were going to open some project with a ceremony and the Ambassador, who should have been invited to preside, hadn't been told about it. This kind of petty turf fighting and miscommunication is probably pretty common in embassies, but normally I think we got along pretty well. Of course the embassy was falling apart physically. My last day at post the, roof suddenly opened up over the back of my office and let in a lot of water. Also I recall that at one point when the defense office had a piece of equipment arrive that didn't fit through their hardened door, GSO simply used the equivalent of a can opener and brought it in through the outside wall. That gave us all a lot of confidence in the security of the Embassy.

Q: Well, what was your impression of the economy? I mean how things were run? I mean was this a working or a non-working country? I mean --

POTASH: They had some long running economic issues that were kind of intractable. There had been past use of a pesticide called DBCP in the banana fields that supposedly could cause sterility in humans and there was a long running case against a U.S. company (Dole) about that. While I was there we got CAFTA (Central America Free Trade Agreement) passed. So things were picking up. Nicaragua had been among the more prosperous of the Central American countries before the Sandinistas took over. And when I had been in Honduras in my first tour there was some discussion about whether they'd managed to tank the economy enough so that Honduras was no longer the poorest country. By the time I got to Nicaragua, you know in the interval between the first and the last posts of my career, I think Nicaragua may have become the poorest Central American country. You know, lot of Nicaraguan businessmen, lot of people would spend some time in Miami. So you had a substantial Nicaraguan-American business community. There were areas of prosperity, some good seacoast that they were developing. You had a lot of Americans coming in thinking that this is going to be their retirement home, or they're going to build a resort or a retirement community. There was one group of investors who had decided that they were going to do a new kind of hotel, a residential complex that my deputy got very involved in advising and counseling them about. And then they ran across some issues of land rights. There were always problems about land rights and you had, you know, people coming in and squatting and you couldn't get them out. Managua had a department store. It certainly wasn't a basket case in terms of the economy. There were some prosperous businesses. I think they had a casino operating in town. So it was, you know, an interesting place to be.

Q: What was the economy? Is it bananas?

POTASH: Yeah, there were bananas. Although, as I said, because of that lawsuit there were some issues with the bananas. Coffee. Very good coffee. And they had a maquiladora industry. So they were in the process of joining CAFTA, the Central American Free Trade Association, It'd been negotiated and was being ratified when I was there. So one of the things that I had to do was convince the Sandinistas that they should let CAFTA get ratified. And they did indeed agree to do it. But there was a lot of delay and some suspense about the ratification. They eventually agreed to let it through, but I think there was an awful lot of oh, can we get it through, can we not get it through kind of

thing. What we did, and this was mostly my deputy's idea, was to work with the local business associations. Not so much the Am Cham (American Chamber of Commerce) as the local business associations, get them to espouse it and, and advocate how it was a good idea. There were a number of industrial processing zones. There were some Americans and some Korean factories that were doing reasonably well because of our textile programs.

Q: Well, were we bringing in AID projects?

POTASH: Oh yeah. AID had agricultural experts and was very involved in trying to get people to do nontraditional crops. I remember visiting a farm they had worked with. There was an American who had a shrimp farming plant there. His wife was extremely active in the local community and had worked for AID at one point. They later sold the shrimp farm to a Spanish company but stayed on managing it, and they also were involved in growing okra. While I was there, Nicaragua became a Millennium Challenge Account country. So that was another thing. That was another piece of bureaucracy that came in. And there was rather an issue about the youngish guy who was in charge of the Millennium Challenge Corporation (MCC) office in Managua being called the mission director, which really upset AID because mission director was their title, and they would have preferred he be called country director or something like that. Also the MCC began poaching local employees, because they had a lot of money and could pay higher salaries. But they actually were quite successful in getting some legislation done. One good thing that the MCC director did was to get together with the other donors and to get them all to agree that nobody was going to fund highway projects if the government hadn't made provisions for highway maintenance. And that was a very good initiative. Because you don't want to be constantly putting projects in and then finding you have to keep giving more money for the upkeep. We had international donor meetings, some of which I went to. You had the Swedes who were in there a lot. I think the British ambassador was non-resident but they may also have had people in country. But it was a fairly collegial group, you know, everybody knew everybody pretty much.

Q: Was the Sandinista presence made known by military policemen or something like that?

POTASH: Well no, they weren't in power at the time. They were simply -- I mean it was well known they could organize, you know, strikes to create havoc, they were very political. Certainly they won some regional elections. But they were not in charge of the government while I was there. So I mean yeah, there were policemen, and it was assumed they came from the Sandinista base. But I don't recall, you know, a militarized atmosphere.

Q: Mm. How much of a player was Venezuela at the time?

POTASH: They were making noises. Of course -- again, this was after I left -- when Ortega was back in power they became much closer. So I think they were providing medical assistance. I think the Venezuelans were funding Cuban doctors to come and do

eye surgery in Nicaragua. It was a kind of a charm offensive at the time, and they were making, you know, offers, join us and we'll help you with free oil. I think the Esso plant in Nicaragua -- the refinery -- was still owned by Esso at the time. I think the refinery was actually owned by Esso throughout the Sandinista period. I don't think they produced oil, but there was some oil exploration that was going on. That was another process of bidding for offshore oil packets, where one of the smaller U.S. economic agencies, I think USTDA, the U.S. Trade and Development Agency, had offered some funding for feasibility studies. And we kept talking to the Nicaraguans about the bidding process on oil exploration, though I don't think much was decided during my time there. So people saw a lot of promise in the Nicaraguan economy. I don't know where that is now.

Q: Well, I mean were you -- when Americans would come in to invest, how were you, were you encouraging, discouraging?

