

ARGENTINA

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Robert B. Morley	1979-1982	ARA Policy Planning Coordinator, Washington DC
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Harry W. Shlaudeman	1980-1983	Ambassador, Argentina
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Edward H. Wilkinson	1982	Temporary Duty, Buenos Aires
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Introduction

Argentina is located in the south east of South America, bordered in the north by Bolivia and Paraguay, in the south by the confluence of the Atlantic and Pacific Oceans, in the east by the Brazil, Uruguay and the Atlantic Ocean, and in the West by Chile. Buenos Aires is the largest city in Argentina and serves as its capital and main tourist destination. Numbering approximately 37 million people, Argentines are mostly descendants of Italian and Spanish immigrants. Ninety two percent of the population profess to be Roman Catholic, and thus makes Catholicism the country's most prominent religion. Argentina is about the size of the U.S. east of the Mississippi River, covering about 1.1 million square miles. While Spanish is the major language of Argentina, Italian, German, French, and English are also spoken.

Juan Domingo Peron, perhaps the most famous figure in Argentine history, became president in 1946 after the military abolished Argentina's constitutional government in 1943. Peron aggressively pursued policies aimed at giving an economic and political voice to the working class and greatly expanded the number of unionized workers. Peron's wife, Eva Duarte de Peron,

known as Evita, perhaps more famous than her husband, helped him develop popularity with labor and women's groups. After Peron returned from exile in Spain from 1955-1973, imposed by the overthrow of his government, he again became president; however, he died in 1974. Peron's wife succeeded him as president but a coup removed her from office in 1976. Until December 10, 1983, the armed forces formally exercised power through a junta composed of the three service commanders. In 1983, Argentina returned to constitutional rule after the Argentines popularly elected their new president. Since 1983, there has been strong support for the democratic system, and in 1999 all three major parties advocated free market economic policies.

During 1976-1983, a time called the Dirty War, relations between Argentina and the United States became strained. A conservative count estimates 10,000 persons as disappeared during the Dirty War, as Argentina became known for its human rights abuses. These abuses became a hindrance in maintaining close US relations with Argentina. Relations were further strained because of Argentina's unsuccessful attempt to seize the Falklands/Malvinas Islands from the United Kingdom. At that point, the US attempted to play the mediator between Argentina and the UK, but eventually sided with the British.

With the return to democracy, Argentina and the United States developed a very close bilateral relationship, which was highlighted by President Clinton's visit to Argentina in October 1997 and President De la Rúa's visit to Washington, DC in June 2000. In July 1998, the United States Government recognized Argentina as a major non-NATO ally. The U.S. Secretary of State and Argentine Foreign Minister chaired 1997 and 1999 meetings of the Special Consultative Process to address important issues in the bilateral process. In the United Nations, the two countries have often voted together. Furthermore, Argentina has contributed to many UN peacekeeping operations worldwide, with Argentine soldiers serving in Guatemala, Ecuador-Peru, Western Sahara, Angola, Cyprus, Kosovo, Bosnia, and East Timor, and was the only Latin American country to participate fully in all stages of the Gulf War. Argentina has also been an ardent supporter of the Free Trade of the Americas initiative leading to the Buenos Aires Ministerial in April 2001.

WILLIAM C. TRIMBLE
Vice Consul
Buenos Aires (1933-1936)

Ambassador William C. Trimble was born in Baltimore, Maryland. He received a bachelor's degree in political science from Princeton University. He entered the Foreign Service in 1931, where his career included positions in Estonia, France, Argentina, England, Brazil, and Germany, and an ambassadorship to Cambodia. Ambassador Trimble was interviewed by Charles Stuart Kennedy in 1990.

Q: Can I talk to you a bit about Buenos Aires in 1932?

TRIMBLE: '33.

Q: I mean, that's '33 to '36. What were our principal interests in Argentina in that period, would you say?

TRIMBLE: Well, Argentina had recently had a revolution, a democratic form of government, a popular-elected government had fallen, and been replaced by a military dictatorship but it was just beginning to switch again to civilian control. Our interests were to encourage a return to a democratic system of government, a constitutional government; to further American trade which was faced with great competition by England; and to help American oil companies, for there was a state enterprise, the YPF, that made it hard for the American companies, so we tried to assist them as best we could.

There was a strong feeling of jealousy in Argentina, resentment against the "Colossus of the North" as we were called, because they aspired to be the great leader of Latin America, if not the whole hemisphere, much more so than Brazil. And there was also a feeling against the Americans, encouraged, I may say, also by the British because--

Q: Because the British had much influence there.

TRIMBLE: They had big influence in trade, and they owned the railroads and the--

Q: And many of the Argentine top leaders went to England to be educated.

TRIMBLE: Oh, yes. England or France. They didn't go to the United States. Very few went to the United States. So there was competition with the British, a great deal. Germany was not so much, because that was--Hitler had just come in and--

Q: And it was more Chile and other places.

TRIMBLE: Chile. But the Argentines, by and large, some of them aren't like this, but many of them resented us, at least at the government level. Fortunately, Mr. Hull came down for the Pan American Conference in Montevideo and did very well. He called on the heads of other delegations rather than have them call on him as the senior foreign minister, and that helped a great deal. And then President Roosevelt went down there--that was shortly after I was transferred--and greatly impressed the Argentine Government and people.

Q: This was the Good Neighbor Policy, which--

TRIMBLE: It was the Good Neighbor Policy, which Mr. Welles had a great deal to do with, Sumner Welles. In other words, we were looking more in that period, more and more towards Latin America than towards Europe because of the isolationism, and we were making progress. Even in Mexico, the feeling of the Mexicans against the United States was understandable, rancor at what we had done in the past to Mexico, to take some of their land. But even our relations with Mexico were improving. We had had several good ambassadors sent there by President Hoover. And that was our whole emphasis. Most of our emphasis was Latin America.

Q: I'm just wondering, when you were in Argentina--I mean, obviously you were a young man there, sort of your first really diplomatic type of assignment, as well as consular. But did you have any feeling--something that's always puzzled me--how did you feel at that time about the Argentines? Here they are, they've got a country that's full of wealth, all the best of--you might say, western culture has come in, the education, and yet the place doesn't work. I mean, even today--we're speaking of 1990--the place is practically falling apart. Why?

TRIMBLE: It's difficult to say. They were going ahead. They had very good school systems. They had brought some teachers from New England back in the 1880s, and several were still there when I was, but retired. They did much to further public education. Their universities were fairly good, but they majored particularly--everyone had to be a lawyer or an engineer. You have to have that title, one or the other. There wasn't as much in other fields.

Beginning in the 1880s a truly democratic system of government had developed, which was good, but then came the depression. And, well, the economic situation declined, the military took over. The military are not fitted to govern a country. The military is not equipped to run an economy. There was also a feeling--there was a class relationship. There were very, very wealthy people, there was a fairly large middle class and then a larger class of the peons, if you want to call them. They were people in the interior that had very little wealth, very little money. And there was a clash between these various groups. [Telephone Interruption] And they didn't pull together as a team. And there was a great sense of nationalism, waving the flag and also, I would say, a feeling of resentment towards the United States and also, in a way, a resentment towards Brazil, which was a bigger country and, of course, Portuguese rather than Spanish.

Then a final factor was that there had been such large immigration into Argentina of diverse groups in a fairly limited period of time--I mean, 20, 30 years. There had always been the Spanish, of course. Then the Italians came in and a lot of English, Scots and Germans. And each group, they weren't assimilated at the time and they fell apart. The English people, some of them were even proud of the fact that they couldn't speak Spanish and had their own little, to use the German word "siedlung" for themselves. And the groups were still learning how to work together.

As the economy started to deteriorate, which it did, various revolutions took place and Argentina declined. And that is unfortunate because it is a wealthy country, a very wealthy country in agriculture. It has a great deal of oil, although deficient in other minerals, but a fine country. And the people are good, by and large. But they did not assimilate. It was too much of a melting pot in too short a period. That's one explanation I would suggest.

JOHN T. FISHBURN
Labor Attache
Buenos Aires (1943-1944)

John T. Fishburn was one of the first Labor Attachés. He was interviewed by James Shea in July 1991.

Q: This is an interview with John T. Fishburn, who was one of our first Labor Attachés and was assigned to Buenos Aires in 1943 and 1944. John, how did you get into the labor attaché field?

FISHBURN: I went to Argentina in January of 1943 as an economist. I was working on Argentine needs for finished industrial products from the United States, the same problem I had worked on for two previous years in the Office of the Coordinator of Inter-American Affairs from the American point of view. After being in Buenos Aires for about three months my natural interest in social and political and labor problems came to the fore when I found that there was no one in our Embassy paying organized attention to covering and reporting on social and economic problems there, especially in connection with the labor movement. I asked my superiors in the local embassy if they couldn't switch me to covering those fields either the labor field and the closely related ones; I found out simultaneously that there had been established in the Department of State in Washington under the leadership of Otis Mulliken, who was the Director of what was then called ILH or the Office of International Labor, Social and Health Affairs, not only a program for covering those fields outside the United States but also to recruit and find persons qualified and interested to serve as Labor Attachés for the United States abroad. I knew that they were considering people but had not yet selected any, so I volunteered to serve as their first Labor Attaché in Buenos Aires if they approved. About two or three months later, I'm not sure exactly what date, I received word that they would be glad to have me serve as labor officer. They didn't use the title attaché then, for me at least, and I also found almost simultaneously that Dan Horowitz had been appointed as our first formally selected labor officer or labor attaché, I'm not sure which title he used, in Santiago, Chile. In a way the same thing was happening over in London where Sam Berger had been serving in another capacity for the US Government, informally as a contact with the labor people in Great Britain and so we really had Otis Mulliken heading up the work from Washington with Dan Horowitz, Sam Berger and me sort of all starting more or less at the same time in our various posts that I have mentioned.

I continued in that task in Buenos Aires until the former government of Argentina had been overthrown by a military junta and a new administration established to replace the former government. There was, for a space of a very few months, a labor minister who was very friendly and pro-United States-whose name I haven't yet been able to remember-under the Government which overthrew in turn the Castillo Government which had existed previously. At any rate after a few months of having this friendly labor minister, Juan Domingo Peron decided that this was the field that he was going to utilize. He had been so closely tied to the Germans rather than the United States during the war and so unfriendly to the United States, that it didn't seem likely that we would serve any useful purpose at all trying to work with Peron in the labor field. As a result I asked if I could be transferred across the river to Montevideo as our Labor Attaché to Uruguay. That was approved in Washington and after a year and a half in Argentina I transferred about the middle of 1944 to Montevideo where I served as Labor Attaché for approximately a year. I then returned to the United States to end that first temporary activity of mine as part of the labor function in what was then the Foreign Service Auxiliary and of which I was a member during that short period of the war. Almost immediately I came back into the labor field in the

Department of State working on Latin America under Otis Mulliken. After several years during which I served as Labor Advisor to the Inter-American Section of the State Department. In October 1957, I returned as a member of the full Foreign Service as Labor Attaché in Rio de Janeiro for a period of six years, departing on home leave in October 1963.

Q: John, at the time you were in Buenos Aires and Montevideo what was the dominant political persuasion of most of the labor leaders?

FISHBURN: In Buenos Aires at that time the C.G.T. in Buenos Aires and Argentina was controlled by a combination of the Communists and non-Communists many of whom were socialists. The Communists did have sort of the upper hand in a formal sense at the central headquarters. However, almost from the time I began operating there, I found separate and anti-Communist labor groups, the most notable of which was the Union of Municipal Workers in Buenos Aires under Francisco Perez Leiros. Although Francisco had been a member of the central C.G.T. while a Communist had been President, he was himself clearly inclined toward the anti-Communist approach. I found working with him pleasant, in fact Mrs. Fishburn and I spent ten days at the vacation colony of the Municipal Workers Union in Sal se Pudes, Argentina, during 1944; this was a very pleasant vacation, and Perez Leiros later turned out to be a stalwart supporter of the AFL-CIO in the inter-American labor field.

Q: Were the British active in any way in the Argentine trade unions?

FISHBURN: As far as I know, they had no contact with them at all.

Q: And was Perez Leiros a socialist or with the Argentine "radicales" as they called them?

FISHBURN: In my opinion and if my memory serves me correctly, he was a loyal member of a socialist group and interested in collaborating with the United States when the time came.

Q: Do you recall a prominent Argentine socialist by the name of Palacios?

FISHBURN: Yes, Alfredo Palacios was a leading socialist leader and closely associated with the labor movement. I had forgotten about him until you mentioned the name but he was there and was very active and highly respected.

STANLEY J. DONOVAN
Air Attaché
Buenos Aires (1945-1948)

Stanley J. Donovan was born in Maine in 1910. He graduated from West Point in 1934 and served in the U.S. Air Force. His assignments abroad have included Buenos Aires, Madrid, and Turkey. In 1996 he was interviewed by Charles Stuart Kennedy.

DONOVAN: At that time, I was ordered to Argentina as Air attaché.

Q: Had you spoken Spanish before, or had learned Spanish?

DONOVAN: Well, mas o menos, mostly menos [more or less, mostly less]. I could maybe say “Buenos dias [good day]” and “Buenos noches [good evening].”

Q: Could we talk about Argentina at that time? You were in Argentina from when to when?

DONOVAN: I was in Argentina from... The war ended with Japan in 1945, and I went immediately to Argentina. Peron was in an island prison on the river, and I think my first night there, we were staying in the Alvear Palace Hotel in Buenos Aires, with a cobblestone street right below my window, and about midnight, there was a terrific racket. It was Peron's arrival, from the prison, to take over. The troops, horses and wagons, the works, made an impressive entrance on the cobblestones.

Q: He'd been relieved?

DONOVAN: He'd been relieved, yes. He had decided to take over.

Q: Before you went to Argentina, Argentina, from the eyes of the Allies, played a very dubious role during the war, I think it very grudgingly came in at the very end of the war, it's German sympathies were not hidden during the whole war. What were your orders? To go to a hostile place?

DONOVAN: I wouldn't say it was actually hostile, although there were a very great many German sympathizers there. As a matter of fact, I've reached some of the real night of the world classics, and when the Germans came by there, they were given receptions and all that, they were treated like conquering heroes and all, but when I arrived there, I met one of the German groups who owned some very large cattle ranches, and they were still 100% German, but they were backing off a bit from the Nazi type. Before I left, I didn't see any indications of anything but good faith on the part of the Germans that were there.

Q: What was your impression at that time, while you were there, this would be what, '45, 48 about, of the Argentine military?

DONOVAN: I think their military was a pretty strong outfit. The Army, I'm not sure about the Navy, but their Army was in pretty good shape. Their Air Force was still flying rather antiquated equipment, it would not have been a very effective force, in my opinion. But they were, they were all right, I met a lot of them, that and I was in the Air force myself. I keep saying Air Force, we didn't become the Air Force until about 1948, it was the Army Air Corps then.

Q: Did you find that the Argentine military was interested in the way we fought our war? We

had gone from something like 17th largest army in the world to about the top of the heap within a few years, were the Argentines interested in what we had done?

DONOVAN: No, I didn't find anybody that was very interested in that. They were, I imagine that they were really loathing, to not discussing that because they were not in a very good position militarily. Peron, as you know, had been a Lieutenant Colonel in the Argentine army.

Q: What was your impression of how the Argentine military felt about Peron?

DONOVAN: I think they liked him very much. Of course, the *descamisados* were the real power behind it, the shirtless ones. They really thought the world of him. And Evita, she would appear, go to a factory. I had an American friend who was head of the telephone factory, and she'd come out there and say "I want to talk to the people" unannounced, and she would talk to the people and she'd appear, beautifully dressed, fur coat and everything, and I thought that was rather silly of her to go out there before all these workers dressed like that, because these were the poor workers and everything, but somebody told me that I was wrong, she did that because almost every occasion she'd say "You too could have all of the things I have if you go along with us." She was a pretty smart gal.

Q: Well, during this immediate postwar time, what would an American Air Attaché do in Argentina?

DONOVAN: My job there was to get to know all I could about the Argentine Air Force, which I did, and also incidentally, connected with that would be whatever you picked up about the army and navy also. We would end, just kept as tight a look on what the air force was up to as we possibly could. Report any changes in their makeup, report anything that, on some of the people in there, what they were doing and if they were good at it or mediocre or what. Just, in general, keep an eye on everything that was going on in the Argentine Air Force. I had an airplane there, an old C-47 that was done up as a passenger, not as a freighter, and so I flew around quite a bit in Argentina. Mr. James Bruce was our ambassador most of the time I was there, and he and I visited just about every Army and Airbase and Navy installation in Argentina, so much so that a lot of the people thought that Mr. Bruce and Colonel Donovan were wasting their time doing everything with all these trips, and I reported that to the ambassador, and he said "Good, let's keep them thinking that way. Meanwhile, you and I know more authorities in Argentina and all the local governors, military commanders, etc. That's fine, good for us." He really was a very good man.

WILLIAM P. STEDMAN, JR.
Vice Consul
Buenos Aires (1947-1950)

*Ambassador William P. Stedman, Jr. was born in Maryland on January 1, 1923.
He went to the School of Advanced International Studies and to George*

Washington University. He joined the Foreign Service in 1947. He served in Buenos Aires, San Jose, Guatemala, Mexico City, Lima, and Bolivia. He served in the ARA in Economic Policy, as a Country Director and as a Deputy Assistant Secretary. He was interviewed by Charles Stuart Kennedy on February 23, 1989.

Q: How good was your training coming into the Foreign Service, what we call now the basic officer course?

STEDMAN: As I recall now, the basic officer course was quite good in consular work. I recall it being very practical and very useful. In my case, because I went to Buenos Aires immediately thereafter and was doing consular work, it equipped me very well. I would say on other facets, perhaps, maybe the domestic dimension of the United States and its social and economic problems, it didn't offer as much as is now being offered.

I think the opportunity to hear from practitioners was good. We had ambassadors and senior officers come talk to us, and we had a lot of interaction with them, too, I think that was really a remarkable period for us. For example, George Kennan came and talked to our graduating class. The informal give and take with the senior officers was very helpful.

Q: Looking over your first couple of assignments as a junior officer going first to Buenos Aires, then San Jose, then Stuttgart, you came in, as did most of your class, having been in the military. Did you find that your experience set you apart from many of your more senior officers in the Foreign Service? Were they looking at a different world? Was there a difference, do you think?

STEDMAN: There may have been, but I must say that as a young person coming in, and with this military service and being a traditionalist from a fairly conservative family, the notion of absorbing impressions and responding to leadership and respecting the hierarchy was pretty deep. Hence, I was more inclined to want to learn from those senior officers who knew the ropes, what their attitudes and what their viewpoints were, and I guess mainly in the early years I was interested in the whole mechanics of being a Foreign Service officer, rather than being a creator or innovator in the policy sense. So I respected their experience and sought to learn from them as a junior person in the ranks of the organization. It seemed to me there was an awful lot to learn.

Q: In a way, we're going to only touch rather lightly on the early part of your career. You ended up as a specialist in Latin American affairs. How did this come about?

STEDMAN: Just before World War II, the United States created a Coordinator for Inter-American Affairs, an Institute for American Affairs, that Nelson Rockefeller set up and was head of. This was in the period when the United States was doing certain things on the international scene, knowing that we were going to be involved more heavily, knowing that we were going to be in the war, looking toward the Western Hemisphere as an area that we had to understand better and shore up in the event we were involved in war. The coordinator put out a whole lot of material--political, economic, cultural, and social--which filtered into the universities. I just became fascinated with Latin America and the Latin American culture. I took Spanish in college.

So my whole thought pattern then was a mixture of what my father had given me on Foreign Service as a career, and Latin America as a coming area of interest on the part of the United States. I was fortunate enough to be able to continue that after the war, at Hopkins, with Spanish training and some good lectures on Latin America.

Q: Did you have the feeling that your class was getting divided up into specialists without making deliberate choices?

STEDMAN: That's an interesting point, because I think that as I look back on it, while we all believed in being generalists, many of us already had a geographic preference. You've already interviewed some of my colleagues in my class. Bill Brewer was already interested in the Middle East. We had others who were interested in Europe, others who were interested in the Far East, and several of us were interested in Latin America. So there was a kind of geographic interest, and I can't explain exactly why. But it seems to me that we had a devotion to the notion of being generalists. Maybe there was a functional interest but clearly there was great interest in specializing in certain geographic areas.

Q: If you had this interest, did you find that you had some control over where you were directed?

STEDMAN: I don't know whether I was just lucky, or whether it was the system or what, but it seemed to me that most of us who were interested in Latin America were able to stay in Latin America. I can't speak for the others, but I know that if one manifested a real strong interest and preference, it seemed to me in those days you were able to get pretty much a fair share of your assignments in the areas that you wanted.

Q: I notice that you were in Buenos Aires from 1947 to 1950, in Costa Rica from 1950 to 1952. How did Latin America strike you in those two places, which are somewhat diverse, but also two of the more prosperous areas of Latin America?

STEDMAN: They're so totally different. Argentina has within it the city of Buenos Aires, which is one of the most magnificent cities of the world, a highly European-type city. At the time we were there, they were suffering some shortages because of the war--shortages of electricity, shortages of some manufactured paper-processed items. But by and large, it was a comfortable place to live on the material side.

On the political side, this was the heyday of Perón and Evita. The atmosphere was distinctly one of hostility toward the United States, and there was a focus on the American Embassy symbolizing their very, very heavy efforts to be independent of, and run counter to, U.S. policy in the hemisphere. This was a period after the Spruille-Braden efforts to try to get the pro-German influence out of Argentine policy.

It was a period when we were trying to move back again into some kind of more diplomatic posture with Argentina. But nonetheless, the hostility from the Peróns and from Evita more vigorously, in whipping up the crowd anger and hostility toward us, was something that you

would feel, something that was manifested in the Argentines tendency to not really want to be very friendly with you, for fear of their own involvement with police and other security forces.

Costa Rica, in contrast, is a small, delightful, rural, totally democratic, open society, very friendly to the United States, singularly not imbued with any kind of inferiority complex with regard to the United States. An individual Costa Rican, an individual American, are able to deal on an even basis, wide open.

As a member of the embassy in Buenos Aires, your level of contact is relatively low in the government or in society. In Costa Rica, the very first week, Ambassador Joe Flack took me to call on the foreign minister. You became friends with the president. You'd know everybody. Our embassy and our mission was so tiny that when you had a get-together, you always had local nationals.

At that point I discovered something that I liked, and continue to like, in my career in Latin America, and that is the intimate involvement on economic and financial development activities. That you couldn't get very much into in Argentina, but when you get into the smaller countries, the United States can be cooperative, one can be involved in focusing on their problems and trying to be helpful. This kind of intense personal association on a cooperative effort to solve problems in countries in the hemispheres is what motivated me to keep on in the region.

Q: Even as a relatively junior officer, were you involved on the economic side in Costa Rica?

STEDMAN: In Costa Rica, I was in the economic office, not that I had any particular graduate training of any depth in the field, but some of the work that one does on trade matters can be done by a generalist. I was reporting on coffee without knowing much about agriculture, reporting on cocoa beans without ever having seen one before, getting into the commercial area, getting into activities such as came upon us when the Korean War broke out and we had to look at the shortages of supply, what materials would Costa Rica need. Then Point Four was announced by President Truman. Our little economic assistance mission was getting bigger, and I was more or less the liaison between the embassy and the Point Four people. That got me into this kind of feeling of "this is where there is some real action to make a contribution," rather than just simply writing reports and analyzing, which I believe is very vital, but I liked the action and the involvement.

Q: Rather than the more passive being the observer.

STEDMAN: That's right.

Q: I'd like to return to Argentina. You were a brand-new officer in a hostile environment. Who was our ambassador then?

STEDMAN: When I landed there, it was James Bruce, a political appointee from Maryland, brother of David Bruce. James Bruce was a banker, a businessman, had been in a large dairy association, a Democrat, and he was selected as the political appointee to try to do some building

of bridges with the Argentine. He tried, but I would say that our policy was not overly successful at the time, because Perón didn't really want it.

Q: You were doing consular work at that time, but were there any efforts made on the embassy's part to try to breach through this wall of hostility? Were you getting any instructions? Did you and the other officers try to get through to the more democratic groups within the Argentine society?

STEDMAN: In the consular section we were encouraged to do the best we could with those people that we were normally and appropriately going to deal with. We were expected to be able to maintain good contact with people in immigration, in customs, in big shipping companies and the whole maritime field. We were not used as political penetrators as much as we were being used to try to make sure that the level of contact which was appropriate to us was a good one. I must say that doing visas, while that's usually portrayed as a fairly perfunctory and routine service, I met and learned to know many very interesting people with whom I did become very friendly. A case in point, a woman who was on the editorial staff of La Prensa newspaper.

I did do a little political work toward the end of my stay, and I was the biographic data reporting officer. At that time I went around to see this lady that I'd met, when I'd handled her visa case, and she opened up the morgue of La Prensa newspaper to me for my biographic data collection, which was all an above-board operation. This opened a gold mine to us to go into the files of La Prensa and extract monumental quantities of public information about Argentine figures, which we didn't have other access to. Curiously enough, one day when I was in the morgue copying things out of the file, Perón's police intervened La Prensa newspaper and shut it down. It was only by five minutes or so that I was able to walk out the door without being apprehended by the police inside the morgue.

HENRY DEARBORN
Argentine Desk Officer
Washington, DC (1947-1952)

Director, Office of South American Affairs
Washington, DC (1952-1955)

Mr. Dearborn was born and raised in Massachusetts and educated at Dartmouth College and Yale Law School. A Latin American specialist, he served in Barranquilla and Bogotá, Columbia; Manta and Guayaquil, Ecuador; Lima, Peru; Santa Domingo, Dominican Republic; and Mexico City, Mexico. In Santa Domingo, Bogotá and Mexico City, he served as Deputy Chief of Mission. In his Washington assignments, Mr. Dearborn dealt with matters concerning countries in Latin America. Mr. Dearborn was interviewed by Charles Stuart Kennedy in 1991.

Q: Spruille Braden was quite a figure, and I guess you had to deal with him later on when he was in his role as ambassador in Argentina?

DEARBORN: Braden, who had been an ambassador in Argentina, hated Juan Peron with a passion. In fact Peron always said that Braden was his opposition in the election when he was elected.

Q: Yeah, I heard people say they were down there and saw signs saying "Peron, Si. Braden, No".

DEARBORN: Exactly. Ambassador Messersmith was talking to Peron, and Peron was still saying nasty things about Braden. He said, Mr. President why don't you forget about Braden. Don't carry on this feud, you know. Peron said, I don't have anything against Braden, he elected me! [laughter] Braden, when he was in Argentina, had such a sense of mission in getting this man defeated not elected, that he went beyond what an ambassador is supposed to be doing, you know. But I talked to people a year or so later when I was down in Argentina who had been in the embassy with him, especially I'm thinking of one of the political reporters. He said, we all knew that Peron was going to be elected, but Braden never saw it. We'd come back and tell him what they were saying in the hinterland, and he just insisted up till the end that whatever his name was who was running against Peron was going to win.

Then the Braden/Messersmith feud was...Harry Truman got so fed up with them. You know, _____ used to write, he never said anything...lets say anything he ever said was in about 12 pages, could've been put in one. But then he'd make copies, and he'd send them everywhere from the president down to the desk officer, and they would all come and file up by my desk of course. But Harry Truman, I remember I think it was in June or July of '47, Harry Truman got fed up with this and he fired both of them on the same day.

Q: Well, you then were transferred over to the Argentine desk, when?

DEARBORN: Well, probably was in the spring of '47.

Q: How did we view the situation from Washington in Argentina at that time? What were American interests?

DEARBORN: During the war there had been a lot of sympathies for the Nazis, the Axis in Argentina. Peron himself, I think he used that. He was virtually pro or anti anything except himself but he used this to keep us off balance. In addition to that, he wanted a country very proud of itself and not accepting help from anybody and as a result of that we didn't have any helpful missions. We didn't have any military missions, we didn't have any aid programs...so in that sense relationships, in the point of view of the desk officer, were rather simple. A certain degree of hostility can make relations simpler rather than complicated. As I say, Messersmith tried to make things easier but, I remember one day he went in to see Peron and Peron was being difficult. He said, you know Mr. President I have always tried to be your friend, I am your friend, I've always tried to be a friend, but you're making it awfully difficult for me to be your friend

[laughter]. I remember that letter. When Eddie Miller was assistant secretary, he made a trip down there and he made a special effort to get along, to find areas of agreement or something. For a while he thought he was having some success, I'll always remember this, he sent a telegram back. Things had gotten a little better. They had had a big banquet and everything was going fine, so he sent a telegram back. Dean Acheson was Secretary of State at the time, and he said the honeymoon is still on. Not much of a honeymoon, but anyway Peron was being good at the time. So, the honeymoon is still on. So I wrote a telegram back, and when it went up for clearance by Dean Acheson, Dean Acheson added another sentence to the end of the telegram, which I always remembered. He said, I'm glad the honeymoon is still on but what I wanted to know is which is the bride and which is the groom? [laughter]

Q: You were there what, '47 to –

DEARBORN: '47, '48, '49...I'm trying to think, I think I was on the desk five years. Probably until '52 when I went on to be office chief, which Argentina was still my main concern.

Q: The Cold War was beginning to develop then. Were we beginning to get concerns about communist influence, soviet menace in the area at that time?

DEARBORN: Yes. We were, we were sort of...let's see. We were watching for it. I remember _____ and Ken Oakley made a trip around South America visiting all the countries, looking into that very question. That was, it's hard for me to remember just what years that was, but it was probably between '50 and...the first parts of the '50s.

Q: What was the result, do you remember?

DEARBORN: Nothing, you know, nothing like about to take over, but it was something that worried us enough. Ken Oakley, who made this trip, was a rather low-level officer so it wasn't...it obviously hadn't become important enough to send a top ranking officer. He just came back, talked to embassies about what was going on in that field and came back and reported what he'd found. It was later when we became more excited about it, as Castro got going –

Q: Well, Latin America had been sort of the personal bailiwick of J. Edgar Hoover and the FBI during the war, and the CIA and the OAS was elsewhere. Did you still find that FBI was carrying on any intelligence role in that area?

DEARBORN: Well, certainly when I was in Ecuador it was the FBI. Yeah, it was the FBI. What did they call themselves? They called themselves the legal attaché. That was the title they gave themselves.

Q: They still call themselves legal attachés –

DEARBORN: Well yeah –

BOTH: But they do it different –

DEARBORN: The legal attaché in Mexico has a tremendous office, and he spends most of his time on police type matters –

Q: Yeah –

DEARBORN: And tries to stay out of the way of CIA. But in Argentina, CIA had an office, because I can't really remember dates too well, when they switched from one to the other.

Q: Just sort of a feel, was there...but you weren't getting emanations out of Argentina that we should be worried about the communist menace, it was more we didn't like Peron and his way of doing things?

DEARBORN: Yeah, well Peron was taking opposite positions to us in many things. U.S. business in Argentina was having a hard time with him, and in the United Nations and so forth he was not cooperative. Our efforts were to win him over if we could, and sometimes we did it better than others, but overall it was sort of, it was difficult. And then partly because we didn't have any –

Q: Aid program or anything like that.

DEARBORN: No. We didn't have any leverage with him. But one interesting thing, anecdote...Peron had not, Argentina had not, signed the Rio Treaty. It was one of the few Latin American countries which had not signed the Rio Treaty.

Q: The Rio Treaty being the one –

DEARBORN: It's the Western Hemisphere's NATO. It's a multilateral defense treaty. We were going into the Korean War in 1950, and Stanton Griffis was ambassador in Argentina. He knew one of his missions was to get Argentina to ratify the Rio Treaty. And we were especially interested in it because of the Korean War. We wanted to put up a solid front. So, one night about 7 o'clock a cable came from Stanton Griffis saying, Peron has promised me that tomorrow the Argentine congress will ratify the Rio Treaty. Well, you know in a democracy he wouldn't really know before congress acted what was going to happen. But he promised me, and then he said, please inform President Truman immediately.

So, everybody had gone home in the Department. I was there late working on something. So I thought, how am I going to inform President Truman immediately? Well, there was only way I knew of, so I picked up the phone and dialed the White House. And a man answered whose name was Hopkins, not Harry Hopkins but someone else, I guess a liaison officer in the White House. I said look, I'm all alone out here in the State Department and this came in today I'd have to write a memo and get it cleared 10 times –

Q: Oh yeah –

DEARBORN: I said Ambassador Griffis says tomorrow Argentina is going to ratify the Rio Treaty, the Congress, and he wants the President to know it immediately. He says, alright I'll tell him, and hung up. And next morning, Truman had an early press conference. Well, I guess it wasn't early, it probably about 11 o'clock. One of the first people said to him, do you have any comments on Argentina...did you know Argentina has ratified the Rio Treaty? And Truman says, oh I knew all about that last night! I thought it was sort of ironical because it gave away any of Peron's pretensions of being a democracy, you know. It was always, dictators always seemed to want to maintain some semblance of democracy.

Q: Well, in this time when you were, particularly during this time when you were on the Argentine desk, but maybe there was spillover before, McCarthyism was going at full tilt –

DEARBORN: Yes.

Q: But also maybe a little bit before too, did this affect you? How did it feel being in this particular period?

DEARBORN: I don't remember being affected. I certainly wasn't affected by anything I was doing. I remember being horrified by it. I remember reading all the exploits of these two fellows, what were their names? Cohn and Schine.

Q: Cohn and Schine, yeah.

DEARBORN: And I felt it, but I don't ever remember –

Q: Well also did you feel that being a Latin American specialist, this was not the focus. I mean, the focus was more on the European/Asian side too or not –

DEARBORN: Maybe that was it. But I do remember when he died. I remember I was at a party at a Dutch home in Lima when McCarthy died and the news came and somebody came in and said they'd just heard it. It was a cocktail party, and I always remembered there was silence. Nobody knew what to say, and I guess there were probably some pro-McCarthy and anti-McCarthy people. There were a lot of business people around. And the head of the National City Bank in Lima at the time was a fellow by the name of Laurent Biggs, and I always remember after this deathly silence, he said in a loud voice, well I don't know about anybody else but I'm glad! [laughter] That was my last recollection of McCarthy. But I remember being horrified by it, and I remember the suffering, not for myself but for everybody else –

Q: But you weren't seeing your working colleagues in the Latin American side dropping by the wayside in all of this-

DEARBORN: No, no because I wasn't an old China hand, or anything like poor John Service.

Q: Well then –

DEARBORN: I will say...now one of the leading victims of McCarthy lived in Lima when I was there. That was John Paton Davies.

Q: Yes. He went down and sort of set up business and all that –

DEARBORN: Yeah, he was living there. In fact, that's the place I knew him. I didn't know him before that.

Q: Well, then you moved to River Plate affairs, that would be what. Uruguay –

DEARBORN: Paraguay –

Q: Well, Paraguay, Uruguay –

DEARBORN: And Argentina.

Q: Argentina.

DEARBORN: But what happened there was, you know, I'd spend about 90% of my time on Argentina still.

Q: Were you bumping up against the Argentine desk or -?

DEARBORN: No, no, no the Argentine desk, I picked him so I didn't have any problems with him. No, relationships in the bureau were great. I don't ever remember in all of my 11 years...there was a lot of interesting things about them, but I don't remember –

Q: You didn't find, you know, identifying yourself with one area and up against people of other areas. I suppose part of this was we weren't handing out lots of projects and money down in that particular area, were we or-?

DEARBORN: Our bureau, I was talking about within the bureau. I guess the bureau, at times they would have differences, like with the economic areas, trying to convince them to do this or that, trying to get them to not put countervailing duties [Spanish name] from Uruguay or [Spanish name] from Paraguay. I remember another Christmas Eve spending with, oh what was his name...in the White House...Eisenhower's right hand man, White House –

Q: Governor of Massachusetts?

DEARBORN: No not him. But anyway, over a question of countervailing duties of railway ties from Uruguay and it was a deadline for some reason and we had to, we were trying to persuade...we, and I think agriculture, and I don't know who else met with him, I think it was Christmas Eve. Trying to persuade him to side with us –

Q: If I recall, I think I ran across this in another interview, there was a Senator in Mississippi or something who was very much involved because of the lumber industry there. I can't remember what it was, but it became a political within the United States –

DEARBORN: Uhm-Hmm. I have a hard time remembering...yeah –

Q: I think Robert Woodward was talking about this as a, as one of his big problems because of –

DEARBORN: When he was assistant secretary?

Q: Yeah, either that or ambassador down there for a little while.

DEARBORN: He was in Costa Rica, oh Uruguay, that's right! Yeah, he'd remember better.

Q: Well, how did you feel about, while you were in ARA during this time both under Truman and the early Eisenhower period. I mean this was a period of great growth and concerns, Europe particularly and then the Korean War. Did you feel that Latin America was sort of off to one side, that you weren't getting the attention that it deserved?

DEARBORN: Well, I didn't feel that because...it's true that we were sort of off to the side, but I don't think we always knew that [laughter]. And under Eddie Miller for example, he was very close to Dean Acheson. I think we had an advantage over some of the other departments because of Eddie Miller and Dean Acheson's personal relationship helped us a lot. He wouldn't go through under secretaries and things, he'd go right to the secretary. I remember once he walked out of a staff meeting of all the under secretaries because he thought they were slighting Latin America in their comments. He said, I'm not going to sit around and listen to this, and he walked out. But no, I don't think we felt neglected. See, these were days when we needed Latin America. I think it's been worse since because we haven't needed them all that much. But in wartime we needed them. Well this was after the war, to be sure.

I don't want to hop around too much, but one thing with Peron that I might mention, he was very anxious to have international recognition at the highest levels and be an important player on the world stage. So he announced that he was developing a nuclear facility at Bariloche, in the western part of Argentina. And that he had this German scientist who was developing it. He timed the announcement to coincide with the meeting of all the foreign ministers of Latin American in Washington at the time in order to give him a special [laughter]. Tricks like that he would play, you know.

Q: Were you at all concerned at the time about Nazi war criminals in Argentina?

DEARBORN: Yes, not only Nazis but I think we were more concerned about the pro-Nazi Argentineans. We blamed them for a lot of our difficulties because they were in the cabinet, and they were in position to, you know, to influence. The minister of, I forget what they call it, government or interior or something, he was a particular thorn in our flesh. But it was very hard, with Mexico too, it was hard to tell whether somebody was anti-U.S. or just strong nationalists.

That might have been true to some extent in Argentina. Argentina's always had a strong feeling of nationalism, especially in connection with its relations with the U.S. They have not wanted to be dominated by us. Personality wise, before I ever came on the stage during international meetings we'd had trouble with Argentina. From our point of view, just being obnoxious, but it hasn't always been smooth sailing. In fact, I think it's better now than it has been.

LESTER MALLORY
Deputy Chief of Mission
Buenos Aires (1948-1953)

Ambassador Lester Mallory entered the Foreign Agricultural Service in 1931 and became a Foreign Service Officer in 1939. His career included assignments in France, Mexico, Cuba, and Argentina, and ambassadorships to Jordan and Guatemala in 1959. Ambassador Mallory was interviewed by Hank Zivetz in 1988.

Q: In what capacity did you go to Argentina?

MALLORY: Counselor.

Q: Were you in the political section?

MALLORY: In the old days you had one Counselor; now you have lots of them. I was the DCM. Actually, I was kicked upstairs. The ambassador to Cuba hated my guts, because he was trying to get away with a lot of things which were illegal, and I was trying to hold the staff together.

Anyway, I went to Argentina by ship--a nice trip. The ambassador was Jim Bruce. He was only there a month before he left, and I was in charge again. No big problems; things were quiet. We'd had a bad time with Peron because Spruille Braden had been ambassador, really fought an election against Peron, and tried to defeat him at the polls. He lost. And the popular thing was Peron si Braden no!

Anyway, nothing big was going on, and we didn't have any great problems with Argentina. Really there wasn't much to be done about anything. Peron was spinning in the saddle, but unless we were going to put an all-out effort to get him thrown out, we just had to ride with him--which we did.

We had quite a large staff. We did a lot of economic reporting. We did a fair amount of political reporting, although there wasn't much of an opposition to report on. We had quite a consular section. Anyway, we had a busy shop.

The social life was awful. There were 103 foreign representations, and each one of them had a national day--that means two a week. Besides, it was a time of lots of social activity. The only

way I could keep alive was to insist--personally and with my wife--that my weekends were sacred; I would not accept anything on the weekend. However a lot of those things were useful. You'd go to a cocktail party and you'd see the Uruguayan, the Frenchman, the Italian, and so on; you'd exchange all the gossip you could.

[Tape interrupted, tape difficulties]

MALLORY: I think what we need to mention is the rather quiet policy time we had. Previously, Spruille Braden had been ambassador to Argentina, and had himself tried to oppose the election of Peron. This caused a great deal of internal trouble, because no foreigner could come and tell an Argentine what to do. The popular theme on the street was Peron si, Braden no!. After Braden left, he was replaced by George Messersmith, I think. There was an interregnum of professional quiet. Then he was replaced by Jim Bruce.

I arrived in Argentina one month before Bruce left. He took me over--after a week--to meet Peron. And since Bruce did not speak Spanish, he asked me to translate. I told Peron that my Spanish wasn't that good; I wouldn't translate word for word, but I would try to give him the gist of what was going on. It wasn't until a long time later that I found out Peron understood English very well. But there was a secondary effect; because of that, I think, Peron had always accepted me at face value, and did not mistrust me. On a number of occasions, on which I had to see him over the years, we were able to sit down and talk right across the table, without anything being covered up.

There was a certain amount of anti-American feeling running around, particularly among the Peronistas. We had a few bombs, none of which were lethal; destructive of things like the library. We had a continual stream of people from the American press, who came down to see these horrible people, Juan and Evita Peron; they tried to get something on them, to publish. This didn't wash very well, and caused us some trouble, because their reports back home were all pretty well written with a certain amount of malice.

We had one particular case, I well remember. At the time when Messersmith came back--following his retirement from the service--my wife and I put on a dinner at the residence, where we invited the Peróns, the minister of defense, and so on. And the atmosphere was absolutely frigid, because that day an American press correspondent had been thrown in the hoosegow. As I remember, it was New York News. As usual in cases like that, the whole press got in an uproar, and filled the wires. Fortunately, Messersmith, who had been able to talk pretty frankly to Evita previously, took her off into one corner after the dinner, and talked at some length. The next day, the man was released from jail. Our role in that, as far as I know, was never reported; and it's just as well, because all it would have done was more press speculation on what we were doing there.

Q: *What do you mean by that?*

MALLORY: Why did the American embassy do this now, and not at other times? Why don't we do this now, and so on? You're always under suspicion.

Q: *Suspicion that you were playing games?*

MALLORY: That we weren't being tough enough with Peron.

Q: *But in this case you did achieve the release of this guy.*

MALLORY: Yes, fortunately, George was there, and I don't think my clout would have been big enough to do it. But he had those previous relations with Evita, and it worked. George had been ambassador previously, and come back on a visit.

Of course, we had an amazing amount of visitors of one kind or another.

Of course, the big event in the time I was there was the death of Evita. She had cancer of the uterus, and had let it go, not checked on it. They finally brought a medical man down from the States--a distinguished surgeon--and he checked her and left. She lasted a while longer, and then passed on. The scenes, which are amply reported in the press, we don't need to go into. But the streets were filled with mourners, day and night.

Q: *The fact that an American doctor had seen her; had the embassy had anything to do with this?*

MALLORY: The embassy had nothing to do with it. We didn't know the guy was coming until he arrived. By great good fortune, at that time Ellsworth Bunker was ambassador. He knew the name. He knew what flight the man was leaving on, so he went out personally to the airport, and got a private briefing. But that's the only contact we were able to make. There's usually a way to do something, but sometimes you have to be rather adroit about it.

CLARENCE A. BOONSTRA
Agriculture Attaché
Buenos Aires (1949-1952)

Mr. Boonstra was born in 1914 and raised in Michigan. He earned degrees from Michigan State College and Louisiana State University and later pursued studies at the Universities of Michigan, Wisconsin and Chicago. An agriculture specialist, Mr. Boonstra served in Havana, Manila Lima, Buenos Aires and Rio de Janeiro, variously as Agriculture Officer and Agricultural Attaché. He served as Deputy Chief of Mission in Rio de Janeiro and Mexico City, and from 1967 to 1969 Mr. Boonstra was the United States Ambassador to Costa Rica. Mr. Boonstra was first interviewed in 1989 by Donald Barnes and again in 2006 by Allan Mustard, W. Garth Thorburn and James E. Ross.

BONSTRA: Subsequently, I came back to Latin America where their economies were dominated

by United States post-war activities. As Agricultural Attaché in Argentina, we had a major interest in coordinating food supplies in the post-war era for the European countries. There was great European competition for limited food supplies and Argentina was trying to take advantage of this by high prices and exploitation of European markets funded by US post-war assistance. We were both competitors and funders so Argentina had to observe our actions at all times; similarly, we were interested in observing Argentina's practices. During the Marshall Plan years while I was in Argentina, the European countries, including the British food mission there, the Dutch, the Belgian, the French, had to work closely with the American Embassy. We would try to coordinate, as best possible, their procurement of Argentine supplies.

Q: That was a time when the Perons were in power for the long stretch, as I recall. Can you tell us anything about your relationship with the government or with them as persons.