POTASH: Well, we liked to be realistic and to let them know what they could expect, you know, what kind of investment climate -- you did not have rule of law. The judicial system was basically controlled by whoever bought the last judge. And the judges took orders from their political superiors. Judges were appointed – and could be dismissed by – political powers. So parties to a case could maybe bribe a judge as long as there was not an influential political opponent on the other side. The judicial system was highly politicized. One of the things we were trying to do was to encourage alternative dispute settlement, because that kind of got you out of the corrupt judicial system. We were also doing, or attempting to do judicial training and to encourage an association of independent judges. I'm not sure how successful that was. But we were indeed focusing on good governance throughout the entire period. So yeah, there were pitfalls. And we tried to be pretty realistic, you know, to give businessmen an understanding of what they might be in for.

Q: How was life there?

POTASH: Oh, it was quite pleasant. There was I think a rainy and a dry season, you know. There was a fair amount of crime. I had my purse stolen from my car when I was stopped at a traffic light the week before I was supposed to leave the country, which was rather traumatic. I lost important documents I was carrying, and more cash than usual, and I had to get a new emergency passport – not even a dip passport – to leave the country. But up until then, it hadn't been too bad. The embassy put night guards on all the residences. So you had a watchman from six p.m. to six a.m., something like that. I would ask my maid to please come in before the guard is gone so that the house isn't empty, and stay until either I got back or the night guard returned. My house was gated and had bars on all the windows. I was in a rather cute little house, with coconut palms and mango trees in the yard. The mangos would rot and fall onto my roof with a thud, and at one point the Embassy couple next door asked if they could harvest some before they went bad. Till then I hadn't realized what the noise was. You know, there were things to do in Nicaragua. There were colonial cities to see. If you were an outdoor type, there were volcanoes and trekking and stuff like that, a lake or two for tourism, some

jungle explorations that I never did. Several of the Embassy people had previously served in Costa Rica, and they used to drive across the border quite a bit.

Q: Well, Costa Rica of course never had an army and seems a little --

POTASH: Well, they did have an army. They got rid of it after a civil war in the '40s, I think.

Q: Oh.

POTASH: I mean I'm pretty sure that there was an army that the new government didn't like. I think it was in 1948 that they got rid of it. Well, Costa Rica did a much better job of advertising its expat amenities than Nicaragua did. And Nicaragua was hoping to model itself to a certain degree on Costa Rica in terms of tourism.

Q: Well, Nicaragua had a rather extensive expat community, didn't it?

POTASH: Sure. I mean actually -- U.S. people in Nicaragua or --

Q: Well, I was thinking of Nicaraguans who went to the United States and became Americans.

POTASH: Sure.

Q: I mean --

POTASH: Yeah. But what I meant was Americans coming to Nicaragua for the sea and the sun and all that. Which is what Costa Rica does so well. Costa Rica has legislation in place that provides benefits to retirees with an independent income who will come and live there. As does Panama, I think. I'm not sure that Nicaragua does.

Q: Yeah. Well, how did American citizens, when they came back to either get their property or to live, were they treated fairly well, or?

POTASH: Well, some of them -- at least one family had gotten some really nice houses returned to them and they were, you know, trying to take up their old lifestyle. I think a lot of the upper class in Nicaragua while I was there had been the old upper class before the revolution and they managed to come back and some now had American citizenship. So we had a fair amount of wealthy folks who either had lived in America or were Americans who'd come back, and then there were Americans who were not originally Nicaraguans who just came down. And they tended to cluster I think around Granada, which had a sort overseas sybaritic expat community. And then San Juan del Sur was another expat center, where you had a lot of surfing types come. I think you did still have class differences. But --

Q: Were there many college graduates of American universities in Nicaragua?

POTASH: I think there must have been. They also had a campus of INCAE, the Central American business school, that was quite well respected. There was also a branch of Ave Maria College, that the Domino's pizza guy had founded. So they had some quite good local institutions of higher education. Not so much the public university, though. And one thing that we had done was try to network with those colleges. It helped when we had to hire new people at the Embassy, which seemed to be rather frequently. We would hire these really good recent graduates, because we couldn't pay what somebody who was already established would want. We also didn't want them to arrive with strange economic ideas. And then my deputy would mentor them and they would often find their way to a better paying job or pursue their graduate education somewhere else. I went through about two or three FSN's that way while I was there.

Q: Was there any sign of the Soviets there while you were there, or the Russians?

POTASH: The Russians, I'm trying to remember, I'm sure they still had an embassy, probably a largish one, but I don't think I interacted much with them. Maybe the political section or the DATT would have. I have no great recollection of Soviet influence there, other than in the names of some Nicaraguans.

Q: Well, how were relations with Costa Rica and Honduras?

POTASH: Well, there's always a certain amount of rivalry. One of the issues was with the millennium challenge account projects. One of the Nicaraguan MCA projects was an infrastructure project to do roads leading to Honduras, which is where the port would have been to get Nicaraguan exports out on the Caribbean side. And the Hondurans also had their own MCA program, and I think they were working on roads that would have gone in the other direction. So we were trying to encourage the countries to agree to hook up their road plans. There was a Central American regional integration group that people at least gave lip service to. There was a fair amount of belief in Central America as a regional concept. El Salvador of course had no contiguous border with Nicaragua. I don't recall any major tensions with Honduras while I was there.

Q: How about high-level visits, Secretaries of State or anything? OR deputies or?

POTASH: Pretty sure no Secretaries of State visited. This would have been 2004 to 2006. We had a U.S. presidential election in there. Most of the Americans that I knew in the Embassy were not thrilled with the results of the 2004 election. Most of the Nicaraguans guests that we had at our election eve party were delighted. So *(laughs)* --

Q: Yeah. Well then --

POTASH: So there was a fairly large community of returned Contra supporters. And they showed up a lot of our Embassy parties. We used the Casa Grande, which had been the Ambassador's residence at one time and had been turned into offices and kind of a reception space where you could have official parties. And I think they intended to move

the Ambassador back there when they built the new embassy in the grounds of the Casa Grande.

Q: The -- I was trying to think of -- drugs.

POTASH: Yeah.