BOONSTRA: It was a very interesting relationship, particularly for me. Agricultural statistics were declared by Peron to be state secrets. There were five-year jail terms established for anyone who published or disclosed these secrets. Argentina was trying to hide the total quantities available. My particular interest was to acquire the pertinent statistics. At one point, when the Department of Agriculture in Washington published--with my name attached--my own formulation of these statistics, the local newspaper Democracia with banner headlines called for my expulsion from the country for espionage. It so happened that at the same time my wife and I were invited to a large reception at the Casa Rosada. I asked my Ambassador whether I should attend being that they had my name on the front pages for expulsion. He said, well, if they do these things, they are playing both sides so go ahead and see what happens. That evening, I climbed the Casa Rosada stairs along with my wife, we shook hands with the President and Evita Peron and stopped for a chat in the receiving line. I ventured the remark that I felt a little strange about being there because the newspaper Democracia, which is known as the government spokesman, had called for my expulsion that very morning. The President laughed and said, well you people shouldn't be so brash as to attach names to such reports. We expect this is what you do but to have your name attached as the Embassy official, that's not very nice really. We don't feel too badly about it but your government must learn not to do things like that. I said, I'm very happily settled here in Argentina. Peron said, don't worry, the story will appear for another day or two and then you will hear nothing more about it. And that's exactly what happened.

Another aspect of interest in Argentina was a special relationship attributable to my first wife, who later died. She came from a Cuban family and was one of only two women in the embassy who spoke fluent Spanish, thus Evita seemed to feel comfortable with her. The Peron government was trying to keep its distance from the Ambassador and made it very difficult for the Ambassador to obtain appointments with the President and even with the Foreign Minister. Nevertheless, the Peron establishment, while officially somewhat hostile to the United States, understood the need for communication and cooperation and certain types of negotiations that were helpful to them, so they would choose rather strange methods of communication. Often they wouldn't see the Ambassador but Evita would get in touch with my wife and we found ourselves being the transmitter of messages. It was a strange arrangement at an embassy to go through the Agricultural Attaché but that's the way it was often done. When they wanted it done that way, that's the way we did it.

ANGIER BIDDLE DUKE

Staff Aide

Buenos Aires (1949-1952)

Ambassador Angier Biddle Duke was born in New York, New York in 1915. His Foreign Service career included positions in El Salvador, Washington, DC, Spain, Denmark, Argentina, and an ambassadorship to Morocco. Ambassador Duke was interviewed in 1989 by John McKesson.

Q: Perhaps you would like to begin by giving something about your experiences in your first two posts, in Argentina and Spain?

DUKE: I would like to emphasize, John, that I had close working experience with all sections of the embassy in Buenos Aires. I was named staff aide to Ambassador Griffiths in Argentina and Special Assistant to the Ambassador while in Spain. I interacted with USIA, the Political Section, the CIA, and all elements from the top to bottom which gave me a really significant opportunity to be substantively involved in the work of the Foreign Service and with the officers of the Foreign Service. This gave me a point of view of the Service that I think is somewhat unique, and certainly stood me in tremendously good stead when I had the opportunity to have missions of my own.

CARL F. NORDEN

Vice Consul

Buenos Aires (1949-1952)

Carl F. Norden was the son of the inventor of the most famous bombing device in World War II. He worked for the City Bank for six years in New York, Paris, and London. He took the Foreign Service exam in 1932 and went to Harvard, where he earned an M.A. in political science and economics. He entered the Foreign Service in 1938 and went to Berlin. He subsequently served in Prague, Paramaribo, Bari, Havana, Santiago, Buenos Aires, Caracas, Madrid, Tehran, Paris, GATT (Geneva), and Caracas. He was interviewed by Ambassador Horace Torbert on May 2, 1991.

Q: Well, let's go on then to your Latin American post. We had touched considerably on Cuba, and very slightly on Chile and Buenos Aires. You wanted to explain Argentina.

NORDEN: I was sent to Argentina from Chile. When I went to Chile, I knew that I was not going to remain there, but was going to Argentina, that Chile was a stopgap and I was to use my strong points, which were finance, in Chile, because Chile was having inflation problems. I was

working on that. And I had a hell of a good time. The reason I was to go to Argentina was that Perón had accumulated a very large, for those days, couple-hundred-million-dollar commercial debt, which he couldn't pay. He wasn't paying his debts.

Q: This was to American banks, more or less, or American firms?

NORDEN: Firms. And my job was to watch that and sort of help push it along so that our guys would get it. Eventually the Export-Import Bank decided to give the Argentines a substantial loan toward payment of these debts, and my business was to keep reporting on how it was going, you know.

Q: At that time, was Perón as antagonistic as he somewhat later became?

NORDEN: Well, not quite. We brought that on. We snubbed him. We snubbed him and he was sore about it.

Q: Now when you first went there, the ambassador was Bruce, at that time, was it?

NORDEN: I had three of them.

Q: Stanton Griffis and Bunker, I guess.

NORDEN: Yes, a great assortment. Bunker was marvelous, of course.

Q: I knew Bunker slightly later, and he was an absolutely...

NORDEN: A great gentleman. A great, great gentleman. Bruce, of course, was a different case. He was jealous of his elder brother in London, and so he was always trying to make the press. And his way of making the press was to drop by my office at about 10:30 and say, "Carl," (whatever the topic was) "I'd like you to do a paper on such and such. Label it Top Secret." And then about 11:00 o'clock, I'd turn it in, and he'd pass it around to the press. He was quite a character.

Q: I never knew about this until now about James.

NORDEN: The minor Bruce.

Q: Yes. I somehow rather never... Had he been a career officer at one time, too?

NORDEN: No.

Q: His brother had, of course, been one.

NORDEN: He was riding his brother's coattail. The third guy, Stanton Griffis, he was a special guy. He was a Hollywood type, and he had the greatest collection of "nieces" in the United

States, which used to have the run of the embassy, around which he would chase them.

Q: He came to Spain a little after I was there, after this happened.

NORDEN: Well, you know whereof I speak.

Q: And I heard a great many stories also... But he was kind of an interesting...

NORDEN: He was a damn smart fellow.

Q: Yes, very smart.

NORDEN: And he had the guts to say the un-sayable, that Perón was probably necessary from the point of view of social reform in Argentina. He had the guts to say it, but since the American press was violently anti-Perón, it was tricky stuff to say it.

Q: Well, he could afford to. This is one of the advantages of a political ambassador, if you get a good one.

NORDEN: Yes, that's right.

Q: Your service there, in trying to control and watch this desk, consisted of reporting and consulting with bankers?

NORDEN: Oh, yes. I went much further than that, of course, beyond my instructions. As the ambassador said, "This is such a rich country, only a genius could ruin it. Unfortunately, Perón is a genius." Well, I wrote a good many despatches about his talent for lousing things up, and I said that it would be years before the country got over the mischief that Perón had started.

You see, Perón was into something that never works. He was a guns and butter man. They army was madly jealous of Brazil and scared to death of them -- Brazil growing by leaps and bounds by comparison with Argentina. Therefore, the policy was to artificially build up industry in Argentina. And the only way they could do that was to overtax the agriculture, which was very expensive. And the fact is that Argentina, to this day, has not gotten over Perón.

He nationalized things. The British had a lot of investments there, and they were selling them out, and they sold them out to Perón. The railways, the streetcars, and the gas company were all British, you see.

Q: We had the phone company, I take it...

NORDEN: Yes, IT&T, yes. The nationalization worked this way: when they nationalized anything, they immediately built a large building and they filled it full of bureaucrats. Whatever he touched, he ruined.

Q: Even Lyndon Johnson, I think, found this out, although he was not quite as extreme at that point. ...he had to prove it could happen in this country...

NORDEN: Oh, God, yes.

Q: That was the guns and butter part of it... Then you stayed in Argentina for...?

NORDEN: Three years.

Q: Three years, so that was really a fairly substantial...

NORDEN: Rather long. Rather long. It was very dull, because when you first got there, you made a diagnosis, in effect. You could see it was a sick country, and you wrote up why it was a sick country. Having made that diagnosis, there was nothing else but to keep repeating it. You had nothing new to say.

EUGENE KARST
Press Officer, USIS
Buenos Aires (1950-1952)

Eugene Karst joined the OWI after being unable to join the military and stayed with USIA after WWII. His posts included San Francisco, Washington, DC, the Philippines, Argentina, El Salvador, Brazil, and Paraguay. Eugene interviewed himself.

Next assignment: the embassy in Buenos Aires. Juan Domingo Peron was in power, aided by Evita. They were carrying on a small but continuing anti-American campaign. They had forbidden the newspapers and radio stations to accept or use any USIS material (There was no TV then.). We had phonograph records of American music to offer the radio stations, and of course we had daily news material coming to us every day. So, what does a press officer do when his hands are tied?

We came up with the idea of a monthly magazine, appealing to the public, but sold on Argentine newsstands. We came about this idea shortly after my arrival in Argentina in November, 1950. The public affairs officer, my superior, and I attended embassy staff meetings every week. Before long, I told the embassy officers about our plan to publish a magazine which would sell for a modest amount, trying to get our message out about U.S. policies, culture, and background.

Meanwhile, I was asking the State Department for special material, letting them know our intentions for using this material--photos, etc. The embassy at the time was headed by a charge d'affaires; we had no ambassador. The charge d'affaires, Lester DeWitt Mallory, was not sympathetic to the USIS branch of the embassy. Personally, I believe there was jealousy

among him and the other "old line" Foreign Service people who regarded USIS as a new, upstart organization. We had our separate work. We happened at the time to have a generous "representation allowance." This enabled us to entertain Argentine officials without having to dig into our own pockets. We had our own budget, separate from the budget of the other parts of the embassy. Their hidden hostility was quiet because of our distinguished public affairs officer, my superior. He had been Minister to Bolivia, Minister to Portugal, and before that, Dean of the Rice University in Houston.

Our magazine, *Informaciones*, appeared for the first time on February 1. I sent copies to each of the embassy officers. In the staff meeting, I asked for comment and suggestions on how we could improve on the content of the magazine. I got no reaction, no response. Next issue, March 1, shortly after then the PAO took off on home leave. His ship was hardly out of the harbor when the administrative section of the embassy began to throw obstacles in the path of *Informaciones*. Did I have permission of the State Department to publish a magazine? What were we doing with all the money received from the sale of the magazine? And other questions of the kind.

I assured them that there was plenty of precedent for a USIS magazine being published in other posts. We had received up to then only a small part of the money from the sales, and every penny could be accounted for. I had deliberately NOT asked for permission, believing my request would bring about a delay, but saying I thought the Department already had tacitly approved of the plan by sending us photos and other materials for use in the new magazine.

So it went, problems with the administration people until we had a new ambassador, Ellsworth Bunker. A few days after his arrival, I was called to his office. There he read a warm commendation for the magazine from the Director General of the Foreign Service. It said that *Informaciones* was doing fine work in presenting the truth about the United States and what it stood for. A copy was entered in my personnel files. A few months later, I received a promotion.

North Korea invaded South Korea in June, 1950. Almost a year later, the Peronista newspapers began asserting that the United States had provoked the war in Korea. How to refute this? We took copies of the headlines and articles in the Peronista newspapers and had them reproduced in *Informaciones* without comments. However, we did recall that the North Korean invasion would be remembered like Pearl Harbor as a day of infamy.

Of course, *Informaciones* tried to refute communist propaganda. In refuting communist distortions about the United States, we were also refuting some of the Peronista lies about the United States. We could not call the Argentine press liars, but we could show the lies put out by the communists. Otherwise, we could have been put out of business by the Argentine government. After all, *Informaciones* was openly published by a part of the United States embassy.

We started with 5,000 copies for the first edition published. Later, we printed up to 50,000 copies for distribution and sale before Peron was overthrown. A file for the first two years of

the magazine was given to the St. Louis University Library, St. Louis, Missouri, if any researcher wishes to see Informaciones. In it we tried to show the cultural links between Argentines and Americans and to reflect American ideas and American life.

VIRON PETER VAKY
Economic Officer
Buenos Aires (1951-1955)

Viron Peter Vaky served in the U.S. Army in World War II, studied at Georgetown University and the University of Chicago and entered the Foreign Service in 1949. He was posted to Ecuador, Argentina and Colombia and served in Washington, DC.

Q: Well, then you moved from one side of the South American continent to the other and went to Buenos Aires from 1951-55, a good solid tour. What were you doing there?

VAKY: That assignment was interspersed with what was then called the Intermediate Course in Foreign Affairs at FSI, which was about a three-month course. It was being designed then for junior officers. Although I wasn't a junior officer they were filling it to try it out. It was a useful course. You went up several notches to look at questions like economics...how do you cover economics? What policies are involved? Etc. It was at that time run by Norman Burns who had served in the Department of Commerce. It again was an interesting class. George Vest was in that class. I was there for three months and then went to Buenos Aires.

Q: What were you doing in Buenos Aires?

VAKY: Economic reporting. I was assigned as second secretary, economic.

Q: What was the political and economic situation of Argentina then in this early fifties period?

VAKY: This was during the end of the Peron period. Argentina had gone through this whole Peronista period which had had its anti-American tones and Axis sympathies during the war. I arrived in fact while Evita Peron was on her deathbed. She died shortly after I arrived. I never saw her in person, but I did go through the lines to see her bier. That marked an end of an era. The question that was being debated at that time in policy terms was...we had gone through the war, gone through the Spruille Braden business...

Q: Spruille Braden was basically running against Peron. He was our ambassador.

VAKY: Yes, he said Peron was a dictator and shouldn't be reelected and he intervened. Peron very wisely used that, crying Yankee intervention.

But the Peronista period shortly after and through the war was Axis in sympathy. It was difficult

and it was a dictatorship. It became corrupt. It had its roots in a social revolution. What Peron did was to energize the working classes through the unions who had not really participated in what had been basically an oligarchic type of system. So there was a revolution in the sense that he gave political voice to people and classes that had really not been participants in the system. But I don't know that he had any particular philosophy other than he liked power and saw this was a useful vehicle. He passed a lot of social legislation. But the system became dictatorial, oppressive and corrupt and ran into trouble.

So when I arrived it was on its down side. The interesting thing was that not everyone perceived that that was the case. It is only looking back on it that you can see the dynamics. That is the agony of foreign policy. The debate was in policy terms, how should we deal with Peron. Evita had died and took a lot of problems out of the way as far as relationships were concerned. Peron looked as if he was going to be there for a long time. It was a rich country. Should we just keep spitting into each other's eye, or is there something to be done to bring about a rapprochement. And this was debated back and forth.

Q: Where was it being debated?

VAKY: It was debated above my level.

Q: But you were aware of these debates?

VAKY: Yes, because you would discuss it. It would be debated in terms of specific questions or problems. Should we renew cultural contacts with Argentina? Should we seek economic relationships? One major item that came up and did involve me--because I was doing commodity reporting and one of my commodities was petroleum--was the question of whether they would welcome some foreign participation and on what terms, since Argentina had indicated they might welcome some foreign oil companies (oil was a monopoly of the Argentine government, the YPF company). There were American companies still operating: Exxon was still operating under its old agreements. The government didn't nationalize them but the companies couldn't expand. YPF looked around and threw out a tender for bids for service contracts to help them explore. Standard Oil of California was one of the major bidders. There was a long period of negotiation with YPF and the government as to under what terms they could contract with a foreign oil company. It could obviously not be a concession; they were in fact to be simply service contractors. Standard Oil of California was interested because it was a foot in the door and because they were also looking for supplies of oil themselves. I had to do the reporting of what was happening.

That had political overtones.

Q: I am sure it did.

VAKY: So these were the kinds of things that were argued. When I arrived there was no ambassador, Lester Mallory was Chargé. Shortly after I arrived Al Nufer, a career officer, was appointed ambassador. Ambassador Nufer argued that we shouldn't just be stuck in frozen

hostility. Regardless of what one thought of the government, it was their government and there were things of interest that could be done; we ought to be thinking of some type of rapport. About this time you may remember we had the trip of Milton Eisenhower through the area.

Q: Yes. He was President Eisenhower's brother, but also a very well thought of government worker.

VAKY: So in this period, 1952-53-54, the Cold War was beginning to tighten all over, Latin America was becoming of considerable interest to the United States in terms of security, alliance matters, raw materials and all of that. So there was a lot of pressure on both sides. But generally the U.S. government began to move towards an opening. The Standard Oil of California contract was a major part of that underlying economic connection. But at this time and parallel to it, the regime was basically breaking up. You didn't see it but it was becoming corrupt. You could see social dissension. Peron was accused of having orgies with teenage school girls at his presidential quinta. There was a lot of unrest, even among the labor groups. He had a lot of bully boys--we would probably call them storm trooper types at that time--and they used to do dramatic things to try to hold the regime together, such as burn the Jockey Club. The Jockey Club was the epitome of the old establishment and the wealthy elite, etc. They burned that beautiful building with all of the records of the horses, etc.

Then the regime got into a fight with the Church. I am not sure to this day, why they did that. I am not even sure of the proximate cause. The fight with the Church over its role, social policy, etc. became so intense it manifested itself in attacks on the clergy. In late 1954, I guess, there was one bloody night in which these thugs burned several churches. Argentines are very Catholic, although not very religious, and you don't touch the Church. I think that really focused dissent in the military on this situation. It was from that time on that you began to hear from the military, which had been one of his main sources of support, beginning to break away.

So I went through my first coup in Buenos Aires in June, 1955.

Q: What happened and how did the embassy work during this situation?

VAKY: No one as I remember predicted the coup. It came as a surprise to a lot of Argentines themselves and certainly to Peron. The first coup was an abortive one and broke out in Buenos Aires in June, 1955 when air force planes suddenly appeared and started bombing the Presidential Palace at mid day. Our offices were on the top floor of the Bank of Boston building which is right off the main plaza where the Presidential Palace, the cathedral and municipal city hall are located. I came down with some friends and we were walking out of the building at noon. With us was Ernie Siracusa, the head of the political section. The first bomb dropped and you could hear the planes coming. Ernie turned right around while the rest of us were just watching and went running up the stairs, not waiting for the elevator, and got on the phone to Washington. He said, "There is something happening here, there is a bombing." This was the first news Washington got...they didn't have CNN in those days. The line was kept open, they didn't cut communications until much later.

Meanwhile we went back in and watched some of this from the top floor where our office was. There was clearly fighting going on between loyal troops in the ministry of defense and apparently naval troops. But most of the army stayed loyal so that by evening the coup had collapsed. It was basically an air force coup with some naval support. However, into the evening we didn't know what was happening. A command post was set up in the Ambassador's Residence which was away from the main fighting. I was on the edges of it. As a young officer I did some gofer work in that office. Later they let us go. We lived out in the suburbs and it looked like it was all over. I got my car and drove home giving a ride to other people. Clarence Boonstra was with me. Ernie Siracusa did most of the work along with Ambassador Nufer. It was over within a day.

Q: Did the United States play any role? Was anybody coming and saying, "Are you with us?" or something like that?

VAKY: Not at this point. Had it gone on something might have happened. It was basically a skirmish. It did happen in September, 1955, a little later. But this was basically a skirmish that surprised everybody. The job the embassy had was to assess what was happening...who was on first base, etc. We did have a consular protection problem. We had a lot of American engineers who had come in under the Standard of California oil contract who were in a hotel on the edge of the plaza. The ambassador wanted to get them out of that area not knowing what was going to happen, so early in the evening consular officers went over to the hotel, where electricity had been cut off, and walked them to the embassy where cars were waiting to take them out to various homes in the suburbs.

I was at the end of my tour at that point. In fact I had already had my assignment, which was as Argentine desk officer. So with the abortive coup and not knowing what might happen as far as getting your stuff out of the country, I was taken up with personal problems making sure my personal effects were being packed and gotten out of there.

I went on home leave. Throughout this period in Argentina the tension was high; you did begin to get the rumors of who was organizing what and what was going to happen. It was pretty clear by then that Peron was probably not going to make it. I assumed my duties on the desk, if I remember correctly, on the 5th of September, and on the 15th of September the revolution broke out in Cordoba and did in fact overthrow Peron.

Q: We will come back a little later for more on your time in Argentina, but now on the desk...for somebody who doesn't understand how the thing works...here you are the desk officer and obviously you are knowledgeable about Argentina at the time, but you are the desk officer and a coup starts. How did the news come to you, how did you react, how did the system react? What were our interests?

VAKY: Well, we had a lot of interests. You know at this point I will have to get anecdotal.

Q: That is exactly what I would like.

VAKY: The word came to me through reporting from the embassy. Now remember I had been on the job for ten days. My immediate boss was Livingston Watrous, Pete Watrous. I remember coming in the morning of the 15th and Pete coming into my office and saying, "They have a little trouble up in Cordoba." Initially the news came over the press wires. Right away your first job is to absorb the information, sift it and tell your boss--Maury Bernbaum was the office director; Henry Holland was the Assistant Secretary--what is happening and what does it mean. That is the function of the desk officer, to take that raw material and put it into some form that you can communicate tersely, with as informed a judgment as possible to the boss. It meant identifying people, their biographic data and assessing what the ramifications were in many ways.

The revolution took a week or so and it was a long time before we could see what was happening. Finally the regime collapsed and a junta took over. There was lots of drama in between. The head of the army went to Ambassador Nufer's house and asked for asylum and Nufer said, "We don't give asylum, we don't recognize that, but I will put you in my car and my driver will take you over to the Bolivian embassy which is nearby; they do give political asylum." There was that sort of thing going on all the time.

One concern while you are on the desk is to look at the threads in the big picture and let them know what is happening. Once Peron was out, then your questions and interest turned to who is in and what does that mean. The rest of my tour on the desk was involved basically with the problem of what kind of relationship we should now have with a new regime. And it looked like a good regime.

Q: How did we react emotionally within the State Department apparatus to the fall of Peron? Obviously he had been a thorn in our side and we had been unhappy with him for a long time.

VAKY: I suppose a lot of people were actually relieved. Peron didn't have a lot of fans. There was some concern for the Standard Oil of California contract, but nobody got excited about that, even Standard Oil of California felt it was just an adventure. I think in political terms it was looked upon as probably a good development.

Q: Did we see any of this in Argentina at the time in terms of the Cold War? There was no Communist insurgency?

VAKY: No. The participants in the coup were military with distinguished civic leaders, business interests, political units like the burgeoning Christian Democratic Party. There was no Cold War context at all. The question that came up was what do you do with this new government? It has come in by revolution or coup; says all the right things; and for the next several years--the rest of my tour there--it turned on the question of basically economic assistance for Argentina. Very shortly after this new government took office under General Aramburu, they set up an economic mission to Washington to ask for help. The treasury had been depleted under Peron and there was a lot of corruption and a lot of needs. The infrastructure was depleted and there were lots of things they had to do. I was at that point for those years immersed in the bureaucratic infighting of dealing with other agencies--Treasury, ExIm, Commerce, AID, etc.

Q: A question that always occurs to me is, why is it that Argentina, which probably is potentially one of the richest countries in the world with a population that comes from Europe and doesn't have an Indian culture which is an inhibitor on modernization, at least the second half of this century almost an economic basket case? What is the problem?

VAKY: I don't know. It is a country that never really found a national coherence for a long time. I really don't have the answer to that. It was sort of an anti-nationalism. It also is not as bad as it looks.

Q: Maybe it is something like Italy. When you look at Italy from the outside...

VAKY: Well, there is a lot of that. There is a lot of fragmentation of the social/political fabric. Up until very recently you didn't have the kind of poverty problems that you had in Brazil. However, because of shoddy economic policies there recently has developed a lot more poverty. But at that time, remember you are talking 1955 and you have just gone through a military dictatorship of Peron, a kind of fascist, strange system called justicialismo, which had polarized the country, so there was the feeling in 1955 that maybe here was a chance for us to deal with an important country that had come out of a nightmare and see what happens. I can remember writing policy memoranda to that effect...in fact, they are published in the Foreign Relations volumes for 1955-56, first to Henry Holland and then Dick Rubottom who succeeded him. They argued that in fact, having gone through this strange period where we had a lot of anti-Americanism and cool, if not cold relationship, we ought to help them. They did need economic assistance. We ought to help them with ExIm loans. We did have a lot of problems with trade restrictions, tung oil restrictions, fresh fruit and all of these commercial problems. We ought to inform the things we did in these different areas of activity--economic, commercial and trade--with an underlying concept that we were trying to establish a working, friendly relationship with a country whose potential for importance in South America was very high. And I think that position was essentially adopted.

Q: Was there any debate over whether this was a military rule or a democracy?

VAKY: There was some, but it wasn't clear because in those days the junta had brought in civilians. Today you would call it a national reconciliation group. It was not run as a military government as such. Furthermore they were working towards elections and in fact had elections in 1958 in which a civilian from, Arturo Frondizi was elected president. So it was moving in that direction. Everything that came in afterwards had not yet surfaced. That is to say you didn't have terrorism starting out, you didn't have the military getting worried about its role and what politicians were doing, so that it began clamping down, etc. None of that had happened. This was a country still coming out of a period of Peronism. The Peronistas were still pariahs. But as a whole the country was trying to work its way out. Individual interests began breaking it apart.

Q: You were saying as desk officer you often found yourself sort of fighting the State Department battle with AID. What were you trying to get and what were they trying for you not to get?

VAKY: The desk officer's job is to be sure his bosses, who are fighting the bureaucratic battles,

are well armed. The question comes up as to whether or not we are to grant a loan for recovery to Argentina. Even if everybody accepts it the questions are always, how much, what conditionalities, if any, etc. I had my views on those questions, but I am not the action point. The guys who were going to the meetings, etc. were Maury Bernbaum and Dick Rubottom, at that level. I am their aide. I am to argue a case with them since I am supposed to have been the repository of most of the basic facts and knowledge of Argentina. What their balance of payments looks like, etc. So I had those twofold functions. One, saying to them that I think we ought to be generous and realizing that we had budget restrictions, we ought to argue for X amount; and secondly providing them with materials if they are willing to take that position. This all works out in terms...you do a lot of paperwork; you have a meeting with the head of the ExIm Bank to determine how we are going to respond to this request; here is what the Argentines are asking for; here is what looks reasonable, here is the ExIm Bank position, and here is what I recommend you tell them...give them talking points of why we should do this. That kind of thing.

The other job the desk officer has is to understand what is going on in Washington so I had contacts with everyone in Washington dealing with Argentina. I had to find out who was the ExIm Bank desk officer and what he was doing. We would have very friendly talks. And then we would go back and forth. As you know when actions are taken you have to get things cleared in Washington which meant you have to get the concurrence of a number of agencies on a particular problem. That is a whole task in itself because policy in Washington is essentially a process of consensus formation, working stuff out. When the apple and pear producers want an increase in duties on Argentine pears, that is going to be taken to the Agriculture Department and they are going to come to us and say, "We have to do this," and we then have to tell them why they can't do this because it affects the national interest, etc. So you do that kind of thing.

So I viewed my job as trying to know as much as I could about what was happening in Argentina and in Washington with regard to events that you have to deal with. I had to be sure that my boss was well informed of that and give them my best judgment as to what I think we, the U.S., ought to do.

Q: Looking back with some perspective, one has the feeling that the Dulles State Department had a good solid structure to it in the decision process. Did you find this?

VAKY: It was rigid all right. John Foster Dulles ran it and that was basically it. We always felt in the Bureau of Inter-American Affairs, that we were a little fortunate in that John Foster Dulles wasn't really interested, he had other things to do. So you sort of had a freer hand to do things. He was going to look to his Assistant Secretaries in those areas where he wasn't, himself, personally interested, to carry it out. So Henry Holland had a lot of power. That would not have been true if you were talking about the European Bureau or the Middle East.

But my memory is of a very much personal, controlled Department in which you knew who was boss, and he ran it. But in our area he let us run it. But he would do things...he called me one day on the desk after his press conference and said, "I have just had a press conference and they asked me a question about Argentina and I replied thus and so, is that okay?" I must say I don't remember what it was, but I replied, "Yes, sir," which it was. But, other than that in my day at

that time you didn't feel the seventh floor. The boss was Henry Holland. Now, his relationship with the Secretary is another question.

Q: Just one more question about this time which really covers three tours, did you feel any effects of McCarthyism at all?

VAKY: No.

Q: Latin America, again, was sort of out of the focus. The Far East and Europe were.

VAKY: Whatever you felt was tangential. For example, Francis Styles was a China hand and was quite caught up in it. He was succeeded by another China hand, Paul Myers, and he had gotten in trouble with Luce, etc. and for that reason was not assigned...he didn't know anything about Latin America and didn't care about it, but he was assigned because as an old China hand they wouldn't assign him elsewhere.

Q: So this wasn't a...?

VAKY: Not in my cognizance.

Q: You were arriving when the Wriston program which was bringing civil servants in was just beginning to really get going. There was an amalgamation within the State Department of the Civil Service with the foreign service. Was this upsetting?

VAKY: I never got upset about it although there were obviously a lot of people who were. I had less than ten years in the Service and still struggling going up. I don't remember being exercised at all about the Department bringing people who worked in INR, for instance, who were doing a great job, into the Foreign Service. In fact, I never really got exercised about the career, I just tried to do my job.

Q: On the career side, I was thinking more along the line of the expertise. One of the things the civil servants had was that they spent a lot of time say, on Latin America, rather than being in the Foreign Service rotational policy. Did that at that point seem to have any effect?

VAKY: Now, if you are asking me about the way I felt or what I thought about it, I didn't really get worked up about it. I thought it would be a shame to lose the expertise of people like the person who headed the Latin American part of INR and was a real scholar, etc. Why would he want to go out? But this was still very early on in the Wriston period and I was back out in the field when the amalgamation really came. If you are asking about the wisdom of integrating, I can't remember particularly debating that or getting involved in that, but looking back at it I think there were some things that didn't really make sense. From that period I think there was a fundamentally flawed concept in the Foreign Service that gave us all kinds of trouble later. Now this has nothing to do with this period.

Q: Well, why don't you mention it because when the time comes up we may miss it otherwise.

VAKY: Basically the Foreign Service was conceived of, and I think should be, a field service. A professional service serving foreign relations, basically in the field, doing negotiation, reporting, analysis, etc. With integration, the assumption was that the Washington function of bureaucratic infighting, etc. and the field function were fungible. That the same guy could do both easily. And that is not true. The reason, I think, that Foreign Service officers had a very difficult time back in Washington, the reason why the State Department always gets clobbered, is that the concepts and training of Foreign Service officers are not always suited to what you have to do in the bureaucracy, both in terms of continuity and just generally how you operate. In the field, the Foreign Service is essentially a conflict resolution kind of activity. You negotiate, you try to reconcile, you try to compromise and find ways to do it. Up here it is a jungle and it is infighting and it is a different concept. So it is not automatic. Now the same person can do both if you are very talented, but that will tend to be adventitious, it just happens to work that way. So Foreign Service officers are brought in and put into this pressure cooker dealing with people who are bureaucrats who have been here in Commerce, Treasury and Agriculture for all their lives and know how to work in a bureaucracy, and we have to learn. By the time we learn we are rotated out. So, the concept that the two are fungible is, I think, a fundamentally flawed concept. How do you deal with that then? I think there is a lot more room, and I suppose we will move to it, towards a home service, particularly in areas of expertise where you need it...advanced economics, trade, etc. I think it is good for Foreign Service officers to have tours in Washington because you do need to know how it works back at the home office, but absolute fungibility...

Q: You took the desk from Argentina particularly at a time of a deteriorating situation allowed you to hit the ground running. In fact you were bringing something with you that probably would have been missed by somebody, even an old Argentinean hand who hadn't seen what had happened in the last days of Peron.

VAKY: But if I had been brought in and stuck in European Affairs or even one of the functional bureaus, I would have had to swim a lot harder there being a lot more to learn.

Q: And probably not contributed as much.

VAKY: Not immediately at least.

CLARENCE S. BOONSTRA
Agricultural Attaché
Buenos Aires (1952-1955)

Ambassador Clarence A. Boonstra was born in Grand Rapids, Michigan on January 5, 1914. He attended Michigan State University, the University of Wisconsin, and Louisiana State University. He entered the Foreign Service in 1946. Ambassador Boonstra's career included positions in Cuba, the Philippines, Peru, Argentina, and Brazil, and an ambassadorship to Costa Rica. Ambassador

Boonstra was interviewed by Mr. Donald Barnes in 1989.

Q: You went to the Philippines just as the Japanese were leaving. The following years have been considered by some people familiar with the Foreign Service as the years in which the United States had, perhaps, it's greatest impact in foreign affairs, because it came out of the war relatively unscathed, relatively wealthy, and willing to use it's wealth and it's power. Could you talk to us a little bit about what it was like?

BOONSTRA: Well, it was a heady experience representing a country then the dominant power in the world, influencing and often controlling economic and political happenings everywhere. In Cuba we were the sole buyers of Cuban sugar and their supplies of rice and other foods depended directly on the United States. In the Philippines we were even more in control. I came there when they had military government and helped in the turnover to the civilian Filipino government. On July 4, 1946, in a spectacular celebration of independence, I was one of the aides on a platform with General MacArthur and Paul McNutt, and the incoming President Manuel Roxas. Paul McNutt had been High Commissioner and was about to become Ambassador. Subsequently, I came back to Latin America where their economies were dominated by United States post-war activities. As Agricultural Attaché in Argentina, we had a major interest in coordinating food supplies in the post-war era for the European countries. There was great European competition for limited food supplies and Argentina was trying to take advantage of this by high prices and exploitation of European markets funded by US post-war assistance. We were both competitors and funders so Argentina had to observe our actions at all times; similarly, we were interested in observing Argentina's practices. During the Marshall Plan years while I was in Argentina, the European countries, including the British food mission there, the Dutch, the Belgian, the French, had to work closely with the American Embassy. We would try to coordinate, as best possible, their procurement of Argentine supplies.

Q: That was a time when the Perons were in power for the long stretch, as I recall. Can you tell us anything about your relationship with the government or with them as persons.

BOONSTRA: It was a very interesting relationship, particularly for me. Agricultural statistics were declared by Peron to be state secrets. There were five-year jail terms established for anyone who published or disclosed these secrets. Argentina was trying to hide the total quantities available. My particular interest was to acquire the pertinent statistics. At one point, when the Department of Agriculture in Washington published--with my name attached--my own formulation of these statistics, the local newspaper Democracia with banner headlines called for my expulsion from the country for espionage. It so happened that at the same time my wife and I were invited to a large reception at the Casa Rosada. I asked my Ambassador whether I should attend being that they had my name on the front pages for expulsion. He said, well, if they do these things, they are playing both sides so go ahead and see what happens. That evening, I climbed the Casa Rosada stairs along with my wife, we shook hands with the President and Evita Peron and stopped for a chat in the receiving line. I ventured the remark that I felt a little strange about being there because the newspaper Democracia, which is known as the government spokesman, had called for my expulsion that very morning. The President laughed and said, well you people shouldn't be so brash as to attach names to such reports. We expect this is what you

do but to have your name attached as the Embassy official, that's not very nice really. We don't feel too badly about it but your government must learn not to do things like that. I said, I'm very happily settled here in Argentina. Peron said, don't worry, the story will appear for another day or two and then you will hear nothing more about it. And that's exactly what happened.

Another aspect of interest in Argentina was a special relationship attributable to my first wife, who later died. She came from a Cuban family and was one of only two women in the embassy who spoke fluent Spanish, thus Evita seemed to feel comfortable with her. The Peron government was trying to keep its distance from the Ambassador and made it very difficult for the Ambassador to obtain appointments with the President and even with the Foreign Minister. Nevertheless, the Peron establishment, while officially somewhat hostile to the United States, understood the need for communication and cooperation and certain types of negotiations that were helpful to them, so they would choose rather strange methods of communication. Often they wouldn't see the Ambassador but Evita would get in touch with my wife and we found ourselves being the transmitter of messages. It was a strange arrangement at an embassy to go through the Agricultural Attaché but that's the way it was often done. When they wanted it done that way, that's the way we did it.

Q: That's interesting indeed, and from Argentina you went where?

BOONSTRA: From Argentina I went to Brazil. I went there as Agricultural Attaché and then took over as Acting Economic Counselor, because I left Agriculture at that time. You may recall that in 1954 the Department of Agriculture set up its own agricultural service. At that time I remained with the State Department and moved over to the economic side.

ERNEST V. SIRACUSA
Political Officer
Buenos Aires (1952-1956)

Ernest V. Siracusa was born in California on November 30, 1918. He obtained a B.A. from Stanford University. He had service in the U.S. Navy during the Second World War and spent one year at MIT as a graduate student in economics. He served in Buenos Aires, Rome, and Lima. He was ambassador to Bolivia and Uruguay. He was also in the U.N. as an advisor on Latin America. He retired in March 1974. He was interviewed by Hank Zivetz in June 1989.

Q: You were assigned to Buenos Aires as a political officer. This was in the final years of the Peron period. Could you share with us some of your impressions of the political atmosphere in Argentina in the mid-1950s?

SIRACUSA: That's a big subject, as you well know, but I will try to hit some highlights without, I hope, rambling too much. I did go to Buenos Aires. About September, 1952 if I remember correctly--arriving in October, 1952, to be exact. (it took about ten days to get there by ship) That

was about a month or a bit more after Evita Peron's funeral.

Our Ambassador, Albert Nufer, a career officer, had been my boss in Washington where I worked as Officer in Charge, Central America and Panama Affairs, after finishing my courses at MIT. When Nufer was assigned to Buenos Aires, he asked if I would like to go with him as the number two officer in the political section and I happily accepted. Given our past association and the basis for my being there, I enjoyed a special trust of the Ambassador not exactly commensurate with my middle rank in the Embassy.

Ambassador Nufer had arrived in Argentina just in the week of Evita Peron's death and funeral and, although it earned him the criticism of The New York Times, and especially from editorialist Herbert Matthews who was bitterly anti-Peron, Ambassador Nufer felt, after some soul-searching and doubt, that the proper thing was to go and pay his respects. (After all, he said, Peron was human and his wife had died after long suffering).

And so, with Eva Peron lying in state for several days, while tens of thousands of Argentines, (especially the working class and mostly women) passed before her bier, Ambassador Nufer appeared, unannounced and unescorted, and stood quietly and respectfully for a while beside the coffin, much to the surprise of the mourners and especially of Peron whom he had not yet met. (The Ambassador, just arrived, had not yet presented credentials and was therefore without official standing).

That gesture, however, was, I believe, very important in establishing a basis for the kind of personal relationship which Nufer was able to develop with Peron and was a factor in the improvement for a time in U.S.-Argentine relations which later occurred.. Peron, apparently, rightly viewed the Ambassador's act simply as one of human consideration, which it was, and responded to it in kind.

A few months after my arrival in Argentina General Eisenhower was inaugurated as President and gave some priority to his desire to strengthen Latin American relationships. So in early 1953, shortly after his inauguration, he sent his brother, Milton Eisenhower, on a very highly publicized visit of fact-finding and goodwill to key Latin American countries.

The Embassy had considerable difficulty against strong opposition in the Department and even from some nearby posts, in having Argentina included in his South American itinerary. Although Peron was an elected President, there was much bitter feeling against Argentina which was seen as a dictator-led, hold-over Fascist country which deserved to be snubbed by the President's brother.

Just after we had fought a long and costly war to rid the world of Fascism, Peron (and Argentina itself with which country we had never had warm relations) was especially unpopular. Also, Argentina's ambiguous role and attitude during the war and Peron's newly developing, pretentious "Third Position" in the growing post-war struggle between the West and Soviet-Communism was more than adequate basis disapproval and resentment.

In short, Peron and Peronismo; his Mussolini-like but always eloquent balcony addresses to his manipulated union followers mandatorily packed into the Plaza de Mayo; their shouted "democratic" endorsement of his proposals (often rewarded on the spot with a paid holiday-cynically called SAN PERON); and, Evita's showy exploitation of her "adoring" masses, coupled with her scornful vindictiveness toward all others, made it all hard to swallow as all the things we were opposed to seemed to be reflected in Peron's character, in Peronismo and in the kind of government he was running. Such antics were by their very nature most distasteful to most Americans.

Also, Peron had the intractable opposition of the American media. If simple antipathy on grounds just mentioned were not enough, Peron had also nationalized one of the great newspapers of the world, La Prensa of Buenos Aires. and turned it into a controlled caricature of its former status in the world of journalism. That act, in addition cost the Associated Press one of its biggest accounts. Thus, while the media had plenty of reason to oppose Peron for his affront to democracy and press freedom, the accompanying financial damage to the Associated Press may have added something to the solidarity of all the American media and their unrelenting and determined opposition to Peron.

As a footnote I might add that while Peron had indeed been elected by an overwhelming majority--something like 75% or more of the votes--it had certainly not by our lights been a fair campaign. The opposition was hamstrung at every turn, had no free press support as there was none such, had limited access to radio, etc., etc. Nonetheless it was generally considered by most observers that he would have received at least majority support of Argentines even in a fair election and there was opposition representation in the Legislature, powerless as it was.

The leading opposition figure was Arturo Frondizi of the Union Civica Radical (Radical Civic Union) who finally became President for a time in the post-Peron period. Finally, a factor in Peron's attitude toward the U.S. was that a former American Ambassador, Spruille Braden, had virtually campaigned against him. Many Argentines thought that in a campaign where a patriotism-inspiring slogan--Braden O Peron--was gleefully exploited by the Peronistas, Peron's margin of victory would not have been so large had Braden behaved more correctly.)

While recognizing the many good reasons for Milton Eisenhower to skip Argentina and thus deliver a clear and in many ways satisfying message, it was hard to see what in fact this snub delivered to one of the three most important South American countries (Brazil, Argentina, Chile) would accomplish or how it could serve US interests, especially since he would be going to the other two. Looking beyond such immediate though questionable satisfaction which Peron's humiliation might bring, Ambassador Nufer and most (but not all) of his policy-advising staff believed it more important to try to influence Peron toward our side in the developing cold war and felt that with Evita gone there was a chance for a change to our advantage. The thought that Peron absent Evita might be different was an important consideration.

Supporting this estimate was the fact that by that time Ambassador Nufer, helped by his genial personality and vernacular command of Spanish--including an inexhaustible supply of jokes in that language, which Peron enjoyed-- and by Peron's clear appreciation for the gesture which

Nufer had made at Evita's bier, had established a comfortable relationship with Peron in their several official contacts at the Casa Rosada. In these contacts the Ambassador had sensed that Peron would respond to a gesture pointing toward a possible improvement in relationships. On the other hand, a humiliating snub (by the Eisenhowers, President and brother) would surely end that possibility.

In the end the Embassy's view prevailed and the President's distinguished educator brother did come to carry out a very effective program of formal and informal (football game at a jam-packed stadium) contacts with Peron which the Embassy and the Foreign Office had organized.

Through it all, the ambience was correct but not warm, but as the program developed neither was it cold. With Nufer as a skilled interpreter at their sides, the two got along well and established a kind of wary rapport which with some follow-up contact and correspondence, provided the basis for Ambassador Nufer to work toward a considerable change in the way things were going between the United States and Argentina.

In short, Milton Eisenhower agreed with the Embassy that with Evita gone and Peron showing signs of desire for change, the United States should try to develop some influence for better relations and, perhaps, for a better condition for the Argentines. It seemed worth a try with potentially significant benefits against little to lose by failure.

Coincidentally, in the aftermath of Evita's death, changes were occurring, slowly, in Argentina as well. Although middle and upper class Argentines opposed Peron, increasingly some began to regard him (even if grudgingly) as somewhat the arch-typical, macho Argentine Army officer product of the middle class; and, the waning memory of Evita, whose embalmed remains were jealously guarded at Labor Headquarters, made this all the easier. (Elaborate efforts were reportedly made by Evita's Labor guardians to embalm and restore her remains-looking, it was said, to her eventual canonization; and, in a country where there was no free press the gossip and rumor mills were constantly fed with the most outlandish, shocking and often ghoulish "details". But the truth was that no one knew anything.)

I guess I digressed there re Evita's remains. So to pick up the thought, Peron, after all, had many characteristics and qualities that many Argentines could recognize and identify with even if not support. That was not the case with regard to Evita, however insofar as the upper and middle classes resented, hated and even despised her. Evita's strength came from organized labor which owed her much as a practical matter, and vice versa. And in addition to the working class men, a form of adulation came to her from working women and from the lowest of the low, servant-class women, who saw in her rise, almost from their own humble status, a sort of fairy-tale hope for themselves and for their future. If Eva could rise so high couldn't anyone?

Evita was, as workers saw it, the spiritual embodiment of a deep-rooted revolution which for the first time in Argentine history sought to give them both social and political status and protection from the grievous exploitation to which many of them had customarily been subjected. (As for servant women, my wife and I learned early on in our Argentine experience that really heartless

exploitation of such women was not uncommon even by people who could afford to house, feed, and pay them well. Many were said to sleep in hallways even without a bed. But we also learned that Eva's rise largely had put an end to this--hence her status among the lowest--and her death did not end the adoration of her by such people. And the government-backed power given to organized labor doubtless gave factory and other unionized workers a better share than they had been able to win before.

In the months after Milton Eisenhower's visit Ambassador Nufer had a good atmosphere within which to advance the constructive dialogue he had initiated with Peron and coincidentally, things did begin to improve in the country as the economy gradually strengthened. And morale was palpably lifted with an end to the unprecedented requirement for black bread only and even strict meat rationing which were shockingly and stringently in effect--(in this bounteous land of meat and wheat)-- when I arrived.

With these developments internal political tensions began gradually to subside as well. As for our own relationships, Ambassador Nufer's continued good reception from Peron, who clearly liked him, and a useful follow-up visit by Assistant Secretary of State Holland (also the kind of down to earth, vernacular-Spanish speaking diplomat who could best communicate with Peron) were followed by some concrete, positive developments such as the start-up of the Kaiser auto assembly plant in Cordoba -(the first in a now large industry there); a very well received, spectacular and popular visit by the Air Force Thunderbird Team, -(no one had seen such precision, jet flying before); and, early consideration of a possible Export-Import Bank loan for electric development all brought about a greater degree of normalcy if not cordiality in official US-Argentine contacts.