Q: What was the --

POTASH: Transit was the issue, and with transit you get drugs leaking into the local economy as well. It was after all the Caribbean, with territory that nobody controls very well in the Miskito areas. So there was a drug trade that went on, and I think it was one of those situations where traffickers would toss out bags of cocaine that would float ashore and then people would consider this manna from heaven. We had DEA operations there, I'm pretty sure, though I'm not at this point remembering much about the people who worked there. I think drug trafficking wasn't as bad an issue as it became in Mexico, but it was a concern because of geography.

Q: Well, so then we're talking about -- you left there in what --

POTASH: I left there in the summer of 2006. And let's see.

Q: In 2006, was everybody ready for the shoe to drop, the Ortegas would take over again?

POTASH: It was not a given, though it became increasingly likely after we failed to unite the PLC behind a credible candidate and Herty Lewites disappeared from the scene. I remember the former PAO (public affairs officer) who was married to my former deputy had -- we had all left Nicaragua more or less at the same time. They were back in Washington and they gave an election watching party in November 2006 on the night of the election. I believe that the Sandinistas had written the election rules so you could win with 35% of the vote. And all through my time in Nicaragua they had a quasi-open agreement with the Alemán wing of the PLC that was called the "Pacto" under which Sandinistas had allied with Alemán's forces to divide up power on some of the Nicaraguan institutions and to make it impossible for the existing government to get much of anything accomplished.. And the idea was that the Sandinistas were holding Alemán's jail sentence over his head so that he would be their tool if he got any power, you know, he was commanding his forces to do their bidding because they controlled what would happen to him personally.

Q: Mm-hmm.

POTASH: So it was not, it was not a given that they would win, but I think it was very likely and we were not surprised.

Q: You know, looking at it, did you see this as a particular disaster or just --

POTASH: Sad. I mean I saw it as sad. You know they maybe had a chance not to go back to the old ways. The Sandinistas when I was there were not revolutionary, they were a corrupt political party who were, you know, kind of theologically anti-American, so that didn't help matters much. But they had, say, 30 to 40% support in the public, and they also had a lock on the electoral process. Their loyalists controlled or had dominated all of the electoral machinery. And they could pretty much make the rules – in fact, after Ortega won the presidency back they managed to change the rules so he could be reelected. But there was a possibility we could have worked with them. The Millennium Challenge people were actually working in areas that were already dominated by the Sandinistas, and their official position was as long as the Sandinistas were willing to work with them, they would continue with the program. And they had made commitments to let the infrastructure projects pursue. I think eventually they pulled out after the Sandinistas did something too egregious once they got into power. But our official position prior to the election was that we would work with them if they were elected. And at the same time we were also trying to go after people for corruption using the visa system, making strategic use of our ability to deny visas to the families of people that were extremely corrupt, for instance Alemán's wife and daughters . That was done out of the Political Section with a lot of oversight from the Front Office and it was a huge effort to get clearance for each case every time we wanted to do it. And the evidence was almost always there, but it was a political decision made in Washington (where the DAS in charge was Dan Sullivan, who later ran for Governor of Alaska), about whether we might get better results from pursuing cases to their conclusion or from holding off. I'm not sure how successful our use of that kind of leverage was. But it consumed a great deal of attention.

Q: Yeah. So where'd you go?

POTASH: I went back to Washington. Nicaragua was my last overseas post. It actually would have suited my career path better to have stayed overseas another year. At that point the most time you could spend in Washington was six years and I was counting out the rest of my Foreign Service career in two-year increments to see if I would have to move overseas again before retirement. And it turned out that I came back a year or two too soon if my goal was to stay in Washington till I hit time in class or mandatory retirement. So I came back and I went to work in AF/EPS, which is the Economic Policy Staff of the Africa Bureau. It was run at the time by Mary Jo Wills, with whom I had been in the econ course, so she knew me and we liked and respected each other. And then the deputy office director was somebody I'd also worked with earlier in my career, and got along well with. So at least for the first year, I worked very well with the Director and Deputy Director in AF/EPS. I was recruited to go work on the AGOA (African Growth and Opportunity Act) account. I coordinated trade issues in the Africa Bureau and one of my major responsibilities was the AGOA forum.

The AGOA act originated under Clinton but it was very much adopted by the Bush administration. It provided trade preferences for African countries that met certain standards for economic openness and democracy and good governance. Which were

fairly low *(laughs)*. Pretty much everybody qualified. While it was meant to encourage trade, in fact most of the exports were oil from I think Nigeria and Angola, and as for the rest of the trade -- the biggest thing I think was textiles.

AGOA work had several aspects. There was the process of re-qualifying all of the countries every year to see whether we would include new countries or exclude current ones, a bit like a mini human rights report exercise. We would ask all the AF posts to send back their assessments, then we'd put all the pieces together and get a unified State Department recommendation, and take that to a series of interagency meetings chaired by USTR. The cables from post would go to the other agencies, but they did not always come to the same conclusions we did. The White House would then announce the beneficiaries of the AGOA preferences for the next year. We also did an annual report to Congress on what was going on in each country under AGOA. Posts did not always understand the differences between these two exercises, and we sometimes got confusing responses. Also, since many AF posts were understaffed and AGOA was not their highest priority, we had a hard time getting all the information in on deadline.

The AGOA Forum was an annual high-level meeting that alternated between Washington and an African capital. The law called for there to be a summit-level meeting at some point, but this was not held until several years after my departure. Most of the heads of delegation were Secretary of State or Ministerial level. When the AGOA forum was held overseas, the host country theoretically made the arrangements, but in practice Washington views carried a lot of weight. Within the U.S. government, the AGOA forum arrangements were run by a consortium of agencies. The legislation mentioned State, Treasury, Commerce and USTR as co-hosts, but USDA also often participated and wanted a seat at the table, as did USAID, which paid for a lot of it, including travel costs for a lot of the African non-governmental delegates. And right before I had arrived, State had somehow or other managed to take the lead role in organizing the forum away from USTR. USTR was not happy about that, and they still ran the eligibility process in which, because it was a trade issue, EB technically had the State lead. So there was an awful lot of turf fighting between State (mostly AF) and USTR. And it was complicated by the fact that OK, this was the era when the Africa Bureau was notoriously dysfunctional -- there was a rather famous very scathing report of morale in the Africa Bureau that covered this time. Our Assistant Secretary at the time was politically connected. She'd actually been mentored by Secretary Rice, I think. And she also was very friendly with a consultant/lobbyist who had been a senior Rangel staffer, and who often promoted the interests of specific African countries.