The overall impact was such that by mid 1954, if my memory serves correctly, our relationships were constructive and probably at least as good as they had ever been. (Pre-Peron they had never been warm as Argentina, almost as a thorn in our sides constantly challenged US influence in Latin America and competed with Brazil and Chile for South American leadership).

At this point I should insert one concrete evidence of a dividend emanating from our better relations which surely would not otherwise have occurred. I'm sure enough time has passed to speak of this then-classified event, which started when Peron called Ambassador Nufer in to protest that his agents had discovered ours trying to bug the Soviet Embassy. He said that our "clumsy effort" (his description) had almost blown their own taps. He proceeded to offer, then and there, to share the product with us if we would only not try again.

At a time of increasing cold-war tensions and McCarthy era hysteria this gesture, giving us an information pipeline into the Soviet Embassy, was as appreciated as it was surprising. No time was wasted in augmenting our station by a number of Russian-qualified translators and analysts to deal with the product which I assume was of some value to us. I believe we shared back to the Argentines what we developed from the raw data and believe the activity went on at least until Peron's downfall. I also assume the information was useful. .

To return to the narrative, there was also greater acceptance internally of Peron than there had

been theretofore by industrial and commercial interests, by elements of the middle class and even by some in the oligarchy.-- Here is an interesting evidence of this change:

I think it was in October of 1954 when the exclusively upper class yachting community, which was very large in Argentina and which had been prevented for many years because of tension between the two countries from doing what they loved to do--sail across the Rio de la Plata for weekends in Uruguay--had come to the point where they were willing to pay homage to the President with the tacit understanding that this ban would thereafter be lifted. Although it had been hotly debated in the clubs and some did not participate, on a certain Sunday at about mid-October nearly 2,000 yachts of all sizes passed in review by the presidential yacht, which was anchored at the Olivos Yacht Club. Peron, standing at the stern beside the flag, took this salute with obvious satisfaction.

(I know because my wife and I, in order to be able to observe, experience the ambience of and later report on this most striking political event, sailed our own, venerable Six Meter Class boat in harrowing proximity to all the others. It was a sort of demanding "achievement" test for us as newly minted sailors, determined to do it all under sail, alone and without power.)

At the time, it seemed, that with such an occurrence, embodying a degree of chary goodwill and perhaps tentative, at least, class reconciliation, better times might well be coming to Argentina and to Argentines. Alas, this was not to be and the era of "good" or perhaps just better feeling was tragically over in a matter of weeks.

As certain moderate and positive forces were moving Peron toward the high point which the yachting event represented, a mixed bag of contrary forces (extremists, fascists, ordinary rowdies--Guillermo Patricio Kelly's Alianza--and even communists) had been at work behind the scenes to push Peron in the opposite direction --and in the end they won. The common thread which united these disparate forces within Peron's always heterogeneous movement was their aim to continue social and class conflict and to thwart any rapprochement with the United States which a more moderate and possibly, eventually, less dictatorial Peron might achieve. A milder Peronist Argentina or even a somewhat more democratic one eventually would obviously not be to the liking of such interests.

Thus, as Peron seemed to pay attention to some more constructive and moderate advisers, he was moving in one direction. And as these became more influential in the era of a somewhat softer Peron, the extremists were losing ground and seeking opportunity to stir up trouble and provoke a clash which would force Peron to return to more reliance on them.

One of the things that was going on behind the scenes with scant publicity was Peron's interest in young people,(ostensibly for the political objective of forming future staunch Peronists) but this activity inevitably gave rise to rumor, tentative and then increasingly persistent, of improprieties with young women of high school age. The locus of activity was Peron's very large, official, suburban estate in Olivos which he had virtually turned into a club for secondary students.

He once explained in my presence that his reason for doing so many favors for people of this age

group was that he had failed in all efforts to gain support of the university students who implacably opposed him. So, he said, his answer was simple: he would favor the high-school people, who would soon be in the university, and the problem would be solved in due course).

One can even suppose, perhaps, that what he started as a political objective put him in contact in his widowerhood with some delectable young things and a temptation which he did not have the character to resist. He quickly acquired a reputation for lechery as the country almost overnight began to buzz with rumors of the scandalous goings-on at Olivos. Later it became known that his favorite, one Nelly Rivas, I believe, was then about 15 years old, I seem to recall.

In a country where the Catholic Church was the official religion, where divorce was illegal, and where the women faithfully attended church, even if the men in general did not--except it was said for weddings, baptisms and funerals--this issue rapidly became the straw which broke the camel's back.

Responding in part to these scandalous rumors and perhaps to other general church-state problems as well, reflecting concern for the intrusion of Peronism in education of the children, (some of the Peronist-indoctrinating children's books which I saw could in no way have been welcomed by the Church as Peron and Evita were almost deified as role models instead of Mary, Jesus and the Saints) a bold and critical pastoral letter was read in all churches in late November, 1954.

The response was almost immediate--a bitter and emotional speech by Peron attacking the Church. Thus ended the era of good feeling, such as it was, and from then on until the bloody but unsuccessful Navy-inspired coup-attempt in June, 1945, and the final, successful military revolt in August, 1955, leading to Peron's downfall and exile, everything went downhill on an ever more slippery slope.

Peron's harsh tirade against the first pastoral letter was responded to by more critical pastoral letters, helping to inspire women especially, and even, timidly, some elements of the press and opposition politicians, to express in varying degrees their disapproval and even defiance. And it is to be supposed that in the bedrooms of military officers, wives became unrelenting in pressuring their reluctant husbands to pull up their moral socks and do something.

The development of events are, of course, fully documented in Embassy reports at the time and in those of the foreign press reporting on Argentina which by and large went out uncensored. These should be consulted for accuracy and detail. Here, speaking from memory and many years later, I am only trying to paint the broad picture without specifics.

There was a rapid deterioration as the Church's critical debate with Peron inspired marches, clashes and the ever-increasing crescendo of rumors upon rumors. The rumor mill--absent a free press-- was so prevalent that choosing what to believe became more an exercise of intellect and judgment--or even an art of sorts-- than anything else; and the choice was constant and broad, from the impossibly outlandish to the seductively persuasive which might, even, be the truth.

I remember, for example, that our station chief was 100% taken in by what the political section of the Embassy disbelieved and irreverently dubbed "the tumor-rumor". This held that Peron was suffering from an incurable brain tumor which affected his sanity and judgment and would lead to an early demise. His reports, a veritable stream of them, were always persuasively based on "highly qualified" medical sources who had supposedly examined Peron or on others claiming intimate and direct knowledge. Throughout society and the cocktail circuit all sorts of people "in the know" would fill us in on this and other gossip.

Eventually, the view of the political section on this issue came to be that you got what you paid for and if you wanted to believe something your sources were only too ready to oblige. For our part, we discounted the rumors on the basis of personal observation of Peron, mostly by the Ambassador but also by others (myself included), to whom Peron always appeared healthy, vigorous and rational. He did have a persistent "tic", i.e. the blinking of one eye and we supposed that this must have been what gave rise to the "tumor rumor" seized upon so hopefully by the populace and others. As we now know, Peron lived for about another twenty years and I do not think it was a brain tumor which got him in the end.

Speaking of rumors, I used to tell the correspondent of The New York Times, an especially close friend and later Godfather to my children, that I could plant a story--a pure invention-- with someone at lunch at the Plaza Hotel about 10 blocks up the Calle Florida from the Embassy, and that no matter how fast I walked back to my office I would find it there as a sure -fire fact by the time I arrived.

Once I tested it by confidentially relating at a cocktail party to a group of my press friends (Times, Time, AP and UPI) a fine cock-and-bull invention of my own about a supposed Naval uprising. Sensing that I had been only too convincing, I disavowed the story before any of them could run with it. However, so strong was the penchant to rely on rumor that I actually had some struggle in unconvincing them. And I always believed that even after my disavowal some of them at least checked further into my invention just to be sure that I had not made an inadvertent slip of real dope which I later tried to cover up.

But to get back to the story, the first significant event after the initial exchange between the Church and Peron happened in early December--I believe on or about December 6 -- when a religious gathering was scheduled to be held in the Plaza de Mayo initiating, I believe, the Maryan Year. This was the perfect cover for political as well as religious expression and the response was striking as the Plaza was filled with a huge, white handkerchief-waving crowd which rivaled those gathered for Peron's balcony scenes.

The happening was without incident but the message was clear: the people in the name of religion had been emboldened in effect to demonstrate against Peron by supporting the Church, now in open conflict with him. The trend was thus set with additional pulpit-read pastoral letters being followed by further Peronist criticism and, of course, by the rumor mill operating at full blast to create ever-increasing tension

The next critical event happened, I believe, in April or May of 1955, when an even larger

Church-sponsored gathering met one Saturday I believe) afternoon in the Plaza de Mayo fronting on the Casa Rosada, the Executive Mansion. From there the silent crowd, all waving white handkerchiefs and many bearing Papal flags, proceeded up the broad, tree-lined Avenida de Mayo to gather and demonstrate, pointedly, in front of the Legislative Palace,

The march proceeded without incident but as the vanguard entered the plaza, a group of younger men bearing the Papal flag hauled down the blue and white Argentine colors from the Legislative flagpole and raised in its stead a large gold and white Papal flag.

This gave rise to a highly publicized and embittering incident in which, some time later, after most of the crowd had dispersed and been replaced by a clique of Peronist supporters, the Minister of the Interior, the sinister, much feared, little-known and mysterious Angel Borlenghi, appeared on the balcony, holding aloft the burned remains of an Argentine flag which he charged had been desecrated by the religious demonstrators. The violently aggrieved tone of the outcry against this act and its extensive publicity later given by the docile and directed press served, of course, further to exacerbate the situation. Thus emotions and events proceeded explosively toward their inevitable conclusion.

As a footnote to this event I should note that I was witness to it all since I, as the junior political officer, was present as an observer at all demonstrations, Peronist and otherwise. The better to inform my Embassy and my government firsthand. At Peronist events I camouflaged myself as best I could under a gaucho hat and Peronista lapel button while at religious events I came complete with white handkerchief.

On this occasion, as luck would have it, although part of a massive crowd, I was precisely among the small group of young men who performed the flag caper, as a matter of fact right under the flagpole. While it may well have been pre-planned (I had no way of knowing) and while I do not know what exactly happened to that flag, I do know that no flag was burned then and there or anywhere nearby insofar as I could see. I therefore supposed and so reported that, seizing upon the incident, the burned flag was presumably prepared in the Ministry and in due course displayed by Borlenghi for his intended purpose.

While there was some localized cheering when the flag exchange occurred, the act in itself had as rather quickly sobering effect. Thus, possibly fearful of reprisal then and there, the religious crowd having accomplished the objective of reaching the Legislative Plaza, began an orderly but rapid dispersal.

The next few weeks brought deterioration and increased tension at a rapid pace and there were even some outright clashes. I remember, for example, that my wife and I were invited to Sunday night supper at the City Hotel, just off the Plaza de Mayo, by the New York Times correspondent and his wife who had taken up temporary residence there. But the evening was flawed as a social event as our host never joined us except intermittently as he was busy observing a small but vociferous anti-government rally in the Plaza.

From time to time he would rush in, excitedly to tell us of the latest developments, the last time

stinking of tear gas. It was really surreal as there we were, in the quiet elegance of a Buenos Aires hotel, with soft dinner music and the best of food, while not 100 yards away a clash was in progress complete with police control by tear gas.

After the last smelly appearance of our host I thought it best to get my wife out of the area and back to the tranquility of our nearly suburban apartment, well beyond the zones of political activity. In those circumstances one did not relish being far removed from an infant daughter or to having a nice convertible exposed to mob damage. Retreat was in order.

The balloon finally went up in mid-June, June 18, I believe it was, when the first overt attack against Peron occurred. This was, I believe, a Friday afternoon and right about noon. The Ambassador who had called on Peron briefly that morning at the Casa Rosada mentioned on return that while Peron appeared normal he had sensed uneasiness in the demeanor and movement of others. There was too much abnormal activity, he thought. Nevertheless, there was nothing specific, and he had gone to the airport many miles out of town) to meet someone. Also, the Deputy Chief of Mission and the senior political officer had gone for official lunches in the suburbs.

With everything being quiet, I and a couple of other officers were on the way to lunch at a small Spanish-style restaurant in the Plaza de Mayo. We took the elevator down, the Chancery being on the eighth floor of the Boston Bank building on the corner of the famous Calle Florida and Diagonal Norte, a major artery leading into the Plaza de Mayo, one block away.

As I stepped out of the elevator on the ground floor I ran into an Argentine stringer for Time magazine whose offices were on the second floor and I asked him (the standard greeting in times of tension) "Hola, Carlitos, que hay de nuevo?" -- "Hi, Carlos, what's new?" Carlos answered: "Absolutamente nada, todo tranquilo" -- "Absolutely nothing, everything is calm." And at that very instant, the first bomb hit right out in the Diagonal Norte in front of the Embassy; followed immediately by other explosions farther away!!!

Q: Who was the bomb directed at, at the embassy?

SIRACUSA: No. The bombs (eventually many of them in successive waves) -- were intended for the Plaza de Mayo and specifically the Casa Rosada where, obviously, they were hoping to get Peron. (We later learned that Peron sensing or tipped off as to danger had long since departed for parts unknown).

I was startled by the noise and at first instant thought I'd heard a close bolt of lightning and thunder. But just as quickly, realizing that it was a bright and sunny day, the actuality dawned on me, shocking as it was. Afraid to reenter the elevator I turned and ran all the way up the eight flights to the Chancery.

Being the only and therefore senior officer on board at the moment--I was Second Secretary, or maybe First Secretary by that time, I can't remember-- I rushed in to our telephone operator's room just in front of my office and asked her immediately to get Washington. I had looked out

my window, and I could see the planes coming -- they were small Navy biplanes -- coming right down the Diagonal Norte, those at a somewhat higher altitude maybe 5-800 feet) to drop their bombs and veer away and the lower ones, just about at my rooftop level, to enter the Plaza de Mayo at the Cathedral corner then to strafe and zoom up over the Casa Rosada at the other end.

After the first wave had gone by, I knew exactly what was going on and from my vantage point could see people fleeing the Plaza where I would have been a few minutes later) .I could also see the smoke rising from whatever destruction the bombs had caused in the Plaza beyond my field of vision.

Miraculously, given the sad state of telephones in general in Buenos Aires at the time, our skillful operator got through to Washington almost immediately and had on the line the party I wanted, Henry Holland, Assistant Secretary of State for Latin American Affairs. And in this there is an anecdote which I think might be of small historical interest.

It so happened that Washington was that day practicing its first nuclear-age evacuation of key officers and Secretary Holland was in the Department's bunker which I believe was at that time somewhere near Front Royal, Virginia. My first task as it turned out was to convince Henry whom I had known from our previous service together in Mexico City) that my call was for real and not just one of the planned exercises for the day.

I think conviction finally came at last from Holland's perception of the anger and adrenaline-excitement in my voice, and perhaps from the sound of the next stick of bombs exploding outside. I was too keyed up to be afraid) In any case, when I had reported as much as I could I promised to try to call back in about an hour and then hung up. But that was not to be and we had no further direct communication of any kind for about three days, and neither did anyone else.

As I remember, the outside world after my one brief report got news of Argentine events, such as they were, from Uruguayan reports based on monitored Argentine radio talk. In those days our Embassies were not equipped with the sophisticated means of independent communication which they have today.

(My success in getting through this one call mortified my press friends, not one of whom had been able to file a report before communications were cut off centrally. I still do not know how our operator had managed it so quickly. I suspect that in the sisterhood of operators she had friends in the central offices who did her favors when asked, and hurried that one call through before they pulled the plug.).

Turning my attention then to more immediate concerns, I told everybody to go down to the bank vaults for safety, except for the Marine guards, the telephone operator and myself. The marines quickly made a bunker of large, leather sofas under which they, the operator, and I could dive as needed. This was in the lobby at their station and just a few steps from my office and that of the telephone operator.

To achieve some early warning of coming danger I could step out onto a wide ledge outside my office and look up the Diagonal Norte toward the Obelisk at the broad Avenue Nueve de Julio the widest in the world, the Portenos. Shortly after the bunker was up I saw a formation coming in somewhat higher than others had and I also saw them release their bombs, every one of which looked like it was coming right at me personally. All of us had just dived under the sofas when this stick hit, much too close for comfort. One bomb exploded in the Diagonal just outside our office, breaking most of the windows in the lower four or five floors and another went through the roof of the next building from ours, maybe about 50 to 70 yards beyond our position. The rest, apparently, landed on target in the Plaza de Mayo.

After about an hour and several bombing and strafing runs there was a lull in the action and we could observe a great number of curious Argentines walking into the Plaza to see what happened, only to be scattered and some doubtless killed by another wave of strafing planes.

Eventually, the Navy apparently having shot its wad and its "heroic" pilots--the New York Times' Herbert Mathews term, not my own-- having landed for asylum in Montevideo, it was the Army's turn as tanks and some small artillery took up positions outside the Ministry of Defense and began to bang away. This was on the other side of the Casa Rosada, out of our sight but well within earshot.

During another lull about mid-afternoon the Ambassador managed to return to the office as did the DCM and other officers. We then sent most of the staff home as it seemed safe to exit the area up the Calle Florida (or anywhere away from the Plaza de Mayo). Strangely enough the Calle Florida bore intermittent pedestrian traffic most of the afternoon. Buenos Aires is such a large city that action such as we experienced was highly localized.

Later, since there was nothing much we could do, we all went home except for a Marine contingent and one duty officer. In the late afternoon when it was apparent that the attempted coup, with no follow-up, had failed, one last gasp effort by perhaps the only remaining Navy plane made a run at the President's official residence at the edge of downtown Buenos Aires, hoping we supposed that Peron might be there and might be hit like the proverbial needle in a haystack. Tragically, however, they damaged nothing presidential but did hit some nearby apartments with a few fatalities and injuries to the totally innocent.

As another comment on communications I might note that while international phones were cut off, local service continued with little interruption.. Thus I was able to reassure my wife at home, tell her to stay put, and to speak to the Ambassador at his residence. While I told him I thought there was nothing he could do at the Chancery and that we were all safe, those who had not already gone home, he insisted on coming so I suggested a route whereby he could leave his car near the Calle Florida (strictly a walking street) and safely approach the Chancery from close-by--which he did.

That tragic day was, as I recall, supposed to have been observed as some sort of a commemoration of significance to the Navy in which their planes were to have made a symbolic flyover of the city. They departed from their base in La Plata, then called Eva Peron, performed

their altogether sinister instead of symbolic mission, and then flew on to Uruguay where planes and pilots were safely interned. Shockingly, it seemed to us, the New York Times' Herbert Mathews called them heroes. But to us and I suspect even to some Peron-hating Argentines as well it must have seemed a cowardly act to bomb the heart of their own city, at that moment teeming with innocent civilians, without warning of any kind, in hopes apparently of killing one man. And, although they missed him, they did manage to kill several hundred people boarding their busses and streetcars for home and lunch, just outside the Casa Rosada.

Seeing the burned out cars and bodies when I later ventured briefly into the Plaza was a horrible and tragic shock never to be forgotten. And when next I ventured into the Plaza a day later it was to see the terrible damage done inside the National Cathedral the night before as the Alianza thugs led by Gilleremo Patricio Kelly attacked it and many other churches in a night of savage vengeance, using Molotov cocktails and other weapons to wreak their havoc. When over, it had been a bloody and terrible afternoon and night; and it was a totally indecisive Act I, which settled nothing.

Life magazine, in one of its memorable feats of photo journalism, recorded the shocking damage to the churches in unforgettable black and white pictures.

Ironic for me was the memory of an interview I had recently had with the young hot-head Kelly--today we might call him a skinhead--for some unremembered reason. Such as he, notorious for having lead the destruction of the Jockey Club in 1952 and for similar crimes and general acts of public intimidation, was not a customary visitor to the American Embassy; but he had asked and I received him.

In any case, this being after the beginning of the Church-State conflict. I queried him on his attitude toward that subject. To my great surprise he opened his shirt and showed me a crucifix hanging around his neck. He then said--which seemed then to imply much--that he had been raised and educated by priests to whom he owed his life. He then dropped the subject after this seeming dramatic and unexpected gesture. One wonders what must have been his thoughts as he and his gangs ravaged the churches.

During that memorable night the DCM, Gary Ackerson, and I and several other officers were at the Residence trying as best we could to get some line on the welfare of Americans. Most residents, we could assume, were safely at home so our concern centered on several dozen family members of the advance party of Kaiser Motor Co. who were then residing at the City Hotel, just off the Plaza de Mayo and about two blocks from the National Cathedral. The New York Times correspondent's wife and children were also there, we knew. As we began to receive reports of the attacks on the churches, including the Cathedral, and rumors also of another attack to be made on the Casa Rosada at dawn the next day, we decided that we must try to evacuate these people, dangerous as it might be to go out on that dark night.

About two in the morning, having contacted one of the Kaiser party at the hotel, we set out in about 5 station wagons to rendezvous with them at the hotel. It was very dark and we had to cross several roadblocks before leaving our caravan at the intersection of the broad Nueve de Julio and

the Avenida de Mayo, about 8 blocks from the hotel. Gary and I then proceeded down the darkened street being scarily challenged twice by nervous sentries. However, we never reached the hotel as, to our relief, we encountered the party, about two dozen women and children, walking up the Avenue. Afraid because of our delayed arrival, they had decided to risk the darkened streets rather than stay so close to what they feared might come with the dawn. About a half hour later, very relieved in all respects, we arrived without incident back at the Residence where the evacuees were given refreshment and as much comfort as possible. Happily there were no American casualties in these events although, tragically, this was not the case for many Argentines.

In a few days, with no free media to keep the subject alive, things settled down to a seeming but expectant normalcy. But of course that was not the case and even though Peron survived. Characteristically for Peron there was no general punishment, nor was it possible with most of the perpetrators safely in Uruguay, champagne-toasting their prowess, it was reported, at a downtown hotel. And, of course, there was none for Kelly and his thugs. But the wheels were obviously turning and the country waited with seeming bated breath for the next act, which was not long in coming.

In about mid-August fighting broke out again with an Army revolt in Cordoba. This led in but a few days to the toppling of Peron with little or no fighting when Buenos Aires based forces despatched to deal with the rebels declared en route for the other side.

Then followed the classic Latin American race for Embassy asylum by principal Peronistas, wrong-side military figures and others. Peron found safety in the Embassy of Paraguay, and most of the others elsewhere. The Minister of Defense was turned away from our Ambassador's residence as we determined there was no "hot pursuit" endangering his life.

There followed an orgy of vengeance by citizens and elements of the Military, venting the pent up frustration of years of domination and seeking to destroy and obliterate every vestige of Peron, Peronismo, the Justicialist Party and the memory and works of Evita. I remember watching out the same window from which I had observed the Naval planes on their runs, the destruction of an office of the Eva Peron Foundation across the street. Furniture, files, pictures, statues--in short, everything moveable was tossed out of the windows and everything breakable or burnable was broken or burned or dismantled.

There was a very destructive Army attack on a labor stronghold just outside Buenos Aires, and one night tanks surrounded and literally destroyed the downtown headquarters of the Alianza hoping, presumably, to get Kelly inside. (He escaped that one but was later captured and imprisoned for a while at least. Years later, it was reported, he escaped to Chile disguised as a woman).

For several weeks Peron was kept aboard a leaky Paraguayan gunboat in Buenos Aires harbor and finally cleared to sail away for Asuncion. On the same day, as it happened, my wife I and our daughter sailed for New York on the SS Argentina, our memorable and eventful three-year assignment to Argentina having been completed.

I guess this personal reminiscence is really not what we want here. So to sum up, I considered that a great opportunity had been lost in Argentina. If Peron had been able to continue along the more moderate line he had for a while at least chosen after Evita's death, and not been derailed by his own character flaws and the pressure of extremist associates which projected into the conflict with the Church, the history of Argentina might have been much different.

Q: Well, that's interesting. No, I think that this anecdote is exactly what is called for. This is something that you wouldn't find elsewhere. However, right after Eva Peron died, you suggested that Juan Peron was embarked on a more moderate course. But there was a boycott in 1953 of the legislative elections by the radical party, which was followed by violence against the radical party and also followed by some additional curtailment of the services of the Associated Press and UPI and so forth, which suggests that the opposition to Peron was coming not only from the more radical elements within his own movement but from the opposition parties. Could you comment on that?

SIRACUSA: Well, the principal opposition party, the UCR, led by Arturo Frondizi, could not have been happy with the nascent rapprochement with the US or even with a more moderate stance by Peron. Both would tend to limit their stature and hope for somehow achieving power and the prospects for such achievement by democratic means had to appear slim indeed.

Their best hope, it would seem, would be by some form of military ouster not only of Peron but of the apparatus of Peronismo, followed hopefully by elections which could give them a fair chance for power.

Since relative tranquility and economic progress are not the stuff of which coups are inspired or made it would, it seems, behoove the opposition to play dog-in-the-manger and to keep up pressure against Peron whenever and wherever they could and not participate in elections in which they could neither win nor advance their power significantly. (And in our contacts with them they made clear their critical view of our efforts to deal with Peron)

For his part, a macho Peron would have to show his power over an opposition not being properly submissive and docile, hence the political tensions and even some violence to which you referred in 1953.

Also, as the improvements already noted began to be apparent, including the greater willingness, absent Evita, of at least much of middle and upper society including merchants, industrialists, bankers and even estancieros whose wives had been deliberately insulted and humiliated by Evita), to at least reconcile themselves to Peron, the political opposition could not have been very happy.

So of course your question is a good one. The pressures projecting Peron ultimately over the cliff were coming not only from the extremist elements of Peronismo but also from all elements of the political opposition, technical allies, so to speak, with a common immediate interest but different ultimate objectives. And, of course they were right, for it was only after the ouster of Peron and

the stringent suppression and political outlawing of Peronismo that the UCR and Frondizi finally came to power, if only for a relatively short time.

Q: Would you suggest then that the conflict with the Church further alienated this particular group?

SIRACUSA: As for the political opposition, I certainly do not think they approved or fomented the clash, although they must have seen it as a promising way to oust Peron and rubbed their hands accordingly. The other non-government groups mentioned had to be alienated by Peron's acts which perpetrated the crisis, egged on by their offended and religious wives if not by their own principles; and likewise for the military officer class and for the same reasons.

After all, there was a certain code in a country without divorce where mistresses were common for those who could afford them, and where even seemingly faithful and loyal wives could clandestinely meet their lovers at the so-called "amuebladas" (furnished sites with discreet off-street parking and no questions asked} for dalliance in the afternoon. But fooling around with children was another thing. Even though it tolerated the described adult peccadillos, (which system in its way may have helped keep families together). Argentina was a country with strong family values and ties and Peron's acts were thought justly outrageous.

The ones who clearly favored the conflict and helped to perpetrate it were, I believe, those in the Peronist movement who could hope so to regain their importance to and influence with Peron and thus oust the moderates who had for a while been in ascendancy. But, of course, their victory was but short-lived as the conflict they produced led to the downfall which in the end destroyed them all.

Q: Did this break with the Church anyway influence America's attitude towards Peron?

SIRACUSA: We could only watch it with sorrow and regret for the disaster we saw it wreaking over what we had hoped to achieve and may even have felt was within our grasp. Beyond this there was not much we could do about it. We observed it going on and we just sort of stood back. The Ambassador maintained some contact with Peron and tried to the extent he could to advise him to keep to the better course., But as indicated, the situation rapidly went to a level of emotion and conflicting determinations far beyond any ability we might have had to be of good influence.

On the anecdotal side, I observed a remarkable occurrence many years later when I was ambassador in Uruguay. Just after I arrived there, Peron, having returned to Argentina, been restored to his full military rank of General, been unexcommunicated by the Church (if there is such a word) and restored to the Presidency was paying a State visit to President Juan Bordaberry, a very decent military-dominated civilian at that time. This seemed to me to be a really extraordinary occurrence given the state of relationships with Uruguay during the heyday of Peronismo when I was there.

In those days you had a dictatorial bastion of fascism on one side of the river--a dominating, huge by comparison, and overbearing presence from the Uruguayan point of view. And on the other

side, little democratic Uruguay, scorning and figuratively thumbing its nose at Peron and all the time and in many ways being a constant thorn in his side.

For example, all of the radio stations there, which were clearly heard in Argentina, broadcast all the news unfit to print in media controlled Argentina, opposition attacks on Peron and all the rest. It was also a convenient haven for all who felt it best to run for political or other reasons. Being something of a financial center, it served as a handy black-market, thwarting the strictly controlled and artificial Argentine exchange rate. When the official rate in Argentina was 14 to the dollar the rate in Uruguay was never less than 22 to 1 in my years there and moved up through the numbers to ultimately go as high as 50 to one before I left. All the Embassies in Buenos Aires operated on the Uruguayan rate, with full knowledge of the Argentine Government, making regular courier runs for exchange. And, of course, the "heroic" Navy pilots who kicked off the revolt against Peron had taken asylum in Uruguay as well.

With this background one can readily imagine my amazement to see Peron and Bordaberry embrace on the balcony of government palace before the monument to Artigas, Uruguay's national hero, and with the faithful crowd chanting: "Bordaberry y Peron-un solo corazon" (Bordaberry and Peron-a single heart).

I could scarcely believe my ears. As I had not yet presented credentials I was not included in any official events and did not meet Peron. But from the crowd I could observe he was not the man I once knew and, indeed, he did not live much longer.

I also conjured up memories that day of my wife and I sailing down to Argentina. We had had a delightful cruise on one of the Moore-McCormick ships, I think it was the SS Uruguay, and after a day in Montevideo sailed for the overnight trip to Buenos Aires, across the River Plate. We felt then, given the state of relations with Argentina which we expected to find, that we were almost sailing behind a sort of iron curtain. The unsmiling attitude and overbearing demeanor of the Argentine customs and immigration inspectors who came aboard did little to dispel our thoughts and apprehensions.

Happily for us, the warm dockside welcome we received from Ambassador Nufer eased our entry into the somewhat sullen atmosphere that pervaded Buenos Aires at the time. Argentines did not like black bread and meat rationing, and it showed.

Shortly thereafter I was plunged into the reality of political reporting in Buenos Aires, experiencing my first massive rally of the Peronista supporters, complete with Peron and his cohorts, coats off, as he addressed the banner-waving multitude of descamisados "shirtless ones". My first impression apart from surrounding pressure of thousands of bodies and the spectacle of Peron and his comrades on the balcony, was the oddity of Peron, in order to identify more closely with his "shirtless ones", appearing before them in shirt-sleeves. It seemed somehow inconsistent--coatless but with shirt did not a shirtless one make I thought.

As I took all this in, little did I suspect the special show arranged for the day. About midway through Peron's speech in which with great eloquence and passion he was giving hell to the

enemies of the regime (those really responsible for black bread and meat rationing) the first "bomb" went off on the roof of a building adjoining the Plaza de Mayo and the crowd began to surge away from that point. Fortunately panic was arrested as Peron stood his ground and called for calm. Then came the second "bomb" which seemed to kick up a little dust on the rooftop but little else. I quickly decided that they were really more noisemakers than real bombs or else Peron and his friends surely would have fled. Nonetheless, not wanting to tempt fate or be smashed in a possible stampede, I eased to the back and returned to the Embassy, there to work on my firsthand report and hear the rest of the speech by radio.

None of us suspected, however, what was to be the aftermath of Peron's attack on the "enemies" of the State and supposed perpetrators of the "bombing" of his speech. That night, the nefarious Alianza under Guillermo Patricio Kelly sacked and burned the elegant Jockey Club on the Calle Florida, destroying everything in this highest symbol of the privileged class, including priceless art and statuary.

The next morning, as I and my immediate boss, Robert Martindale, walked down the Calle to the Embassy, the silence in that block was literally deafening as everyone advanced with eyes forward, possibly only, as we did, stealing a sidelong glance at the wanton destruction.

Q: What did you think of Peron?

SIRACUSA: Peron was without doubt in my opinion a remarkable man in any setting and surely one of the most magnetic personalities I have ever met. In addition to my frequent view of him in political, public settings, I had occasion to see him from time to time up close, escorting visitors to meet him. Among Argentines he had his many followers and his many enemies. He was soundly disliked (and even detested not too strong a word) by some Americans-- senators, congressmen, journalists businessmen and the like. Yet he was viewed as a celebrity and all wanted to see him. Those with adequate status almost demanded it. (Senator Capehart, for example, then chairman, I believe of the Senate Banking Committee.) Peron, in turn, was very generous in acceding to such requests made by Ambassador Nufer and it was interesting to observe the reaction of the visitors.

Another thing I can say is that Peron and Evita did carry out a really profound social revolution in Argentina, perhaps, even, averting a worse one. And they did this for the most part without widespread oppression, violence and bloodshed that has happened in other such historical events.

Peron was always relaxed, friendly and gracious. I never saw anyone, skeptical as then may have been going in, who was not affected to some degree by his chemistry and who did not come out sort of shaking their heads. They had certainly not been converted by him but they had to recognize he has special qualities, a commanding presence and easy charm which said much about his status and rise in his own country and which tended to mask the dictator and conjurer of exotic political doctrine he called Justicialismo.

There were, of course, incidents of political and human rights being violated. But it was not as wide spread as it was reported to be. The reason for this, I believe, was that Peron did not have a

bloodthirsty nature and his mass support was such that mass repression was not required.

The disaffected ones were the upper classes, and yet they were neither liquidated nor dispossessed and most survived with their material holdings largely intact. Looking back on my years there I felt that the great tragedy was that the trends in motion after the Milton Eisenhower visit could not have continued. Certainly there appeared to be some hope then of reconciling the revolution in a more constructive way.

But when it was all over, the people new in power did everything they could to eradicate and destroy the memory of Peron and Evita. The Party was outlawed and barred from all political action. Yet even with Evita dead and Peron in exile for years and years, what they left could not be so suppressed. In the end it failed and Peron returned at last in real if belated triumph.

Before I left I could observe the seeds of this eventuality. While the "wrecking crews" were out after Peron's fall it was eloquently clear that the "people" were not among them; by that I mean the great mass of laborers, housemaids and the like. My wife and I observed also that the maids in our house were not celebrating--instead they were crying and could not be consoled, feeling abandoned and without hope again. It seemed to us to portend the future, long term. So I was not surprised when Peron did at last return--not restored to power if not vindicated.

I remember one of the last things I reported before I left was that the revolution was finished, but that the Peronist Revolution was not over. And this proved eventually to be the case as Peron returned as President, restored in military rank and in religion as well. He was a sick and broken man by then and when he died was succeeded by his second wife, Isabellita.

What irony--Peron at the height of his power could not make Evita, (a real political power in her own right), Vice President, though he tried; yet in his waning days he could do that for Isabellita who then was elevated, disastrously, to the Presidency. Isabellita's only qualification was the name PERON, apparently still magic enough.

And last week in Argentina a Peronist candidate was elected overwhelmingly. I had a visit last week from a very close Argentine friend, a very wealthy man, a very smart man, and I have never seen him so pessimistic about his country, because of the election of Menem. He faces the initial challenge of horrendous inflation but that is nothing new. I would speculate, however, that this new Justicialist-Peronist president will bear scarce resemblance to the manner, trappings and excesses of the old Peronismo. He is of another generation and such things are really out of style; but we shall see.

Speaking of excesses. A favored slogan of the old days was "Peron Cumple-Evita Dignifica" (Peron Delivers-Evita Dignifies). One saw it plastered over the entire country in formal signs or graffiti. So I was not really surprised when on a memorable fishing trip to Tierra del Fuego I saw at the very end of the road, as far south as you could get--next stop Antarctica, virtually--a huge billboard proclaiming PERON CUMPLE-EVITA DIGNIFICA.

As another commentary on Peron I can relate that he appeared to have no fear of those he deemed

to be his people. He had a Lambretta motor scooter, for example, which he liked to ride around Buenos Aires at night. He would go into the huge crowds at football games with guards to be sure, but not too much of a show of them at that. One night the Ambassador and I saw him enter a relatively small and much overcrowded boxing arena at Luna Park. The crowd pressure was so great that he became separated from his guards while going to ringside and anyone with a knife could easily have stabbed him, but Peron seemed unconcerned as he walked in waving to the crowd.

I also do not recall ever having heard of any attempt having been made on Peron's life, except, of course, that made in their way by the Navy pilots. He had a lot of magnetism. People either loved him or hated him. That is the way it was with not much in between, or so it seemed. If the Church-conflict tragedy had not occurred Argentine history could have been a lot different from what we have seen unfold in the last twenty-five years or so. But, as I have said, Peron brought it on himself.

ROBERT C. TETRO
Agricultural Attaché
Buenos Aires (1953-1955)

Robert C. Tetro graduated from Amherst College. He has served a variety of posts in Italy and Argentina and has served a variety of posts specializing in agriculture in Washington. Mr. Tetro was interviewed by Lane Beatty in 1988.

Q: Really. So you're off to Buenos Aires?

TETRO: So off to Buenos Aires.

Q: And how did that compare with Rome?

TETRO: Piece of cake.

Q: Piece of cake compared to Rome?

TETRO: Yes. The business community in Buenos Aires were basically Italian.

Q: Really?

TETRO: I could talk Italian. Buenos Aires is a cosmopolitan city. You go to dinner parties and people were Italian, German, English, French. And some of the people would talk them all. The upper crust in BA is really something. They never did understand Peron. So we're safely in BA now.

Q: Is Peron there? Is he in charge?

TETRO: Evita died the year before. Peron is still in charge. I'd forgotten that Henderson, my predecessor was there. He had a fantastic letter system collection that he'd worked up. He was an old statistician and the files- As you move from one post to another, you left the new attache with the files to see what your predecessor had been doing. The first thing you've got to do at least as well as he did. And in this case my predecessor was excellent. And I had some pretty good people to work with. A Johns Hopkins Iowa economist. The economic counselor was a man by the name of Sandiford who later became assistant secretary, political consular. The living in Buenos Aires, that was the only place I wasn't screaming at my wife all the time about spending money. The cost of living- Well, we got our pay in local currencies at the "black market" rate which made it easy. It was something like three times what the official rate was. And we fell into a lovely place in Olivos, one of the suburbs where I took the train to work, the subway. The kids took it to school.

In early '55 one of the information guys there who had - several of the homes had swimming pools near two clubs. We belonged to two. I played golf. Two golf courses. I belonged to both of them. One I played golf, the other was swimming for kids and other club affairs. In early '55, the information guy who was going to leave had one of these places with a pool and we put our dibs down to have that when he left. About this time, I got a letter from Gwynn Garnett who has now become the administrator.

Q: And he's the second administrator?

TETRO: Or third. I think third. But when Gwynn was pumping up the PL480 idea, he came by Rome. And I, apparently, was one of the few people that encouraged him in this idea. I said, look, you've got these surplus commodities; use them. That's basically what it is. He remembered that.

Q: He was the idea generator of PL480?

TETRO: He was the father of PL480. We had put into effect one of the early uses of these commodities in Italy. We had something to demonstrate you could do it. He remembered this, remembered my support and he said why don't you come back to this important position in Washington. And I sit down and write a two-page letter. I was a left-wing Democrat and I don't want to be - I didn't say that part. I told him the family was very happy here. There were in school, in schools and were doing great.

The family is doing very well; I just didn't want to move again.

And about a month later, Ioanes comes tearing down. He's deputy deputy. "What the hell is your problem? We like you here." Besides the PL480 assistant administrator job is open. This is what I thought Gwynn wanted me to do, that I thought I could have done but didn't want. But Ray said, "Oh, no, no, no. He wants you to be in charge of the attache service and the international affairs part," - Fred Rossiter's job. And I said, what about Fred? Well, poor Fred had gotten so stressed out fighting these various things embodied in the operation, he had practically gone into the john

here on the fifth floor and damn near bled to death with an ulcer-

Q: Oh, my god.

TETRO: -and was told to get out of the job. This, for me, old "One World" Wilkie - ideal. International Affairs, one world, United Nations is in business. Great. Attaches, I love 'em. And I think I know how to work and autowork. Perfect. I never realized there was going to be bureaucratic infighting still developing. So I'm back as assistant administrator and we have a ball with people who do a lot of things in our shop. One of our basic approaches was to try and get clearly that the attache ran the attache office. And that instructions to that attache - work performance instructions - cleared through our office. We didn't want every Tom, Dick and Harry at FAS calling attaches and telling them what to do, otherwise you had chaos.

Our biggest fight in this respect was over there with Gordon Fraser who had now come in as assistant administrator, and Pat O'Leary and some guys. They had a good shot. They had some good people. Little by little they did understand that they had to cleared it with us. We had our own area office for each area of the world. We also had a problem of raiding attaches. What is a description of the job; how do you handle it. And here we lean on the Foreign Service approach. We also had a problem of how do you get along with State with this new arrangement. And here we had trouble, also, with some of these characters that wanted to push embassies around. And our answer to this one says clearly, one problem you've got when push comes to shove is that the top dog in an embassy is the ambassador. Whether you like it or, he can tell you what to do; he can fire you if he wants to. We had a few cases where he did. A few cases, by the way, where we agreed with the ambassador.

ALDENE ALICE BARRINGTON
Assistant Trade Commissioner
Buenos Aires (1957-1966)

Aldene Alice Barrington was born in 1902 in North Dakota to homesteaders from Canada. She earned a teacher's certificate in 1921 from the University of North Dakota and a B.A. in Sociology and Economics from Barnard College, New York. In 1927 she entered the Foreign Service and served in Colombia, Argentina and Brazil as an Assistant Trade Commissioner and later as an Economic Officer. She was interviewed by Stuart Kennedy on January 3, 1995.

Q: I have you going into the Department of State for a short time as an Economic Officer.

BARRINGTON: That's right. Well, all these titles.

Q: But basically you were sent off to Buenos Aires.

BARRINGTON: That's right. Buenos Aires is a most cosmopolitan city, with outstanding

attractions. For many years it was known as the "Paris of South America."

Q: You went there in 1957. How long were you out there?

BARRINGTON: I was there until '66.

Q: My goodness. What were you doing there?

BARRINGTON: Basically the same work.

Q: Did you find that being in Argentina was different from being in Brazil, as far as how things operated?

BARRINGTON: Oh, yes.

Q: What were the differences?

BARRINGTON: The character of people, basically, as well as the differences in the operation of the two governments. You know, they're great rivals.

Q: I didn't know that.

BARRINGTON: The Argentines were number one in South America for many years. Sophisticated, energetic. Forty percent of their immigration at the turn of the century was from Italy. Like the United States, the population consists of many nationalities, the Brazilians have a different basic character. Well, you see that if you travel in Portugal and Spain. The bullfights are an illustration. In Spain, after artistic, almost ballet movements of the bullfighters, the bull is always killed, and many times the horses are gored and slashed. In Portugal, it's a disgrace if the bull's horns ever touch one of the well-trained horses. And they don't kill the bull. And if the fighter has enough courage he jumps on the bull's horns and leaves the ring that way. Well, that may help to typify the differences in the two peoples.

Q: You were there during the Peron period, weren't you?

BARRINGTON: No, I wasn't. Peron left in '55 and I came in the aftermath period of his rule. Peron admired Mussolini very much, as well as Hitler--at least outwardly, he didn't favor a truly democratic form of government. The government made much money exporting to Europe during the war years, because of their grain and meat products. Peron had all this money to use as government subsidies. The Swiss bank accounts were huge. He bought the railways, which had been established by the British, and took control of many basic industries. He permitted the German navy to use Argentina harbors for their ships during the war, etc. But Germany's warship "Graf Spee" as you remember, failed to make it to the Buenos Aires harbor. The torpedoed "Graf Spee" reached the Montevideo harbor but wasn't able to leave within neutral Uruguay's allotted time period. It therefore was sunk by the German captain. Much of the crew went to Argentina.

Q: That was out of Montevideo, Uruguay.

BARRINGTON: I was in Rio at the time, and we just hung on to the radio in the Navy Attaché's office, listening to what was happening there. But Peron declared war against Germany shortly before the war ended.

Q: Yes, yes, because you had to have been at war with Germany in order to get into the United Nations. Whereas Brazil had already sent a whole division to the Italian campaign.

BARRINGTON: Of course. All those German ships that were in the Buenos Aires harbor became the basis for the Argentine merchant marine after Peron declared war.

Q: I take that, as far as the American attitude there, Peron was not well liked. Our ambassador at one point was Spruille Braden, who was instrumental in helping to work up opposition against Peron, wasn't he?

BARRINGTON: Yes. We couldn't like many of Peron's activities at all.

Q: How did you find, when you got there, the attitude of the Argentineans toward the Americans?

BARRINGTON: As regards the people that you met and dealt with, it was very civil and acceptable. There was nothing at all contrary to decency and respect. Peron, of course, had the masses behind him, primarily the laboring masses. The present President was elected as a Member of the Peronista Party but what he has recently done is not at all what Peron would have done.

Q: Peron pretty well bankrupted the country, didn't he?

BARRINGTON: Yes, indeed. And his wife...

Q: Evita.

BARRINGTON: Many considered her smarter than he. I've seen all of her jewelry when it was put up for sale, bringing jewelers from Europe and all over. People said she would go into a jewelry store, pick out something, and say that she'd like to consider it and to please send it to her. And the store would never think of sending a bill. She was something and very clever in appealing to the masses. She now has a wonderful musical. Physically she was most attractive.

Q: The musical, which has been popular for years, is called Evita. Were there any particular problems in the commercial work there?

BARRINGTON: No, I went all over the country at various times and to various places, to visit factories and discuss situations. Mendoza, Cordoba, Corrientes, etc. Also to the southern Patagonia area, and to Ushuaia, the southern most city in the world. Argentina is composed of a

varied, progressive population and ever since colonial days it has been outstanding in South America.

Q: Were there any particular trade problems with the Argentinean government? Was this a difficult country for American business to operate in?

BARRINGTON: Competition from European firms was acute and problems were accentuated because of the tight control of Peron and the central government. Officialdom protected their own interests and people. Approval of US projects was complicated and difficult.

Longstanding British interests prevailed in the extensive cattle and sheep "estancias" (vast ranches). With their beef exports traditionally important, we were sometimes kidded about our import restrictions which curbed Argentine meat because of presumed "aftosa" cattle disease. Descendants of British settlers influenced various social as well as commercial activities as did the German population in several western areas. The Buenos Aires telephone system was a disaster. One had to wait six or seven years to be eligible for one. New residents sought living quarters already with telephones. Foreign interests connected with an official telephone company couldn't obtain permission to produce items necessary to rectify the situation. The lack of cooperation perhaps wasn't so much against outside interests as it was to indicate confidence in the government enterprise. "This is our business, controlled by the Government." Too much so!

Q: I assume you reached retirement age, was that it?

BARRINGTON: Yes.

Q: In 1962.

BARRINGTON: Yes, it was extended until '65, because the retirement age was 60 then. I left there early '66, in January of '66.

JORDAN THOMAS ROGERS
Economic Officer
Buenos Aires (1958-1959)

Mr. Rogers was born in South Carolina and raised in North Carolina. After graduating from the University of North Carolina, he served with the United States Air Force in WWII. Entering the Foreign Service in 1946, he served at a variety of foreign posts in Europe, Latin America and Asia, primarily as Economic and Political Officer. His final overseas post was Rawalpindi, Pakistan, where he was Deputy Chief of Mission. In Washington, Mr. Rogers was assigned to the Department's Staff Secretariat, to the Department of Defense as Foreign Affairs Officer and finally as Economic Officer in the Department's Latin America Bureau.

Q: Well, when your days in Budapest came to an end, Tom, you were transferred to a different part of the world, to Buenos Aires. How did that come about. Had you asked an assignment for in Latin America or not?

ROGERS: No, beats me. I had not asked for a transfer to Latin America. I'm not sure when we got word we were going to B.A. I was about to say it was the first time I got any language training. But when we came on home leave in between my first two years and second two years in Hungary, I think I asked for and got a period of about a month or maybe a little more in Washington to study Hungarian. I had a private tutor in Hungarian. But then when we were going to B.A. I was put into the FSI Spanish program. So we were there, we borrowed Madeline Myers' house, we stayed in her house six weeks maybe and I went to FSI for Spanish language training.

As a personal recollection, I might add that while taking Spanish language training in Washington, I would go home at night and at the supper table would say to my daughters, "OK, girls, let's learn some Spanish. We'll start with numbers: Uno, dos, tres, cuatro, cinco...." After several nights of this, one daughter said, "I'd rather wait to learn Spanish till we get to B.A. It's not a nice easy language like Hungarian!"

Q: What was the state of our relations with Argentina when you got there, because they've been lukewarm, they've been better and they've been worse?

ROGERS: I think they were technically warm but there was a big difference for the individual in going to B.A., coming from Hungary. In Hungary, we were Westerners and people who could wanted to have contact with us. Many people were afraid to but if they could overcome that in one way or another I think we were to some extent sought after because there were so few of us. When we got to Argentina, it was the exact opposite. There were thousands of Americans and relations had not been very good. We were suspicious of the Argentines for hiding all kinds of Nazis. They didn't like us telling them what to do, which seems to be our frequent proclivity. So it was a different personal atmosphere. Whatever the reason, it bolsters your self-esteem to be sought after, and the opposite to be ignored or even shunned. So whereas we felt very warm and liked in Hungary, and that helps your ego, we felt the opposite in B. A. We thought, "What did we do?"

Professionally, we were on warm relations but we were always, seems to me, badgering them. Again, I went back to the economic section in B.A. and I was again, not altogether, dealing with strategic commodities. I remember going in and making pitches for them to stop shipping bauxite somewhere. Whether they did I don't know but they were not automatically very sympathetic to that kind of request.

Q: How many in your economic section in Buenos Aires?

ROGERS: The man who ran it, his name was Ed Cale. He was a delight. He was a very, very nice guy. We had three or four, plus Ed, four, possibly five, but four probably.

Q: So you had a fairly good-sized section. Did you have a particular interest or particular field that you followed?

ROGERS: It may be that because of COCOM that I was switched back to that. I don't remember doing any general economic reports, but I probably did, because they were doing a lot belt-tightening. I remember wondering why Chile could export so much wine and Argentina didn't, because they had excellent wine. So by process of elimination I think I must have focused mainly on

Q: Commodities.

ROGERS: Commodities, and Frondizi's efforts to straighten out the economy. I also did some work, I recall, on efforts to develop trade agreements between Argentina and Chile and others in that part of the continent. Now, I was not there very long. I was there about a year and a half.

Q: Were you there when Vice President Nixon visited?

ROGERS: No, but I was in other places when he visited....

Q: Was there any interest in your Hungarian experience?

ROGERS: Very little. But there was a good-sized Hungarian community there and friends in Hungary put us in touch with some of them and some of them we became very friendly with some. In fact, one woman who was the sister of one of our neighbors in Budapest, not the newspaper couple, was there. She went there not speaking any Spanish. She had a brilliant record as a chemist. She immediately got a job at the University of Cordoba and came down and stayed with us occasionally when she had things to do in B.A. I asked her how she managed to teach not knowing Spanish. She said "I just memorized each day's lesson a day ahead!"

Q: Tom, I wanted to ask you whether there was any lingering effect of Peronism, from Juan Peron's long stay there. Even though he was not in the country, did he had any adherents there, or any people who longed for him?

ROGERS: Oh, yes. As I said, we were there during the so-called Frondizi era, there was what was called the Frondizi straightjacket because the economy had gotten out of control, so a lot of people were suffering. So yes, the Peron days was still certainly well remembered as the good old days, as was Evita. What people really thought of him I don't know. I don't recall any sort of groundswell of hopes that his party could come back into power, but I think it's safe to say that many remembered him with nostalgia, as representing the hey-day of Argentine prowess. There was a good bit of antipathy toward Brazil as Argentina's principal competitor for leadership in South America or the British over the Malvinas or the Falkland Islands. Argentines are I think very sticky people and it's easy for them not to like you and I think we felt that. We didn't feel that we were very popular there. We felt that way because we weren't very popular.

Q: And they were going through economic troubles at the time?

ROGERS: They had a lot of economic troubles.

Q: Inflation, things of that nature?

ROGERS: Yeah, the Frondizi period was supposed to be getting things back in shape. That wasn't easy.

MAURICE BERNBAUM
Deputy Chief of Mission
Buenos Aires (1959-1960)

Ambassador Maurice Bernbaum was born in Illinois on February 15, 1910. He graduated from Harvard University in 1931. He did graduate work at the University of Chicago. He joined the Foreign Service in 1936. He served as a Vice Consul in Vancouver and then Venezuela. He served in Nicaragua as Chargé d'Affaires. He served in Argentina as deputy chief of mission and as ambassador to Ecuador and Venezuela. He was interviewed by Charles Stuart Kennedy on January 13, 1988.

Q: After some time in the State Department you were in Argentina as DCM in 1959 to 1960. What was the situation in Argentina at that time?

BERNBAUM: Well, Peron had just been overthrown. Actually he had been overthrown when I got into the State Department from Venezuela, and I was in charge of the Office of South American affairs. And I got to know the Argentines quite well. We devoted ourselves after Peron's overthrow to reestablishing good relations with the Argentines. I played a rather key role in that. And so I got to know many Argentines.

Q: When you say you played a rather key role, how?

BERNBAUM: Negotiations with the Argentines. We had economic negotiations with them to settle outstanding economic problems, and through that I got to know quite a few of the Argentine people, who I knew later when I went there.

I was assigned to Buenos Aires because the previous DCM, who hadn't been there very long, didn't seem to get along with the ambassador.

Q: Who was the ambassador?

BERNBAUM: Willard Beaulac.

Q: He was a career officer.

BERNBAUM: A very highly respected career officer, with a great deal of experience and with a lot of prestige in the foreign service, but a man who had very definite ideas about how he wanted to run things. Apparently my predecessor and he didn't get along very well. So very much to my surprise I was asked whether I wanted to be DCM in Buenos Aires.

Well, I'd already been in the department for about three years, it was time for me to go, and so I said, "Fine."

Q: Well, with Beaulac, what was our policy and what was Beaulac's attitude towards dealing with Argentina at this critical stage of change of government?

BERNBAUM: Well Beaulac was very much interested in continuing with this policy of strengthening relations with the Argentines. He also had ideas about getting things done. His principle was you got to a country and you found certain problems, and then you devoted yourself to solving these problems. One of them was aviation relations. But at that time when I arrived there we had started a stabilization program with the Argentine government, headed by Arturo Frondizi. He was president of Argentina. Beaulac was very much interested in insuring the success of the stabilization program, and I was heartily in accord with that. This is what we emphasized throughout our period there.

Q: What was, just to get an idea, Beaulac's way of using you as DCM. A DCM is whatever an ambassador wants him or her to be. And how did he use you?

BERNBAUM: Well, I think he more or less checked me out to see how much he could rely on me. As he began to feel he could rely on me, then I got more and more responsibility. My primary function as a DCM would be to manage the embassy as executive officer. But then he used me for political purposes as well. He had more or less a hierarchical idea of contacts. He would see the ministers, and then I would see the number twos. And he depended on me more and more to develop these contacts in the Foreign Office and other government departments.

Q: Well, how did you find running the embassy, the management of the embassy? Was it a difficult job?

BERNBAUM: No, no. It wasn't at all difficult. We used to have staff meetings every morning. They were attended by the heads of the various sections of the embassy. Decisions would be taken at these staff meetings, and I would see to it that they were carried out. That was part of my responsibilities, and I'd always check back with the various people who were given the action responsibility for the things.

JOHN A. FERCH
Consular Officer

Buenos Aires, Argentina (1959-1961)

Ambassador John A. Ferch was born in Toledo, Ohio on February 6, 1936. He received his BA from Princeton University in 1958 and his MA from the University of Michigan in 1964. As a member of the Foreign Service, he served in countries including Argentina, Colombia, the Dominican Republic, El Salvador, Guatemala, Mexico, Cuba, and Honduras. Ambassador Ferch was interviewed by William E. Knight on September 27, 1991.

FERCH: At that time one of the many Personnel assignment policies that the State Department has had over the years was that new officers, after A100 and language training, would spend their first tour in Washington. And sure enough, everyone in class, all these experienced people, spent their first tours in Washington. And the powers to be said, "Ferch goes to Argentina." Now everyone in the class was more qualified, more mature, and envious as all get out watched us leave for The Pampas. We sailed down to Argentina and began a career.

Q: *Did you already have Spanish?*

FERCH: I took Spanish in FSI.

As I said, I joined for all the wrong reasons and the Service itself seemed to lack reason in choosing my first posting. When I look back I can't imagine a more confused Personnel policy that would take two kids who knew absolutely nothing and send them abroad to defend US interests when all the more experienced officers were kept home in rather dull jobs. This doesn't make any sense at all. But, of course, like that class in my high school, it shaped my life. It got me on the road to Latin American affairs, and because the second year of my two year assignment down there was in the economic section...

Q: *First year was...?*

FERCH: Consular work. I liked the economic work and had it in the back of my mind to get the Department to send me back to school. I hadn't taken economics at Princeton.

I learned something in getting my second assignment. I was assigned to INR...of course I didn't even know what INR was. Naiveté has been my strong suit for years and years. Another junior officer who had already left and was back in Washington wrote me and said, "You can't go to INR, that is no good. You will just bore yourself. I will get you a better job." This has since shaped my career. I don't think the assignment process has ever put me anywhere formally. I haven't been one to go out and be a hard wheeler and dealer for assignments, but I did realize that you had to get out in the corridor and look for your assignments and make yourself known. That has shaped my career too.

EDMUND MURPHY

**Cultural Attaché, USIS
Buenos Aires (1959-1961)**

Edmund Murphy spent three years in the U.S. Navy from 1943 to 1946. His career as a Foreign Service Officer with USIS has included positions in Argentina, the Dominican Republic, Colombia, Haiti, and Finland. Mr. Murphy was interviewed by Allen Hansen on January 30, 1990.

Q: In October of 1958 you were given a temporary assignment as desk officer in the Office of the Assistant Director for Latin America. Do you recall what countries were included in that assignment?

MURPHY: Yes, that was a temporary assignment with Lewis Schmidt and Albert Harkness. I did some work on the USIA Argentine program, but took on whatever overflow needed attention. That was while awaiting my transfer orders from France to Argentina.

Q: Oh, yeah.

MURPHY: Originally, I was supposed to transfer from Lyon to Bordeaux but while I was on home leave, I think Al Harkness intervened and negotiated with Bill Cody to let me go because Al wanted me to go to Argentina.

Q: I see.

MURPHY: Because the Argentine vacancy wasn't available yet, I had a temporary assignment until they could send me to Argentina.

Q: Right, I can see it was only about three months, October of '58 that you came back and in February of '59 you went to Buenos Aires as Cultural Attaché.

MURPHY: That's right.

Q: Where did you live that three months when you came back? It's a problem we all face when we come back from overseas.

MURPHY: Well, I found a French diplomat who was going on home leave to Paris and I rented his house on Macomb Street, just off Connecticut Avenue. We were very comfortable there and our kids could walk to school from there and it worked out very nicely.

Q: How big was your family at that time?

MURPHY: Well, we had five children at that time.

Q: I see.

MURPHY: The house we rented was a big house.

Q: Can you tell us a little bit about your assignment as Cultural Attaché to Buenos Aires?

MURPHY: Yes. It was a time that's somewhat like now because one thing that one noticed right away in Argentina was the terrible inflation. Another thing you noticed was that there was still a very strong Peronist element in Argentina among the working class in spite of the fact that Peron had been gone since the end of September, 1955. And, it was also evident that because all of the money he had spent on social gains for the working people, the infrastructure in Argentina had fallen apart. Their once famous British railroads, a model of efficiency, were in shambles. The streets were full of potholes. Public transportation was undependable. Telephones didn't work. Electricity was sporadic. Garbage frequently piled up in the streets. In short, the after effects of the Peron regime were all too conspicuously visible.

Q: We're talking 30 years ago?

MURPHY: Yes, we're talking 1959-1961.

Q: You could almost be talking about Buenos Aires today!

MURPHY: Of course, of course. It's very much the same. That was a rough time for us and more particularly for the Argentines because they could scarcely survive with the inflation.

Q: I believe at that time USIA was having some difficulties with the book translation program, as it was being operated in BA prior to your arrival. Traditionally this program operated somewhat independently from USIS, if I'm not mistaken. At least it does today. Would you care to comment on the situation that apparently developed with respect to this regional book program in BA during your tenure there?

MURPHY: Yes, the book program in Argentina was and had been an almost independent operation and it was not really in the local chain of command under the cultural operation. It was a regional service center for all of Latin America, so it was not considered by USIA to be a USIS Argentine operation. But I did take a close interest in it and I was consulted when titles were discussed and so on. But it developed that the public affairs officer at that time became somewhat suspicious that there was collusion going on. And I think after some months of rather quiet investigation it did turn out that the Argentine who was publishing the books was shortchanging USIS, i.e., he was not publishing the numbers of books that he said he was publishing. The result of that was that the book officer was transferred and I think he afterwards resigned.

Q: What were your major activities on the cultural side during the years you were there?

MURPHY: Well, I was concerned with the exchange of persons program a good deal in Argentina.

I found when I arrived there that it was handled largely by Argentines and the Americans had tended to sort of give them the full responsibility. That caused some problems needing to be cleared up because it looked like there was too much favoritism in certain sectors with the exchange program and I think I did help to break down the system and insist that the Americans take more leadership in the nominating process. I was elected chairman of the Fulbright Committee in Argentina. That situation was a little unusual because they had always had an Argentine in that job. The locally employed Executive Secretary was a lawyer who had several jobs. He paid too little attention to the program and was arbitrary in his decisions. Fortunately, we were able to replace him with an Argentine who had studied in the U.S., and who gave full time to this job. Historically, USIS Buenos Aires has been a troubled program for the Agency. For reasons not clearly understandable, that post has always had more than its share of problems.

Q: Had the Lincoln Library been established by then?

MURPHY: Oh, yes. The Lincoln Library had a great location on Avenida Florida and it was a busy and popular place. Isabelle Entrikin was the American librarian, and she was very able and popular in Argentina. Only two blocks away was the Argentine-American cultural center that had been founded by Luis Fiore, a wealthy Buenos Aires businessman.

Q: And this is the binational center.

MURPHY: Yes, this is the center I spoke of earlier as having been opened in 1928. I understood that the motive in founding this center was to counteract the bad publicity the U.S. was getting in Argentina over the Sacco-Vanzetti case. The Italians represent an important part of the nationalities who make up the Argentine. Rosario, which also has a binational center, is a very Italian city. The Binational Center in BA had been in existence for 12 years before the U.S. embarked on assistance programs. So the local founders did not welcome American suggestions or interference. Nonetheless, it was and is effective.

Q: Was there considerable difference between the BA binational center and the one in Bogota, Colombia, where you later served?

MURPHY: Yes, a very big difference that can be accounted for principally by the fact that American initiative, financing and personnel were involved in the Bogota center from its inception. So the question about the extent of American participation was never moot. On the other hand, the BA center was created by local, Argentine initiative, and had a strong feeling of independence.

Q: In Argentina, were there other binational centers besides the ones already mentioned?

MURPHY: Yes. Besides Rosario, there was one in Cordoba, one in Mendoza, one in Salta and another in the process of getting organized in Santiago del Estero. The latter two did not have American personnel in them; the others did. As part of my job I visited all of these centers from time to time to participate in their programs and to confer with their Boards about their needs, and give the American personnel some contact with headquarters.

Q: Were the centers in the provinces more closely related to USIS because they had Americans as directors?

MURPHY: No, I don't believe that was the case. The Buenos Aires center also had an American "administrator," but the centers were reluctant to surrender authority and the Americans had to work under restraints imposed by the history and attitudes of the local sponsors. The situation also depended on the talents of the Americans involved. If they were competent and diplomatic and came to be trusted, they were given more latitude in carrying out their duties.

Q: Who was the public affairs officer in Argentina in those days.

MURPHY: Seymour Nadler was the Public Affairs Officer. He had been sent there just about the time I was.

Q: Is there anything else you want to mention about Argentina in those days?

MURPHY: Well, one of the benefits of serving in Argentina was that the Colon Theater was one of the most beautiful theaters in the world, and because the seasons in the southern hemisphere are the opposite of those in the northern, Argentina got all the best of theater, opera, ballet, music and individual concert artists. Performers were glad to be busy in what was the off-season up north. The U.S. Cultural Officer got a big welcome from the management of the Colon Theater. There were close ties between this theater and the Met in New York, and many Argentines had transferred and made enviable careers in New York, e.g., Tito Capobianco as a stage-manager for opera. Argentine musicians like Alberto Ginastera were also well known in the United States. A box was available to us at the Colon Theater for most performances, and this was quite a help when American visitors of importance wanted to go to the theater on short notice.

We had some important American visitors like Howard Mitchell and National Symphony Orchestra from Washington (under the "cultural presentations" program of the Department of State), visits by U.S. Navy ships, for which we handled some aspects of public relations. There was also a visit by President Eisenhower who was accompanied by his son, John. The American ambassadors who served in Argentina while I was there were Willard Beaulac and Richard Rubottom, both of whom were staunch supporters of the cultural and information activities of our Agency.

Q: Were the relationships of Argentina with little Uruguay and big Brazil, both near neighbors, about the same as they are today?

MURPHY: Argentina and Uruguay always got along fine and the two moved across borders almost as if they didn't exist. The favorite beach playground of the Argentines was near Montevideo. They had a common language and a common cultural background. Brazil, on the other hand, had traditionally been considered a threat but now, as in 1959-61, both countries are primarily concerned with their troublesome economic problems, so that historic rivalries have

faded into the background.

SEYMOUR I. NADLER
Public Affairs Officer, USIS
Buenos Aires (1959-1962)

Seymour I. Nadler was born in New York in 1916. As a Foreign Service Officer, his assignments included Taiwan, Washington, DC, Argentina, and Turkey. Mr. Nadler was interviewed by Jack O'Brien on November 21, 1989.

NADLER: After that I went to Buenos Aires.

Q: This is interesting, that your background overseas so far had been in Asia. How did you arrange or did someone else arrange for you to jump to Latin America?

NADLER: The job came up, and I made it known that I wanted to go overseas again. I was offered that job. I did go to the Foreign Service Institute to study Spanish before I went and actually came up with a three-three-plus rating, which was later raised.

Let me say this. As I was taking the Spanish language course I found that I was assimilating it quite rapidly, and I was very proud of myself, particularly my ability to acquire vocabulary. Then one day it occurred to me that what was happening was that my three years of Latin in high school were paying off. The Spanish words all had Latin roots and my mind made the connection.

I had studied Latin for three years in high school. At the time, you had to study Latin and a foreign language in high school in New York City. Anyway, I went to Buenos Aires for the next three years.

Q: Good story. What were relations overall between the United States and Argentina at that time?

NADLER: To the extent that the Argentines can accept anybody, Americans were more or less accepted at the time. There were problems because of the volatility of Argentine politics, which was - and is - nothing new, but they did have a civilian president then. President Frondizi was an elected president. Nevertheless, the Peronistas were still very strong.

Q: Let us establish the dates, please.

NADLER: I was there from the beginning of 1959 to August of 1962, nearly three years.

Q: Now, did we have complete freedom as an alien foreign information service to conduct our affairs? Were any restrictions placed upon us?

NADLER: I can't think offhand of any serious restrictions placed upon us, no. In other words, we did not have to submit anything to an Argentine jury before releasing it.

Q: Yes.

NADLER: On the other hand you knew, as you do in any foreign country, that there are certain bounds beyond which you cannot go, and we accepted that.

Q: You had a library that was used?

NADLER: A library that was used.

Q: Did you have a Fulbright program?

NADLER: A very active Fulbright program and a particularly active cultural program. The people in Buenos Aires have always been very interested in matters cultural. You have to bear in mind that, as big as Argentina is physically, a third of the population lives in the city of Buenos Aires.

Q: Overall, you found that an agreeable assignment?

NADLER: Oh, yes, yes. This was -

Q: Any exceptions that you would like to record or not?

NADLER: Well, not for any personal reasons, just the lessons that I offer to people in the Agency, young people who might someday be based somewhere like that. Let me say first that this was the first post that I had where I could take a walk down the street and not stand out as something different and alien.

In any event, we had at that time -- well, before I got there, as a matter of fact, for some time a program that was one of the showpieces of the Agency. Unfortunately, it turned out to be something quite different. I will make this as short as possible. It was one of the book programs, the book translation programs that were popular in those days, except that this one had been sold to the Agency as something which could operate throughout Latin America (except, of course, Brazil, where the language is Portuguese) while based in and controlled from Buenos Aires, which had the strongest publishing industry in the entire area.

In any event -- again, I am trying to keep this brief - the arrangement was that, through USIS-Buenos Aires, USIA would pay for translations and subsidize publications of American books which we wanted to reach Latin American readers, but to reach them as if they were American books selected, translated, and commercially published by a Latin American publisher.

It could be called a gray activity. Edward R. Murrow defined a gray information activity as one

where the hand of the United States is concealed, but if revealed could be admitted to without serious national embarrassment. When I arrived in Buenos Aires as CPAO, the activity was in full swing and had been in operation for a couple of years. Reports to the Agency were not only encouraging but enthusiastic. The program became an Agency showpiece, especially where Congress was concerned.

The books that were very important to have disseminated were supposedly being disseminated and bought, which would have meant more effectiveness, because when people buy something they pay more attention to it than when it is given as a gift. Remarks by some local employees led me to think a little more about it. It just didn't seem to ring true.

In any event, drawing on my experience from research and intelligence, I had a routine check initiated, by employing local offices of American survey firms, simply to go out and try to determine how many of these books were actually being sold, by checking the kiosks and so on.

It turned out that sales were almost nonexistent in Argentina and in some countries, for all intents and purposes, nonexistent. The whole thing was just a scam. I reported it back and eventually the program was ended.

Q: Well, the person or persons responsible for this mischief -- what happened to them?

NADLER: Well, the one primarily responsible was permitted to resign from the Agency. I suppose some of the others were reassigned, or whatever happens or doesn't happen in those cases.

Q: Yes.

NADLER: The bearer of bad tidings got what the bearer of bad tidings usually gets.

Q: Now, as a lesson you would like to leave with persons who listen to this tape -

NADLER: The lesson is, very simply, that when conducting a particularly ambitious program of any sort, never take anything for granted. Never say we can assume this or we can assume that. From time to time make checks that should be made simply to make sure that what is supposed to be happening is happening and happening the way you want it to happen.

Q: Yes.

NADLER: Let me mention now, still in Buenos Aires, something amusing and enlightening that happened to me. At that time American television programs were being sent in great numbers to Latin America through commercial channels for commercial purposes.

Q: Mr. Nadler will continue.

NADLER: American television programs were first sent to Mexico, which had the most

advanced equipment in Latin America for dubbing into Spanish. Then they were sent throughout Latin America, where television was just taking off at that time.

At a party one night, an Argentine lady, one of the so-called elite, came charging over to me, and I could see fire in her eyes. She was obviously very upset. We knew each other. She did everything except shake her finger in my face and she said, "Your American television programs are being broadcast down here now. I have six children at home of an impressionable age -"

I thought that was a good point to break in. I said, "Yes, I understand. We in the United States are concerned, too, about all of this violence on television and the possible effects on children. We are assured by psychologists -" and I gave the theory that children naturally have tendencies toward violence and don't see it the same way we do.

I was part way into what I thought was a good defense, when she raised her hand imperiously and said, "I am not concerned about violence. I am concerned about my children starting to talk with a Mexican accent."

Q: Do any other stories about Argentina come to mind?

NADLER: Well, just something that was more often said there than elsewhere. As you know, Jack, before World War II some of the radio script writing I did was for comedians. I did some research when I was much younger about the nature and uses of humor. I have always thought it important to determine what kind of stories are going around at a given time in a country. Today, people say that you can listen to Johnny Carson and some of the other late night talk show hosts to learn exactly what is on people's minds by what they are laughing at, what the major issues are, and where politicians stand.

In any event, in Argentina there was a magazine called Tia Vincenta, which actually means Aunt Vincent. It was sort of a cross between The New Yorker and Mad Magazine. It was vicious politically and, of course, it had a wide following. At that time there were occasional attempted coups in the city, which usually got nowhere. They were more of a politico-military exercise than anything else.

One of the magazine's regular cartoonists had a two- page spread shortly after one of these attempted coups. I still remember one of the cartoons. The perspective was looking down toward the street from a fifth-floor apartment terrace. Tanks were visible in the street below. A man was depicted on the terrace, pointing down toward the tanks in the street, looking back over his shoulder, saying -- this was the caption -- "Rosa, come look! Elections!"

We -- call it a calculated risk -- took a chance on offering the editor of this magazine an opportunity to travel to the United States on a leader grant. We were taking a chance, but actually when he came back it really paid off. He had a lot of critical things to say about the United States, but a few of the things he wrote in his magazine canceled all the rest. He did criticize our lack of sophistication about the rest of the world -- he said, "I was taken to a lot of parties, which I enjoyed, but wherever I went, you know, as soon as I walked in out would come the LPs with

sambas, rhumbas and tangos. No one asked me -- I happen to like jazz piano."

He also wrote: "I especially appreciated my introduction to the voting machines that they use in the United States. You can cast your vote by machine. It would never work down here, because there is no that lever says 'fraud.'"

BARBARA S. MERELLO
Junior Officer Trainee, USIS
Rio de Janeiro (1960)

Barbara Shelby Merello joined USIA in 1959. Her overseas postings included Brazil, Peru, Spain, Costa Rica, and Argentina. Ms. Merello was interviewed by Lewis Hoffacker in 2000.

MERELLO: I'm not going chronologically. I should, really. We got our assignments in the fall, of course, of 1960. I went in with three other people. It's strange, but I've never seen any of them again. There was one young woman and two men. I've seen the names of the men, but we've never been at the same post, so I've never seen them again since 1960, and the young woman was drowned at her first post on the Ivory Coast. She was drowned in the ocean. But at that time we were all very happy and enjoyed the training and were looking forward to our assignments. And I remember telling the Personnel officer that I liked cities. I've always been a city girl. And they sent me to Rio, and I was very grateful. That was a pretty good first assignment. I was a junior officer trainee, so I went there in December of 1960. At that point some posts had language training at the post, three months of training. When I was in the University of Texas, I had just for fun taken a semester of Portuguese. There was a girl from Bahia, and I had just taken it for fun, never thinking that I would ever use it. And [lo and behold] it came in handy. But it as good training – three months, six hours a day. There were only three or four of us in the class, and we had several different teachers, so we heard different accents. And it was excellent training. The only drawback was that we were not working, so we weren't meeting anyone, and so it was very lonely, being there for those first few months.

But I found a little wonderful place to live. I have to laugh about it because it was actually an illegal little house. It was on the Baisandu, a long street that leads up to the Governor's Palace in Rio, an old, kind of dilapidated street with tall royal palms. Every once in a while a branch would fall and knock someone on the head, but it was an elegant street – a little dilapidated, a little gone to seed. And I found a little apartment on the top of a four-story building. In Rio it was illegal to have any more than four stories without an elevator, and this was actually the fifth story, but it was all right – I always thought that was kind of fun. There was an open iron gate, and it was extremely small, but there was a big terrace, and I spent most of the time on the terrace. I had a hammock there, and I remember I had Wisteria. It never stopped blooming the whole time I was in Rio, which was a year and a half, I guess. It never stopped blooming.

And I remember Carnival. Carnival in those days was marvelous fun. There were neighborhood

associations. There still are. Ours was Narangeras, and the Brazilian family on the floor below I'd made friends with the young woman, who happened to work in USIS. It just happened that she worked in USIS, and we became good friends, and I joined this little neighborhood association, went out, and it would start around New Year's, when you would hear this clink [*taps a rhythm on a glass*], and then the rhythm would pick up and so on, and everyone would start rehearsing. Some of them had been sewing their costumes all year. And then you'd go out in the streets and that day everyone would go out, and they would round up the usual suspects, pickpockets and so on, and they would have their costumes in jail, and they would celebrate their own Carnival. But amazingly, they wouldn't sell liquor. No one really got drunk. The worst that could happen was they'd spray some ether. But there actually was no crime during Carnival. It was just a lot of fun, everyone jumping around. And I got to go to the ball at the Opera House, and you would see the costumes like nothing in this world. I don't think before or since have so many sequins been sewn on so many – real diamond! You can't imagine. Some of the people couldn't even walk, the costumes were so elaborate. But you danced all night, and of course it was hot – it was hot and humid – but the costumes were brief (all the others, not the ones who were being judged), and you danced all night. And then there was a night club where they would serve onion soup; after four in the morning anyone would get onion soup for free. And then there was a place called Drink on Copacabana Beach, where you could finish up, dance a little more, if you had the energy, and then go out and watch the sun come up over that green ocean. And on Ash Wednesday, everyone was exhausted. It was marvelous to do once. I wouldn't want to do it again, but it was great fun.

And the work – of course I was in training, so I got to be in press and radio and television and the cultural side. It was good training. I enjoyed press especially. And that was the time, while I was in Rio, that John Glenn went up and circled the earth. In fact, this was a very exciting time because of that. It was just amazing. Some people felt that it couldn't be true, that it was all made up, as some people still don't believe that we sent anyone to the moon. But in São Paulo, which was my next post – my first real post was in São Paulo – we had a couple of astronauts visit. I think one was Pete Conrad, and I have a signed, an autographed picture of him, and that was a great event. Pete Conrad was here not long ago. There was an anniversary celebration of the '60s at the LBJ Library, where I volunteer as a docent, and it was like a homecoming party. Everyone was there, and they had a panel on NASA, and Pete Conrad was there telling wonderful stories, and I was so shocked when he died very suddenly a few weeks later. In São Paulo we also had a visit from Louis Armstrong, and that was very exciting, too. And for some reason this has stuck in my mind. Of course, the Brazilians are so self-righteous about how they don't have any racial prejudice. As a matter of fact they do. It's just a different kind. I met a number of black people in São Paulo who told me that it was more economic than anything else, but at that time, black people were not admitted either to the navy or to the foreign service, the Itamarati. That has changed, but this was in the '60s.

Q: How did this affect your reception of Louis Armstrong?

MERELLO: Oh, not at all. Well, everyone loved Louis Armstrong, but what I was going to say was that when he arrived there was a press interview, and one of the reporters said, "Well, how does it feel to be in a country where there is no prejudice?" And he said, "Well, I don't see very

many of my color here at this Jaguar Hotel.” It was the Jaraguá, one of the fanciest hotels in town, and by golly, there weren’t any others his color in that hotel, because they didn’t admit people [of] his color in that hotel. And they said it was because some of their guests were prejudiced, but of course, again, it was because they were prejudiced themselves. But on the other hand, every woman wanted to be a beautiful *mulata*, and who wouldn’t? Who wouldn’t want to have beautiful *café au lait* skin and lovely black wavy hair? And so they found that many women, when they took a census, a lot of women called themselves *mulatas* who really weren’t. So it’s a different sort of prejudice, and I think it’s probably less now. That was just an interesting sidelight.

And I loved Rio. In those days, Rio was falling apart, actually. It was awfully dilapidated, but it was fun. There wasn’t much crime at all, and there was the only *bonji*, the trolley that you could sit on and go all over town. It took about a day to go around town because, I think, it was a hundred years old at that time, or almost. I think it was dated from the 1880s, and these were still the same cars and the same little torn curtains at the windows. If it rained you got wet. But it was so much fun, and it still had that old magic. It’s lost now. I’ve been back since, just very briefly, but the crime is the problem now, many things. It was after I left that the terrible things started happening. The police would go out – I think maybe out of frustration because criminals were always set free immediately – and they would start just killing them instead. And even children, even orphan children on the street. This was after I’d left, but things are not what they were. I know we always say this, but it’s true in Rio’s case.

In São Paulo, I didn’t want to go there, but it was wonderful. It’s a very interesting city, and at that time it hadn’t become such a monstrosity as it is now. Now it’s an anthill, not a city. It’s grown much too much. But even then it was called “the engine of Brazil,” and very interesting. It was industrial, but it was also full of artists and writers and musicians and a great many immigrants, many from Eastern Europe or the Middle East or Italy. In fact, one of the wealthiest men there was Francisco Macarazzo. He started the São Paulo *Bienal*. At that time it was one of the two big art shows in the world. The other one was the Venice *Biennale*. And Macarazzo had come as a penniless immigrant. He had a pushcart – everyone starts with a pushcart – and he had become a multi-millionaire. And so he built this enormous building, and that was one of my first tasks, to participate in the *Bienal*, and as a matter of fact, we ended up winning the grand prize for the first time, much to the dismay of the Europeans, who had always divided the prizes up among themselves before. But this was a very big deal. You had a certain amount of space, and you could bring in the artists that you want. And the artist who came, the exhibit was of Adolph Gottlieb, one of the New York impressionists, and I wasn’t familiar with their work at the time, but when I saw those pictures hung, and getting them hung was not easy, because we had to build special walls and special materials, and we didn’t get the paintings until about a day before the big reception was due – and that was a panic. There was a longshoremen’s strike in New York, and so it was late leaving. Then when they got to Santos, there was so much rain that they were afraid to bring them up the hill, and so we had more delay. And the curator who had come down was Walter Friedman, who then went to the Walker Arts Center in Minneapolis. I’m not sure where he is now. He was fairly young at the time, and he was tearing his hair out. He was in despair. He said it takes a week to put these up. Well it turned out we had a day and a half, and we put them up, and they looked marvelous, these enormous paintings with these suns and –

wonderful energy. And I came to love those paintings very, very much. They were marvelous, very romantic in their own way. Maybe the last romantics were the impressionists.

And then some sculptures by young sculptors who later became famous – a number of them did. Stella was one. There were a half a dozen of them. So it was really a stunning show when we finally had it up on the special walls and everything. It really was an amazing show, quite overwhelming. And since Walter Friedman had never been curator at a *Bienal* before, he refused to play the game with the Europeans, and he just wouldn't go along, and so finally and luckily, they gave the Grand Prize to Adolph Gottlieb, to our section, and it deserved it. It was a marvelous show, anyway. The whole show was good, but we really did deserve the prize, and Adolph Gottlieb deserved it, and I was so happy that he had come down and was here when it was announced. He had come down, and he was a wonderful man, just had the best time. He didn't know Portuguese, but he met all the artists in town. They took him to a geisha house, and that's because one of the Japanese artists was one of the most famous in Brazil, Manabumabe. He had started out as a penniless immigrant himself. He planted heels and his father had died when he was young, and he had had to work in a dry cleaner when he was 14 to support his family, and then he started painting neckties, and he ended up becoming the most famous impressionist in Brazil, enormous canvases, very beautiful and very expensive. He also was a wonderful man. They were good friends. They didn't have any language in common but they communicated. So he had a grand time and had not dreamed that he would win the Grand Prize, and when he did – it was about \$1500, I think – he decided that he would spend it all on jewelry for his wife. His wife had been a teacher, and she had supported him for many years in New York, and he had never given her any jewelry. And Brazil was the place to buy jewelry – gold and tourmalines and topazes and aquamarines and anything that you could imagine. I had the most wonderful time, and I went with him to the best jewelry store in São Paulo, and he decided what to get. And he could buy a lot for \$1500. He bought a great many jewels, and I know that she was very pleased when she got them. So this was all great fun. It was tremendously exciting. This was my first real assignment, and I worked very hard on it. It wasn't easy to get those materials and to hang all this and get it all ready. It was intoxicating, really. It was great fun. And the newspapers were plastered with pictures of Adolph Gottlieb, and everyone recognized that it really was a fine show. So that was a wonderful way to start out. Not everything was that successful, but it was fun to be part of something. And of course, the fun of the agency is that you're always an amateur because you're always doing something you've never done. I don't know whether the State Department is that way or not. I don't think it is.

WILLIAM B. WHITMAN
Argentina Desk Officer
Washington, DC (1960-1962)

Mr. Whitman was born in New Jersey and raised in Illinois and New Jersey. He was educated at the University of Colorado and Northwestern University. In his posts abroad Mr. Whitman served variously as Consular, Political and Economic Officer. In Washington, he dealt with Fuels and Energy. His foreign posts include

Palermo, Cochabamba, Belgrade, Milan, as Director of the US Trade Center, Belgrade, as Economic Counselor and Rome as Economic Minister. Mr. Whitman was interviewed by Charles Stuart Kennedy in 2004.

Q: Well, what was the situation in Argentina in 1960 when you got on the desk?

WHITMAN: As usual, confusing. We had the president whose name was Frondizi and we were supporting him strongly as a moderate leftist, but there were all kinds of people in the shadows there in the wings, the generals, the admirals, right wing people, but basically Frondizi was no bomb thrower--he had some very conservative people in his financial ministries. But basically it wasn't very exciting because the administration we got along well with, and we were trying to help each other out, and that was it.

Q: Did, had Peron, in one of his things he had been and had left the scene by that time?

WHITMAN: He was in exile I think, in Spain. And the only exciting thing that happened in the Argentine desk was the Eichmann case. Remember Adolf Eichmann was grabbed off the street in Buenos Aires, and taken to Israel. That happened the very first or second day of my stint on the desk in the summer of 1960 And we had Cuba which was a major concern; basically it was a nice job for a junior officer.

Q: Well, did you, were you able to use this sort of experience at a later time to see how the State Department worked, often the desk officer, the system desk officer, you get a little feel about clearances..

WHITMAN: Oh, you get to see this, I mean you were told this in A-100 but in those days you had to take a cable around and somebody would scratch initials on the bottom, you would stand out in the hallway at seven at night waiting for this clearance to go, then you take the cable down the hall, you take a copy on a sheet. It was very, of course, a junior officer, I did a lot of that, standing around and waiting.

WILLIAM W. LEHFELDT
Economic Officer
Buenos Aires (1961-1962)

Principal Officer
Cordoba (1962-1964)

William W. Lehfeltdt was born in California on July 13, 1925. He served in the U.S. Army in a specialist's role. Upon completion of his tour, Mr. Lehfeltdt received a bachelor's degree from Georgetown University's School of Foreign Service in 1950. He entered the Foreign Service in 1952. His career included positions in Kabul, Bilbao, Buenos Aires, Cordoba, and Tehran. This interview

was conducted by Charles Stuart Kennedy on April 29, 1994.

Q: What kind of work did you do--just general political and economic, military?

LEHFELDT: Well, I'm the last of the old time generalists, I'm afraid. In South Asian affairs I was the political desk officer for Ceylon and Nepal and an assistant for India. Later I was the economic desk officer for Afghanistan and Pakistan, although there was very little difference at that time. From there I went to Argentina, to Buenos Aires, as petroleum officer, where I stayed for about a year and then moved up country, to a city called Cordoba, where the revolutions begin (one almost started recently), to open a consulate.

QUENTIN ROY BATES
Agricultural Attaché
Buenos Aires (1961-1965)

Quentin R. Bates served in the military in World War II. He entered the Foreign Service through the State Department, but switched to the Foreign Agriculture Service (FAS) in 1955. His posts included Colombia, Canada, France, Argentina and Washington, DC. He was interviewed by Jennifer Nyberg in 1990 and by Richard Welton in 1994.

BATES: Argentina was one of the most difficult posts in some ways. It was a period of great tension.

Q: From '61 to '65?

BATES: Yes. We had seven fairly large scale attempts to overthrow the government, in which in at least three of them, there was quite a lot of fighting and quite a few people killed. The streets were often closed off. There was fighting in the streets occasionally. So it was a difficult time politically.

Q: How can you work in situations like that? Was it very difficult - did it affect your day to day work?

BATES: No, it didn't very much. These were strange types of revolutions. It was mostly an Army versus Navy thing. The Navy officers were generally a very conservative group and the president at that time, Frondizi, was a left-of-center politician. He had the support of the army, but the navy was very strongly opposed to him - the navy and the right wing political parties. So it was usually a military confrontation between the navy and the marines versus the army and the air force. The worst one occurred when we were on a trip with the minister of commerce. We had been visiting a number of areas in Mendoza, the fruit and wine area, and went from there to the mountain resort area of Barraloeche. On our way to a major hotel, we were stopped by the military and told about the revolution. We immediately went back to the plane and headed back to Buenos Aires

without knowing where we would land. The rebels had seized the airfield that we had taken off from so we knew we couldn't land there. We were going to head for an air force base, but the air force hadn't decided yet which side they were going to be on so we didn't know until fairly shortly before we were to land whether the air force was in rebel or government hands. It turns out the air force decided to stick with the government. We landed and the minister, personally, took all of us by bus back to our homes, going on side streets because all of the main streets had been blocked by the Marines.

Q: Were you in danger because you were American? It was obviously an internal thing.

BATES: No, there was no anti-American feeling about it. It really didn't worry us too much because very few civilians ever got hurt unless they just happened to be in a area where there was fighting. They were pretty careful not to hurt any civilians so that was not as much of a problem as you might think.

WILLIAM LOWENTHAL
Deputy Assistant to the Director
Buenos Aires (1961-1966)

William Lowenthal was born in 1920 in New York City. As a child he learned both English and French at the same time. Other parts of his education and experience were also unique. For example, he assisted with a political fact finding survey of Latin America in 1941. He graduated from Dartmouth in 1942. He was a Navy pilot. He was a textile mill executive dealing with labor unions. His master's degree, from Columbia University, was in Latin American economics and history. Later, he received a doctor's degree from Georgetown University, with a thesis on Argentine economics and social development. He was involved in foreign aid programs in Washington DC, Chile, and Argentina. He also served with UNESCO in Paris and the Economic Commission for Latin America. He retired in 1981. He was interviewed by James D. Williams in 1986.

Q: So now we're trying to get back on the track when I guess you went to Argentina, right? And you had made some initial statements as to your being in Argentina.

LOWENTHAL: Yes, I went to Argentina in 1961 and as I said before this was a, a new program because Argentina was not an underdeveloped country but had fallen into a great deal of economic depression after the overthrow of Peron. The Peron regime had milked the agricultural sector in order to build an industrial sector and to help develop a working class, a working class that would always vote in favor of the Peronist movement and this debilitated the country tremendously.

Q: Well, wouldn't, wasn't that basically a sound idea, to industrialize, isn't that the way all the countries have now gone? So what did they do wrong?

LOWENTHAL: They did it at such a terribly high cost that they really couldn't compete and they taxed the agricultural sector which was the great foreign exchange earner to such an extent that they began to lose their ability to produce.

Q: Oh, so they, they ruined their cattle industry and ...

LOWENTHAL: Right.

Q: What else did they have at that time?

LOWENTHAL: Cattle and wheat production. They were tremendous exporters of beef and grain to Europe primarily.

Q: I see.

LOWENTHAL: So that by the time I got there the economic situation was in very dire straits. Peron was overthrown in 1955. When I got there in '61 -- there were several military governments in between. When I got there it was a civilian government elected -- [the president was a man] by the name of Frondizi.

Q: When did you say Peron was overthrown?

LOWENTHAL: In 1955.

Q: '55.