The AF front office had very definite ideas about what the priorities for the bureau should be in terms of which countries we cared about for their strategic value. We cared about Ethiopia because of their role in Somalia, even though Ethiopia's human rights record was deplorable. Cote d'Ivoire, which had an iffy situation in terms of democracy, was another controversial country. So every year we had to prepare a decision memo on State's objectives for the interagency AGOA eligibility decision for E – the Undersecretary responsible for economic issues-- to sign off on as to what our proposals were for which countries should be included. It was a joint memo signed by the Assistant

Secretaries for AF, EB and DRL. EB generally did not have strong views on country eligibility, but DRL often had human rights concerns which had the potential to conflict with AF's geopolitical strategy concerns. Generally, the memo would only mention by name a few countries that were likely to be controversial. And the thing is, AF staffers at the working level often did not know what the views of our Assistant Secretary would be in advance, so getting the memo signed out in three front offices was a delicate dance. I am told that in a prior year, the A/S had apparently changed her mind about one country in the taxi over to the high-level meeting that was supposed to work everything out. In general, the interagency would take non-controversial decisions at the working level, and then the countries that were problematic would get elevated to a more senior level. So we had several interagency fights about putting countries on, taking them off, steps to be made for them to qualify for a mid-cycle review. One of them was the Comoros, which we really wanted to be included. They'd had a coup, followed by an election, and were a staunch partner in counterterrorism, but there had been some unfavorable reports in the past, one of the islands was still in rebellion and was a financial haven. And for some reason Commerce was staunchly opposed to including Comoros. So we had this huge interagency fight that was taking up Assistant Secretary attention – it might even have gotten to the Secretary – over a little bitty set of islands in the Indian Ocean. And then we had the AGOA forums, where again, we had the usual fights about who would speak and what they would do and what kind of workshops they would run and were these topics even interesting.

Q: Hm.

POTASH: I arrived in AF right after we had had an AGOA Forum in Washington. And the next one was in Accra, Ghana. So after we'd fought this all out within the State Department and within the interagency, it turned out the Ghanaians had their own idea about what they wanted done. They were going into a presidential campaign and the guy who was in charge of the forum on their end had presidential ambitions. He didn't get elected, but he wanted to use the forum to kind of burnish his credentials. I went out there with a colleague in January to kind of scope out what the convention center that they planned to use was going to be like. It turned out not to be an ideal venue, but that decision was not ours to make. And then I was sent out to Accra three weeks ahead of time, along with some other colleagues from AF, supposedly to help the Embassy with logistical planning. But it did not appear to me that I was being all that useful, and the Embassy wasn't terribly welcoming. We also had some difficulties within AF in coordinating with the AF/EX office about how the forum was supposed to be working. They had some rather difficult long-time employees in EX. A lot of fun there. But it was a reasonably successful forum, I guess. And then the next year -- the last year I was in AF -- we had it in Washington, in the State Department. And of course holding a forum with a thousand or so people and making sure delegations were all accredited and physically getting them into the State Department was another major production. And then, so.

Q: Well, how did you feel about the Economic Bureau when you were there, about Chavez?

POTASH: Well, I wasn't in the Economic Bureau, I was in the *Africa* Bureau in the economic policy shop. So at that point EB was our rival.

Q: How did that play out?

POTASH: Well, I'd never actually been on that side of things with EB. I'd spent a couple years in EB complaining about the regional bureaus. And so I was in a bureau trying to fight EB – the issue was that EB technically had the lead in the interagency negotiations on the AGOA eligibility decision. And at one point, we had taken a stand on some bureaucratic issue about the process that my higher-ups in AF cared about. And I was trying to hold the line and USTR made a counterproposal and my colleague from EB spontaneously accepted it, without consulting or even looking at me. And he simply did not understand why we were so annoyed.

Q: Well, passions in a bureau can really rise --

POTASH: Yeah, especially on clearance issues, so --

Q: -- and if you're kind of new you don't realize that these things have been building up like volcanoes.

POTASH: Well, I was smart enough know that you are not supposed to undercut your own side in interagency meetings. I think the issue here was a cable that was going to be signed out by AF. But generally in trade discussions, EB had the State lead and AF was there in an advisory capacity only. On occasion, when AF wanted to say something we would get glared at by the USTR chair asking who has the state seat anyway? But when an issue got elevated above a certain level, I think the AF Assistant Secretary could dominate things, because the venue for decisions went from a USTR-chaired group to an NSC-chaired one, and our A/S was very close to her NSC counterpart. But it could get rather tense. I recall that at one point we had the Secretary talking to USTR Susan Schwab about one country (which may have been Comoros). We did memos to prep her for the conversation, but never found out exactly what was agreed to because the meeting was one-on-one and the two were friends. Apparently they worked out a way forward, but we never knew exactly what they said and I believe that at the working level USTR and State wound up with slightly different understandings about what had been agreed to. Todd Moss, our DAS at the time, an academic who came from the Center for Global Development and returned there afterwards, later wrote about his experiences in government in the CGD blog, citing one of the interagency AGOA disputes about a small country as an example of how ridiculous the bureaucracy was. When I read it I was furious because I said to myself, "What do they mean? It was really important!" *(laughs).* I wasn't really furious. I realized he was seeing things from the perspective of an intellectual, not a bureaucrat. I don't think he ever quite bought into the State Department view of things *(laughs).*

Q: Well then, you left when?

POTASH: AF? I was there from 2006 to 2008. And again, I really didn't want to go overseas again. At that point I had only three years before reaching the now five-year limit on continuous domestic service, and it was not always easy to find a one-year job. I was, again, not very good at finding jobs. I also thought I was aging in place at the 02 level. It turned out I did get promoted to 01 out of AF, but by then I had bid on and gotten another job. It was a one-year assignment in S/CRS, the Office of the Coordinator for Reconstruction and Stabilization, which has subsequently become the CSO (Conflict and Stabilization Operations) Bureau. But at the time it was supposedly the crisis planning shop for the State Department. S/CRS didn't have a legal persona, no Congressional authorization. It was set up by executive order, didn't have a budget, wasn't even recognized as an entity until we managed to get language into the Defense Authorization act in 2008 that allowed them to actually hire staff full time -- I was on a Y tour, which is why the assignment was for one year. We had a lot of contractors, because we didn't have authorization to hire. And this was an organization that was supposed to manage the Civilian Reserve Corps that was meant to have people ready to be deployed overseas in crises. S/CRS was supposed to represent the State Department in interagency planning for crises -- except that we weren't going to do Iraq, which was kind of a big exception. S/CRS took shape after the large-scale civilian recruitment for Iraq reconstruction started, and the leadership wanted us not to get swallowed up by Iraq needs or to be a body shop for Afghanistan. I was there for one year and that was of course the election year of 2008, with the change of administration. After the election, S/CRS was anxious to find out what the new administration would think of our role, can we convince them that what we do is good and can we convince them that we ought to be the people to continue doing it. I think we mostly succeeded, but after I left. Certainly the first QDDR recommended that S/CRS be transformed into a bureau, but I'm pretty sure that the CSO bureau is organized on somewhat different lines.

S/CRS had people who were in Afghanistan doing planning, helping brigade combat teams line up their civilian outreach activities with reconstruction objectives. I was really impressed with the quality of the planning team, but this was also the period in which it began to become apparent that our Afghanistan efforts were not paying off in terms of stability and rule of law. In other geographic areas, we were really hamstrung by the fact that the powerful regional bureaus, when they had a major crisis, forgot that we were even there. So when Russia invaded Georgia in the summer of 2008, the initial crisis group didn't even include us – we talked our way into the group afterwards. When we interacted with the Defense Department, the military types thought, "Oh, great, here's this planning cell," and then it turns out nobody listens to us, we have no resources. S/CRS had a lot of dedicated young staffers who bought into the whole military decision making process idea -- a ritual of steps to take when deciding on action – and were trying to apply it to producing doctrine for S/CRS.

Q: Yeah.

POTASH: When I asked what MDMP was, one of my colleagues explained by saying, the interagency orders a pizza, here are the steps, you know? This is how we're going to be doing it. I was on the Afghanistan team because pretty much everybody was on that

team, but when I came in they asked, "Do you want to be deployed?" And I said no. So that meant they weren't going to send me to Afghanistan. I never had a very active role in Afghanistan planning. And they also put me on the Cuba team, which -- yeah, right, we're not doing anything in Cuba *(laughs).* We're planning. Some of the background had been highly classified. But there was this thing called Commission for Assistance to a Free Cuba (CAFC) which had produced one public report a couple of years earlier, and we were supposed to be updating it. I believe CAFC was started at a time when people thought there was going to be a Cuba transition and we should decide how we would come in and help a free Cuba. Which was a fairly sensitive idea for the Cubans. And in the middle of our own Presidential transition, there was a rumor that there might be one kind of a Cuba transition almost immediately, which of course turned out to be false. So we had to have a meeting in which we dealt with what we would do, and we realized that we didn't know what we would do because we didn't have any of the new people in place. This is like January 10th.

Q: Yes.

POTASH: And our old position had been that, you know, we were not going to go to a State funeral. But we didn't know *(laughs)* what the new position was going to be.

Q: Well --

POTASH: And fortunately, we didn't have to find out. We were all hoping that if there was a decision to be made, it would not come in the middle of our inauguration when we *really, really* would not know what we should be doing. So *(laughs).* So other than that, the Cuba post-democracy plans had been classified and they became unclassified, but much of the previous work was incomplete and plans from different agencies did not always fit together. So my job was to update the plans and make them more coherent and readable than they had been. Because everybody kind of left it in a muddle. And at some point it did occur to me and probably occurred to most reasonable people that the Cuba transition had actually already happened and that they were not asking our advice.

Q: Yeah.

POTASH: And so we sort of had to finish that. And then we had a doctrine writing group that I somehow got assigned to, although I did not know very much about doctrine, as I said. That's when I found out about the military decision making model, though we never actually used it to order a pizza. There was a lot of enthusiasm for the S/CRS mission, and not just in the U.S. Colleagues were reaching out to other countries that also had little units like S/CRS. The Brits had a really good one that actually had some clout. And the Italians were developing one. I think the EU had one, Canada had one. This was the time when counterinsurgency was seen to be a very useful tool. I still think that it is a useful concept, though it has lost a lot of support through unsuccessful implementation. I guess it's sort of like what they say about socialism. Perfect socialism's never been tried, so how can you condemn it because of what actually happened? So *(laughs).*

Q: Well, were you making preparations to bail out?

POTASH: Well, no, it was a one-year assignment. I never actually did figure out what I was supposed to be doing. And I had a couple of supervisors who also could not figure out what I or they were supposed to be doing. When Richard Holbrooke was brought in to take charge of AfPak issues, there was discussion in S/CRS – I was less involved by that time -- about whether and how we were going to offer to assist. And of course Holbrooke and the AfPak people really wanted to do things their way. At the next bidding season, I decided that I wanted to do a War College course, partly because of my experience in S/CRS, but also because a long-term study program would add a year to my service eligibility, and bring my time in service date closer to my mandatory retirement age. And though I was not accepted to either the National War College or the Industrial College of the Armed Forces in Washington, I was offered a choice of service colleges. And I picked the Marine Corps War College because I wouldn't have to move and I could commute to Quantico.