LOWENTHAL: President Frondizi was very much interested in economic development and trying to balance out the whole picture of industry versus agriculture. He wanted to revive agriculture. He established an extension service on his own which had not existed before. It involved research and extension and he sent many of his agricultural people to the United States for study and practical experience. The universities in Iowa and Michigan helped a great deal and also Texas A & M -- Texas A & M and Iowa State primarily. A great number of Argentines went there for study and came back and established this research and extension service. It was so important to the President that he didn't establish it in a conventional way in the Ministry of Agriculture. He established it in his own office and at the time the Minister of Agriculture did not take umbrage because he understood that because it was established in the President's office and there was U.S. interest and U.S. contributions -- it was like a servicio without calling it one. He worked with it as a member of the board of this organization which was called CAFADE, which is alphabet soup for the organization that was established in the, in the President's office for research and development of agricultural extension. There were co-heads as we had in a servicio and eventually this organization became part of the Economic Development Council of Argentina after Frondizi was overthrown. This organization which was in the President's, was sort of cast loose. The new government was interested in establishing an Economic Development Council, not just for agriculture but for all sorts of economic development and therefore this

organization which had concentrated in agriculture was put into the Economic Development Council as the Agricultural Department for it and it's still in existence today -- the National Development Council. What I wanted to talk about in Argentina was not just our regular program which functioned well and has had lasting effect on the country -- I wanted to talk about the problem we had with respect to the policy matters as to whether or not economic and technical assistance in Argentina was solely for those purposes or for political purposes as well. We had an ambassador who believed that they should be used for political purposes as well as economic development purposes. He didn't think that any kind of U.S. assistance should be solely based upon economic and technical assistance development theories or reasons but it had to have a political aspect to be justifiable for the interests of the United States to be investing its money in that country.

Q: Would you explain how you viewed political involvement...

LOWENTHAL: Yes, it became very obvious. While we were there the country fell into a very severe recession and maybe it was a petty depression. In those days they didn't differentiate as much between depressions and recessions as they do now and inflation was starting to heat up very rapidly. The military got very restive and unhappy with the presidency and the ambassador called a meeting of his staff and said that he had been thinking about what he could do to save Frondizi because he felt that this was a democratically elected government with very good objectives and he wanted to do everything possible to save this government. He felt that with 150 million dollars we could save him and that he had written a telegram to Washington that night, after he came home from the opera, proposing and justifying a program of 150 million dollars which he said would save Frondizi and he said to me "What kind of projects would you have that would do this?" And I said to the Ambassador "There aren't any that would do such a thing and that even if there were it would take so long to get them approved and through Congress and get the money that this crisis will have passed and we will have been in three or four other crises." The Ambassador didn't like that very much. But anyway, he said "Well, We'll see what happens in Washington. I sent my telegram so it would arrive Saturday morning when there is a small group working. They'll concentrate on that and we'll see what kind of an answer we get." Well, the following week he called another meeting, and he looked very triumphant and, he waved a telegram in front of all of us saying he got 80 million and he then turned to me and he said, "All right Bill, what are the projects?" And I gave him the same answer. I said "There aren't any projects, Mr. Ambassador, that will do this kind of thing. Our work is long term -- we have some loans for road building and we have some loans for trying to eliminate hoof and mouth disease and we have loans and technical assistance grants for the agricultural extension service. You know what they are and that there doesn't seem to be anything in the economic assistance and technical assistance field that will have any such immediate effect. These are long term projects that involve training, that involve development of the people." He replied "If you won't give me any projects, I'll give them to you. Take a pencil and a paper."

Q: And what did you get?

LOWENTHAL: He dictated to me projects -- he said "road-building 30 million, silo construction 60 million." No I guess that must have been another 30 million. He just dictated a list of projects

that he thought up and gave them to me on a piece of paper and said "Go negotiate these with the Argentines."

Q: And he came to this conclusion without any contact, previous contact with the President of the country or anything like that to see if they had any ideas?

LOWENTHAL: A certain amount of that money eventually was changed into a balance of payment support loan which is not technical or economic assistance. It was a loan that was to be paid back in about twenty years at three or four percent and it was to help them pay their external bills. But most of it was still left in technical assistance. Now, the silo loan, which was one of the loans that he put on the paper became notorious in Washington. It was the loan that was on the books longer than any other loan in the whole history, I think of the world.

Q: This was for grain storage?

LOWENTHAL: Yes. The Argentines are great grain producers. There was a tremendous need for improved silos and grain storage -- enormous waste of grain at the port and in the country as well. A tremendous amount was eaten by weevils and rats and I don't know what else and so that there was some need for it. But this loan, the way it was prepared in the first place, almost created the expulsion of the whole program from Argentina because the loan required 60% of the material for the silos to be imported from the United States. That was one of the ways the Ambassador was able to get agreement because this was going to help the United States silo manufacturers. And so the Congress was perfectly willing to approve that but when it got to Argentina and it hit the press, it was phenomenal. The Argentines had been making silos for years. They knew very well how to make silos, they just needed money in order to stimulate the business because the agricultural sector had fallen down so in its general outlook that it couldn't afford to build these things. This loan was ostensibly to help them do that but if they were going to have to import so much of the material it would cause them greater debt and put more people out of work than it would help and so it was aid that caused a very great problem. There were editorials in the paper that if this is the kind of technical assistance the United States was offering, we should pack up and go home. (Laughter). Well...

Q: There again two different cultures coming together in collision.

LOWENTHAL: Absolutely. This happened just about the same time as the assassination of President Kennedy. I was in Argentina getting ready to go to Washington for budget hearings on the next years' program and to try to do something about this problem of the silo loan when we got word of the assassination of President Kennedy and the Ambassador said we must proceed and go ahead and we should go to Washington anyway. I did go to Washington and stayed there for quite some time because of the funeral and all of the commotion in the congressional committees and nothing was meeting. Eventually I was able to talk to the committees and to explain what a terrible turmoil this silo loan had produced.

Q: As you know we're hearing about the silo loan in Argentina so you go ahead and I'll put some identification on this tape.

LOWENTHAL: The congressional committees that I spoke to did not want to cancel the silo loan as I had suggested and the Ambassador, or course, in Argentina was very much opposed to canceling it. I explained the problem in Argentina that this silo loan, requiring 60% of the material to come from the United States when there is a sizable silo making capacity and industry in Argentina itself, that this would raise all kinds of complicated problems. If the loan could be amended to reduce the amount that had to be imported from the United States, then we might be able to go ahead with it. Well, after considerable discussion we were able to -- we amended the loan so that we only had to import one silo as a model to Argentina and the rest of the loan could be used for establishing and modernizing silo-making capacity in the country. This appeared to be very satisfactory to me and was accepted by the Argentines though when we signed the loan, the Minister called up and said that he wanted no publicity about it and we had to go in through the back door of the ministry and through the kitchen and up into his office so that we wouldn't be seen and he signed the loan with us without any kind of publicity whatsoever. We had nothing but trouble with this loan. The Argentine method of manufacturing silos and financing silos was not well understood by our technicians. Nothing seemed to work in accordance with the loan. Eventually the loan dragged on without any money being drawn down for three or four years and it was finally reduced to ten million dollars and only about six or seven was used and eventually the rest was turned back to the U.S. Treasury.

To me that's an example of how one can get into trouble by dreaming up loans to countries, loans that don't really fit in with their needs and their system of operation. Another loan that we had in Argentina also foundered for completely different reasons. Prior to this new injection of capital by loan to Argentina, the United States had made a loan of six million dollars to the province of Entre Rios for a road that would tie in with farm to market roads to make it easier for farmers to get their products to central markets. This six million dollar loan seemed to be progressing quite well when one day the controller of our office came to me and said "Something is wrong with this loan. We will have to look into it because the amount being spent for gravel is ten times higher than the estimate and we can't understand why." So I went to the highway department of the Ministry of Public Works and asked the question "How come so much more is being spent for gravel than was estimated?" Everybody seemed to just shrug their shoulders. They didn't seem to know. I got out the original plan for the loan and the map of the road that showed where the quarries were for procurement of the gravel. All along the road there were places marked where there were quarries so that it shouldn't have cost ten times more than anticipated. Since the people in the highway department couldn't give me an answer. I said, "Well, we'll have to go out on the road and look and see what's the matter." So the controller and I and two people from the Highway Department in a jeep went out on this road that was still in the making. It was very rough going -- and every place on the map where there was a quarry -- supposedly a quarry -- nobody was drawing any gravel.

Q: Were the quarries actually there or not?

LOWENTHAL: There were quarries actually there and there were places where you could see that there was rock and there were places where you could see that rock had been at one time taken because there were excavations. But none of them were being used. Well, finally on the

way back we stopped at a restaurant for lunch with these two men. I guess it was later in the evening or it must have been tea time or something like that. We got to be more friendly with these Highway Department officials who let on that the Minister had a brother-in-law who had a quarry many miles away. That's where the rock was coming from and that's why it cost so much more.

Q: Hm.

LOWENTHAL: So I said to the Highway Department people that this couldn't go on this way with the loan that the United States was making at a very low interest rate, financed by American taxpayers and that would have to be changed. I would expect to hear from them on that. He said he would make his report and would call me back. Well, a few weeks passed and I was informed that the Minister had reviewed our request but was unable to make any change.

Q: Were the people you went to in the Highway Department?

LOWENTHAL: I went to the head of the Highway Department and we canceled the loan and returned the money to the U.S. Treasury. So this is an instance of technical cooperation that should have worked out, but because of the way in which the local culture functioned, we had no recourse, really, except to do what we did. I could find no other way that we could. We would be subject to terrible criticism, if knowing this problem, we had continued to disburse our funds.

Q: Do you see any connection between this way of their doing business and what has happened eventually in Argentina with the military take-over, I guess, and then now things going back the other way?

LOWENTHAL: Well, not in any specific way.

Q: But you can assume that if it's going on like that in the instance that you uncovered that must be almost a standard way of doing business throughout the country, right?

LOWENTHAL: Well, perhaps so. It's hard to take one instance such as this and generalize. Lots of people do and I really don't think it's right. There are a number of very well run institutions in Argentina and there are some that aren't, but I think that it's very important to know what you're doing and not let things like this happen. I would guess that in many cases our loans have gone to do things of this nature without being caught. We were lucky in the sense that we were willing to persevere and find out what was going on and to take some action so that it was an example to the Argentines that the U.S. was only going to do things the way the original plans were worked out. I don't think it's good to generalize, though I gather there's a lot of the same kind of thing happening in the United States as well as in Latin America.

RICHARD S. WELTON
Assistant Agricultural Attaché

Buenos Aires (1961-1966)

Richard S. Welton grew up in West Virginia and completed his bachelor's at the University of Maryland in 1956. He joined the Foreign Service immediately after college and served in Argentina, El Salvador, Spain, and Mexico, as well as various positions in Washington. He retired in 1989 after 33 years with the Foreign Service. Mr. Welton was interviewed by Quentin Bates on January 6, 1996.

Q: They felt that they couldn't publish figures that were at variance with what the official figures were. There were many countries, where the official data were not just guesses, but deliberately distorted.

WELTON: I think we had a very good experience in Argentina, where we had good sources of information outside of the government. I never felt that anybody deliberately tried to mislead us there, but when I got into Central America and the coffee republics -- this was the time of the International Coffee Agreement, which had established quotas for each country -- and their interest was to convince us that they had a tremendous surplus of coffee, so that they could get a larger quota. There I did feel that they misled us. In fact, the Ambassador, before I went there, told my predecessor, that was Dick Smith, who later became the Administrator that he had been called in to a Cabinet meeting, where they had been discussing the coffee situation. And that the President said, "Now, just how can we convince you that we've got all this coffee?" And the Ambassador replied, "Well, it might help if you stopped lying to the Agricultural Attaché." Diplomacy and tact weren't two of his stronger elements. Anyhow, that was the situation we had in coffee.

I remember also a personal experience when the Chairman, or whatever he was, of the Coffee Company, which was a state trading agency, who invited me to accompany him around to see the coffee plantations just before harvest. I was staring at red coffee beans through the car window all day long, and got the worst headache I've ever had. But he was trying to convince me that they had a tremendous crop. But I'm sure there were a lot of similar experiences at other posts as well.

One thing I should mention, perhaps, on reporting: In later years when the agency became more focused on market development, there's been a lot of concern that perhaps the Attachés were spending too much time on mundane reports on different crops, rather than focusing on encouraging more export sales.

ANTHONY G. FREEMAN Assistant Labor Attaché Buenos Aires (1962-1964)

Anthony G. Freeman was born in New Jersey and graduated from Rutgers University and Princeton University. He joined the Foreign Service in 1961 and

has served a variety of posts in Argentina, Spain, Bolivia, Brazil and Italy. He was interviewed by Don Kienzle in 1995.

FREEMAN: I did a detailed profile of the trade union movement and the political parties in Argentina, so by the time I got to Argentina myself in July 1962, I was extremely well-read on Argentine affairs. I knew the bios of all the characters I was going to meet when I got down there.

I say, "I was going to meet," but I am skipping something here, so let me backtrack. As I said earlier, I was assigned as a central complement officer, where you "rotate" from one section to another in the Embassy. But during the time that I was working for Henry Hammond, our Ambassador at that time to Argentina, Rob McClintock, came to Washington. I asked to meet with him, and an interesting thing happened, which had some impact on what my first assignment in Buenos Aires would be later on.

He came through Washington, among other reasons, to have a meeting at the AFL-CIO with Serafino Romualdi, Jessie Friedman's step-father. Now Serafino was a legend in those days. He had been a very active labor person during the War. He evidently had worked for the OSS in the labor area. He was an Italian Socialist who had fled Italy during Mussolini's time prior to the War. He had lived or worked in Latin America and had many Socialist friends from Italy who were in prominent places in the trade union movement and in politics in Latin America, for example, in Venezuela, Uruguay and Argentina, et cetera. And it had been a strong article of faith for Serafino as head of Inter-American affairs of the AFL-CIO to oppose the Peronists, who came to power in Argentina and took control of the labor movement by pushing out the socialists and anarcho-syndicalists, with muggings and killings and so forth. So Serafino was a bitter, bitter enemy of Peronism, which he regarded as nothing more than a Latin American variety of Fascism, which he had been fighting all his adult life.

Well, McClintock aimed to persuade Serafino that the time had come for the AFL-CIO to begin a rapprochement with the Peronists, and the reason was, of course, that we were facing a problem called Castroism in those days. Castro communism supported by the Soviet Union was on the rise as a political model to be exported to and replicated in the other countries of Latin America. Castro sympathizers were penetrating political parties and labor movements throughout Latin America, and the Peronists were seen as a potential bulwark to the spread of Communism in Argentina. So from the United States' point of view, it was opportune to begin a better relationship with the Peronist movement. There had been a long history of hostility between the Peronists and the United States. Peronism was a kind of Third World populist nationalist movement that viewed the Yanquis with hostility. Peron, who was a demagogue, grandiosely portrayed his movement as being a "Third Way," not a bridge, but a third way between Capitalism and Communism, between Imperialism and Communism. But the Peronists were anti-Communist, so Ambassador McClintock saw value in trying to establish relations with the Peronist labor leaders, and in order to do that, he needed the support - or at least wanted to soften the opposition - of the AFL-CIO. So that was the purpose of the visit which Ambassador McClintock and Henry Hammond paid on Serafino Romualdi, with me tagging along. And incidentally that was the first time I met Jesse Friedman. Jessie was sitting in an outer office, and he immediately made an impression on me as a dynamic young international trade unionist

activist doing really exciting work. However, the meeting was unsuccessful. Serafino rejected the Ambassador's arguments, at least at that time.

But during the course of the Ambassador's stay in Washington, I asked to meet with him. He asked what I wanted to do when I got down to Buenos Aires, and I said that I had been working in the ARA labor office, his idea of reconciliation with the Peronists seemed an exciting thing to do, and I would like to be involved. And so he said, "Fine. You've got the job." My first "rotation" assignment would be to the Embassy labor office, so that's how I got to be Assistant Labor Attaché in Buenos Aires, at least for the first six months that I was there.

Q: How did you find the labor movement once you arrived in Buenos Aires? Were you able to make any useful contacts with the Peronists?

FREEMAN: Oh, yes. It was a great assignment. I actually got down to Buenos Aires two weeks before Henry Hammond did. I don't know whether you want me to tell that story or not.

Q: Go right ahead.

FREEMAN: The Labor Attaché preceding Henry Hammond was a fellow named Irving Salert. Now, if I am not mistaken, Salert came from the ILG [International Ladies' Garment Workers' Union], and he was quite a character. I arrived in Buenos Aires, my first assignment, in July. It was winter time down there, and believe it or not there was actually snow coming down at the airport at around 11 o'clock at night when the plane came in. And even though it was my first assignment, I had learned it was the usual Foreign Service custom to meet [newly arriving] officers at the airport, so I was expecting to be met. But when I cleared customs, there was nobody there, and it was late at night. It was near midnight when I retrieved my bags, and I caught the last bus into town. It was quite cold with snow flurries coming down, not much snow, but it was unusual for Buenos Aires. I turned to another American on the bus, a businessman, and asked where he was going to stay that night. This was a Sunday night. He said, "Well, I am going to the Plaza Hotel." The Plaza Hotel was the most expensive hotel in town. I think it was \$15 or \$20 a night, and that was really a lot of money in those days. And I said, "Well, I guess I'm going there too; I don't know any other place." So I ended up at the Plaza, and when Monday morning came around, I decided I wasn't going to rush to the Embassy and report to duty. Instead, I would get to know the town first. I just walked around the city and in the afternoon I happened to stumble upon the American Embassy. By this time, the Personnel Officer, Gladys Knudson (may she rest in peace), was frantic. "Where have you been?," she asked.

It turned out that the Labor Attaché, Mr. Salert, was supposed to have a car sent out to meet me at the airport. He had either forgotten or just didn't care. He hadn't notified the motor pool, so no one came to meet me. But I was assigned to his office, even though I was really going to work for Henry Hammond. This fellow [Salert] was still going to be around for another two weeks, so I paid my call on him. He was not apologetic at all. In fact, he was rather flippant, and said something like, "I don't know who the hell you are." Actually, he was a lot more explicit than that. "I didn't ask for you. I'm only going to be here two more weeks. There's an office across the hall. Park your ass over there, and keep the fuck out of my way." [Laughter]

So that was my first introduction to the Foreign Service overseas.

Q: Loy Henderson would not have approved.

FREEMAN: Actually, the guy warmed up after that. He took me around on some of his labor calls, and I sat in on some of his meetings. I had a hard time understanding Salert's Spanish. I understood the Argentines, but couldn't understand him. Only later I realized Salert was speaking Portuguese - he wasn't speaking Spanish - and that's why I didn't understand him. He had spent five years in Brazil before serving another five in Argentina, and he still spoke Portuguese. He was an interesting curmudgeon type, and I learned some things from him.

In any case, Henry Hammond arrived shortly thereafter, and we began, for the first time, to court the Peronist labor movement. And the Peronists were ready to be courted. There was a "soft line" [faction] that wanted to work with us. Now I have since discovered that some of these guys were actually intelligence agents of the Argentine government. On my second tour to Argentina some years later, one of the earliest contacts I had made the first time around confessed to me that he (and others) were actually working for state security at that time when they approached us as intermediaries for the Peronist labor/political movement. These were secondary characters. I'm not talking (necessarily) about the trade union leaders themselves. While I was still in my 6-month labor tour, Henry Hammond began to contact the major trade union figures, and the most important one I met with him was the head of the garment workers union named Jose Alonso, who was later assassinated during the guerilla war which they had there. These were the "soft-liners" in the Peronist movement as they were called. While they were Peronist and professed allegiance to General Peron who was in exile abroad, they were being wooed and cultivated by the Government of Arturo Frondizi, a democratically elected President from another party, the UCRI (a split off from Argentina's main traditional middle class party, the Radicals, who were the principal rivals of the Peronists). Frondizi, through one of his Ministers, Rogelio Frigerio (Economy, I believe), sought to coopt as many of the Peronist labor leaders as they could. Frondizi was a major partner in the Alliance for Progress with the United States, and undoubtedly through his Minister Frigerio, the soft-line Peronists were encouraged to work with us - with the implication that the labor movement could benefit from US Alliance for Progress programs. I'm not saying necessarily this was the only motivation these Peronists had to be receptive to a closer relationship with the U.S., but it undoubtedly was an important sweetener. In any case, I was among the first Americans to get to meet these people and develop a relationship with them as part of Henry Hammond's mission, and I'm still remembered in some circles in Argentina because I was in on the ground floor of that development, even though I only worked in the labor office for six months. I had great fun doing it.

Q: Was this effort eventually accepted by the AFL-CIO?

FREEMAN: Yes, with or without Serafino's personal endorsement, the AFL-CIO came to recognize that they had to work with the Peronists also and that the Peronists weren't necessarily Fascists. They were opportunistic; they were demagogic; they weren't "nice guys" or necessarily democratic by our definition, but they *were* definitely populists, and they did represent the

underside of society in Argentina. Many of these guys who were trade union leaders came out of the sweatshops and factories themselves and they were born on "the wrong side of the tracks". Not too soon thereafter, the AFL-CIO position began evolving also. About a year later, an AIFLD program was established. An office was set up in Buenos Aires, and they began working with the Peronists also, using AID Alliance for Progress funds to engage in housing construction programs for the light and power workers and other unions. But at the same time the remnants of the old Socialist (or social democratic) movement were still around here and there. AIFLD probably maintained contact with them as well, as did we. I kept up my contacts with the Socialists, social democrats and other anti-Peronists grouped together in an entity which they called the "32 democratic unions", and there was a tremendous amount of emotion on the part of these old timers over the fact that the Americans were beginning to work with the Peronists. I recall the head of this organization, Juan Carlos Brunetti, a "social democratic" type who was a member of the UCRP, the mainstream Radical Party, pulling Jessie Friedman aside one day when Jessie was visiting down there with a delegation from the AFL-CIO, grabbing him by the lapel and saying, "Your step-father is turning over in his grave for what you're doing, Jessie!" And Jessie was shaken by that.

Q: What was the relative power between the Peronists on the one hand and the social democrats on the other?

FREEMAN: Something like 99.4 percent to 0.6 percent. They may have once had 32 unions, but by this time the "32 democratic unions" were little more than a letterhead.

Q: So the Socialists were a small faction.

FREEMAN: They were a very small faction by that time, but there were still some old great leaders left. There were several leaders still active in the 1960s who came from this tradition and who were actually still in the national leadership of some unions: the Railway Engineers, for example, and also the Commercial Workers. There were some great old time 1930s style democratic or anarcho-syndicalist trade union leaders, but they soon lost their positions.

Q: Were the Peronist trade unionists independent of the government or were they really subordinate?

FREEMAN: There has been an off again-on again tendency among the heads of the Argentine trade unions in the CGT to split between "soft-liners" more inclined to deal with the government of the moment and "hard-liners" inclined to be in more intransigent opposition. The "soft-liners" in the period I'm talking about were probably coopted by the Frondizi government to some extent, but I doubt they were totally subordinate. Insofar as the relationship between the Peronist trade union leaders and the broad Peronist political movement, the labor leaders were a power factor within the broader movement, but they represented an interest in and of themselves. There was a mutual relationship between the party leaders and union leaders, but the union guys were to a considerable degree autonomous and exercised their own influence on party politics. But they were split, too; they were deeply ridden by factionalism and personal rivalries.

One can debate how significant this U.S. opening to the Peronist labor movement was in the greater scheme of things. It broke down the mutual reserve and suspicions between the US and Argentine labor movement and reduced to some (probably a considerable) degree traditional Peronist resentment against the U.S. AIFLD (AFL-CIO) training programs introduced the concepts of democratic trade unionism and eventually the CGT was granted admission to the democratic trade union international family known as the ICFTU, which was European social democratic in its origins - so some progress was made in that sense. I want to be careful and not overplay this. To many decent middle class Argentines, many Argentine labor chiefs are still little more than thugs and to call them "democrats" would be a stretch. Yet that judgment is too extreme on the other side and reflects a certain degree of class snobbery and prejudice. None of them are angels, but I can think of some Argentine trade unionists who are dedicated to the interests of their fellow rank-and-file workers albeit within the constraints of their own ideological framework and there are a few whom I regard as personal friends. Through their association with the AFL-CIO, we taught them the language of democracy and to some not insubstantial degree this rubbed off. Moreover, I think it undeniable that the Peronist union leadership served as a buffer against communist or Marxist inroads in the Argentine labor movement. Castro communism was largely unsuccessful in infiltrating the labor unions. The Marxist guerrilla insurgency (ERP) that came later, in the '70s, did not gain support from the labor unions. The other major guerrilla insurgency, the Montoneros, did have Peronist or nationalist origins and enjoyed some sympathy among workers on the margin, but the union leadership by and large resisted this (and some leaders paid with their lives as a consequence) and a few even colluded secretly with the security forces in the "dirty war" against the rebellion.

Q: And after six months, did you rotate to other parts of the Embassy?

FREEMAN: I did other things. I did the normal tour. I spent a year as a consular officer doing non-immigrant visas, which was a pain. Buenos Aires was (is) one of those places where large numbers of people line up each day at the Embassy to try to get a visa to come to the United States. A large part of my time was spent on visa fraud and problems like that, and you had to interview some incredible number of people, a hundred a day or more. It was a hectic, thankless job, and there was a lot of pressure on the visa officer not to err by issuing temporary visas to people who intended to stay in the U.S. Of course, over 90 percent wanted to stay, and the real question was how artful were they in lying about it, and how artful were you in catching them in an obvious lie so that you had no conscience attacks in denying them a visa. I was also in the economic section in Argentina and did commercial-economic reporting for six months.

EDWARD W. CLARK
Political Counselor
Buenos Aires (1963-1964)

Edward W. Clark was born in New York on October 9, 1917. He obtained an A.B. from Princeton University and then went to Cornell Law School. He was a diplomatic courier. He served in Panama as Consular officer and then as deputy

chief of mission. He also served in Asmara, Lima and Buenos Aires. He served in the Bureau of Inter-American Affairs, Personnel, and Congressional Relations in the State Department. He retired in 1973. He was interviewed Charles Stuart Kennedy on April 29, 1992.

Q: *You were supposed to go to Argentina?*

CLARK: I did go.

Q: *How long were you in Argentina?*

CLARK: Only a year and four months.

Q: *While you were in Panama, Joseph Farland was the Ambassador. How did he operate?*

CLARK: Well, Joe Farland was a nice fellow who we got to know very well. We had children the same age as his children. He was a public relations fellow essentially. He was very good at it...making friends, going places, dancing the tamborito, and all that. To a large extent he left the real running of the Embassy pretty much to the DCM.

Q: *With the Southern Command there did you find that the military was taking more of an active interest in what was going on in the continent as reflected...?*

CLARK: Well, of course, they had their requirements for military aid to the continent. There wasn't any of that with Panama, so speaking from the point of view while I was in Panama I was aware of these other requirements that they had, but it was outside of our relationship.

Q: *You went to Argentina at the end of 1962 for about a year?*

CLARK: Yes, I went there in February 1963 and left in July of 1964.

Q: *What were you doing there?*

CLARK: I was political counselor.

Q: *Your Ambassador was Robert McClintock, who is again one of the characters of the Foreign Service. Would you talk about him a bit?*

CLARK: He was a wonderful fellow if he liked your style. If he didn't like your style you were out. He was smart as a whip. There were only two people that I have ever known who could sit down and dictate a ten page telegram or memo without pausing. He was one and the other was George Kennan. I happened to have had the very good fortune of being assigned to go around Latin America with Kennan in 1950. Just he and I. We spent three weeks together. Those two were brilliant people.

Q: *Kennan was Policy Planning at that time.*

CLARK: Just leaving.

Q: *What was Kennan's reaction toward Latin America?*

CLARK: He wrote, I think, maybe the best report on Latin America that has ever been written. It is unclassified now. What he said in that report was that this was a vibrant place with all kinds of problems, but the difference in outlook, the difference in values, the difference in their attitudes towards life are so different from ours that we have great difficulty understanding them. And people who serve in Latin America really have to build up a defensive mechanism of cynicism in order to survive, in order to do their job without getting buried. That was, I think, the message.

Q: *With McClintock, first of all, what were the issues in Argentina that concerned us during this 1963-64 period?*

CLARK: The usual one of military dictatorship versus democracy, elections.

Q: *Who was the dictator there?*

CLARK: General Aramburu, I think.

Q: *It was post Peron?*

CLARK: Oh, yes. We had an election there. Interestingly enough, the party that got elected was really a minor party but the Peronists didn't vote because they were protesting. So this minor party got elected and we in the political section happened to be the only ones that knew these guys. We and the consul in Cordoba, Bill Lehfeldt, were the only ones who had any contact with these people because they weren't expected to do anything. This put us in the political section in great shape because we knew everybody, including the president. Rob McClintock didn't get excited about that he just said, "Look, go on they are yours. You find out about them and I will meet them later." So we had a heyday in that period of time before and quite a while after he was inaugurated.

That was one of the problems and the elections, of course, made us happy for a while.

Then another problem was military assistance. We had never had an agreement with them about it and they wanted some help so we had to have an agreement. Well, I got very much involved in that. We had some harrowing times negotiating that; contending with their extreme nationalistic attitudes. But eventually we got it signed, for good or bad. I never was sure whether it was a good or bad thing.

Apart from that I don't recall that there was anything very dramatic. Oh, yes there was. They expropriated the oil companies and Averell Harriman was sent down to take care of the situation because he used to play polo with some of the people in the Argentine. We had several meetings

there with ministers. I remember one we had in the Embassy. Rob McClintock hosted a dinner and then we all sat around a big table. The Minister of Labor was there for some reason. He was a very talkative individual and made no sense. McClintock was translating back and forth. Finally Harriman said to McClintock, "Tell that man down there to shut up. I don't want to hear any more of his dribble." McClintock turns to him and translates, "The Ambassador says he appreciates very much the information you have given him, thank you very much."

This was just before they took over the oil companies. Harriman was sent down there to see that they didn't. He was en route home when they actually took it over and all hell broke loose.

To come back to McClintock's mind. The very next day he called in all the oil people and we met in his office. We had a discussion about what this all meant to them, to various relationships, etc. A two hour discussion. Then he pushed his bell and his secretary came in and sat down with her pad. He said, "I think we ought to get something off here." They were all sitting there. He dictated seven pages. He says to the assembled group, "Is there anything in there that somebody would like to add to or change?" Quiet. Finally somebody said, "Mr. Ambassador I don't think we could have said it better ourselves." And off it went. It was a magnificent performance.

ROBERT K. GEIS
Junior Officer Trainee, USIS
Buenos Aires (1963-1964)

Mr. Geis was born in Havana, Cuba of American parents and was raised in Houston, Texas. He was educated at Rice University and American University. Entering the Foreign Service in 1962, he served as Cultural Affairs Officer and/or Public Affairs Officer in Argentina, Romania, Ecuador, USSR, Italy and Trinidad and Tobago. His service also included several Washington assignments with USIA. In the years 1973 and 1974 Mr. Geis studied at Johns Hopkins University (SAIS) and the George Washington University. Mr. Geis was interviewed by Lewis Hoffacker in 1999.

GEIS: On September the 4th, 1962, I entered the duty at the grand sum of \$5,625 *per annum*, class 8, Foreign Service career reserve officer, or as we were better known, JOT - junior officer trainee. And began my career. We had one year of training at that time in Washington. It seemed like it was lasting forever. We were all so anxious to get overseas, and this included for me Spanish language training. We were given a selection of countries that we might opt for, and I asked for Buenos Aires, Argentina, as a training post and was fortunate and got my first choice.

These were fascinating years in Washington. There was the drama of the Cuban Missile Crisis and Kennedy's programs such as the Alliance for Progress and the Peace Corps. Also at this time, USIA was the beneficiary of a very fine appointment by Kennedy of Edward Murrow as the director, so there was an excitement, and *élan*, in Washington which I don't think has ever been recaptured. Moreover, he was the finest director I think USIA ever had. In the summer of 1963 I

flew to Chile for some summer skiing and then went on to Buenos Aires.

Buenos Aires was an excellent training post for a young bachelor. BA was kind of strange and exciting. It excited as a great metropolis would, the European flavor with a Latin beat, which was the tango. But BA was strangely remote in some ways. Of course, it's down at the very bottom of the world. It seemed to me in some ways inadequate in its ability to realize its great economic potential, a politically immature nation still at that time obsessed with the exiled dictator Juan Perón. There was a certain undercurrent of anti-Americanism existing at that time, too. The United States was called *el coloso del norte* - 'the colossus of the north.'

USIS in Buenos Aires had a large and varied program, with several branch posts, and in the year I was there I traveled extensively, met and escorted several prominent Americans, including for instance Aaron Copeland, the composer, and I escorted the Robert Shaw Chorale. The Chorale performed in Buenos Aires' magnificent opera house, the Teatro Colón. We also had significant information programs promoting the Alliance for Progress, and I worked quite a bit doing that sort of thing. On a sad note, I was in Buenos Aires at the time of the Kennedy assassination. But Buenos Aires turned out to be a brief Latin American interlude. After one year of training, I was recalled to Washington to begin a totally different experience.

EDWIN MCCAMMON MARTIN
Ambassador
Argentina (1964-1967)

Ambassador Edwin McCammon Martin was born in Ohio in 1908. He graduated from Northwestern University in 1929. He joined the Foreign Service in 1945, where his posts included France, England, Argentina, and Washington, DC. Ambassador Martin was interviewed by Melbourne Spector in 1990.

Q: Because you were going to Argentina.

MARTIN: We were going to Argentina. He was a semi-professional political scientist, something like this, so he understood the problems, as well as the language, of which the pronunciation is quite different and some word use is different from the standard text the Foreign Service Institute uses. This was very helpful.

Q: Was this a conscious effort on the part of the Institute to give you an Argentine?

MARTIN: I don't know. I hope so.

Q: It would be interesting.

MARTIN: We stuck with that until it was time for us to leave, and we took the boat to study our Spanish further, to rest and relax a bit after all the packing and other chores necessary. We did

study quite a lot on the boat. We stopped in Montevideo, and an embassy officer came on the boat and said, "There's an Argentine TV reporter here that would like to interview you." So I went to the embassy and did a brief interview on TV in Spanish.

Q: In Montevideo.

MARTIN: In Montevideo, to be shown in Argentina. Then when we arrived in Buenos Aires, they had set up a press conference on the boat. I didn't understand all the questions quite well, but apparently I got by with it. Language is a very difficult subject for me. I'm an eye-learner, not an ear-learner, and that makes pronunciation very complicated. It was much easier to learn to read than to talk. But I did manage with this background and continued work after I got there with a woman in the embassy, who provided lessons.

Q: How did you work that into your day, Mr. Ambassador?

MARTIN: Normally, I think she came at something like 8:30 and we did it for half an hour or an hour in the morning before I left for the embassy. She came to the residence.

The situation in Buenos Aires was a bit complicated in a management way, in that I had been there before, three times, first for a meeting of the Economic Commission for Latin America in Mar del Plata, one of the big resort areas on the ocean, second for a brief stay after a meeting in Brazil to talk to a new Minister of Economy about the problems he found, and for the Inauguration of President Illia. When I got back from the first one, I had written a memo to our buildings administration saying, "This embassy residence is nothing that an American in the Alliance for Progress period should be occupying." It had something like 40 rooms, was designed by a French architect in the mid-teens for an Argentine who was minister in Paris, which was then the ambassador in their embassy, thought he might be president some day and wanted a home that would be appropriate for a president of Argentina. Money was no problem. They brought over workmen to do the wood carving and various other things from Italy and France. It was a little bit of a copy of a palace in the Versailles area. All the ceilings were 30 feet high and there was, of course, an elevator. It had four floors. Like a French building, the ground floor was the work floor, and on the second floor were the public rooms, on the third floor were the residential rooms, and on the top floor were staff and laundry facilities. There were 14 rooms for servants, and we had about that many staff. There was a lately built little swimming pool, a lovely garden, a tennis court, a small building just beyond the tennis court for the chauffeur and his family, so they'd always be available. It was on Avenida Libertador, which has seven lanes each way, the main thoroughfare out to the suburbs. But nobody wanted to buy it, so there was no way of selling it.

I was able to tell congressional visitors, particularly Republicans, that it had been purchased for the U.S. residence by President Hoover in 1929 for \$5 million. It was, I believe, the second largest residence, second only to Czechoslovakia.

Q: Czechoslovakia?

MARTIN: They bought a palace in Prague for some reason. We had a ballroom with sliding doors into the living room, and between the two, we could seat easily 200 people for a concert or a lecture. We had a dining room which was set up to seat 36, with Chinese tables and Chippendale chairs, red lacquer and so forth. A very luxuriously equipped setup, except that for some reason, nobody had looked at it from a maintenance standpoint for five or six years. Most of the rugs had to be replaced, because a dog or two had had the freedom of the place. We brought in somebody to paint a few little yellow marks that were showing on the black clothes racks that were on the ground floor, so everybody could hang their clothes up, a big room, and when they started working on them, they discovered they were brass, and it was the black that needed to be taken off, not that the brass needed to be covered. (Laughs) When Peggy first saw the place, she said, "Instead of going to the language school, I should have gone to the Lewis Hotel Training Institute."

Q: *Exactly right.*

MARTIN: Fortunately, on our floor, the third, there was a dining room that seated about 14 people, so we didn't always have to entertain in the big room, and that was an advantage. In one period of about ten or 12 days shortly after we arrived, we had over 2,000 people in the residence. One was the Marine ball that is held every year, another was a painting show sponsored to raise money by an American women's organization. In May, '66, we gave a supper party for the entire Philadelphia Orchestra with Eugene Ormandy conducting. It was after a free concert, the first of four they gave, to which an Argentine musical organization, The Mozarteum, that co-sponsored their visit with the State Department, and the Embassy had invited for free all the audience of the 3200 the Colon Theatre seated. After the concert 355 people, our friends, those of the Mozarteum, and the orchestra of 130 people or so sat down to a 3 course supper. The president came. He liked classical music though he was a country doctor. His wife was not well and didn't come.

Q: *Who was the president then?*

MARTIN: Arturo Illia. We had about 30 at sort of a head table, and 55 tables for six, all served out of our own kitchens. To make it American, we started with consommé served by waiters, and Ritz crackers, which the Argentines just love. We never could keep the Ritz cracker plates full. Then we had Lobster Newburg, served from a buffet. That came from the small lobsters from Chile, but to make it more American, PanAm had flown in shells of the big lobsters from Maine to put on the buffet table. One of our American friends, a wonderful couple, he was head of Kaiser Argentina, presented us, instead of flowers or something, with a product of one of the hotels, a full-size ice violin and bow with a spare in case it melted. Then as the last course, Peggy had gotten a couple of cases--the Argentines don't eat cake--so she got a couple of cases of angel-food cake mix, and the embassy wives made angel-food cakes with icing, and with ice cream that was served as the dessert.

Q: *And they liked it?*

MARTIN: Oh, they loved it. Afterwards, it finished about 12:00 o'clock, I guess, and as they

were leaving, one of the members of the board of the women's organization encountered President Illia, and they gave each other a warm abrazo. Four weeks later, the member of the board, with one of his colleagues, a revolver in hand, ousted and replaced President Illia. His name was General Onganía, who had recently retired. That was the last cordial greeting they had had with each other.

Q: So the rest of your tour there, this general was in power?

MARTIN: The General was in power for the rest of the tour.

I think it's perhaps a good point to discuss a little bit one of the really critical issues, which was this coup.

Q: We're talking what year now, Mr. Ambassador?

MARTIN: This is '66, two years after we got there. Illia, as I say, was a country doctor, a very nice man, very honest, but being governor of one of the Western provinces of Argentina was his only political experience. He was not a competent manager, he did not know how to use his Cabinet, and he was from a rural-based lower middle-class party. Argentina was accustomed to be run by Buenos Aires leaders of the business community. Buenos Aires had a third of the population of the country, essentially, some 6 million or 7 million people, a very big business and industrial complex, and they were used to running Argentina. They resented very strongly this slightly left-of-center lower middle-class people party, its totally inexperienced President, and many of his Cabinet also inexperienced.

So there was an increasing movement to protest the way he was running the show and take over. In addition--and this was very important--there were the Peronists, people who belonged to the party of Juan Peron, who had been ousted in 1956 after 9 years of being a dictator. His supporters were the working class, the unions, and they got about 30%, 35% of the vote, generally. He was still a very popular man, as was his former wife, Evita, who had done even more than he to become popular with the poor people in the country that they called the *descamisados*, the shirtless ones. Also a great many of the immigrants who had been discouraged from becoming citizens because if they did they would make it more difficult for the Spanish to run the country with the help of the English, were Peronists. If you became a citizen, you were subject to additional taxes and to the military draft. While we were there, the Italian embassy was handling passports for about a million-and-a-quarter Italians who wanted to go to Europe as Italians, not Argentines.

Anyway, Peron had begun to make these people feel they belonged to the country, and so he was a very popular figure. The military felt that he was way left of center, if not Communist, and so they were very strongly opposed to Peronism. President Illia was more tolerant, although not a Peronist by any means. But in elections held in the spring of '66, the Peronists won a number of governorships. The military didn't want them to be permitted to vote or to run candidates. There was to be another election a little later in the year. In the Spring, there had been one case in which somehow Peron was put on a radio appealing for votes, and the overwhelmingly favorite

candidate in the rather important province of Mendoza out in the Andes mountain area was defeated by the Peronist one. They were afraid that in the next congressional election, which would be coming up shortly, the Peronists might win control of the legislature.

Q: Peron was, at this point, in Madrid.

MARTIN: He was in exile in Spain, with a lot of money stacked away to be able to do things and trying to communicate and doing some communication. So that partly it was Illia's incompetence, partly it was fear of Peronism that led to this desire to move in.

I was invited to several lunches or dinners in this period to be lobbied on why this was essential, including by the president that the military had ousted, in March of '62, Frondizi. I said, "I can recognize some of the problems, although I think they're exaggerated." We felt some of the writers on economic subjects for the newspapers had doctored the figures to make the economy look bad. But the U.S. business community was all for a change, strongly anti-Illia. I felt that it wasn't so much who you put in first, but who comes next. You start in the military system and how do you get out of it? This would be very difficult.

There was a lot of public talk about the coup planning; it wasn't an under-the-table business. I got authority from Washington for the embassy to issue a statement in favor of constitutional regimes and opposition to any unconstitutional change. This made the plotters pretty angry.

I had home leave coming up in early June. I also wanted to be in Washington for some talks that the Finance Minister and the president of the Central Bank were to have with the World Bank and IMF, which they had expelled from the country for what an earlier government thought were unwarranted efforts to dictate government economic policies. Hence they had no access to IMF or World Bank funds. Illia had finally decided that Argentina should be excused for its bad behavior.

Q: This was a possibility of resuming their work.

MARTIN: Yes. So I came back to Washington to help with those talks as I had had good relations in the E Bureau with the top people of both agencies and then to have my home leave. During my leave I was also to participate as a resource person in an Aspen Institute Seminar for Business Executives in Aspen, Colorado. It seemed likely to be a challenging experience. I also had a date to talk to a friend at the New York Times about the factual errors their man in Buenos Aires had often made in his articles on the political and economic scene. But before I could do this or much with the Bank and Fund, I was awakened at 6:00 o'clock on morning, only a few days after arriving, to hear a coup had taken place the night before. I had checked around with the CIA, everybody else. The plans were for a coup in September. So nothing was expected; my being away for a few weeks was no great problem. This was a surprise. Rusk was not happy that I was not there at the time, and he was right, except that it was totally unexpected.

I found out why later. What had happened was that on a Thursday night, as I recall it, a couple of the Peronist politicians had had dinner with a Major-General in command of the biggest Army

base, near the second largest city, Rosario. The word had been leaked to the plotters on Saturday, I believe, about this dinner. There had been a coup attempt several years earlier in which the Navy and Air Force and the Army had fired at each other. Military solidarity was a number-one objective of the military plotters group, and they had often said, "We'll never do it until we can be absolutely united." Because of their anti-Peronist attitude, many were reluctant to have waited this long to have it. But when they found that there was this meeting, without really apparently checking out what it was about, whether it was an attempt to get Army support for the Peronists or Illia, they decided, "We must act now," and they did. That's why it was then rather than later. One of the results was that when General Ongania became the top man, he had a very poor Cabinet. They hadn't picked the Cabinet people, and he had to do some pretty fast changeovers in the course of the first six or nine months.

Q: What time period is this now?

MARTIN: This is still '66. Several months earlier, having retired from the military, Ongania had sought a private date with me, said he wanted to promote his views by publishing a newspaper, and hoped our Export-Import Bank could finance the printing equipment he would need. I checked and equally privately told him that it never made loans for newspapers. It was too political a field. Nothing ever leaked about it, so Ongania decided that, yes, I could come back, and so I did, though several of his advisors had opposed it and I was treated rather coolly by a few of them. However, I was able to deal with the Ongania Government, on the whole, reasonably comfortably for the rest of the period.

While in the late Sixties and early Seventies there was a tremendous amount of leftist guerrilla violence. While I was there it was quite limited and the leftists were not very well informed. In 1963 we had moved our chancery offices out of a bank building to another building which was all our own. A bomb exploded at the bank building about six months later; they hadn't realized we'd moved. About four weeks after we had left the residence to go to Paris, the residence was shot with submachine-gun bullets about midnight from a car driving down the street. There were metal window shades so nobody was hurt, even though there were staff there. They were out of date again.

The chancery we moved to had a certain problem, in that it was on a very narrow street, and you could easily block off the street. The parking was down a ramp. You could have let a car coast down that ramp with a bomb in it, and blown up the whole place. We tried to work out a way to protect the staff. The only escape over to a major street was out a window in the back onto the roof of a building facing the parallel street, and so we worked that out.

Q: Mr. Ambassador, let's talk a little about that building. I was in on that. As I recall, that wasn't an ordinarily built FBO building. Isn't it true?

MARTIN: We just bought somebody else's building.

Q: That's right. So it wasn't planned to be an embassy.

MARTIN: No, not at all. Just an office building, about four or five floors. Anyway, in Buenos Aires, we moved around totally freely doing anything we wanted and personally never had any trouble.

When we got to the provinces, we found people much more concerned and much stricter in their attempt to protect us. We went to one of the major cities, Cordoba, and were told we couldn't leave the hotel without an escort. Well, we liked to walk around and see things. We snuck out one night and did walk around.

On another occasion, we were met outside of the town in our car by a horse cavalry brigade escorting us in to the town. We visited the capitals of, I think, every province, which few ambassadors had done. We stayed in a very poor hotel in one, though the best it had, in a small room with a very flimsy door with a transom that you had to keep open if you wanted to breathe. We heard some noises in the middle of the night and discovered there was a man sitting in a chair all night long outside of our door as a guard. He could hear everything that went on. So that we had quite a lot of this kind of what we thought was overprotection.

Also, at least twice, when I was going to speak to students at a university, suddenly the mayor wanted to give me a *vin d'honneur*, a wine party in my honor, and the university meeting would have to be canceled. Clearly, they feared protests, student disorders against the U.S. ambassador, and concocted the wine affair as a replacement.

In Mendoza in October, '64, the place I mentioned previously, we also had a curious incident. There is a statue there to General San Martin, an Argentine, who led the fight for freedom from Spain in Latin America. I had to lay a wreath. It's in a park and reached by going up a hill, because you're right on the edge of the Andes Mountains. We drove up, and nothing happened, but we learned later that somebody had sprinkled on that roadway three-pointed nails that if you throw them out, there will always be one nail pointing up, to puncture our tires. But a tourist went up first and got stung, so they cleaned them off. Somebody else rode a bicycle alongside our car who apparently was armed, and he got arrested. But nothing happened, and we were all right. It was much calmer than when I was there in '74, when things were much more difficult in terms of security.

Q: The guerrilla activity was intensified in '74?

MARTIN: Oh, very much. Oh, worse and worse. The ambassador moved only in a three-car group, a car in front and a car behind. It just was a terribly difficult situation. He followed different routes every time he went any place. They were building a bomb shelter in the basement of the residence. There had been a bomb go off right outside our garden, but it had not caused any damage to residents, knocked a few bricks off the wall. So it got much worse for everybody, including Argentines.

Q: Do you feel, from your vantage point--you were there earlier--that the reaction of the generals, the military, to that was justified from what we read in the papers?

MARTIN: No. There was a problem, definitely, but the reaction was a total violation of legal means to control a situation, and it, I think, accentuated the problem, the way they dealt with it. It made it worse.

One of the major problems we had there--on the whole, things were relatively quiet--was that shortly after taking office, Illia carried out part of his platform, which was to cancel all but one of the oil company contracts. They had found that there was quite a lot of oil in Argentina. A number of American and European companies were drilling, processing, and selling oil products. The contracts to do so had been negotiated in the Frondizi period with the companies. There were charges that the companies had bribed people to get more favorable contracts than would be normal and appropriate. Corruption was not unknown in Argentina by a long shot. I don't know whether there was any. The oil companies said not. There certainly was incompetence, in terms of nobody in the government knowing what was a reasonable contract. With no experience on this, it's a tricky subject.

Anyway, his party was committed by election campaign promises to canceling the contracts. They did it for all the companies except one, which was basically Cities Service. I never knew why, except they had an Argentine who was a Yale graduate who was their lobbyist and negotiator. They expanded production, sent profits in dollars back to the U.S. all during this period, while the rest of them were closed down. Actually, after the meeting in Sao Paulo of the Inter-American Economic and Social Council in late October, '63, Harriman, who was head of our delegation, went to Argentina to discuss this issue. When he came back he had a meeting with the oil company executives in his offices on November 22nd. In the afternoon, when they all arrived, the oil company people said, "President Kennedy has been shot. Shouldn't we postpone this 'til later?"

Harriman said, "It's a tragic event, but it doesn't justify postponing. The government's business must go on."

Q: That's very interesting.

MARTIN: I was a little unhappy.

Q: That's where you were when I came back to the office and you weren't there.

MARTIN: Yes. Anyway, it didn't last too long. In Argentina we tried our best to see how a settlement could be negotiated. I think the basic problem was that the Argentines had no confidence in their ability to negotiate a good settlement. They didn't trust the oil companies. They had nobody that was really knowledgeable in the field. So at one point, I got a friend of mine with whom I had worked on some oil problems in the Austrian peace treaty, named Walter Levy, who had become one of the world's outstanding petroleum specialists, and I knew that he was willing to help developing countries on this. He had done something for Bangladesh at one point. So I got him to come down and talk to the Argentines about what was a reasonable settlement of the problem. His only compensation was to ask for an Argentine painting, and they gave him one. But they still didn't have the courage to really address it effectively. So we didn't

get a settlement while I was there. There were three or four major efforts to negotiate something, but none of them worked. The oil companies said, "We'll never come back."

A settlement was reached a year or so later, and all of them came back when they opened some new offshore drilling areas that really hadn't been explored yet.

This was a constant source of tension with the Illia Government, and the Onganía Government didn't have, again, the abilities to deal with it effectively in negotiating terms.

We had another business problem in that a contract had been negotiated to build a synthetic rubber plant. Three U.S. companies had a cost-plus construction contract put together by a Texas contracting company. They were Goodyear Rubber, Cities Service, I believe, and one other big company. It was completed while I was there. It had the only OPIC guarantee, Overseas Private Investment Contract guarantee, that Argentina ever made, about \$100 million.

They had a deal as to what they would pay for the raw materials which were coming in from up in the northwest of the country to produce it, and apparently some assurances from the Frondizi people that, "Well, when you get ready to produce, we'll cut the price." When they were ready to produce, the price was too high and the Illia government wasn't about ready to cut it. But even worse, there was a major surplus of natural rubber globally, and the price was low. So even with a cut price, it wouldn't have been a very good market. And what do we do with it? The retired chairman of the board of Cities Service was kept on just to negotiate on this. We tried to work out a way to get Argentine companies to agree to buy the product but they had never used synthetic rubber. The Goodyear subsidiary even refused 'til we finally got some word back to their headquarters in the U.S. The Italian tire company was one of the biggest purchasers, and they weren't interested.

But we finally worked out a deal by which for every pound of synthetic rubber that the consuming companies bought, they could import so many pounds of natural, a matching deal. But it was another case, of which I had several, in which American companies weren't all working together, even though we had lots of interest in getting them to do so.

Another case was in Honduras on an agrarian reform expropriation law, in which the United Fruit Company, with big banana plantations, was howling for us to organize a coup against the government for what it was doing, and Standard Fruit, with even larger plantations, saying, "The law's all right with us."

We had another of these in Argentina, where it enacted a law about limiting royalty remittances on pharmaceuticals and setting price controls in which all of the companies screamed bloody murder, except one, which was the biggest in the country, an American company. It said, "We have no problems with this. We think we'll sell more with lower prices." (Laughs) I was in the middle.

In dealing with the U.S. business community, which was pretty well organized there, they wanted me to participate very actively in all of their meetings and be one of them. I was invited to speak

at all the Thanksgiving parties they gave. They had some rather large club quarters, and they gave big Thanksgiving dinners for the American community.

Q: An American club there, as I recall.

MARTIN: Yes, it's an American club. I did speak at each Thanksgiving dinner, but at the first one, I said, "You must remember that while I am very interested in the concerns of the American business community, that is not my sole responsibility. We have other interests, too, so I cannot guarantee I'll always be on your side in a dispute, but I'll always be ready to listen." I did arrange that one Friday morning a month from about 8:30 or 9:00 o'clock 'til 10:00, there was coffee at the residence for a group of about 20 people, sort of the board of the American business community, at which we talked very frankly about how we each saw this, that, and the other problem. It was useful.

When I was back there in '74, it just happened they were having one of these. Now it was mostly Argentines, because the violence had been so great, such as the kidnappings of some American business executives, with one of them paying a million-dollar ransom, that American executives had been replaced by Argentine executives almost entirely.

I had a dialogue constantly with them, and I think that was a very important tool to keep in touch with what they thought. They would often be able to tell us things about what the government was doing, good or bad, that we needed to know.

Q: How much help was your staff on this?

MARTIN: A fair amount. I did not have a satisfactory economic counselor, initially. I did get a better one somewhat later. I had real trouble with the AID representative, and I finally had to ask for him to be pulled out as he was very conservative, and a friend only of the most conservative elements there, and very critical of the Illia government. His policies were not all wise but it was not right for U.S. officials to say so to Argentines without the approval of the Ambassador or Washington. It only encouraged the advocates of a coup, who finally won out in time, 1966.

I tried another approach to the business leaders problem. It was to help them organize a copy of our Business Council with which I had worked a bit when Assistant Secretary of State for Economics. It consisted of a fairly large group of leaders of the business community who met several times a year to hear experts talk about the problems of the U.S. economy and to agree on changes in our governments policies which should be promoted. Then they arranged for their leadership to present their ideas privately to the appropriate officials, usually at the Cabinet level, avoiding publicity.

This approach contrasted sharply with that of an Argentine organization whose tactic while I was there was to present their views to President Illia, usually including a list of Cabinet members they wanted fired, and then hold a press conference to denounce his refusal to agree with them.

I got the President of U.S. Steel who was then or recently had been President of the Business

Council to come to Buenos Aires and explore the possibility of creating a copy of it. It didn't work then, mainly because too many of the leading corporations were foreign-owned and often headed by foreigners, a major obstacle to the kind of approach used by the Business Council. But it was done later.

Q: Did you get a replacement for the AID man?

MARTIN: Yes. One of the people that I pulled out went to Norfolk as POLAD. But the political people, I thought, were very good. I had a first-class political staff. My initial DCM went over soon as ambassador to Uruguay, and died there in a baseball game. His replacement was Len Saccio, who later was Acting Ambassador for eight months after I left.

Q: Len Saccio was your DCM?

MARTIN: Yes. First-class.

Q: He's a first-rate man.

MARTIN: Yes. He was fine.

Q: I remember the trouble you and I had keeping Len in the government, when he came back from Brazil.

MARTIN: Yes.

Q: Others wanted him to leave because he was a Republican, and Graham Martin turned his back on him.

MARTIN: I didn't remember Graham's involvement.

Q: Oh, yes. Graham wouldn't see him. You and I arranged that he go as DCM down to, I think, El Salvador, over Ralph Dungan's protest, but we got him in and we saved a very good man.

MARTIN: Oh, we did. We still see Len now and then. He retired to Connecticut.

Q: Mr. Ambassador, to talk about staffing for just a minute, how did you feel about your kind of relationships and, if we can use the word, control over other elements of the U.S. mission--USIA, CIA, etc?

MARTIN: No problems. We did try an experiment of a consolidated administrative staff for all the various agencies, including the military.

Q: Including the military?

MARTIN: Yes. At the end, the military decided not to come along, basically because they had

too many people in uniform they didn't know what to do with. They sent them down as their administrative staff.

Q: Did you have any remnant of the program system which you had authorized earlier for Colombia and Argentina?

MARTIN: No. That never came up. The political staff was good. One of the things I did was to arrange for the junior political people to make brief visits to the provinces.

Q: Even though their positions did not call for it?

MARTIN: Didn't call for it.

Q: Like the consular people issuing visas.

MARTIN: Yes. But making visits for just political purposes, because the constitution of Argentina is like the American, and the state governments have their own elections and own legislatures, and they're important in the overall scene, Buenos Aires province, in particular. It's got a very large population. Buenos Aires is not part of Buenos Aires province; it's independent, like Washington. So it has a different political role. The mayor becomes a pretty important person.

Q: But you did feel it was important for people to get out and do all of this.

MARTIN: Yes, out into the countryside.

Q: Did you have trouble financing that?

MARTIN: I think there was a little bit of trouble, but we did manage to find the funds for that. I don't know that, offhand, I can think of anything else that was special.

I might just say about how I left. My four years was nearly up.

No, one other incident. In the spring of '67, Lincoln Gordon was offered the presidency of Johns Hopkins. He was then the Assistant Secretary for ARA. He recommended to Johnson and Rusk that I be brought back to succeed him. In May he asked me to come up for consultation, and we talked about it. At the time, Sol Linowitz, who was the ambassador to the OAS, had expressed an interest in the job. I told Rusk that I was not really much interested in working for Johnson. I'd known him a bit. It wasn't like working with Kennedy. Rusk said, "You wouldn't have as much contact with him as you did with Kennedy."

I did say, "I know about the Linowitz interest. I would rather like to have his job if I could then be the U.S. member of CIAP, the Committee on the Inter-American Alliance for Progress," which was doing a major job then in reviewing country programs, and that's one thing that interested me very much. But no, they said, "We want you to take the ARA job. I'd like you to

have a chance to talk to President Johnson about this." He was out of town and it was postponed a couple of days, but I did get to talk to him, and he seemed to be agreeable.

Q: Did you talk policy?

MARTIN: Not really, no. This was maybe on a Friday. On Saturday, I went back to Argentina, with the understanding that early the next week, I would be named, as Linc was anxious to get off.

As the story goes, on Monday, the White House asked the staff of the Senate Foreign Relations Committee if it would need a hearing, since I had been up there often, and at their regular meeting with the press later that day, they mentioned to the press that my name was going to be submitted. I'm told that the press, when they left, said, "We won't publish that, because we know that Johnson withdraws nominations if they're published before he's announced them." There had been a head of the Marine Corps and a proposed Under Secretary of Commerce, Lloyd Cutler, that had had that experience. But the Washington Star correspondent went ahead and published it.

Late on Tuesday night, I gather, Johnson called Covey Oliver, who was a professor at the University of Pennsylvania Law School, to invite him to take the job. Covey said he'd like to think about it overnight, and the next morning, said he would. He had served in the Department. We had known each other in the middle Forties when he was in occupied area affairs. He had been ambassador in Colombia and had been interested in legal problems in Latin America. He was not eager, because he had a couple of kids going to the University of Pennsylvania, that got free tuition while he was there, but he decided, "If the President wants me, I'll take it."

On Wednesday, Rusk called me to let me know that the President had changed his mind and what he was going to announce. I had already heard. A message had gotten to Panama, and somebody had just arrived in Buenos Aires from Panama and told me, "We understand Covey's taking the job." I was not broken-hearted, but that's where that ended.

The next month I was asked to be on the U.S. delegation to an Economic Commission for Latin America Annual meeting in Vina del Mar, Chile. Covey Oliver was chair of our delegation and I was his Deputy. He had not, apparently, known the background, and he said, "If I'd known that, I would not have taken it." (Laughs)

At the meeting of the Economic Commission for Latin America, my only input there was to protest that several countries were trying to give it a number of new assignments which were not very clear, and it was about two years behind on the assignments it already had. Instead of just trying to veto one, I suggested that "Maybe we ought to wait 'til they finished what they've got before we put more projects on their plate. We may want to treat them differently when they finally get around to them."

I also was invited to a meeting in September of a special Inter-American Economic Commission in Ascension, Paraguay, after a meeting Johnson had attended of presidents in Punta del Este on

the AFP.

In October '67 I was brought back from Buenos Aires to chair a study group set up as one of a series by the Under Secretary's Committee, on which the Chairman of the Joint Chiefs, Maxwell Taylor, was also active. Our assignment was to start from scratch to draft a U.S. policy for Latin America over the next five years. There were about 10 of us on detail from various agencies including one or two Cold War specialists with backgrounds in Soviet policy, not Latin America. There were also at least two JCS staffers. Our offices were in the JCS area of the Pentagon and I ate lunch in the JCS dining room. [It was at one of these lunches that Rusk told of trying to persuade the Rockefeller Foundation (of which he had been President) that they should make a grant of \$25,000 to any U.S. Cabinet minister who promised never to write a book on his experiences.] We were given 4-6 weeks to do the job and all went to CINCLANT headquarters in Norfolk and that of CINCSOUTH in the Canal Zone to get ideas. Those without LA experience also visited several countries. We called in all sorts of "witnesses" to advise us on our policy choices. I got luckily as a special assistant a White House Fellow who had been assigned to Rusk who didn't know what to do with him. It was Peter Krogh, a Latin American specialist who later became Dean of the Georgetown University School of Foreign Affairs and was a member with me on the ICED Board in the '80s.

Our report, not finalized textually until early '68 when a couple of the staff brought the final draft to Paris to get my okay, was approved by the Under Secretary's Committee, and enthusiastically by General Taylor. It concluded that the AFP policy of Kennedy should be continued with only one change. It had assumed that the major cold war threat came from rural poverty and stressed agrarian reform and we decided it was the urban middle and lower class, especially students and labor unions that were the main problem. What to do was less clear as we had interviewed the present and previous heads of the Peace Corps and all had confessed a complete failure of their grass roots programs in urban areas and had canceled them.

When I called on the Nixon Assistant Secretary for ARA, Charles Meyer, in early '69, no one knew where a copy of our report was but I finally got him one from the LA Division of INR.

In Argentina, we didn't have too much connection with development organizations. It was a wealthy country, relatively speaking, one of the highest per capita income except perhaps Venezuela with its oil, but the most developed country in Latin America, in terms of general education and so forth. In fact once or twice it explored informally seeking membership in the OECD. Hence it did not use the Inter-American Development Bank to any extent, but as far as I could tell, it was doing a reasonably decent, professional job.

The Organization of American States had its annual meeting of foreign ministers in Buenos Aires in February of 1967. Rusk came down and stayed with us, as did Bunker, the OAS ambassador. I was brought in and sat for the U.S. on a couple of the panels that were set up to deal with particular issues during that meeting. It seemed to go reasonably smoothly, but again, it was not my impression that there were any major challenges that the OAS was facing at this time. The Castro situation was relatively quiet. There were no other major uproars in Latin America that it had to face. It did, at this meeting, adopt a few changes in structures, but nothing of major

consequence that I can remember.

So it was, I think, a relatively quiet period for it on the whole, in which there were no great complaints about the way they were functioning. The CIAP operation was doing a quite good job in reviewing country programs and evaluating them. I did think that the pressure we were then putting on for more action by the Latin American free-trade area, or Common Market, structure based in Montevideo was, on the whole, being counterproductive, because most of the proponents of the idea wanted primarily to get a solid block of countries that could talk back to the United States. When we became enthusiastic for it, they lost interest. (Laughs) It is one of the things one doesn't always consider as much as one should.

In September '65 I had to spend a number of weeks in Washington chairing the State Department Selection Board which had to choose the Class I officers that deserved promotion to the rank of Career Minister. However, our list was never sent to the Senate for approval as Senator Fulbright, Chairman of the Foreign Relations Committee, was so upset already with our involvement in Vietnam that he thought no Foreign Service officer deserved a promotion. In '67 the question of another meeting was raised with me as chairman but it was decided not to bother.

Our Board met after finishing its work with the Under Secretary for Administration to call attention to the unfortunate fact that about three-fourths of the officers we put in the bottom 5% then or in their just previous assignment had had jobs in the personnel field. No Ambassador or Assistant Secretary wanted them. We thought personnel policy was a critical field for effective diplomacy--it is people that count--and deplored this dumping tactic in that area.

In July, 1965, I went to a meeting of ambassadors in Lima, which Jack Vaughn chaired, he being the Assistant Secretary at that point. I got the impression that he had no freedom of maneuver at all. Tom Mann was an Under Secretary and he ran the show, even though he was not specifically responsible for Latin America. Jack Vaughn left after a very short period as the Assistant Secretary, to become head of the Peace Corps. Mann left shortly thereafter too, when the Senate Foreign Relations Committee refused to approve his promotion to Career Ambassador.

I did have one difficult situation that I should have talked about, in connection with the Dominican Republic crisis. Harriman was sent around Latin America to get support on the Dominican crisis, went to Colombia and to Chile and came to Argentina and spoke very dramatically about what was needed. He was talking then a little bit about a U.N.-type force, such as was put in Korea during the Korean War. But the tune was changed very shortly thereafter.

Q: Was this the point where Ambassador Bunker was negotiating in the Dominican Republic?

MARTIN: Not yet, no. This is before that. This is right at the beginning. Very shortly after his visit, we decided to try to provide an OAS military intervention capacity, and I was asked one Saturday afternoon to see immediately the foreign minister to get him to change the Argentine position which had been that there should be a political advisor on the staff of the general who was head of the OAS forces. He agreed to change their position.

The next week, I was asked to reverse their position back, because we wanted to put Bunker on as chief negotiator, but he wouldn't change his position. Meanwhile, President Illia had agreed to an Argentine military contribution to the operation. I think on a Saturday or Sunday night, he had signed the document--Saturday night, I think--authorizing this. On Friday, George Ball had brought the UN in without consulting or even informing the OAS, put it on the UN Security Council agenda, a bad procedure. On Sunday morning, Agence France Press had a story about a statement by Harriman that, "The Communist forces have been driven out of..." And he said, apparently, Santa Domingo, and it came over the radio as the Dominican Republic.

Q: He said Santa Domingo.

MARTIN: The capital city.

Q: But it came out as the Dominican Republic.

MARTIN: That's right. Illia withdrew his authorization for a contribution, as its justification in Argentina no longer existed. We had had a problem with Illia's contribution in any case, as they wanted to know what kind of a role the Argentine general could have. We apparently had committed ourselves, for reasons that weren't clear, that the top Latin American general would be a Brazilian, and we would have to get the Brazilians' approval of the role an Argentine could have. So the combination, all in one weekend, canceled out the Argentine contribution. My own impression--and I've written some notes someplace about this--is that our handling of the DR situation and the Latin American role in it was the worst I'd seen anyplace. It was not well done at all. We reversed positions back and forth and didn't really give the Latin Americans the feeling that they had a role to play, except for the Brazilians. Whether that was Vernon Walters, our military attaché there, and their experience in World War II or what, I don't know. As a matter of fact, I think they rejected the Argentine leadership before the Brazilian Congress had finally approved any Brazilian participation. I've always thought I might like to write a little story about that one.

Before I leave Argentina I want to describe some of the less political reasons we enjoyed being there.

Buenos Aires was a great place to live because in contrast to their incompetence in politics and economics their cultural talents and interests were superb. The Colon Theatre, built in the early teens and with over 3000 seats, had one of the best acoustics in the world according to Robert Shaw who brought his chorale there shortly after our arrival. They also had the advantage of a winter season in our summer so could easily get our best talent. And, of course, Italians and Spaniards are known music lovers. They did almost as well in dance and theater as in music and opera.

While we were there a girl and a boy returned from studying piano in Europe and we attended their first concerts. In the late '70s we heard both of them at concerts at the Kennedy Center as they were touring the world. The girl had found an outstanding teacher in Vienna so the Foreign

Office gave her mother a job in their Embassy there so she could be with her and pay for her stay.

Our musicians we tried to entertain with meals or receptions like the Philadelphia Symphony Orchestra, the Robert Shaw Chorale, the Julliard Quartet, and several pianists.

We were pleased that when the government had to entertain distinguished visitors, it was usually at a Colon performance rather than a cocktail party.

One of our most interesting trips was a visit to Tierra del Fuego, the southernmost tip of the continent. We drove across the island, stayed at the home of a sheep farmer with 60,000 head on the treeless northern half and then went through mountains to Ushuaia, the southernmost town in the world. From there we took a boat ride on the Beagle Channel, saw many glaciers and got close to the point of dispute between them and Chile as to the boundary, a dispute since settled. While there my wife and that of the CIA station chief with whom we had made the trip presented a charter to the southernmost Girl Guides chapter in the world. Our boat, an Argentine Navy one, was being used in a cooperative effort by Argentina and the U.S. to measure deep-water currents, of importance I gathered to submarine operations.

At this time I was amused to learn that the Chilean military were begging for more money from their Congress and equipment from us because they thought the Argentines were getting ready to invade Chile across the Andes, a wholly impossible operation even if the Argentine government had wanted to do it. I also found it curious that despite this open hostility 75% of the workers at the Argentine Naval Base in Ushuaia, from which they also made trips to Antarctica, were Chileans. Argentines only like to live in Buenos Aires and one-third of them did.

Q: I think that would be very useful.

MARTIN: I'd like also to mention several of the visitors we had while in Argentina that were somewhat interesting. One was a congressional delegation staying at a hotel, the head of which called the residence between 10:00 and 11:00 on a Saturday night and said, "I have to have a bottle of bourbon right away." Finding it was not easy.

More pleasant was a visit by Jackie Kennedy, Caroline, and John-John, in April, 1966, where her husband, their father, had first known Latin America, because he had visited, the estancia--a big farm--of the Ambassador to London from Argentina, Miguel Carcano, who had been there when John Kennedy's father was Ambassador to London. Jack had become good friends of the Carcano children and they showed him Argentina. So she brought them down, and they went out to visit this same estancia that their father had visited many years before. She and the Secret Service were very concerned about security, but she was equally concerned that the children didn't think anything was being done. Driving in from the airport in the morning, there were soldiers lined up on both sides of the road, and she explained that they were having exercises to wake themselves up, and all that sort of thing.

We also debated where she could best stay and be protected, and the Secret Service people decided the embassy residence was the best. But we did have a little problem there, because at

one point, they couldn't find John-John. The kids had been in our large yard and he had disappeared. So the Secret Service deserted the front door and everyone looked for John-John. He had found the rather secluded residence of the chauffeur, who had a couple of kids, and was in there playing with the chauffeur's children. (Laughs)

The president of Argentina gave a luncheon for her, and while she didn't speak Spanish, she did speak enough Italian that she had learned at some point, to be able to talk to him in Italian as his parents had come to Argentina from Italy. Revealing perhaps a minor limitation of Illia, a country doctor family from the west of Argentina, we were a little astonished when the fish course came on. It was a very large pink trout--they can weigh ten or 15 pounds--a special variety that grows in the lakes up in the Andes Mountains, having in its mouth a large plastic ball filled with water, in which a number of goldfish were swimming around. (Laughs) And we had to keep a straight face.

A very distinguished visitor to Argentina as part of a Latin American tour was Charles de Gaulle. He should have canceled the visit because when Peron left Argentina for exile in Madrid, de Gaulle signed a warm letter of welcome to him. As a result, no one was on the sidewalks to welcome him as he drove in from the airport. When he arrived to speak to the Congress he was barely able to get in for the crowds with banners denouncing him. He had taken the precaution of having a helicopter follow him around carrying an extra long coffin and an M.D. At the President's reception for him he found an opportunity to ask me to give his warm wishes to President Johnson which I did.

Another was Richard Nixon. He came in May '67 when I was in Washington. It was part of a Latin American unofficial tour during which he did not want any social affairs, he said. But when he came back one evening and saw that we were giving a formal dinner in honor of a new member of the ExIm Bank Board, Tom Lilley, he said he'd like to attend [Lilley was formerly President of Ford International]. My wife got a black tie and tuxedo for him. When he came down to shake hands with my wife who was receiving some 25 guests, he stayed by her, shaking hands too with them. She concluded that he thought he was the most important U.S. guest, not Lilley, decided Lilley was not an uptight person, and had her secretary, who never left until we sat down, switch places, putting Nixon at her left, the Argentine Minister of Economy being at her right. It was the right thing to do in the circumstances. When I joined the Population Crisis Committee in '78, Lilley was our full-time volunteer Treasurer.

Nixon had with him what we called a "bag-carrier." Despite several exploratory conversations with him, at which Peggy was good, she never found out what his relation with Nixon was until she saw his picture in the press at the time of the '68 Republican Nominating Convention. It was Nixon's long-time political Bebe Rebozo, a bank officer in Miami.

I should have mentioned that Bobby Kennedy's visit in May of 1967 was part of a Latin American tour, but in Argentina particularly to dedicate a very large monument several hundred feet tall to President Kennedy out on the campos--the great flat area of Central Argentina where you could see it for 30, 40 miles. It was quite an occasion. A little hard to get a big crowd there, but it was quite an affair. He handled it extremely well.

The enthusiasm of the Argentines for the Kennedys was shown by the way they surrounded him everywhere with their fingers pointed up, knowing he wanted to be a candidate for the U.S. presidency in the '68 election. Several times he jumped on the top of the Embassy Cadillac to wave back and we had to make a few repairs. The party of about eight, including Ethel and our son-in-law, Pedro Sanjuan and Dick Goodwin, stayed at the residence. It was a busy time. He made a speech to a student group, translated by our son-in-law. He also wanted to talk informally to some political leaders. We couldn't host it in view of their natural opposition to the military government with which we had to deal but I arranged for the excellent Time magazine correspondent to do it at his house.

We also had a visit from a group from the American Jewish Congress, including Morris Abrams, later candidate for governor of New York, an old friend named Ted Tannenwald, who had been in the State Department, then a Tax Court judge. This had some political importance. Their purpose in coming was to persuade the Argentine cardinal to vote properly in the upcoming Vatican Council meeting on the issue of were the Jews responsible for the crucifixion of Christ. They persuaded the cardinal to do so. But they also investigated the problem of the Jews in Argentina. They decided that the Jewish community was as much at fault as anyone. They had organized sort of a social insurance organization to take care of each other, an organization which had grown to include most of the half a million Jewish people, about the same number as there were Turks or Arabs, and they thought of it as an almost independent state, very violently Zionist. The President was the Israel ambassador. They also found convincing evidence that one or two of the alleged atrocities had been staged by the Jewish community. They told me, as they were leaving, that the ambassador must be replaced right away with a different outlook on this community. He left within three months. So that is another bit of evidence which I mentioned before, that the Jewish problem there had been exaggerated in a number of respects in terms of the discrimination that had taken place, at least in my time. In addition, the leader of the largest opposition party in their Congress was a Jew. During this period the first Jewish Seminary in Latin America opened its doors with a ceremony at which Vice President Perette was the main speaker. Students spent two years there and then two at one in New York. The Arab League sent a representative to Argentina to mobilize opposition to Zionism lobbying charged to the local Jews. He worked out of the Egyptian Embassy. President Illia expelled him from the country as not representing a country with which Argentina had diplomatic relations.

Q: After the departure of the Israel ambassador, was there any change?

MARTIN: It began to quiet down. A little later we had a visit from Dr. Salk, the developer of one of the infantile paralysis vaccines, who was a Jew. He'd just married again and had a new wife with him. His vaccine had been used in connection with an outbreak of infantile paralysis in Argentina in the late Fifties. He was awarded by the president the highest medal that he could bestow. He was given a luncheon by General Alsogaray, the chief of staff of the Army, to which all the Cabinet came. He was given a dinner at the Israel Embassy, at which a number of the members of the Cabinet came as we did. We couldn't possibly fill all the requests for speeches by him. The welcome was just unreserved in every way. I just happened to see him a week ago, the first time since then, with a new Brazilian wife, and he still looks in good health and remembers

very keenly how he had been received in Argentina, somewhat unexpectedly. So that was a very interesting visit.

At the same time there was another interesting visit of another sort. I was actually at the airport meeting Dr. Salk when a gentleman got off the plane, a distinguished American opera conductor who was to conduct the opening at the Colon Theater of an opera done by an Argentine composer of real distinction, Alberto Ginastera. I've heard a number of his works here at the Kennedy Center. Two days later he came to see me, and he said, "I don't know what's going on here, but the opera has been canceled, and I'm going home. I don't understand what's happening." Well, it turned out that somebody had shown General Onganía, who was then the president, a review of the opera which had been performed in New York, which said it was full of sex, murder, and perversion, unpleasant subjects, and he decided that it was not for Argentina, so he had canceled it. Censorship.

A few weeks later, the diplomatic corps were invited to the Colon for a show which was what the President normally did for distinguished visitors. This time it was the Crown Prince of Japan. They put on "Swan Lake." We noticed, some of us, and it got in the local journal, that the same characteristics could be attributed to "Swan Lake." (Laughs)

Q: *And to many famous operas.*

MARTIN: Many famous operas beyond that.

To turn to other subjects, Argentina is a Catholic country whose President is required to be a practicing Catholic. However, in the cultural pattern of France, which they frequently boast of following in many ways, including controlling the birth rate. The population growth rate was between 1 and 2% a year. I heard once that there were as many women in the hospitals having abortions as having babies. Moreover in the Catholic University of Buenos Aires, there was started while we were there a post-doctoral research program financed by the Ford Foundation on new techniques of birth control.

Yet over all in the Spanish tradition the universities had made almost no contribution to the economy despite the receipt of two Nobel Prizes by their professors. Until the Ford Foundation made a grant in the late '50s, neither agricultural economics or production was taught anywhere in the country despite over 90% of its exports being farm products. Nor was there any scientific research anywhere related to agriculture until the mid-Sixties. As a result a world-wise Argentine friend told me in '64 that no changes had been made in their production techniques since the '30s and Europe and North America had surpassed them greatly in production efficiency. The most glaring example to me was the total failure to use any form of fertilizer except on their modest crops of sugar and fruit in the north. I got the feeling that the land quality and water supply in the area 150-200 miles out from Buenos Aires was so good that no one had bothered to improve technology. It was often said that estancia owners lived luxuriously in Paris, coming home only a few times a year to sell several trainloads of cattle. I was sometimes reminded of southern plantation owners before the Civil War whose slaves gave them a similar independence of new initiatives. These mansions were similarly splendid.

Given the recent war with the U.K. over the Falkland Islands, in my view useless except as a haven for some interesting birds, I might mention that as a stamp collector I was surprised not to find its stamps in any of the excellent stamp shops in Buenos Aires. I was told only the Malvinas existed and thus stamps with the Falkland name were not valid.

I should note that twice I had to call on my status as a representative of the President, not just the State Department. Once 2 or 3 Navy chaplains had chosen February to escape the snow of Washington and "inspect" the chaplain service to Navy personnel in the southern area. They came first to Chile and then planned to visit us. Plenty of our time was taken up by visitors from the U.S. in the winter months so I sent a cable to AID Washington refusing them entry to Argentina on the grounds that there were no Navy chaplains stationed in the country for them to inspect and too few Navy officers for them to possibly conclude from a visit that one was needed. My view was accepted.

On another occasion the Argentine government asked AID to help build modern silos at Rosario, the main port, for the export of wheat and corn. AID Washington prepared to send a retired Kansas contractor with no record of ever being involved in silo construction. I turned him down successfully too.

Another person I would like to mention was a man named Mariana Grondona, in many ways the brightest man, I think almost, that I have met. When I was there, he was writing a political column for the equivalent of Time magazine in Argentina. He was professor of government at the Catholic university there, just a very astute individual. I arranged with Ambassador Gordon to have him to go to Brazil to find out why the Argentine economy was stagnant and the Brazilians' was booming at this point. What was the difference? Ambassador Gordon arranged for him to talk to a number of Brazilians. When he got back, I gave a luncheon at which he reported to a number of top Argentine figures. He had a number of comments to make, but basically his point was that the Brazilians still think God is a Brazilian, and the Argentines have given up. In other words, there was just no confidence in their future. It was that lack of a will to grow and invest and promote development, an attitude problem, which was the basic issue.

One has to remember that in the late Twenties, Argentina was one of the rich countries of the world, relatively speaking, and starting in the middle Thirties with the Depression and then the World War, when nobody bought their exports, and after the war when everybody had debts and couldn't pay them, then Peron, who was anti-private investment, basically, put on an embargo on imports of many essential things to protect domestic industry, they had stagnated, a combination of bad policies and world events that had hurt them badly. So it was a very difficult situation that they had to face, and this was Grondona's answer.

Later on, Grondona became the director general of a very important organization which published Vision magazine, which is a Latin America Time magazine. He's quite an outstanding individual, but found it hard to get along in Argentina.

The Argentines differed from most of the other Latin American countries in the high proportion

of the population which was of Caucasian origins. There had been a fair number of Negroes from Africa but in the latter part of the 19th century they were forced to leave or were killed. There had been many Indians there when the Spanish arrived but they were brutally almost eliminated. "Almost" is important for in the foothills of the Andes and in the far north there were still quite a few but Argentine officials always denied it to us.

While we were there my wife and a few friends who had seen on visits to these areas some of their craft objects opened a small shop in Buenos Aires to sell them. We furnished a guest bedroom in the residence with their products.

There was a very outstanding Argentine foundation, one of the few in Latin America, financing the arts and research on urban problems, called the Instituto Torcuata Di Tella Foundation, a copy of American foundations. The Di Tellas were an Italian family that had founded an industry which ran afoul of the problem of "the family is all we trust," because they started making refrigerators, and then they had a license to make gas pumps from the Ft. Wayne Pump Company in the United States. Then they went into a British model of automobiles. One child graduated from Oxford, and he ran the foundation. Another one had a Ph.D. in economics from MIT and wanted to do something else. [In 1990 he became the Ambassador to the U.S. of a new Peronist government and in 1991 the Argentine Foreign Minister.] The company went bankrupt. They wouldn't bring in outside competent management, and they were a diversified corporate structure that needed that kind of help.

This foundation was an important factor, but not the only factor in what was, in our period, a very outstanding outburst of painters and sculptors in Argentina. They won first prize a couple of years in a row in a Latin America art show in Sao Paulo. One of them won a first prize at the Venice Global Art Show. When we went to Paris from there, there were between 75 or 100 Argentine painters and sculptors working there. Then when we came back to Washington, there were about the same number in New York. The government had a way of helping them get started. A very promising painter, Ocampo, was attached to the consulate in Paris so he could study art. When we came back to New York, he was the consul general in New York, but had also an art studio for his paintings, and he still lives in New York. They promoted this sort of thing very vigorously.

So it was an interesting place to live in many ways.

Q: Of course, Argentina had the great writer, the man who became blind. I'm sorry I can't remember his name.

MARTIN: Oh, yes, very much so. We did meet him, and he was given sort of an ex officio job as the chief librarian.

Q: Do you remember his name? I can't think of it at the moment.

MARTIN: Not off hand, but on checking it was Jorge Borges, I believe.

Q: But one of the great world figures.

MARTIN: He got a Nobel Prize for his writing. Did I mention the Lutheran pastor? I guess maybe I did.

Q: No, I don't think so.

MARTIN: A Lutheran bishop. This was characteristically an Argentine problem. He was American, but his diocese included the Argentine branch of the church, which served a large group of German migrants, who came around the 1900 period. They were successful farmers north of Buenos Aires. After visiting them, he came back to me with a very difficult problem. He said, "Some of the grandchildren and great-grandchildren of the original settlers only speak Spanish, and I can't find any preachers that can speak Spanish. They still all speak only German." The lack of integration of other nationalities was--and still is--a major problem to Argentina. As I may have mentioned, when they organized the Central Bank in '35, the heads of the big banks were the board of directors, and only one of the heads could speak Spanish. It's a crazy situation.

If an Irish girl of the fifth generation living in Argentina should marry outside the Irish community, as a friend of ours did, her husband being from a wealthy Basque family with a graduate degree in economics from Columbia University and while I was there appointed President of the Central Bank, her Irish relatives did not speak to her for a year.

In '65 a Welsh Colony in Patagonia, brought there 100 years earlier to grow sheep which they had done successfully, celebrated the anniversary with a Welsh "songfest" which was an exact copy of what was done on special occasions in Wales.

In Buenos Aires there were daily newspapers in English, French, German and Italian in addition to Spanish.

We also had a visit by our astronauts, and that was a certain amount of a security problem, because they had a parade of them in an open jeep sort of car, and the security people wanted to drive no less than 30 miles an hour through town in the parade. They kept slowing up so they could wave to people and so forth, and the car behind with Secret Service kept pushing them, shoving. We had quite a battle over that one.

That's probably enough for that.

Q: Mr. Ambassador, before you leave Argentina, you say this problem with integration, various nationalities kept their own. Could this be a part of the problem with Argentina, that they don't have this fervor?

MARTIN: Yes, there is little feeling of sacrifice for their nation. They want to go back to their home country. I did mention the million and a quarter Italian passports. Brazilians don't want to go back to Portugal. It's a different story.

Q: *Very much different.*

MARTIN: Yes, very much. That's another aspect of it. You're quite right.

However, one of my more interesting trips was in July, 1965 to a small town rather far from Buenos Aires which was celebrating the 100th anniversary of its founding. I was there because in 1865 "Lincoln" had been chosen as its name. This was an unusual interest in United States events in a country that was very Europe-oriented from the beginning well into the 20th century. It reflected the unusual interest of an Argentine who not only wrote a good biography of Lincoln but became a fairly distinguished President. Also it should be noted that the current Argentine Constitution, adopted in 1952, was a close copy of that of the U.S., including the relations between the state governments and the national one.

I don't think of anything else to say in this general field.

I should add why my very competent deputy, Leonard Saccio, was acting Ambassador for eight months. The story I heard was that President Johnson hated to appoint Ambassadors as in doing so he pleased one person but disappointed half-a-dozen. Eventually at a barbecue at the King Ranch in Texas which had several cattle ranches in Argentina, Kleber, the owner, said we need an Ambassador in Argentina. Johnson said OK, who should I appoint? He recommended Carter Burgess as his choice and he was named the next week. [Burgess had been Assistant Secretary of Defense for Manpower in the mid-Fifties and later was president of several big corporations.]

The story is that with the election coming up soon he gave money to the Nixon campaign through Senator Goldwater so his resignation if Nixon won would not be accepted. He won but it was the first one accepted as he had gone around State to the White House, though unsuccessfully, on two issues in which he had sought to increase his popularity with the Argentines.

Q: *Do you have any more time, Mr. Ambassador, or not?*

MARTIN: I think this enough, mentally as much as anything.

Q: *Fine.*

PETER K. MURPHY
Administrative Assistant
Cordoba, Argentina (1965-1967)

Mr. Peter K. Murphy, of Massachusetts, is a retired Senior Foreign Service Officer (Minister Counselor) whose career encompasses three assignments in France and Italy, Argentina, Germany, the Holy See and the United States. Mr. Murphy retired from the United States Foreign Service in 1991 and joined Stanley Associates, Inc. of Alexandria, Virginia. Mr. Murphy lives in Boston and works in

Cambridge, Massachusetts. He was interviewed by William D. Morgan on April 4, 1994.

MURPHY: Following our marriage - and a few days in Barbizon - the beautiful artists village near Fontainebleau - we left France for Estoril, Portugal. While on our honeymoon in Estoril, I received a phone call from a close friend in the Personnel office in Paris (Shirley Green) who informed me that my assignment had been changed by the Department. (Can you imagine a thing like that being done today, Bill!! Not a word to me - but just a change of orders issued and dispatched to post!!) The "needs of the Service" - as we used to say - dictated that my presence was needed in Cordoba rather than in Managua. "Great" - said I - "we can drive from here." She replied, "No, no, ...not Spain, but Argentina. And it's not summer, it's soon going to be winter." I hadn't a clue where Cordoba was located in Argentina - - or indeed why we had a Consulate there. But - orders were orders - and they were paying my salary!!

Q: Jackie was learning about the Foreign Service early!.

MURPHY: That's right. She really did learn early! But we were both young - and a bit unconscious!

So back we went to Boston, my hometown, to visit with the family for a few days. From there we went to Washington - - to have Jackie naturalized - which was also required in those days. (A spouse was not given a choice. All foreign-born spouses were obliged to become American citizens as soon after marriage as feasible.) In addition, an exception had been granted by the Department to allow me to go on to another foreign post. Normally, officers with foreign spouses were required to spend at least the first two years following marriage in Washington in order for the spouse to become "Americanized". As Jackie had lived nine years in Texas in her youth, the Under Secretary of Management (Crockett, at that time) decided that additional residence in the United States was unnecessary. Thus, we flew from Washington to Caracas - where we visited friends of Jackie's parents and an old school chum of mine who was then an exchange professor at the University of Caracas.

Following a week of briefings at the Embassy in Buenos Aires, we finally arrived in Cordoba - - our home for the next two years. And....what an exciting two years it turned out to be !!!

It started off with a bang! Right at the Cordoba airport before we deplaned. (By the way, I am glad you have assured me, Bill, that this history will not be available to the general public for at least 50 years - - because I could perhaps be taken to court for some of my revelations!!)

I should describe our arrival in Cordoba, because of its unusual nature. Very few of our Foreign Service colleagues had ever been to Cordoba, Argentina. It is a lovely city of 800,000 people - and the second or third in size in the nation - depending if you are speaking to a native of Cordoba or Rosario!! More than half the city's population is of Italian origin. The Consulate was very small - a two man post with two national employees. The main reason for the Consulate's presence in the city was the presence of the Argentine Military Schools in the Province of Cordoba. The city and that area was politically important; it was there that the revolution to

overthrow Juan Peron had been hatched by the military. Cordoba was the only consulate in the Republic and the consular district was almost as large as one-fourth the territory of the United States. In the late 19th century, the United States had a consulate in Rosario and also one in Cordoba - - but both had had been closed years before my arrival in the country. I never did discover just when the old consulates closed. The Consulate in which I worked had only been opened during the presidency of Juan Peron. I recall a fellow coming to my office one day and presenting me with the two lead seals of the old American Consulate in Cordoba. His great-grandfather, so he claimed, had been entrusted with the seals of office at the time of the closing. I sent the material off to the Historical Office of the Department of State.

Q: What is the reason for these small Consulates, Peter. Was the one in Cordoba really established because of Argentine military schools? What was it you were doing? Political listening?

MURPHY. Political listening - - yes. In effect we were sort of a listening post far from the hub of things - in Buenos Aires. I believe that there was a valid reason for the post: the Argentine military - as the military of most Latin American nations - were a powerful force in the life of the nation. It is good for our country to know these leaders - and, if possible, to acquaint them with our ideals and interests. My work at the post, however, consisted mainly of Administration, Consular, Commercial - with some Political reporting thrown in. We did come to know many Argentine military leaders over the period of our Argentine tour of duty. There was no way to avoid this: they were the leaders of the society and you met them at every function you attended!