Q: Mm-hmm.

POTASH: And that was -- of course it did create one problem because at the end of the course I would have been in Washington for four years and would either have to find another one year tour or go overseas. But the Marine Corps War College was one of the best experiences of my life, so.

Q: What were you doing? I mean --

POTASH: I was a student.

Q: Oh.

POTASH: Perpetual student. Yet another master's degree – my third actually.

Q: What did you come away from it knowing about the Marine Corps?

POTASH: I came away understanding a little -- a lot more about how the military thinks in terms of their worldview. And also, how little they understood about how civilian agencies operate. I mean that was part of what I was there to do. I think from the institutional perspective, they wanted civilians there to give their officers a civilian perspective. I was introduced to Clausewitz, which was really interesting. And met some very impressive officers, who included individuals from all of the services and several international students. I got to go to India. We did an overseas trip, and my group went to India and Indonesia, which actually helped me a little bit in my next assignment. And we did a research paper. I did mine on what we mean when we say nation building and why it's been so controversial an expression, why the whole idea of nation building has been so problematic. It wound up being overly long and I never did finish all the research I wanted to do. I continue to buy every new book that comes out that talks about nation building. My argument in the paper was that nation building is not the same thing as

counterinsurgency. Counterinsurgency is not necessarily nation building. Of course there is some overlap, but not all counterinsurgencies are population-centric; some counterinsurgency is just getting rid of the insurgents through violence, which often happens when the counterinsurgent power is the actual government of the territory, rather than an outside force come in to help. So I still continue to find the topic of interest, though I think we've gone through another cycle and now nobody wants to do counterinsurgency anymore. So we'll probably wind up throwing the baby out with the bathwater again. You know, it was a great opportunity -- although it was hard on my car -- it was an opportunity to learn new things, get an understanding of the whole issue of what a complex or wicked problem really is. That whole idea really fascinated me. And so it just gave me a whole new set of intellectual interests.

Q: Well then what?

POTASH: OK. I didn't have a job. I was, you know, I've always been lousy at bidding and none of my bids worked out. I came back to the Department in June 2010. I was on over complement for a couple of months, exploring what I wanted to do next. And in the meantime, my CDO said, "Would you like to go work in L, because L/Ethics has got a huge backlog in processing the financial disclosure statements." I said well sure, as long as the Department is paying me I should be doing some work. I didn't want to just take vacation days. So I worked in L/Ethics for about six weeks. And you know, it was fairly routine work and I wasn't a lawyer, so I didn't get to do any of the work that involved judgments. But I did get the opportunity to review a lot of people's financial statements. I found there was an amazing amount of difference in the detail that people put on their financial statements. The L/Ethics crew were a friendly bunch. They sent me for the official training course, which I rather enjoyed. In the middle of that I was asked to be on a promotion panel, so I did that for about six weeks. Turned out my old friend from grad school Sharon White was also on the panel, and I had known the chair of the panel before. And that was actually a good experience too. It taught me a lot about how the State Department works and also helped me see why it had taken me so long to get promoted. Writing EER's is an art that I never quite mastered – at least on my own behalf. During that summer, my A100 class had its 25th reunion at which I saw a classmate of mine, Matt Rooney, who was at that time the PDAS in H. I mentioned that I was looking for a job, and he said, I happen to have a job opening So I went over to H and interviewed. The office director happened to be another former colleague of mine, who had in fact been my successor in Honduras, and whom I had also known in Sofia when he was the head of the Consular Section. So I got taken on as a Legislative Management Officer in H. That was a two-year assignment and I obviously only had one year of eligibility in Washington left. So we went through the exercise of getting me a waiver to stay in Washington for six years. H made a really good argument about how the other FSOs were all leaving H at the same time and they really needed me to stay on for continuity. The next year there was a new office director, who was also someone I had previously known. He had been in EB, actually the boss of the staffer who had so antagonized me *(laughs)* when I was in AF. But we got along quite well. There were actually two offices for LMOs in H. The one I was attached to was the Regional one, but I was also given an account or two under the Global and Functional Office, which had a

different director, from the Civil Service. I made sure to clarify in advance how I would deal with any conflict in lines of reporting. Though I was new to congressional issues, I had at that time been around the Department for quite a while and I found that I often already knew at least something about any of the issues I had to deal with. I think I was generally treated with respect.

Q: Uh-huh.

POTASH: On the other hand I never felt like the accounts I had were priorities for the H front office, so I didn't have that much attention from that quarter. My impression was that there was a fair amount of dysfunction there; it often took what seemed like an excessive amount of time for the front office to make any decisions about assignments and portfolios. When I agreed to take the job in H it was not as obvious as it soon became that the Democrats were going to be shellacked in the 2010 elections. But by the time I arrived in September 2010, it was clear that things were not going to go well for them. So the 2010 election really radically changed how we worked with the House committees; it became much more adversarial. Not that the Senate staffers were always easy either.

Q: Mm-hmm.