Q: The American presence was minimal?

MURPHY: In reality - the American presence in that part of Argentina was very little. We had a few Roman Catholic and Mormon missionaries. The only US business related enterprise was a Kaiser automobile plant. Kaiser automobiles were produced there and I'd say there were about 30 American businessmen and their families connected with the company in residence in Cordoba. It was a very small post - as I mentioned. My boss, the Consul, was a fellow named Temple Wanamaker...no relative of the Philadelphia Wanamakers, he used to say!

Let me continue with my description of our initial arrival at post, Bill. This is really too good a story not to record for posterity as well as a fine illustration of the situations young officers sometimes face in living and working abroad. After our long journey from Paris - to Portugal - Boston - Washington - Caracas - Buenos Aires.....Jackie and I finally boarded a small plane in Buenos Aires bound for Cordoba. The Cordoba airport, in those days (and perhaps even today!) consisted of a dirt runway - with a small building which served as the Airport Terminal. A brilliant sun was setting as we taxied up to the terminal. Looking out the small window, I noticed a jeep parked on the tarmac. In the setting sun, I saw a rather plump woman leaning against the jeep. I commented to my wife, "My God, look at the way the natives dress." The woman in question had long, blond hair sporting a small orchid, and was smoking a cigarette in a long cigarette holder. Best of all, she was dressed in a flowing muumuu. As she was against the setting sun, it was perfectly obvious she had nothing on under her muumuu. You guessed it, Bill - - she turned out to be my Boss' wife. After welcoming us she said , "Oh, you certainly can't go

to a hotel. You have to come and stay with us until you find a place of your own.. We have a large home." What could we do - - but accept! She drove directly to their spacious home and, on the way, remarked, "Unfortunately, my husband is quite busy today; he's in the process of completing his Federal Income Taxes and won't be able to join us until dinner time -- - about 11:00 PM." It was perhaps 7:00 PM at that point. "He'll join us for dinner." I thought to myself. "My God, there are only two of us at this post, and he can't find the time to come out to say Hello". I thought this a rather inauspicious beginning of anew tour of duty! Sophie Wanamaker added, "Please do join us in the pool as it is so hot." We went up to our room. I glanced out the window and saw a magnificent swimming pool. I then got the shock of my life: there were about eight people sitting around the pool - all stark naked! It was at that point that I discovered that my new boss and his family were nudists! There is nothing wrong with being a nudist but - at that point in our lives - as a newly married couple in the mid-'60s - the revelation came as rather a shock. My wife and I quickly changed plans - and rested in our room until the dinner hour!

Q: I take it that they did clothe themselves eventually..... in Cordoba?

MURPHY: Yes indeed ! As you can well imagine, we did find a huge difference in life in Cordoba - and at the Consulate - from the previous experience in Paris. It began with the physical setting of the Consulate - - located on the seventh story of a twelve-story commercial building in downtown Cordoba. It was the highest building in the town. The one unfortunate thing about the Consulate was that we could count on having electricity only about two or three days each week. Thus - you took your life in your if you took the elevator up to the office!. After getting stuck for hours one day - I never entered the elevator again! The population of the city of Cordoba was about 800,000 as I mentioned - and over half the residents were of Italian origin. Thus - the Spanish spoken there turned out to have a very peculiar accent - with Italian words also thrown in from time to time. We enjoyed the people very much and quickly made friends throughout the community. Many of these people remain close friends to this day - and have come to visit us in the United States and at other posts overseas.

Q: The Italian served you well later.

MURPHY: Exactly. Nowfor the work of the Consulate. As I mentioned earlier, the scope of the work was mainly political reporting but we did do some consular work as well.

Q: Give us a sample of the kinds of work you did, Peter.

MURPHY: My assignment was as Admin/Consular Officer. As such, I was responsible for all of the administrative work of the consulate; the communications work (including classified communication by means of the one-time Pad - which just about drove me crazy!!); plus the consular operation. In addition, I also did reporting on some economic and commercial matters in the area - in addition to political reports, from time to time. I was also responsible for overseeing the AID work in the consular district. (*Alianza para el Progreso* - as it was known in those years.) This was my initial assignment;two months after arrival in Cordoba, everything changed with the shooting of my boss, Temple Wanamaker.

Q: Let's put some dates on this period again, Peter. You were there what period?

MURPHY: Let's see, we arrived in March 1965 and we left Cordoba in the fall of 1967. Prior to leaving Cordoba, I actually closed the post - and a Consular Agent was appointed by the Department. This event was, in effect, the aftermath of the shooting of my boss which, as I've noted, occurred a couple of months following our arrival.

Q: This was the gentleman who was so busy doing his taxes?

MURPHY: That's right. Temple Wanamaker was attacked returning from work in the one government car at the post. That afternoon, I was taking a Spanish lesson at a nearby seminary. Normally, I would have been with him in the auto as we lived in the same neighborhood and drove to work together each day. The police interrupted my lesson to tell me that my boss had been shot. There were eighteen bullets in the consular station wagon.

Q: Fatally shot?

MURPHY: No, following a month of hospitalization in Cordoba, he was taken back to Washington by US Military aircraft for a long stay in the Walter Reed Hospital. He eventually recovered from the three gunshot wounds - to his neck and cheek.

Q: It was the end of his career, I take it?

MURPHY: He actually returned to work three years after the shooting and served as a USIS officer in Costa Rica.

Q: What was the cause of this attempt to kill the man? Was this aimed at him? At the United States?

MURPHY: Bill - this was a very unusual occurrence in those days in Latin America. Never before in history had an American diplomat been attacked in the area. This was the first time.

Q: Really?

MURPHY: At the time of the shooting, some sheets of anti-U.S. propaganda were discovered - - condemning the intervention of the United States Marines in the Dominican Republic. You'll recall that President Lyndon Johnson had sent US Marines to Santo Domingo in 1965 in order to "restore order". The shooting in Cordoba was thus supposedly in retaliation... at least that's how it was put to me by our security people at the Embassy in Buenos Aires and the Argentine government.

In the aftermath of the attack, the Argentine Federal and local police rounded up over 600 "suspects." I was instructed by the Department of State to attend some of these interrogations. Never in my life could I have imagined such brutal interrogation. Electric shocks were applied to the genitals of the suspects. They were interrogated following beatings with tin cans on their

heads. At one point, I told the Colonel conducting the interrogations that I would confess to the shooting if they tried the same tactics on me! I watched this travesty for a portion of two days... to satisfy Washington.

Q: You stayed on as sort of the Chargé?

MURPHY: I stayed on alone as the only American officer at the post - - until the Embassy sent a TDY officer (Calvin Berlin) to assist weeks later. An officer from "another agency" also arrived after the shooting. We were pretty much on our own.

Q: We this at this point, let's pause a moment, Peter, because of Burundi and Kigali, etc., going on now, how important our security it, and how troops come to defend us etc. What was the security that you had?

MURPHY: It's very interesting that you mention that. There was no security at that time. The Consulate itself, its premises, was a suite of maybe four or five offices with a large waiting area for the public. We had two local/national employees. One of them was the nephew of the Chief Justice of the Supreme Court in Argentina. Of course he (Belindo Martinez Gavier) had been hired by the Consulate at the time because of his family connections. He was absolutely useless as a national employee. I found him one day attempting to have an Argentine fill out a U. S. passport application for a visa. He never did learn the difference between a U. S. passport and a U. S. visa.

Q: He had connections?

MURPHY: Connections he did have! He didn't last very long because he'd go home for lunch - followed by a two hour *siesta* - and return to the office a half hour before we closed for the day. Poor Belindo simply couldn't understand why we insisted on eight hours a day. It was beyond him.

Q: You told him about the taxes that your former boss was paying?

MURPHY: Ha ! But security... you asked about the security, Bill. We had none at all in the Consulate. We simply locked the front door when we left at night. The windows were all just plain glass, nothing special - no bulletproof materials! The official vehicle we used there - the one which was shot up - was a large Chevy station wagon. You can't imagine how much it stuck out in the town. It was the only American stations wagon for hundreds of miles around Everyone knew who was driving that car!.

Q: It had flags on it?

MURPHY: No, no, we didn't need any flags. Cars in those days were precious commodities in Argentina. If anyone had a car, they were considered very, very wealthy because of the taxes that had to be paid to the government when purchasing a car. To give you an example, Bill - - prior to going to Argentina, we were told by the post, "Oh you don't need a car. There's an official car

here. You don't need a private car at all." Well, that was a lot of hogwash as far as I was concerned. We got there and we found we had to live twenty miles from downtown. You couldn't get anywhere without a car - -- and there was one official vehicle at post. You can just guess who used that!

Q: And your wife had to get around?

MURPHY: That's right. I mentioned the Kaiser factory in Cordoba. This was the largest American institution or business in our consular district. So.... I wrote my father (in those days you never telephoned for such business) and asked him to buy me a second-hand car. He bought a Rambler (made by Kaiser) for \$300. Our car arrived in Cordoba about three months later. The day after its arrival , I was offered \$26,000 for the car at a local gas station! I know that this sounds unbelievable but there were absurd Argentine taxes on all cars coming into the country. So high - in fact - that you could have bought five cars at a normal price in the US for the price on one in Argentina. Of course, it was for this reason that ruling was put into effect by State regulating the sale of cars abroad by diplomats.

In any event, following the shooting, the Argentines certainly beefed up security around our house. We had a very small house.

Q: Beefed it up from zero?

MURPHY: From zero..... we had nothing before. For the rest of our tour (almost two years) we lived with Argentine military guards sitting in our front garden manning machine guns. These people were quite dangerous. They were mostly Indians who spoke no Spanish. They were normally drunk, and they chewed cocoa beans all day long.

Q: To keep?

MURPHY: To give themselves a high; they were usually kind of "spaced out" during their duty hours.

MURPHY: As I would wander around the town going about my business, every so often I would have plain clothes people... kind of hippie-like cops... come up, grab me by the arm, and say, "*Don't worry, we're here to protect you.*" This would almost produce cardiac arrest on the spot - as you can imagine, Bill!

Q: So, the security improved but it was not security?

MURPHY: Before we leave, I absolutely must mention one other incident connected with this "shooting" of Temple Wanamaker. As you can well understand, Bill, my wife and I spent almost two years in Cordoba - living in fear for our lives; we constantly thought we might be the object of another "terrorist attack." I am convinced that that, as a result of this fear, Jackie had two miscarriages during our first two years of married life. As we prepared to leave Cordoba for re-assignment - I at last began to get a glimmer of the duplicity - as well as inhumanity - of the

government of the United States of America! It began this way: The State Department sent me a glossy photo of Temple Wanamaker at a State Department ceremony accepting a Superior Honor Award - from the Secretary of State himself. The award was made, said the caption accompanying the photo - - for his courage in the attack he underwent during his service in Cordoba, Argentina. I was asked to publish this photo and accompanying article in the local press - which, of course, I did. About a week later, the Cordoba city government officials hosted a farewell party in our honor. As usual, all the local and regional leaders were present. One friend who attended was the Jesuit Rector of the *Universidad de Cordoba* - one of the oldest universities in the Western Hemisphere. This gentleman was Belgian - a relative of the King of Belgium. We got along well during the two years I was there and he provided me with a good insight into higher education in the area. As the reception drew to a close, the Jesuit came up to me and said "I read in the paper last week about that ceremony for Wanamaker in Washington" Laughingly, he added, "You people give awards for all sorts of activity, don't you!" He emphasized the words "all sorts . From that instant, I began to understand that there was something strange about the "terrorist shooting" of Temple Wanamaker - - but I wouldn't know the truth until I visited the Security Division at the State Department in Washington a month later.

Q: He got an award for getting shot?

MURPHY: For getting shot.... and for his courage in the face of adversity - supposedly. I shall never forget the face of my Jesuit friend at that reception - he sort of smiled knowingly and walked away. Upon my return to Washington for "consultations" before going on Home Leave and entering Italian language training for preparation for my next post (Milan, Italy), I visited the Security Division of the Department . I asked for a full explanation of the Cordoba shooting. In a very matter of fact manner, I was told - "It was obvious why the guy was shot! He was fooling around with the very young daughter of a local military commander. This happened before your arrival at post." When I recovered from the shock, I asked why I was not told - and why they asked me to participate in such a cover up by the placing of the photo in the local press. I was told that it was in the "national interest" and the decision was certainly not that of DS. Little did they care that my wife and I lived in constant fear of our lives for two years. Looking back - all I can say is " it's a good thing that we were young!!"

Q: Well, Jackie's first assignment;...and your second assignment. Perhaps, the most terrible thing of all this story, Peter, is the fact of your having to give out a false story in Cordoba.

MURPHY: That's right....that and also having to live two years of our lives in fear. I was so embarrassed after having spoken to my Jesuit friend. I immediately realized that there were people in that room who knew a lot more than I did about the situation - although I was the chief United States government representative in that area of the world for over eight months. I even attended the "interrogation" of suspects - at the direction of the State Department.

Q: Why do you think those reasons were given - - by the Argentine, we can understand - - but why by our own government? Couldn't we have just said, "We don't know?"

MURPHY: I have no idea. I have no idea why the cover-up was made. I'm sure it was made at a high level in Washington; by someone not wishing to admit that human error had been made by a U. S. official. Let's hope, Bill, that the "*national security interest*" justified the situation into which we were forced!!

Q: *Coupled with, perhaps, the Cold War going on...?*

MURPHY: That's right. Perhaps together with the rise of terrorism in the world.....the start of terrorism as we know it today.

Q: *Have we finished with Cordoba and Argentina?*

MURPHY: I should make mention of Evita Peron before ending my tale of our days in Argentina. I, of course, was quite familiar with the history of Juan and Eva Peron but never fully realized her impact on the nation until I arrived in Cordoba. She was a frequent subject of conversation. You really couldn't forget about her - because each day, at the very moment of her death, the radio stations observed a moment of silence "because this was the moment when Evita passed into eternity". Strange as it may seem, years later, in Milan, I was to run across Eva Peron once again! I was friendly with a young undertaker - Mario Cal - who had an funeral establishment in Milan which we often used when the need arose at the Consulate General in that city. Mario, as his family name indicates, was from Venice. He and his wife became very friendly with Jackie and me. One evening at dinner he told me that he was going on a long trip the next day - and that I would read all about it in the local press. He adamantly refused to tell us (even his wife!) his destination. Imagine our shock to read the next day that he had escorted the remains of Eva Peron from the Monumental Cemetery in Milan to the residence of her husband - Juan Peron - in Madrid where she was interred once again! Eva Person had been buried under a false name in the Milan cemetery for years - due to anti-Peron sentiments in Argentina at the time. The Italian government was very upset that a foreigner had been interred in Italy under false pretenses. The Ministry of Foreign Affairs issued an order to all diplomatic establishments in the country instructing that a consul be present - for identification purposes- before a coffin of one of their citizen's could be sealed. I found this to be a most disagreeable task - and often teased Mario that it was all his fault!

I believe so. When we left the post, I closed up shop. The post has remained closed since that day. A Consular Agent was named; he was a retired American businessman who, unfortunately, was killed by a bullet in the streets of Cordoba six months later.

Q: *The consulate was closed for the good of the American taxpayer - I suppose?*

MURPHY: For the good of the American taxpayer. BillI must record here that, in spite of everything, my wife and I really did enjoy living in Argentina. Friends, as you well know, make a place. We still have some very wonderful Argentine people who are lifelong friends. We remain in contact today. I hope someday to return to Cordoba and visit the spots which brought joy to our youth!!

EDWARD M. ROWELL
Political Officer
Buenos Aires (1965-1968)

Ambassador Edward M. Rowell was born in Oakland, California in 1931. He obtained a B.A. from Yale University. In addition to Luxembourg, Ambassador Rowell served in Recife, Curitiba, Buenos Aires, Tegucigalpa, and Washington, DC and held ambassadorships in Portugal and Bolivia. He retired in August, 1994 and was interviewed by Charles Stuart Kennedy on September 10, 1995.

Q: So you finished at Stanford in...

ROWELL: June, 1965. I was assigned to the Embassy in Buenos Aires, Argentina. I had no workable Spanish. So I was assigned to the FSI for four or five weeks, the maximum amount of time I could be given that would allow me to get to Buenos Aires to be useful from the point of view of the Political Counselor and the DCM [Deputy Chief of Mission].

I arrived at the Foreign Service Institute. I said, "I already speak Portuguese and you have already tested me in that. Now I need to speak Spanish." They started to give me, in knee jerk fashion, their usual four-to-six month course. I said, "No, I don't have time to waste on that." They said, "Well, you'll have to take that course, because otherwise you won't learn Spanish properly." So I said, "Test me." The first thing that they wanted me to do was to sit at home and listen to endless tapes on how to pronounce Spanish. I said, "I think that I can pronounce Spanish. Give me a tape and have me read something. I may not understand what it says, but I think that I can pronounce it." And I could. They said, "Well, all right, we'll get rid of those tapes." It interested them that I didn't mispronounce Spanish the way a Brazilian would. That's what they were afraid of -- not my American accent but my Brazilian accent.

They finally turned loose a linguist who listened to me and listened to my Portuguese. Then he said, "All right." And they created a special program for me. I went out and bought some books at one of the university bookstores, probably at George Washington University. I brought them in. They gave me a special class, which involved one linguist, one language instructor, and one student left over from the previous Spanish language course who still didn't have an onward assignment. That person could act as a foil. In five weeks I was at the 3 - 3 level [speaking level 3 - useful; reading level 3 - useful], because they paid attention to converting my Portuguese, rather than just teaching me Spanish from scratch. That was the genesis of the present language instruction which converts Spanish to Portuguese or Portuguese to Spanish. That is the six-week program that they have.

Q: You sparked their interest.

ROWELL: That was it, and I got it simply by telling them that I would not accept just what they wanted to hand me. They had a responsibility to me and the Foreign Service and they had to

show me that they were trying to meet it.

Q: You were in Argentina from when to when.

ROWELL: We were there from the end of July or early August, 1965, to August 1, 1968.

Q: What was the situation in Argentina when you arrived?

ROWELL: It had a democratic government. President Illia had assumed office, succeeding President Frondizi some three or four years before. The country had some economic problems, the government was running some serious deficits, and the labor unions were getting restive. A year after I arrived, there was a coup d'état. The coup was so widely anticipated and so little opposed by the public that it was an extraordinarily peaceful event.

The usual group of military armored cars arrived in front of the office of the Presidency, the Casa Rosada. A senior general walked in in full uniform and told the President that he was out of a job. The colonel commanding the Presidential Guard, the San Martin Guard, which has always been extremely loyal to Argentina's Presidents, entered the President's office and said, "Mr. President, we're prepared to defend you." President Illia turned to him and said, "There's no point in wasting anybody's blood. Colonel, have your forces withdraw from around here. I'm sure that General So-and-So will make sure that I'm personally safe. Isn't that so, General?" The coup leaders gave the President and his wife some time to collect their personal possessions, their clothing, and so forth. They then escorted Illia to his personal home in a Buenos Aires suburb called "Olivos" [Olive Trees].

They posted a guard at his house to protect him from the press and the curious. He was not restricted in any way in any of his movements. There were lots of gawkers in front of his house. The international press arrived and wanted to know what was going on. I recall that we were being badgered by Washington and by The New York Times which said that President Illia was "locked up" and was "virtually a prisoner," and "what are you doing about it?" "How did this happen, and tell us all the dirt."

The truth was that President Illia and his administration had become enormously unpopular. In the style of things at that point in the 20th century the military would normally produce an interim President, which is what they did. There were great hopes that Onganía would somehow have a more disciplined administration and that the government finances would be better handled. In fact, it didn't work that way. After a couple of years, Onganía was out.

Q: Let's back up a bit. What was your position when you arrived in Buenos Aires?

ROWELL: I've forgotten whether I was a First or Second Secretary in the Embassy. I was in the Political Section, which consisted of the Political Counselor, a deputy Chief of Section, two other Political Officers, including myself, and a Labor Attaché. As the most recently arrived, more junior officer in the Political Section, I handled a lot of the cats and dogs [miscellaneous issues] --terrorists, fringe religious groups, and that sort of thing. I tried to follow them. And, of course, I handled the WEEKA. [The WEEKA] was a weekly report in which you said what had been

going on in brief form.

The Political Counselor, Pete Rabenold, was a real task master. He said, "All right, we have to turn these things [I. e., the WEEKA's] out, but they will never exceed two pages." During my time in Buenos Aires it was more than two pages long only once, when Pete was away on vacation, and I let it run two lines over two pages. I was hung out to dry for two weeks when he returned. He said, "I said it, and I meant it." I learned a little more about Foreign Service discipline, and about concise, well focused reporting. It was the kind of learning experience I should have had in Brazil, but never got because I was only in small consulates.

Q: Who was the Ambassador?

ROWELL: Ed Martin.

Q: He was "Mr. ARA," in a way. You arrived there a year before the coup d'état. When you got there, what were you saying in the Embassy about the Argentine government, and what were you hearing from the people who had been there and were reporting on it?

ROWELL: Oh, the other junior officer, Elkin Taylor, had come into the Foreign Service with a journalism background. He was covering the Argentine Congress and the main line political parties. He knew everybody. He knew all of the political commentators. He spent a lot of time down at Congress, and he had a pretty good lock on what was happening. The Labor Attaché, Jim Shea, also was very, very good and knew virtually everyone in the labor movement.

Q: Labor was very important there in Buenos Aires.

ROWELL: The Peron movement was based on its organized labor foundation.

Q: And how was Peronism seen at that time? Was it seen...

ROWELL: People hated it. Peron had been kicked out of the Presidency in 1955. It had been a bloody event, and they didn't want the Peronistas to get back into power. That was one of the problems. Labor was getting restive, and the government didn't really know what to do about it. Some of the Peronista leaders looked as if they were getting awfully big. The Argentine military were scared to death that, somehow or other, the Peronistas could come back in. That's why they staged the coup. Anyhow, the Political Section was well plugged into what was happening. The coup came along, and was no surprise.

Q: Was there any problem for the Embassy to have any connections with the Peronistas? Sometimes, we get in a position where you can't talk to So-and-So or something like that.

ROWELL: I don't recall any restrictions on our ability to do our job. We weren't harassed or pushed in any way. This may have happened later, after I left, during a sort of civil war (the "dirty war") which took place over a period of several years in the 1970s. But not while I was there.

Q: I assume that in the Political Section, as you watched this democratically elected government getting weaker and weaker and more and more unpopular, you thought that it was very obvious that the military would probably do something at some point. Were our military attachés keeping tabs on things or were they able to do much about that?

ROWELL: Let me put it this way. Yes, our military attachés were doing a good job. Could they have changed history? No. You can know what's going on without being able to do anything about it. That was essentially the situation.

In fact, at least one or two months before the coup, Ambassador Martin warned the Argentines that the United States would react very badly to a coup because we were (and are) committed to democratic constitutional processes. He also instructed our Defense Attachés and our Military Assistance Advisory Group (MAAG) in detail on what to say and what not to say in order to try to discourage a coup and, at the very least, give any plotters no reason to hope for US "understanding." Our military followed Martin's instructions with absolute loyalty and discipline. In that sense, discipline and behavior of different US agency elements at the Embassy in Buenos Aires were far superior to those I observed in Honduras in 1963 while I was desk officer.

There was another problem, however, which flowed from that coup, because coups were unpopular in the United States, even though the one in Buenos Aires was relatively soft and popular down there. The coup had no anti-Semitic overtones, for example. That was one of our permanent concerns, because there was a large Jewish population in Buenos Aires which was extremely well-connected with our own, New York Jewish community.

What happened was that there arose in Washington a feeling that "we have to retaliate." But how can you punish them for having a coup? Well, who carried out the coup? The military. So some people said, "We know, we will 'fix' military aid. There won't be any." This attitude was reinforced by attitudes in the US Congress. So we began to receive messages that, in effect, delayed the delivery of some promised equipment--some tanks and aircraft. Then we were informed that, perhaps, we should just tear up the contract. The difficulty with that policy was that, within the Argentine armed forces, there were competing attitudes. There was the traditional leadership which had gone through World War II with at least an open and relatively warm attitude toward the Fascists of Italy and the Nazis of Germany. There was a post-war officer generation that, because there was no other foreign power active on the ground with Argentina's military, had become relatively close to United States representatives. Attitudes of the post-war generation often clashed with those of the World War II generation. By cutting off military aid, we cut the legs from under the pro-American faction.

We did one more thing. We prejudiced the context in which we would later go to the Argentine Government and ask them not to buy a heavy water moderated nuclear reactor for their nuclear research station at Bariloche. They bought a heavy water reactor from the Canadians. The heavy water reactor gave them the ability to produce some of their own, highly enriched, nuclear material. This was ostensibly for research, but, once the system is set up and it works long

enough, you'll get enough nuclear material for an explosive device.

I personally remain convinced that we should have admonished them or attempted to place some additional strings on the next flow of military equipment, but we shouldn't have cut it off altogether. Then, maybe, we would have had a constituency within the Argentine military which would have said, "Look, we are really never going to have an atomic war in South America. We don't need atomic weapons. Let's go for the 'light water' reactor. We can do our research with it." However, the Argentine military people who might have helped us on that score were destroyed by the cutoff of military aid. They were destroyed in the sense of losing their influence. They remained in the Army, of course.

There was no other good, alternative non-communist source of equipment at the time, except France -- and, eventually, they bought French Mirage aircraft when we refused to sell them more A-4 attack aircraft.

Q: You were a relatively junior officer in the Political Section at the Embassy in Buenos Aires at this time. This was happening. From your vantage point, what was the Political Section or the Ambassador trying to do? Did we go along with this cut-off of military aid? Or was there a fight about it?

ROWELL: The political section argued for the position I just advocated, and the Ambassador sent our paper to the Department of State in Washington. I'm not sure how much Ambassador Ed Martin really believed it, but he sent it to Washington because, at least, it was a rationale that had some reasonable basis in the situation as we knew it. When Washington said, "No way," the Embassy, the Ambassador, did not fight Washington very hard. I personally am convinced that Ambassador Ed Martin thought that our political analysis might have been right, but his personal convictions, his utter opposition to coups, his total support for democracy and for minorities just outweighed the downstream risk on the military side.

Q: So the coup took place. What would a Political Officer do during a coup--just to give an idea to people who read this interview?

ROWELL: The first thing you do is to make sure that all American citizens are safe. The second thing is to test to see if there is any violence, so that you know where to keep people away from.

Q: How do you test for this?

ROWELL: You telephone around the city to see where military units are stationed and what they're doing and how ordinary people on the street are behaving. Is there a curfew? You use your warden network. The next thing that you do is to put out some feelers, so that you can talk informally with the new the new authorities, but without doing anything that would imply formal recognition by the United States Government. Technically the new authorities may not yet be a government. How do you do all that? You use a very low-level person in the Embassy who talks with a very low-level person who somehow is going to have to respond to the new authorities but is not part of that group. You don't exchange any written communications with the new

government. While all of these steps are being taken, you communicate hourly, or more often, with Washington (and with neighboring US Embassies and the US military theater commander for the region, to make sure that all responsible US authorities have some feel for the situation.

In those days we regarded every recognition of a new government as a kind of blessing, and we let the public know that it was a kind of blessing. That stretched out the period of awkward communications excessively. Thank goodness, we've gotten away from that over the years because too many governments change in unconstitutional fashion, and you have to speak with the new authorities if only to protect Americans. One of the ways you talk with a government, when it's necessary to protect Americans, is to do it through your consular officers, rather than through your diplomatic officers. In any case, it took the Department a while to decide whether formally to recognize the new Argentine government.

When we do decide to recognize, normally we do it by acknowledging a communication from the new government. Typically the first thing that happens when there has been a coup, is that the newly installed authorities tell the newly installed Foreign Minister to send a note to all resident diplomatic representatives, telling them who is in charge. [Laughter] Then, at some stage, you respond to that note. By responding you acknowledge that the authors of the note are, indeed, in charge. The substance of the note may not be very significant. The text of our note may state simply that we have received the Foreign Minister's note number so-and-so and not much else. The fact that we have responded in a formal way is what constitutes recognition. This is not a kind of blessing. It is merely recognition that the new authorities are in charge.

Q: In your particular beat, where would you go, and what type of people did you talk to?

ROWELL: My beat at the time consisted of fringe parties, terrorists, and other bad actors, none of them remotely related to what was happening. So I was mostly inside the Embassy writing reports based on what other people were phoning in regarding the political situation. One of my functions was to work closely with the Labor Attaché, because he would come in with all kinds of information. But he would have a terrible time writing it up. I would help him to put it into something that would be read in Washington.

The Political Officer who had all of the connections with the Argentine Congress and other political groups was outside. He would phone in to the Embassy as necessary. The Labor Attaché was outside and phoning in. The officer who was concerned with the more mainstream religious groups -- the Jewish community and some of the Protestant groups -- was also out of the office. I was in the office, taking phone calls and writing reports on what they told me.

Q: I think that Argentina's probably different from some of the other Latin American countries. In some places, and not only Latin America, Embassy officers tend to get trapped in the ruling elite. You know, the wealthy and the top 20 families in the country or something like that. Was this at all a problem in Argentina?

ROWELL: No, I don't think so. We obviously dealt with the power brokers, including those who wielded economic, military, and political power. This particular Argentine coup was a classic,

Latin American coup. It involved changing chairs among power brokers. It wasn't a revolution. It was a coup. There's a huge difference. We were never out of touch, either with the people in office or the ones likely to enter office. We were able to function without any difficulty.

When a revolution may be coming, the opposition is clandestine, and it may be dangerous to see them in some ways. Then you can be caught off base, particularly if the Embassy is short-handed. However, we weren't short-handed, and it wasn't that kind of situation.

Q: How did we view the problems of the democratically-elected Argentine government? Were they just not able to deliver goods and services or the equivalent thereof?

ROWELL: You know, the situation started to go downhill almost immediately after my arrival in August, 1965. I remember tracking the decline in popularity of the elected government. I remember the growing concern on the part of the Argentine military that, somehow or other, the labor movement would get out of control, and the Peronistas the supporters of former dictator Juan Peron might be restored to power. Eventually, that did happen in the 1970s, but not then. However, I just don't remember that period in that much detail to be able to say precisely what the government was doing, or not doing.

Q: Obviously, the government wasn't very apt.

ROWELL: It wasn't handling that problem at all well, no. You know, there were problems with foreign exchange. There were "meatless" days.

Q: Meatless days in Argentina?

ROWELL: That's right. You should laugh. "Meatless" meant beefless, except in many restaurants. Meatless did not really mean meatless. You could go into a restaurant and have pork, goat, chicken, hare, venison -- you name it. You could have virtually anything except beef. In some restaurants dedicated to the tourist trade, you could get beef anyhow. However, the days without beef were a major aggravation for the Argentine people.

Q: Of course. You have the "pampas" [prairies] out there. What happened? Did the cattle go away and move to Brazil?

ROWELL: No, the problem was that the foreign exchange rates were controlled. In a sense the price of beef to the outside world was a little too high to interest foreign buyers, whereas the price of beef within Argentina was artificially low. The Argentines were eating all of their beef, instead of exporting it. Beef had been one of the two mainstays of their foreign exchange earnings. They were running short of foreign exchange. This meant that they couldn't import industrial goods that they had to have for the economy. So the government imposed beefless days in an effort to get meat packers to lower prices to foreign buyers in order to get rid of excess supplies. At least that was the theory.

Q: You were in Argentina about three years?

ROWELL: We were there for three years, 1965-1968. We were there during the 1967 Arab-Israel War. Argentina sat in the UN Security Council at the time. That was the Six Day War, so it was over reasonably fast. When it broke out, the UN Security Council went into permanent session, and so did the governments of every one of the Security Council members.

Buenos Aires is about two hours ahead of New York. Toward the end of the afternoon [New York time] -- 7:00 or 8:00 PM Buenos Aires time -- our UN Mission (USUN) would start pumping out messages. The Department of State would then instruct USUN and our Embassies in all the countries on the Security Council, saying, "Yes. Do this, do that. It looks reasonable. You may confirm it." We would start to receive those State Department messages around 8:00 or 9:00 PM. Well, the Argentines have a strong, Spanish heritage, so their Foreign Ministry would typically work until 7:30 or 8:00 PM, sometimes later. So I would find myself trotting over to the Foreign Ministry with the latest message on what we thought the UN Security Council should do next. The Political Director of the Argentine Foreign Ministry, roughly the equivalent of our Under Secretary for Political Affairs, would say, "Right." Then he would go to the Foreign Minister or the Deputy Foreign Minister. They, in turn, might well consult the President of Argentina and the Argentine military. So about 11:30 PM or midnight I would finally get a phone call and be invited back to the Foreign Ministry to get the Argentine answer to what I had presented earlier. Then I would go back to our Embassy and put the Argentine reply on the wire to USUN [US Mission to the United Nations] and the Department of State. I would get home around 2:30 or 3:00 AM and then be back in the office at 8:00 AM. I had a one-hour commute from home to the Embassy. So I was certainly glad when that was over.

But there also was real exhilaration at being involved in important action and a significant event. You remember things like that.

Q: Well, your adrenalin starts pumping.

ROWELL: You can run on exhilaration and nervous energy for a surprisingly long time, but after a while the body catches up. This process of exhausting nightly communications lasted a week plus a wind down of another three or four days. Then we began to live more normal hours. I could tolerate that, but not if it had gone on for more than a month.

Q: What was Argentina's attitude toward this crisis?

ROWELL: Their attitude largely paralleled ours. They wanted the war to stop. They were not particularly pro-Arab or pro-Israeli. They certainly weren't hostile to Israel. For the most part their votes and ours were about the same.

From an Argentine point of view the only significant element in a Middle East war was what it might do to international oil prices. Argentina depended heavily on imported energy supplies. That was their number one, national concern. So anything that the UN could do to end the war or reduce the risk to a continued flow of oil had their support. That and human rights were their concerns.

Q: You were in Argentina when the military government was in power. What was your impression of how they were operating?

ROWELL: Let me mention a couple of other things that were important to me during my tour in Buenos Aires. First of all, it was the first time that I had served in an Embassy. It was a fairly large Embassy in a very sophisticated, 20th century, European style city. I learned how an Embassy works, how a Political Section is really supposed to work, and how you divide up the work. What's important, what's less important. How to write. All of these things. I was serving and talking on a daily basis with senior officers in our Embassy who could mentor me. When I had been in Brazil, first as Vice Consul in Recife, and then as Consul in Curitiba, these were relatively isolated posts. The senior officers who were responsible for me were in Rio de Janeiro. They would visit me perhaps once every six months. There would be an annual, consular officers' conference that I would attend. Occasionally, they would suggest to me a subject that they would like to hear about or a gentle critique of one or another of my reports. But there was no daily guidance on how to do my job.

My wife and I had served in two consular posts, and I think that we did reasonably well. However, we had been learning by trial and error. It was awfully nice to be in the Embassy in Buenos Aires and realize that you didn't have to learn how to do your job by trial and error. I was grateful for that experience. We were glad, too, to have the chance to live in a large, sophisticated city after the small towns [Recife and Curitiba] that we had been in. Service in Buenos Aires gave us a different perspective on what the Foreign Service might offer to us. We certainly exploited everything that Buenos Aires had to offer.

There was another aspect that astonished me. Despite my year of Latin American area studies at Stanford University, somehow all of the wars in Latin America -- the civil wars, the coups, and so on -- seemed remote. They belonged to the previous century or maybe to the depression era of the 1930s. After World War II it was inconceivable to me that a couple of Latin American countries could fight each other. The last such struggle had been between Peru and Ecuador, and we and the Brazilians and some other countries had managed to end that in 1942. I was stunned to realize that the unresolved Chilean-Argentine disputes over their land frontier and in the Beagle Channel near the extreme southern tip of South America could produce violence. In fact, there were at least two clashes between Chile and Argentina while I was there. That lesson was valuable because later, when I encountered a war between El Salvador and Honduras, and much later on, within the past 15 years, when I saw shooting between Peru and Ecuador again, I was able to anticipate more accurately both what would trigger conflict and when it would happen.

Q: One of the hardest things is to get into the psyche of the people with whom you're dealing and understand how seriously they take some things.

ROWELL: I would like to add that many years later there was the Falklands/Malvinas war [1982]. I knew from my experience in Buenos Aires how much the British hold on the Falklands irritated the Argentines. Because Argentina had had several coups since World War II, I knew that it was always possible that some extremist would get his hands on a lever and launch an

attack on the Falklands. I'm afraid that my British colleagues didn't understand that that was possible. The British always stonewalled the Argentines on the Falklands, primarily because they didn't know how to handle the Scottish constituencies in Westminster who demanded that the British Government keep some 1,800 people there, raising their sheep in the South Atlantic.

After the 1982 war, when they added up the bill, the British realized that it would have been a lot cheaper to have given every Falkland Islander -- man, woman, and child -- something more than \$100,000 each, for them to use as they wished -- to resettle wherever they wanted, or to stay in the Falklands if they were willing to live under the Argentine flag. And that's just the money side of the cost to Britain. It takes no account of the lives lost. And, although the British do not acknowledge it, the balance of legal argument over which country -- Argentina or the United Kingdom -- has the stronger claim to the Falklands/Malvinas is unclear. So any assertion that "principle" gave the British no alternative to military action is on thin ice, especially in view of their long-standing refusal to arbitrate, adjudicate or negotiate a settlement.

Q: We were going through a vast, social change in the United States at this time, particularly as far as racial relations are concerned. Argentina essentially had gotten rid of its Indian population and didn't seem to have the same problem and understanding. Was this something you got involved in--trying to explain to the Argentines what we were doing, or was there any interest at all?

ROWELL: There was really very little interest. So an American city burns and downtown Washington, DC has problems. Or Los Angeles has its problems and there were riots and fires in New Jersey and elsewhere. That would appear in the Argentine newspapers. People would frown and cluck over it -- much the way Americans cluck over violence in Nagorno Karabakh. It may be exciting, but we're not really involved in it. People don't really spend a lot of emotional energy on it. Well, the Argentines didn't spend a lot of emotional energy on our problems, either.

Q: Also, the United States did not have the same connotation for the Argentines that we would have for the Mexicans or some other countries. I mean, the idea of "The Colossus of the North." The United States was far away, and it was just a benign country.

ROWELL: Well, the Argentines had long perceived the United States as a rival for prestige and hemispheric leadership. Most Americans don't understand that in 1900, if you look at all of the indicators of relative development, Argentina was at least as developed a country as was the United States. Measured in per capita steel production, energy output, miles of railroad and paved road per square mile of territory, the extent of the public education system and levels of literacy, in all of those indicators Argentina was equal to or better than the United States.

Then, after World War I and really starting with the depression of the 1930s everything came apart in Argentina. Juan Domingo Peron arrived in a key position in 1942 and really showed labor how to organize and how to be a political force. He rode that force to the top. His political movement had a sort of fascistic, populist and anti-market-economy ethic. It ruined the country. There is no other way to say it. The Argentines really threw away the whole thing. In 1947 they paid Great Britain \$600 million in gold for the British-owned railroads of Argentina. These

railroads had been run into the ground, not maintained, and were so rickety that they were virtually worthless. That was a terrible error. It was good for Britain and may have saved Britain, economically, because Britain was really on its uppers in 1947, following World War II. So I think that the United States was glad that Britain got that \$600 million infusion. That was a lot of money in those days. But it made a mess of Argentina.

Q: It was done for reasons of national prestige.

ROWELL: Done partly for quasi-ideological reasons. One of the fascist and socialistic theses was that the government should own the means of communications and transportation. Until 1947 the railroads of Argentina were largely privately owned by British firms.

I mentioned earlier that Argentina's principal foreign exchange earners were beef and wheat. Beef had traditionally been exported to Britain and to continental Europe, but Britain was one of the single most important markets and the traditional source of most of Argentina's industrial goods. They couldn't afford to alienate Britain. You have to remember that the only sources of industrial goods after World War II were the United States and Britain. The rest of the world was still largely destroyed.

Q: It had been flattened by World War II.

ROWELL: So if you had an economy that was at the outer extremities of its depreciable life, in terms of its physical assets, and you desperately needed spare parts and replacement machinery, then the only place that you could get these things was the US or Britain. If Argentina had simply nationalized the British-owned railroads without paying for them, you could expect a severe reaction from the United States, whose private investors owned lots of things in Argentina, and certainly from Britain. So we and Britain had considerable leverage with our industrial economies. The Argentines then concluded that if they were going to take over the railroads, they would have to buy them. And they did.

Q: And, of course, we're talking about 1947. From 1939 really until 1947 virtually all productive activity in Britain and the United States was directed toward war.

Were there any other events and incidents during this time that you were in Argentina?

ROWELL: Yes. There was a really funny event. After I had been in Argentina for a year, I assumed responsibility for covering political events in some of the northern and western Argentine provinces. So I started off on my first provincial trip to call on governors, business leaders and others just to take the pulse of people outside of Buenos Aires. The views of the provinces throughout Argentina's history had always differed sharply from the views of people in Buenos Aires.

On the Argentine railroads you could get a ticket for a berth, but you normally didn't take a whole compartment. When I went to take this trip, the only unoccupied berth on the train, on this relatively long trip, was in a compartment of four berths. So I climbed into the railroad car.

The other berths were occupied by traveling salesmen. We talked. They learned who I was, and I knew who they were. About 10:00 PM they started a card game. I was tired, but they were talking and smoking. They were beginning to run low on wine but still enjoying the card game. Well, I happened to have a couple of bottles of wine in my bag, so I took out a bottle and gave it to them. They invited me to sit at the table. I said that I didn't want to play cards. They said, "That's all right. Just sit and talk with us." So we talked. As the train rolled along the track to Córdoba in the middle of the night, they would look out the window and say, "Oh, this is Fulgencio," or Diego, or whatever it was. They would give the names of these stations and the "estancias," or large ranches, and then the towns. They said, "You know, this ranch owner has this and this, and he's married to so-and-so, but his wife is having an affair with" somebody else. They knew this important person and that important person, and the mayor in this town had done this and that, and they've gone broke, so we don't stop and sell machinery there this year."

By the time I got off the train in Cordoba at 9:30 AM the next day I was cross-eyed, because I hadn't been to bed and hadn't slept. And I knew everything that was going on in the territory between Buenos Aires and Cordoba. I really didn't have to call on a soul. Well, I did call on the senior provincial officials -- the governor, the mayors of the big cities, and so on. However, ever since then I have respected the role of the traveling salesman. Years later, when I was in Bolivia, that warm spot in my heart for traveling salesmen paid off in a big way for AID [Agency for International Development].

EDGAR J. GORDON
Treasury Attaché
Buenos Aires (1965-1968)

TDY Visits
Buenos Aires (1983)

Edgar J. Gordon was born on July 27, 1930 in New York City. He attended New York University majoring in economics and history and went to Princeton University in 1951 to study for a Ph. D. in economics. His posts included France, Korea, Argentina, Vietnam, Chile, and Hong Kong. He is now retired and was interviewed by Charles Stuart Kennedy on February 10, 1997.

Q: When you went to Argentina, you were there from when-1965?

GORDON: Well, you might say 1966. We arrived at the end of 1965. I was basically in the States about 18 months and then I was in Argentina in the beginning of 1966 until mid-1968 at which time I went to Vietnam.

Q: What was the political situation in Argentina?

GORDON: Well, you had this continuing struggle with the remnants of the Peronista regime. Peron had been overthrown in 1955. And then there had been elections and each time the election threatened to throw up another Peronista government, because they were still the largest single party if not the majority, the military intervened. At the beginning of 1966, the Radicals, who were the oldest and other large democratic party in Argentina were in charge.

But the military was becoming more and more restive. There was a coup in June 1966 in which the military took over. And this was the beginning a long period of military rule which didn't end until the Falkland Islands debacle for Argentina and the return to democracy in 1983 except for a brief Peronist interlude during 1972-75.

At any rate, when they first came in the Radical government was fairly difficult to deal with. Our official policy was to try to help them. They were having balance of payments problems. They had a couple of debt rescheduling in the Paris Club. That was one of our big issues as far as Treasury was concerned and as far as my particular job in the embassy was concerned. Then after the coup took place there was a period of indecision and confusion for a five months because the Minister of the Economy was incompetent and because the military were as hostile to capitalists and free market policies as some of the other elements of the Argentine political spectrum.

They weren't very keen on putting into office a fairly sort of straightforward conservative who would follow those kind of policies. At any rate, they weren't getting anywhere so at the end of the year, they changed the whole cabinet. I remember at the time because of the timing it was called "The massacre of the innocents" with the president, Onganía, playing Herod in this case. Krieger Vasena became the minister of economy. He was quite a strong figure and knew exactly what he wanted to do and completely shifted things around. At that point we played an important role in working with him.

There was a great deal of skepticism about working with Argentina in both the U.S. Treasury and the IMF because beginning with 1955 when Peron had been thrown out, there had been a number of stabilization programs. There had been a number of attempts by the United States, the IMF and the World Bank to help them. All of them had come apart very quickly so when the new one came along there was considerable skepticism, "Well, here is another one. How long is this one going to last" kind of thing.

So it made my job rather important in the embassy because we had a small aid mission. We did have an economist in the aid mission. We got along very well. In fact, he is still a very good friend of mine - Walter Stettner. He died recently. The relationship with the ministry of the economy was of course my connection. And this became one of the biggest single subjects for the ambassador at the time who was Ed Martin, a former Assistant Secretary of both Latin America and Economic Affairs. He was quite knowledgeable and followed this very closely. At any rate, the IMF worked out a stabilization program and a devaluation program-quite a steep devaluation as a matter of fact. It was very successful for about two years, certainly covering the rest of the time I was there. Working out the program and subsequently for, let's say three or four months reporting on the program, we had a lot to do.