POTASH: H is a curious bureau, because it's got a lot of civil service staff who've been doing their jobs for a long time, a lot of political appointees and schedule C people, because if you've got to work with Congress, you tend to hire a lot of former congressional staffers. And then a not very large group of Foreign Service Officers. H may be the smallest bureau in the Department, and probably had no more than a dozen FSOs. Although when I was there we did keep losing the non-FSO Legislative Management Officers to the bureaus that they worked with. The way that H functions is that LMOs are assigned to one or more client bureaus and their job is to mediate between the bureau and the congressional committees, staffers, and occasionally Members. The intercession goes both ways. You get staffers asking for information or assistance from desks that you must figure out how to get. And you have to prepare the bureau for confirmations, hearings, and briefings, and help them make a case for their interests with the oversight committees It took a very long time for the front office to decide what my portfolio was going to be. I wound up starting off with Iraq on a temporary basis, and I did that for a few months until we got somebody to take over the Iraq account fulltime. In the process, I got to know the issue of the Mujahideen-e-Khalq, those cultists who for years were demonstrating in front of the State Department until we finally took them off the terrorist list, right about the time I left H. I gave Iraq back to a new Iraq person after a while and I took on South Asia, which was a really great bureau, and easy to work with. Their Assistant Secretary was great and set the tone for the rest of the bureau. South Asia didn't include Afghanistan and Pakistan, by the way. We had two other LMOs dedicated to AfPak issues, which got a lot of Congressional interest, so I had to divert a lot of incoming questions to them. South Asia included not only India and other countries of the subcontinent but also the Central Asian republics of the former Soviet Union – the five "'Stans." A major issue for us was facilitating the Northern Distribution Network, through which we sent some supplies to Afghanistan, as an alternative to going through

Pakistan. We had been trying to get a national security waiver into legislation so we could provide some non-lethal security assistance to Uzbekistan (ineligible because of a poor record on human rights) because they were a key part of the NDN and we wanted them to continue to be cooperative in facilitating the flow of supplies in case Pakistan suddenly decided to close off land access to Afghanistan for our supplies. Which is just what Pakistan did for a considerable period of time after the Ray Davis incident. So we were very glad that we had the Northern Distribution Network. We did multiple briefings with senior officials from State and DoD for appropriations and foreign affairs committee staff on both sides of Congress before we finally got a very limited and temporary waiver into the appropriations bill in 2011. I also wound up with a couple of functional clients, including INR, the Coordinator for cyber issues, and counterterrorism.

Q: Oh.

POTASH: INR as part of the intelligence community had their own congressional liaison, but relied on H for some issues. Cyber became a very hot issue while I was in H, but mostly on the domestic side. There was an attempt to pass a cybersecurity law that was not supposed to have an international component until the drafters in the Senate Foreign Relations Committee decided to attach to it a piece of legislation that we had been fighting off for several years. We pushed hard to make the draft more acceptable. In the end, the legislation went nowhere.

I worked with the Counterterrorism Bureau off and on. With counterterrorism things were always for some reason kind of controversial. You'd get one group or another who didn't think their programs were working. CT had a program called countering violent extremism (CVE), that they really wanted to put a focus on, which was kind of a holistic program to stop radicalization before it could win over potential recruits -- and they had to argue to skeptics that it was different from the standard kind of democracy program. And they said well, we're going to work with information that we get from, you know, sources that we're not going to talk about to locate or to pinpoint where the hotspots are, where we can make a difference in the pre-recruitment end of things. That makes sense. But they did have to convince Congress. There were constant requests by Congress to know more about it. So, I had covered CT for about six weeks during a personnel shift, and then the LMO who had been handling it suddenly vanished from H, I thought temporarily. I said well, you know, I can help out because the director was covering absolutely everything. I didn't realize it was going to be a six-month commitment. But at any rate, I had a lot of fun with counterterrorism, though they did seem to require a lot of handholding.

Originally it was the Office of the Coordinator for Counterterrorism, with a Senate-confirmed Coordinator. Then after the QDDR it was converted into a bureau, along with Energy and CSO, my old Reconstruction and Stabilization office. We had the authority to create new bureaus, but not to create new assistant secretary positions, and we only had two unassigned A/S slots. The department decided to use them for Energy and CSO. So the coordinator for counterterrorism, who was Senate-confirmed, was running a bureau, but not as assistant secretary. CT was very invested in getting him the title. And you got a

lot of resistance from people in Congress who said, "Well, yeah, it's important, but the State Department should have used one of the slots they had on CT and not used them on areas that we don't care about, and then come to us asking for more." The chairman of the House Subcommittee on Terrorism said he thought that we were playing games by not giving an assistant secretary slot to the person that we thought was most likely to be able to make a good case to Congress that we needed more slots.

Q: Well, we have a hell of a lot of assistant secretaries.

POTASH: Right, but there's a numerical limit, something like 24 maximum. And yes, we did want to find a vehicle to ask for two more. But CT was pushing the issue when the legislative strategists thought it was not appropriate. So every time that a new piece of legislation came up for State Department comment, the CT front office would say, "And can we get our extra slot into this one?"

Q: Well, I can't remember. There was a big dispute, it got political. Everything gets political. But about not being able to fill slots in Afghanistan, Iraq, because the Foreign Service wasn't stepping up to the mark. This is the military. Some military ranks. They were trying to protect their own behinds.

POTASH: That was in 2007, when the DG gave an interview to the Washington Post that came out on a Saturday that said if we don't get enough volunteers we'll direct assign. Apparently he gave the interview on the instructions of Secretary Rice. The problem was, that they hadn't actually informed the Foreign Service of their intentions. There was supposed to be a cable announcing this to FSOs which apparently didn't go out until late Friday, maybe after the DG did his press interview--

Q: And you have to negotiate it with --

POTASH: I don't know that they would have had to negotiate anything if it's for the needs of the service. And in any case, they didn't need to do direct assignments because they always did get enough volunteers, and apparently this warning came quite soon after the call for volunteers had been issued, and before all the people who would have volunteered had had time to take their decision. But on the Monday everyone was saying, "What are you doing to us?" And they had a town hall meeting that was -- I don't know if it was broadcast or leaked, where Jack Croddy got up and said, "You're sending us to death. You know, we really should have some choice here." And then that did not play at all well. And it really tarnished the reputation of the Foreign Service, even though this was just one person and from my point of view the problem was not that we were subject to being direct assigned, which I think was in principle always the case, but that they had told the Washington Post that there might be a need for it before they told us.

Q: Yeah.

POTASH: The whole town hall meeting eventually degenerated into some accusations of racism that were totally misplaced. And it was really a bad memory. You know, there

always were difficulties. For the newer people that came in after I did, I think that they redid the boxes you have to check off to qualify for promotion in a way that would ensure that anybody coming in now is going to see the best path to promotion is to volunteer for a dangerous unaccompanied post in a hard to fill position. So what does that do? It gets all the new people to go to Iraq and Afghanistan. Now, of course now if we downsize those posts, they may have to change the requirements, I don't know. I was never all that keen on the Middle East anyway. I don't want to be in a place where I don't know the language. You know, at that point my only sister had died, my parents were rather elderly and they would have been very unhappy if I had been in a known danger zone. I didn't want to be in a known danger zone. And it didn't make much sense for me at that stage of life. At this point I'm fifties, sixties. And I knew that I was, you know, getting --

Q: Yeah.

POTASH: -- fairly close to the end of my career. So there was no upside potential for me. -- This is my last assignment? I'm not going to Iraq. Plus, I didn't see myself as the kind of person who should be in Iraq. I mean the reputation is that, OK, you get a lot of young people who are enthusiastic about it, want to make a difference. They maybe should have some mentors. But the people in mid-career, they either really think they ought to do it, they are recruited by somebody they want to help out, or they're doing it to resuscitate a career that's dead in the water anyway. And if you can't cut it in Caracas, you're not going to be able to make it in Baghdad. I think. Well, maybe some people are regenerated by the opportunity to do great things. But if you were not a good performer and you're going to a high-threat, high-stress situation -- it gets really bad. After that kerfuffle with the town hall I don't think they ever thought they had to threaten direct assignments again. So I would always sit out the AIP season and see what else was on offer.

Q: So, so then what?

POTASH: Well, bidding season happened. And I was not anxious to go very far. My parents are in their eighties, nineties in Massachusetts. And I just didn't want to be farther away from them than maybe Central America.

Q: Yeah.

POTASH: So I bid on a couple of Central American jobs. I had been six years in Washington. Two years away from being selected out, which given that it had taken me more than 20 years to get to FS-01, and I had just spent two years in H, not managing anything noteworthy, I was really pretty confident I was not going to get promoted. And I was three years away from being too old to work in the Foreign Service anyway. So I'm looking at going overseas for one last assignment somewhere, only I couldn't figure out where. And looking at the stress of packing up all my things again, which I really didn't want to do. And so I went down to talk to AFSA (American Foreign Service Association) to say OK, you know, is there any chance that I'm going to be able to get a waiver to stay in Washington. And, what are the options. For some reason I had in mind that I had committed to staying on for three years when I did the Marine Corps War College. But

they said no, the commitment to stay on for three years is only if you go to something that is non-governmental, like if they send you to grad school. But this wasn't the case. The very sympathetic counselor I spoke to basically said, "You are not looking to get a waiver; you're looking to retire." And I thought about it, and I agreed. They also recommended the job search program, and said, "Don't take the one in June, because that's when everybody who TIC's out takes it and it's huge. Take the one in October/November." The class starts in October and you are retired at the end of November.

Q: Yeah.

POTASH: They give you an extra month if you're in the Foreign Service to find a job. And so I did. Before I actually put in my papers I kind of dragged it out to the point where the DG said if you're not assigned and none of your bids are active you may be direct assigned.

Q: Oh yeah.

POTASH: At which point I called my CDO and I said, "No, I am going to retire." So it took me a while to get all the paperwork in, and, you know, I think I got out of H at *exactly* the right time. Because right around the time I left, my last week or so was the Benghazi incident. I was still there when it happened -- I remember going to a staff meeting in SCA where it was made quite clear at the time -- this is the day after -- that this was an organized assault. So then the next weekend, I'm listening to all the Sunday shows in which our UN Ambassador says we don't know. Thinking this is really very weird. So I think it's fairly clear that her talking points were sanitized, but sanitized to the point of ridiculousness when you have the Libyan President on the same show saying it was an organized attack. So she was not well done by.

Q: Yeah.

POTASH: And you know, she probably should have realized that this was not going to fly.

Q: Yeah.

POTASH: I mean it is true that the intel people scrubbed whatever it was that she was going to say. But she could have also I guess refused to say those things. Or caveated more in the interviews -- she was pretty caveated, but apparently not enough *(laughs).* I don't know. So my last day was probably September 24th, something like that. And by then I was checking out of H, clearing out my office, which involved getting rid of a lot of paper. I did the job search program, which was really great and helped me explore all sorts of possibilities. By that time I had pretty much done the financial calculations and figured out that I really don't need to be a paid employee. So I am continuing to be interested in foreign affairs as an avocation, not a profession.

Q: Well. Do you plan to go down to Central America from time to time, take a look around at the old home grounds and --

POTASH: Probably not Central America. Central America has never been my primary focus--

Q: Well, it's not the -- although Ronald Reagan appeared that this is the launching ground on Brownsville, Texas. I mean it was silly -- not silly, but it's not the focal problems of our foreign problems.

POTASH: It was at the time, and it should not have been. My sense, you know, I've never worked for ARA in Washington. I've spent an awful lot of time overseas in WHA countries -- ARA/WHA countries. But my sense is that ARA or WHA was always highly politicized. This may not be the case anymore. They would have one country to obsess about -- yes, there were always the big countries that they cared about permanently. They cared about Mexico, they cared about Brazil.

Q: Yeah.

POTASH: Those are the perennials. But that they always seemed to pick one small country, one area that was going to be the focus of everything they cared about and that was no way to run a railway *(laughs)*. So you know, in the '80s it was always Central America. And then it was Colombia. Or the Andes or now maybe Venezuela.

Q: Yeah.

POTASH: And you really need a more consistent focus in order to make sense. And then Cuba. I never got the foreign policy basis of our Cuba policy. So that was one of the reasons I never really wanted to work in WHA in Washington.

Q: Well, I want to thank you very much.

POTASH: You're welcome.

End of interview