I had one assistant in the office who was a foreign service officer who changed at the time, about six months into the job. Another one came in. Both gentlemen who I still know quite well Jim Ferrer who subsequently reached the rank of DCM in Brazil later in his career and Robert Warne, who is now Director of the Korean Institute for Economic Affairs in Washington.

Then, things kind of cooled off. I think I mentioned earlier it is only when there are problems that Treasury work is really interesting because then you are called on to formulate positions which might lead to action. If there is no problem then you revert to what you might call reporting, which can be analytically interesting for awhile but a steady diet of it becomes a bit dull.

Another issue did develop towards the end of my stay, about the second half of 1967, early 1968. The Argentines having turned around their situation, had a great reflow of capital. Their reserves went from almost nothing to very substantial. The United States Treasury was sort of playing games in those days using various gimmicks to minimize the size of the balance of payments deficit. Without going into the details, which are uninteresting now, one of my jobs was to present these little gimmicks to them and get their acquiescence and gratitude for the work we had done; it didn't require any cost on their part basically but it required them to take certain actions.

But then the governor of the Central bank of Argentina, which was responsible for managing the reserves said, "Look, almost all of our reserves are in dollars now. Our gold reserve is very low. The price of gold is wavering in the world and what happens if the price of gold suddenly goes up? I will be criticized for not having safeguarded the value of the reserves because they are entirely in dollars. So I would like to buy some gold." That was taboo in the Treasury trying to conserve its gold resources at that time- this being 1968, three years before the U.S. went off gold.

I had to engage in a kind of friendly but tenacious negotiation with the governor to decide how much gold he could buy and how fast and so on, which was strictly speaking, an accommodation on their part. Any foreign central bank had the right to come into the Treasury and convert its dollars into any amount of gold it wanted to buy. But they realized this was a sensitive subject and they wanted to maintain good relationships with the United States. There was a certain amount of moderation on both sides. We finally arrived at a ridiculous figure of 25 million dollars, purchased over five months. Something that would be completely unnoticeable by anybody else except Argentina.

That took up some of my time. And as for the rest, I found Argentina a very pleasant country. My wife is of Hispanic background and had studied Spanish and went to the University there. The kids went to bilingual schools so we were deeply immersed in the place.

In the fall of 1967, I attended the IMF annual meeting which took place in Rio that year. At that point my former boss, Ralph Hirschtritt, and now the most senior career official in the

office, mentioned to me that they were looking for someone to go to Vietnam. I think the State Department and even the White House had asked Treasury provide somebody from our division because other parts of the department had already. We had some people doing technical assistance-IRS and Customs. They wanted a financial type to go to Vietnam.

And in fact, the deputy ambassador in Vietnam at that time was Samuel Berger, who had been ambassador in Korea. He was probably the one that was pushing for it because he had liked my work and was generally favorable to Treasury -an exceptional opinion among American ambassadors. So at any rate, Hirshtitt finally got me to agree. At the time, this was late 1967, the situation was rather calm in Vietnam. We took a long home leave at the end of 1967 going through Latin America...

Q: Before we go here, I'd like to go back. Where were you and how did the coup take place? Did it effect you personally?

GORDON: It didn't effect me personally but I can give you an amusing story. The head of the CIA station happened to be a good friend of mine because he had been in Korea and we were neighbors and our children knew each other. As it turned out, we lived around the corner from each other-just by happenstance the house we found was around the corner. And I used to go to work with him in the morning and he would drive in. I would come home by myself because we had different hours. I would walk around to his house and we would get into his car and drive in. That morning after the coup...the coup took place at ten or eleven o'clock at night, I walked in. And he sort of looked at me and smiled and I said, "What are you smiling about...what is going on?" He said, "You don't know?" He said, "The government's been overthrown." Which illustrates it was so quiet and that there was really no resistance. The president who was considered incompetent but not dangerous in any way was sent home, not to prison!

The military simply took over. And there was complete acquiescence from the rest of the armed services. There was no shooting. Nothing of the kind. So it was totally quiet. The thing is the army had been threatening six months I had been there before that it was going to happen any day now. People would come in and say, "Did you know that there was going to be a coup soon?" American travelers in the country came in and asked me something and brought this up in conversation. Because the government had been so fragile; it wasn't doing anything. There was no question...they were on notice that their time was limited. So when it came it was sort of a foregone conclusion. There was acquiescence in the general population that it was a good thing at least initially. The only violence that took place was there was a demonstration at the university. It wasn't a violent demonstration. There was a meeting at the university and when the students came out the police or the soldiers, I can't remember which, formed a double line and made these students run the gauntlet and gave them a beating for holding this demonstration. And that was really the only physical thing that happened. This was a week or two after the coup actually took place. So it was on the whole, a very quiet thing.

And then of course with the success of the devaluation there was an increase in growth, and a

general improvement in economic well being that the military government that first year and a half was relatively popular and didn't have any particular resistance. It ran into a problem. This was after I left in 1969 which there were some violent resistance in certain parts of the country which led eventually to the return of the Peronistas in the early 'seventies with Peron briefly before he died and his second wife took over but that was after I left.

Q: While you were in Argentina, did you understand, or get from the embassy why was it that the Argentines seemed to having trouble getting their act together, at least up to when you arrived?

GORDON: The governments were weak because of a continuing division in the country. There were three well established political parties: the Peronistas, who were the largest single group, the Radicals who had brought democracy to Argentina in the 'twenties and the Conservatives who were a much smaller force politically but represented the wealthy landowners who had ruled Argentina for most of its history. The three disliked each other intensely and could never come together to form a stable parliamentary system of government. As a result of which the military felt it had to intervene to do something. Peron had split the military in 1945 and held their support until 1955. Thereafter they were always enemies. They did not like, at the outset, to take direct responsibility for governing for any length of time. They would call for new elections and then retire. When they took over in 1966, they said they were going to stay indefinitely but they had no stomach for the violent resistance they encountered from 1969 on and invited Peron to return.

This political instability led to inflation and balance of payments crises each time a civilian government was in power. And when each time a stabilization program was imposed on Argentina by the IMF and the United States as a condition for aid and debt rescheduling, it would have the effect of favoring the wealthy landowners and hurt the majority that lived in the cities. The reason was that Argentina is a food exporter and the key element of the program was a devaluation to make exports more competitive. When this raised the cost of living the Peronistas who controlled the labor unions insisted on wage increases and other measures which in effect upset the stabilization. It would collapse and have to be renegotiated. The Argentine debt at that time had to be renegotiated three times. In fact, the Paris Club started with Argentina.

The interview continues through his next tours, but discussion comes back to Argentina in 1985.

Q: And how long were you in Washington?

GORDON: Until I retired at the end of 1985. So it was about three years again. And again, there was really at that point no suitable job for me. So I was given various odds and ends of assignments until 1983 when the Argentine issue became important again with the end of the military government and the restoration of democracy.

My old friends the radicals who had been "couped" out of power in 1966 were reelected after the military left. In fact, the man who became central bank governor had been deputy central

bank governor at the time. Treasury was worried that the word "radical" really had a meaning in Argentina. Instead of being radical like French radicals which means next to nothing-it is a synonym for conservative.

Because Argentina was a major debtor, they feared an Argentine default which could have had repercussions in the rest of Latin America. So someone said, "Gordon has been to Argentina-he is the only one now on the staff who knows Argentina. So why don't we send him down on TDY?" So I negotiated again, what terms I would take. It was a funny assignment. It wasn't TDY for two weeks. I was there on and off over a period of five months. I didn't want to go down for five months, I told them, but to come back and forth for both for personal reasons and also to keep some control over what was happening.

There was no AID at that point. The DCM at the embassy was John Bushnell who had been in the Treasury on assignment. He was a foreign service officer who specialized in Latin America. A very difficult guy, by all odds, and the most disagreeable person I have ever run into either in the Treasury or the State Department. He generated a lot of hostility. I had many foreign service officers asking me whether I could not make a recommendation to get rid of him, they disliked him so.

My relationships with the embassy were a little bit loose. At one point the ambassador complained I wasn't spending enough time telling him what I was doing. But I just re-established relationships with the ministry of finance, Central Bank, just to see what was going on...what their views were. We took a fairly friendly view you know, saying to them, "If you don't pay on time we will have to declare you in default. If interest is more than 90 days in default then there are certain consequences we will have to take that will hurt your credit rating. It would be in your interest not to do so let's see what we work out so you can pay."

Basically I tried to figure out what they were going to do. I soon found out they were not going to do anything very radical but they had a very serious inflation problem. Inflation was 400-500 percent a year and the exchange rate was just falling like a stone. And we tried to work out some sort of stabilization program. But, they were wary of the IMF and did want to go into one of its programs. My role, with the help of the embassy, was basically to nudge it into some kind of agreement to help them stabilize, to arrive at a formula that would prevent us from having to invoke sanctions if they defaulted on interest over 90 days.

In the end what happened was the Mexicans came in and played a rather interesting role. They thought if Argentina defaulted it would hurt their credit rating and they had absolutely no intention of defaulting their debt. They were very orthodox in their approach to this whole thing. They proposed that they and several other Latin American countries with the United States, lend Argentina some money temporarily. Much of my time was really spent negotiating this agreement with the Mexicans and with the Argentineans. David Mulford was assigned by the Secretary, Donald Regan, to work on this problem as an initial job. He later became assistant secretary.

I knew Argentina and some Spanish, although it was terribly rusty after an absence of fifteen years. He didn't know any Spanish. He came down for a week and we negotiated this agreement. It was one of those down-to-the wire things. We stopped the clock. We finished the agreement at 2:00 AM in the morning and then we went out and had dinner because in Argentina you can have dinner at 2:00 in the morning. And you know, it was interesting, exciting at the time. I was glad to be back. I also went to see some old friends. We had some personal friends who were ministers in earlier governments who remained friends of mine that I went to see.

Q: Was there...?

GORDON: My wife came down for a few weeks.

Q: Was there bitterness about the American role which is essentially one of support of Great Britain over the Falklands?

GORDON: Well, there was some attitudes...some bitterness I think in the Argentine population. The radicals did not take that view. They felt, if anything, that the American position had helped them restore democracy in Argentina. So I think that at the official level there was a good deal of friendliness with the United States. And they wanted help from the United States. There was no question about it. There were really no foreign policy issues at that time with the radicals.

The basic problem with Argentina was internal economic. They had a serious inflation which was the outward symptom of years of bad economic policy that began with Peron after WWII. They could never muster the political will to overcome in part because very little of the population believed in the orthodox medicine needed to solve the problem.

That assignment lasted until the spring of 1984. I came back and David Mulford became assistant secretary. He established a new office on international debt policy and he made me the director of it. That was my last job in the Treasury. I had that job from the 1984 to the end of 1985. I did the initial drafts on what later became the Baker Plan as well as on various other issues.

Q: This was basically trying to help the debt problem in Latin America?

GORDON: Basically our issue was finding rescheduling terms which were acceptable to the commercial banks. The real issue was commercial bank debt owed by Latin American countries which was very large in relation to American bank capital at that time. There was a fear that a massive default could cause runs on banks and the collapse of several of them. In the end everybody negotiated except the Peruvians who defaulted. Happily, their debt was not large enough to have any serious repercussions.

Q: I am just curious...there was a time when our banks were rather loose when it came to giving out credit. Particularly to countries like Mexico and Brazil.

GORDON: Very loose. That is how it happened.

Q: Was the Treasury doing anything to monitor in conjunction with the Department of State, I mean, somebody looking at a country and saying "Hey, fellows, this is really dangerous?"

GORDON: I doubt it unless it was very informal and at a very senior level...under secretary or secretary. I was unaware of anything official. The commercial banks, especially the New York banks who are the principal commercial banks, regard themselves as princes. They only come to the government if they have a problem and if you come to them and say that you want their assistance in such and such a country their attitude is that it is our business and we decide our risk and we think the risk is acceptable. Walter Wriston, who was the president of the Citibank at that time, said "Sovereign countries don't default." He'll remember that the rest of his life. Of course, sovereign countries could default.

So they were all anxious to get into this field because there was a great deal of money to be made. Because they could lend 300-400 million dollars and get 2 or 3% on that as practically pure profit and carry out that transaction easier and with far less cost than doing a project loan of 25 million dollars to build a power plant somewhere.

So they were all running around Latin America doing these loans. And the Latin American balance of payments in the late '70s looked pretty good. Of course, some of them undertaking really crazy domestic programs. Argentina was one of the worst, borrowing money right and left. It was clear certainly to many Argentines that this thing couldn't last very long and they were shipping their money abroad. Why commercial banks went on, I don't know. But they did. Even after the 1979 oil price increase and the subsequent recession in Europe and the United States made Latin America's prospects much worse, very few cut back.

And it was only when Mexico...actually Argentina set it off, but since Argentina didn't have the political relationship with the United States that Mexico had, the crisis was really established when Mexico said, "Look, we're bankrupt, you've got to help us." That was 1982.

There is another point. Debt crises break out with little warning because no one really knows the dimensions of a country's indebtedness until payments stop and creditors come calling. This was true then and again in the most recent crisis in Asia.

STANLEY I. GRAND
Special Assistant to the Director
Buenos Aires (1966-1970)

Stanley I. Grand was born in New York, New York on August 7, 1920. He attended the University of Wisconsin and entered the Foreign Service in 1945 after a two-year tour with the U.S. Army. Mr. Grand served in Peru, Brazil, and

Argentina. The interview was conducted in 1992 by Charles Stuart Kennedy.

Q: Was there an effort to try through exchange programs to develop sophisticated economists or people who could deal with the problems of loans and everything else that goes along with an economy?

GRAND: Yes, that was an integral part of the Alliance and that was the combination of the lending program with the grant program. The grant program provided funds for exactly the sort of thing you mentioned, namely, the exchange of persons for training in the United States. We used all sorts of facilities including universities. We used to get people Master and Doctoral degrees in the field of agriculture, etc. which was fundamental to the development of these countries.

I might add as an aside that I am not particularly enamored with the use of universities in the United States on a carte blanche basis. You have to realize that the Land Grant College and University Association is a very strong lobbying group here in the United States. They were able to get some very lucrative contracts from the AID agency to train people.

One university, Texas A&M, had a team operating in Latin America. When I got to Argentina to run the mission I met with the head of the Texas A&M team, a very nice guy. I told him that while I had been in Texas I had never been to Texas A&M and wondered what kind of campus they had. It was a friendly conversation. He said, "I don't know." I said, "What do you mean you don't know?" He said, "Well, I have never been there." I said, "But you are heading up a Texas A&M team here and you are sending students up there to get advanced degrees. And you are having some of them work with Texas A&M people who are down here in Argentina working with you and you have never been to Texas A&M?" And he said, "No." I said, "Well, how did you get this job?" He said, "Well, I was working at the University of Utah and got a call from the Texas A&M people and they offered me the job. They said I had to get down there right away so I came right down here to Argentina." I said to him, "Well, next week you are going to go up to Texas A&M and at least look at the place so that you can say you know what it looks like." And he did.

The land grant colleges at the beginning of the Alliance did not have enough people, particularly project manager types. They got contracts from AID but they didn't have on staff people to implement those contracts. So they just hired people. We probably would have done just as well or maybe more economically hiring a regular head-hunting company, who do the same thing. They just go out and hire consultants. So I am not persuaded that in the future government organizations should give carte blanche to universities just because they are universities.

But we did a lot of that sort of thing, training. I will give you a specific project. We decided that one of the big problems in Argentina was a need to improve their Customs Service because there was a lot of smuggling going on in and out of the country. One of the things they needed was a lab. Now a Customs laboratory is a very sophisticated setup. So we first sent some people up here to the United States from the Argentine Customs Service, trained them, etc. using grant funds. Then, when they were back in place, we built the lab using loan funds. It is still

functioning well.

But I think part of the problem was, as you pointed out, a lack of trained personnel to implement these loans. It is easy to get people to build a road. Every country has road building operations. But when you talk about more sophisticated things that will have an institutional change, you need different kinds of people.

Q: You moved down to Argentina from 1966-68. What caused that and what were you doing?

GRAND: I ran the AID Mission there, which was the natural thing to do. You have to get out of Washington eventually. I was actually there until 1970. I left Argentina in 1970. I went down there initially as the assistant Mission director handling the lending operation. Then I became the Mission director. We were in the process of ultimately phasing out the program in Argentina. We felt that Argentina had graduated and didn't need to be part of the Alliance operation then. We were wrong, but we had done a lot of institutional building programs in Argentina. And Argentina was a different kind of place than the rest of Latin America.

Argentina was probably the only country at that time in Latin America that had a real middle class. It is still the only Latin American country that has a middle class as a majority. Mexico had a middle class which was somewhat different. I think the main difference being that Argentina was and is the country with the highest literacy rate in Latin America.

Q: It really is an European country isn't it? I mean there is not much of an indigenous Indian population is there?

GRAND: It is mainly Italian and Spanish. The Argentines did to the Indians exactly the same as we did. They either killed them off or put them on reservations. They still have reservations. The only Argentine twist on this is that in the front lines of their troops when they were fighting the Indians they put the few blacks that they had. That and chicken pox in the port area killed off all the blacks. You don't have many blacks in Argentina. If you see a black in Argentina he is probably from Brazil. It is basically a Spanish and Italian country with a small amount of English and German input.

Very fortunate things happened in Argentine history. A man was elected President in Argentina by the name of Sarmiento, who was elected President while he was in the United States working with Horace Mann. Horace Mann is the person who set up our public education system. Sarmiento went back and set up a similar public education system in Argentina. It is unique in Latin America. There are many other ways in which Argentina is very different from the rest of Latin America. And its problems as a consequence are quite different.

Q: When you got down there, who was the ambassador?

GRAND: I had three different ambassadors. One was Ed Martin, who is a brilliant man. This is an example of what you are dealing with. Ed Martin was in his early '50s when he was assigned as Ambassador to Argentina. He didn't speak Spanish, although he had been Assistant Secretary

for Latin America for a short time. He went to the Foreign Service Institute for three months before going down to Argentina. When he got down there he could communicate in Spanish, and could and did read everything...just an amazing guy. An absolutely top flight human being. One of the really outstanding career ambassadors that the Foreign Service has.

Q: He was an economist, wasn't he?

GRAND: Yes. And he knows how to run an embassy. I remember right after I got down there we had a revolution. In the morning staff meeting about a week or two afterwards, Ed said to me, "Stan, what do you think of so-and-so who is the new Secretary of Housing?" I said, "Well, I don't know him." In kind of an abrupt fashion he said, "Well, it seems to me you certainly ought to know the person you are going to be working with." I went down to my office and pulled out the newspaper where he said it was printed. Actually it was the secretary for some kind of a social organization that had been named. So I wrote him an memorandum saying, "Mr. Ambassador, I don't know so-and-so whom you mentioned and who is going to be Secretary in the Ministry of Public Welfare. It is my understanding that so-and-so, who is a friend of mine, will be named shortly as Secretary of Housing." Before the next staff meeting this man was actually named Secretary of Housing. Ed, to his everlasting glory, in his next staff meeting apologized to me publicly to all the members of the country team saying that he had made a mistake. I thought that was marvelous. A top flight guy.

He was followed in turn by a rather strange man, Carter Burgess who was a political appointee. He had been President of TWA, American Machinery and Foundry and was a big financial supporter of Lyndon Johnson. A very interesting person. He succeeded in dividing the Embassy very quickly into groups. A majority group who hated his guts and a very small group of us who were his favorites. The favorites at the Embassy then were myself, Len Saccio the DCM, and Herb Thompson, both of whom went on to be ambassadors. We had a very pleasant time as a consequence. Carter Burgess felt that he didn't know anything about international relations, but he knew how to handle people, and he did. He gave marvelous parties and spent a lot of his own money. But those parties were working parties and he saw to it that people in the Embassy worked. A lot of people didn't like that. A lot of embassy people used to go to Embassy cocktail parties and stand around looking pleasant. Carter didn't let that happen. He made people work. He was a very tough guy. I liked him. He lasted a short period of time because of an error that was made by Nixon's transition team and he left there when Nixon came in.

In due time he was replaced by John Davis Lodge. John Davis Lodge is a person with a tremendous career. He had been a Congressman. He had been Governor of the State of Connecticut. He had been Ambassador to Spain and was finally named Ambassador to Argentina.

Q: He was also a movie actor. I saw him with Marlene Dietrich in the "Scarlet Pimpernel" just a couple of nights ago.

GRAND: I think he was also in "The Good Ship Lollipop" with Shirley Temple.

He was also interesting. He and his wife, Franchesca, were a strange pair. I got along exceedingly well with him. He was probably one of the best, if not the best, early 20th century ambassadors. This was a man who was made for minuets and things of that kind. It was not his fault that he was living in the late 20th century. I don't think he should be castigated for this. He had a lovely social style. He didn't have the slightest idea of what was going on in Argentina besides the social scene, and he really didn't care. I was a bachelor at that point and as a consequence I moved around in high society Argentine circles and was well aware of what was going on in terms of society gossip. Invariably when I would go up to talk to him about something, we would end up discussing who was sleeping with whom, etc.

But I had his complete support. I remember I was going up for an annual country review of my program in Argentina. I went up to see him about this and we talked about the program a little bit and then got onto the usual gossip. Then at the next country team meeting, a day or two before I was going to leave, he announced that, "Stan is going up to Washington with his Argentine program. It is a top notch program and has my complete support." He hadn't the slightest idea what I was doing. But on the other hand, and I think this is something that people might want to keep in mind, when he was a Congressman he became a very close friend of Richard Nixon and he said to me at one point, "Stan, if you have any real problems up there, give me a call and I will call the President." And he was the kind of guy who would do just that.

When I got to Washington and had problems with my bureaucratic equals in Washington on some aspects of my program, if it was something that I really wanted, I would just say, "Well, you know the Ambassador feels very strongly about this and you all know how erratic this Ambassador is. He told me that if I had any trouble, to give him a call and he would call the President." And of course the whole bureaucracy was terrorized and I got what I wanted. He was very useful.

I got along with him all right because, as he pointed out to me early on, "Stan, I know you are a Democrat but on the other hand you worked for Lyndon Johnson and Lyndon Johnson was a good friend of my brother [he was, he appointed him as Ambassador to Vietnam] so you are a good guy." I had a wonderful time.

Q: Tell me, on the AID program you said that you were there to phase it down because you felt things had moved along, but yet that was a mistake. What was the reason for that?

GRAND: Well, we decided to phase out Argentina at that point because we felt that it had gone along economically and was advancing socially as much as we could assist with bilateral aid. Argentina was eligible for lending from the IDB and the World Bank, through its normal window rather than through IDA, which is its soft loan window. We felt that it was a country in which there wasn't really much more we could hope to accomplish. It was under a military government. It was not going to be moving out of this as far as we could see for a long time. It just seemed that with our own funds being reduced and needs elsewhere in the world, this was one country that could make it on its own. As a matter of fact, Argentina was feeling its economic oats to the point that it announced it would become a donor nation of its own through the IDB.

So we felt that we could move out of there without any real problem. And we did. I think I said it was a mistake. I don't know whether it was a mistake or not. The kind of fundamental change which Argentina has gone through in the last three or four years, which is bringing about tremendous economic advance, is the kind of change that could only have been accomplished as a consequence of a kind of weird internal development. That is fine. In other words, what I am saying is that Argentina, until the last four or five years, has been suffering as a consequence of Peron and all that Peron did in terms of the taking over of industry and nationalization of things, etc. He has been replaced by a so-called Peronista who in the last four or five years has reversed everything Peron had done under the same banner. I am sure that whenever the President now opens his mouth Peron turns in his grave. But we could not have done very much more to improve Argentina economically at the time we phased out.

Q: What was the political situation when you were there--1966-70?

GRAND: You had a military government that had taken over. However, most of the people in the government at the Cabinet level were not military people.

This reminds me of another example of how you get things done. People think that when you are working government to government it is an easy thing. When you get a military government into Latin America they are very strongly Catholic. All of a sudden crucifixes reappear in government offices. In most countries, with the exception of Mexico, Catholicism is the official religion of the country. When you have civilian governments that is sort of down played.

We had had in Argentina a planned parenthood program, a birth control program. It operated very well two levels below the ministerial level. Everybody including the minister knew it was going on. We were providing materials from the planned parenthood operation out of London, which is the place which AID used to buy its materials before the program was curtailed in recent years here. We would distribute loops, intrauterine devices, pills and things of this nature. The way we did it in Argentina was sort of amusing. We obviously could not, with a government that was officially opposed to this sort of operation although backing it fully, bring it in and get this stuff through customs as the US government. So what we did was have it all shipped from London via the diplomatic pouch to me. Then we just distributed it.

Everybody knew what was going on and there wasn't any problem until one time we almost had a disaster. We got a cable from London which stated that they were going to send, on such and such a ship, thousands of intrauterine devices, pills and condoms all shipped to me. When things are shipped to you and you are in the diplomatic service, as you know, the Ambassador sends a Note to the Foreign Office certifying that whatever it is that is coming in is for your personal use. Well, I was a bachelor at that point. I called London and got the thing stopped and then went up to tell Carter Burgess. He almost fell on the floor laughing. He said, "My God, you should have let this happen. We would be giving this country an inferiority complex."

Q: Tell me, Stan, this will straddle your time in Washington and part of your time in Argentina, one of the things that has been said is that when Kennedy died the Alliance for Progress died. That Johnson had no particular interest. From your perspective and having known Johnson and

worked with him and the people around him, how do you feel about this?

GRAND: One of the first things that Johnson did shortly after the Kennedy funeral...it was a very moving thing as I happened to be invited there...was to call a meeting for all the Ambassadors from Latin America to the White House, it was the first big meeting that he had, and its purpose was to reassure them that the Alliance would continue. Mrs. Kennedy showed up for the meeting. It was unexpected. It was a very moving experience for all the Ambassadors.

Now Kennedy and his people operated on a very activist level. In other words, Kennedy was not adverse to picking up the phone and calling a State Department desk officer. Half of them almost died of a heart attack when that happened to them, because you don't really expect to be called by the President of the United States.

Johnson had a different approach. He was interested in the Alliance. As a young man he had hitch-hiked through Mexico, etc. He had the kind of Texas paternalistic view about Latin America...they are all our boys. He was content, in terms of the Alliance and a lot of other things, to give the support to something, get the people in whom he thought would do it and then let it go.

He made several trips to Latin America and he came across in a different way. Interesting things happened on his trips to Latin America. I was not on those trips with him because I had already moved out. But the Latins reacted to him in a strange way. They had loved Kennedy. And they were sort of, you know, here comes this long gangling, not very handsome Texan, who doesn't have any of the charm and charisma of a Kennedy. But after a while they suddenly found when talking to this man that he was really interested in them. Johnson had the ability, you know, to listen as well as to talk...when he wanted to. Very often he would drive people crazy because he wouldn't listen to people. But he was interested in Latin America and backed it, used his prestige and ability to manipulate Congress, or to control Congress, to keep the Alliance program going and funded well.

We didn't have any of the flashiness, but the program went on very well.

Q: Did you experience much White House staff interference when Johnson was there?

GRAND: Practically nothing as compared to the time when Kennedy was there. But then again, you know, Kennedy had bright guys that had ideas and they had just taken over. A lot of them were gone when Johnson took over, although Johnson did keep an awful lot of the Kennedy people. He was fascinated by the Kennedy people. He thought they were real bright, and I think that was one of his errors that ultimately led to his down fall. Because he listened to people like McNamara. There was, however, very little interference from the White House as concerned the Alliance.

Q: In Argentina you had these various ambassadors. How comfortable were we with them. Was there any feeling that we should do something about the military government?

GRAND: We had passed through that phase. When the Alliance first started one of the first governments to be taken over by the military was Peru. We had an ambassador there by the name of Loeb who owned a newspaper in New Hampshire. He was a liberal appointed by Kennedy. When the military government took over in Peru the Kennedy reaction was...freeze the AID program, get the ambassador out of there and bring him home. Which is what we did. By the time the late '60s came around, most of the governments of Latin America were military governments. There was no real problem with them, as a matter of fact, in working with them and accomplishing many of the Alliance's objectives.

Q: Were there problems in Argentina when you were there?

GRAND: We didn't have any substantial human rights problems in Argentina at that time. We had some problems in terms of US-Argentine relations as a consequence of the fact that there was, there still is, a substantial amount of anti-Semitism in Argentina. Argentina has the second largest urban Jewish population outside of the United States. In other words, as I recall the order of Jewish populations in cities is New York, the largest, Argentina the second largest and Tel Aviv the third largest.

Q: Was this a result of leaving prior to World War II or had this gone back many generations?

GRAND: Did you ever see the play "Fiddler On The Roof?"

Q: Yes.

GRAND: "Fiddler On The Roof" in the United States ends with everybody leaving the Soviet Union and going to the United States. "Fiddler On The Roof" in Argentina ends with everybody leaving Russia and going to Argentina. And that is what happened simultaneously. At that particular time in the late 19th century, Jews leaving Russia went to two places. They went to the United States or to Argentina. They settled there in the Mesopotamia area. They set up kibbutz the same as they do now in Israel. So you had that large migration of pre-World War I Russian Jews. Then you had the pre-World War II influx of German Jews, just as we did in the United States. That is where you get basically the same pattern of immigration as we had here in the United States.

There was and still is latent and sometimes active anti-Semitism. It was, I think, to some extent exaggerated when I was there by the New York Times. But you know, if I were the New York Times representative in Argentina, what kind of stories would I report to the New York Times? I would report anti-Semitic ones, they sell well in New York. I think the New York Times correspondent, in all fairness, did do an unfair job of emphasizing the anti-Semitism in Argentina.

But, we didn't have any of the problems that developed later on in Chile, for example.

Q: Then you left in 1970 and came back to Washington.

HERBERT THOMPSON
Political Counselor
Buenos Aires (1967-1969)

Herbert Thompson was born in April 1923 in California. After serving in WWII and studying at the University of Oregon, he entered the foreign service in the class of 1949. His posts included Madrid, La Paz, Buenos Aires, Panama City, Santiago, and Mexico City.

Q: Which brings us to 1967 when you went to Buenos Aires as political counselor. What was the atmosphere there on your arrival? There was a military dictatorship, I believe, in power.

THOMPSON: Yes, the military regime was in power. We had rather formal, if not warm, relations with that regime. I remember particularly my arrival there because the DCM was on consultation in the department just before I left to go to Buenos Aires, and then as I recall, went on personal leave. While I was making my way to Buenos Aires, Ambassador Martin was called away to perform a function related to an international agriculture group that he was heading at the time. And so to my astonishment on setting foot on Argentine soil I discovered that I was the chargé d'affaires, which went on for some time.

Q: Was there evident anti-American feeling in Argentina at that time.

THOMPSON: Not really. I suppose in the nether reaches of the Peronist movement there were plenty of people who undoubtedly had difficulties with the United States, but it was not very public or noticeable.

Q: It didn't affect your dealing with the officials there or your movement about or discussions with other people?

THOMPSON: No, it wasn't a problem.

Q: What about communist and Cuban influence there at the time?

THOMPSON: Well, the control of the military was pretty effective acting as a prophylactic against subversive activities in Argentina. Later of course the internal situation became much more difficult, that is, under succeeding military regimes and the period of the "dirty war" came along. But none of that was in evidence during my assignment there.

Q: And yet during that period the Ambassador's residence was fired on and the USIS library was attacked so there were obviously underlying forces there at work.

THOMPSON: Yes that's right. I think if I recall the USIA center in Cordoba was fired while we were there. Cordoba was a rather yeasty place given that it was the principal locus of

Argentine industry and the heart of the Peronist labor movement was there. There was a rather large and violent strike I remember in Cordoba close to the time of my departure as I recall.

Q: The former head of the Argentine government Juan Peron was, at the time you were there, in exile in Madrid. Was his influence strongly felt in Argentina or were the people glad he was in Madrid? Would they have welcomed him back? What was your impression?

THOMPSON: Well, it depends on which people. I suppose the Peronists in theory at least would have been glad to have him back as head of state as he proved to be some years later. On the other hand, certainly the military regime had no desire to have any truck with Peron. And while Peron was said to be periodically sending emissaries to the Peronist movement in Argentina and there was a certain amount of speculation and press commentary about what he was doing, the fact was there was not a significant Peron influence apparent at that time in Argentina.

Q: Two or three ambassadors arrived while you were in Buenos Aires.

THOMPSON: Ed Martin was ambassador when I arrived and was replaced by John Lodge.

Q: Where did Carter Burgess come in?

THOMPSON: Oh, yes, you're right. Carter Burgess replaced Ed Martin and in turn was replaced by...

Q: Which one was the most effective there in terms of handling...

THOMPSON: My bias would be to say that the career officer Ed Martin was the most effective of the three. On the other hand, I did not serve with him as long as with the others as he was replaced not long after my arrival. Carter Burgess had been a Democrats-for-Nixon leader in business circles in the United States and had some very ingenious ideas about entertaining at the residence. He had the practice of designating an officer of the embassy as coordinator for every social event held in the embassy. Each had to have a theme with appropriate favors relating to the theme to be distributed to the guests during the entertainment. All in all these were rather big productions. John Lodge of course came not only with his political history of having been governor of Connecticut but his diplomatic experience of having been ambassador to Spain. More than that his Hollywood experience from his days as an actor in Hollywood. All these features conjoined in him to [create] a very public personality who was committed to a constant stream of pressmaking events and interviews which kept the public affairs officer fully engaged as his personal spokesman. Enough said about those poor creatures.

Q How were the duties divided between the ambassador and his deputies? Did the ambassador behave like a chairman of the board and let the deputies run the organization or did any one of the three take a direct hands on approach?

THOMPSON: Well, I think that Ed Martin had a very hands on approach. I think in the cases of both Carter Burgess and John Lodge, they performed in a kind of chairman of the board role where the DCM was responsible for running things other than social events and public affairs which were their domain.

Q: Did the embassy and Washington see our relations with Argentina in the same light at that time or were there differences of opinion?

THOMPSON: I'm not able to recall that we were on different wavelengths at any time during my tour there.

Q: Looking backward, when you were in Argentina, could you foresee a time when there would be a war over the Falklands?

THOMPSON: No. I would have to say that was inconceivable to me at that time. The Falklands as it had been for many years and as it was still to be for many years was an issue in UK relations with Argentina. But the notion that the Argentines would ever engage in the madness of an invasion of the Falklands really was not on my radar.

Q: Well, after three years in Argentina, at mid-cycle you moved north to Panama and there you became DCM to Ambassador Bob Sayer. Had you requested this assignment, or did he request you or how did it work?

THOMPSON: I'm not clear on whether he requested me. I'd certainly not requested the assignment. It became somewhat of a cause célèbre in Buenos Aires with Ambassador Lodge choosing to take the position upon his return from leave in Spain, that he had somehow been undercut during his absence with his political consular removed from his staff although always with appropriate sounds of regret. He continued to look upon me until my departure as one that had willingly broken up the Lodge team.

Q: You were deserting the ship, is that it?

THOMPSON: In effect, yes.

Q: Too bad this does not make your leave taking any easier, I know.

THOMPSON: No. On the other hand, be it said in the ambassador's behalf, he and Mrs. Lodge gave a very lovely farewell reception for us on our departure from the post and we left on the best of terms.

W. ROBERT WARNE
Assistant to the Treasury Attaché
Buenos Aires (1968-1970)

W. Robert Warne was born in Washington, DC on November 30, 1937. Mr. Warne attended high school in Tehran, Iran and graduated in Brazil. He then attended Princeton University's Woodrow Wilson School. After graduation in 1962, Warne took a commission, spending two years with artillery in the Army. Warne then became a member of AID in the fall of 1962, to begin a diplomatic career spanning 24 years. Mr. Warne has also served in Buenos Aires, Brussels, Kingston, and Paris. The interview was conducted by C. Stuart Kennedy April 1, 1995.

WARNE: I went to Argentina.

Q: When did you go there?

WARNE: We went there in '68. (sic – actual date was 1967. Ed.) I had Spanish-language training, and was assigned as the financial officer. I followed the IMF (International Monetary Fund) stabilization program and did the financial reporting for the embassy for the first year. I was the assistant to the Treasury attaché. And then the ambassador asked me to be the commercial attaché. This amounted to a two- or three-rung jump in the assignment level to run the six person commercial section. Argentina was very exciting. The family and I enjoyed it immensely. We had two children by then, a daughter and son. My wife taught school as she did in all of our subsequent assignments.

Q: You were there from '68 to...

WARNE: From '68 to '70.

Q: What was the political situation in Argentina when you went down there?

WARNE: It was relatively stable. There was a military dictatorship under General Onganía. It was a benign dictatorship. There were not any terrorist acts going on. Economic stabilization under the IMF and USAID was the main program. They were trying to stabilize the country, prospects were looking good. The economy began to turn around.

It certainly is a wonderful country. We had just an exciting assignment. As commercial attaché, I traveled to every province, 23 in total. My wife went with me, and we had a wonderful time.

Q: Let's talk about the financial side. Had Perón pretty well looted the treasury before?

WARNE: No. It was a badly divided country, obviously. The Peronistas, the labor socialist groups in the country, still had a great deal of power. But the Onganía government had worked out an accommodation and had secured itself politically.

No, there was no turbulence, violence nor disappearances in the 1968-1970 period. The government was dealing with practical problems. I felt that our ambassadors during the period,

Carter Lane Burgess and John Davis Lodge, struck me as being out of touch with things. Both had personal agendas, the first to promote business and the second himself. But the American delegation at the American Embassy was, I think, quite effective.

My relationships with the government were productive. I worked closely with the finance minister and his deputies, and played a role in engineering the IMF program and U.S. support for it. I was encouraged when U.S. investments began to flow in.

The Embassy worked closely with the business community. We regularly met with the business community to discuss business proposals. We promoted some new investment. We put out a weekly account of the business opportunities and possible joint ventures -- a news analysis of commercial opportunities. The commercial section developed a network around the country with business people and chambers of commerce, which showed an American presence and involvement in the country. The government stabilization was taking hold, the economy was growing and Argentina was beginning to achieve its potential. But the weak point was Onganía himself. He was a dictator and eventually passed from the scene. Argentina then went through another turbulent period with high inflation and slow growth. Its prospects -- always bright but never realized -- were again set back.

It was a wonderful assignment as far as our personal life was concerned. My family enjoyed many wonderful experiences. My wife taught school, the kids grew up and enjoyed the school and country.

Q: The Argentines are European based. Was there a natural affinity between trade, as far as Europe and Argentina? Was it difficult for us to do business?

WARNE: Not at all. The plurality of the population is Italian, by origin, but there are many British, Germans and other nationalities. The Argentines identified with the United States. I never felt reservations towards Americans. No, not at all. We had an active international and local community in which we were involved. We enjoyed the Argentines very much.

Q: Was the American Chamber of Commerce pretty active there?

WARNE: Yes. They needed the embassy to resolve issues with the government. U.S. business was doing very well. American companies were prospering and expanding, and new ones were coming in. It's such a wealthy country with many opportunities, that if you had leading-edge technology and local presence, you could do well.

Q: One other thing, I don't know whether we were asking the question then, and I've never been there, but you look at this place, it doesn't have to absorb a large Indian population, which can be a drag in thinking economically and all that. So that the world...

WARNE: What do you mean, it never took off?

Q: It never took off. Were you asking the question then, and wondering, looking at the dynamics,

what...

WARNE: Why Argentina had never got its act together, become a developed country?

Q: Why it was, as you saw it at that time, because I think we were still looking at this...

WARNE: There were three or four things that impeded progress in Argentina.

One is that they were not as commercially driven as many countries. Maybe it was because they were living off the fat of the land, the estancias.

Q: These are the ranchers.

WARNE: Life wasn't that difficult. The wealthy, landed gentry enjoyed a good life. They had all the meat, wine and pleasure that one can have in a beautiful, rich country.

Secondly, Argentina had gone through the Peronist period -- a socialist oriented time. The economy was burdened with a lot of inefficiencies -- inefficient state enterprises, a large social welfare program, and militant organized labor. These conditions combined to create a situation in which it was difficult to revitalize the economy to be efficient.

There was also a lack of political consensus to develop political institutions. Argentines failed to come together as a nation. They were divided by their ethnic differences.

Finally, they suffered from a stop-and-go situation. A couple of years of progress, as during the time I was there, and then they got off the track again. They never had sustained economic growth going despite the many possibilities. Argentina should have focused on stability, on opening the market to investment, on being more efficient, on reducing the government overhead and on eliminating inefficient state enterprises. They never came to terms with these needs. During the time I was there, the programs were headed in the right way, but they never sustained it for a long enough period to make it work.

Q: You left there when, in 1970?

WARNE: Yes.

GEORGE B. HIGH
Deputy Chief of the Political Section
Buenos Aires (1968-1972)

George B. High was born in Chicago, Illinois in 1931. He received a bachelor's degree from Dartmouth College and attended Columbia Law School until 1956. Mr. High entered the Foreign Service in 1955 and served in Angola, Argentina,

Brazil, and Mexico. Mr. High was interviewed in 1993 by Charles Stuart Kennedy.

HIGH: I came back for home leave and then went to Argentina.

Q: Where you served from 1968-72?

HIGH: Right.

Q: What were you doing there?

HIGH: I was the deputy chief of the political section. That was my first embassy assignment and exposure to its operations from the inside. The head of the political section when I first arrived was Herb Thompson, who had had previous experience in the Department's Secretariat before coming to Argentina. He was replaced after about a year by Bill Sowash. Herb had lots of contacts in the Foreign Ministry, which was a very professional ministry. He also had some important contacts in the military, and Argentina had a military government.

The civilian government of Dr. Arturo Illia had been overthrown in 1966. The military felt he was entirely too leftist, the golpe brought political activity to a stop. The new president was Juan Carlos Onganía, a general. His government undertook a number of economic reforms to make the country more productive, less corrupt, etc. The economic minister was Krieger Vasena. He was the architect of a major turn around in the Argentine economy and was very much admired by foreign governments, the International Monetary Fund, and foreign businessmen. A lot of American investors and businessmen who had left during the Peronist years began to come back and invest. They were very happy. The universities were intervened and run by appointees of the government. There was very little political activity. Politicians spoke nostalgically of the efforts made by the previous American Ambassador, Edwin Martin, to avert the military takeover.

My predecessor in following political affairs in the embassy initially had a very exciting period of work while the Illia government was in power and the aftermath of the overthrow. His activity was reduced to handholding, with the military in power, but it was an important function looking to the future.

Q: Who was our Ambassador?

HIGH: Initially, the Ambassador was Carter Burgess, a businessman who had been a director of the Ford Motor Company and was independently wealthy. He was a Republican appointed by a Democratic President, Lyndon Johnson. Following the return of the Republicans to power in 1970, he hoped that President Nixon would continue him in this position, and he lobbied for it.

Our policy toward Argentina was particularly economically oriented. We wanted to help the economic transformation. The government was doing all the right things in its early years. Nevertheless, there were some frictions. The United States imposed new restrictions on beef imports, and, of course, meat was a terribly important export for the Argentines. They had long

faced a ban on Argentine beef in Britain. The British feared foot and mouth disease. But the US did permit beef imports from Argentina, though some sanitary controls served as a discouragement.

The Argentine meat industry and government were very annoyed by this. Our ambassador, Carter Burgess, was annoyed with it, too, because he saw this as a festering sore on the relationship and wanted to remove it if he could. He really felt that U.S. industry was using the new restrictions to put down Argentine competition. He said, "If some guy is hauling a carcass from his delivery truck into a restaurant in the U.S. and it falls in the street, hell, he picks it up, puts it back on his shoulder and walks it into the restaurant. And that is all they are talking about in Argentina."

Carter Burgess concentrated very heavily on the Argentine and the American business communities. They were natural for him, and much of our bilateral discussion was on trade and investment. He was very socially oriented. He had the embassy organized to a fare-thee-well to support major dinners that he would give at his official residence, a lovely, palatial mansion built in the 1920s by an Argentine who had presidential ambitions. Henry Ford, the chairman of the Ford Motor Company, came for a visit. The ambassador had people in the car pool go to all the toy stores around Buenos Aires to buy up little models of Ford Model T's and then assemble them when they weren't driving people around. A grand dinner was given for the Fords at the residence and each table was graced by a Model T car model. Pretty creative, but a lot of work.

The ambassador organized the wives -- which you couldn't do these days; the revolution was about to begin in the late 70s -- to serve as volunteers to support the dinners, set up tables and keep things going. He even had me draft guidelines on the support tasks we were to perform at the grand dinners. He was pleased the way I had overseen a dinner he gave early in his posting for the newly appointed Argentine ambassador to Washington. So there was a heavy emphasis on entertaining.

His great fear, approaching paranoia, was the moments of transition in a formal dinner between getting up from the table, having drinks, and the entertainment that followed. He worried that busy guests left on their own might depart at that time and the entertainment would fall flat.

For that brief transition period at a dinner, with the help of USIS, he got some clever movie shorts to show the guests in the ballroom. In one, a modern artist painted in Maine by pouring cans of paint over boards below the dock at low tide. The result was a signature modern painting. Another clever one showed a man and woman sitting beside each other on the early morning commuter train from Long Island to New York City. The man got on board impeccably dressed, ready for work, perhaps at Merrill Lynch. The woman looked a mess. The train ride provided her opportunity clean up, powder and paint. She left Grand Central Station looking like a fashion model. Her seat companion wore the debris of her paint and powder, and looked like he had been in a fight. Those clever moments were designed to hold the guests' attention. This practice tested USIS's ingenuity at discovering ever more clever shorts. Guests seemed impressed with his fastidiousness as a host. We in the embassy felt it was excessive, but we went along. Our wives weren't happy.

My own work in the political section was to keep in touch with the various politicians, reporting the conversations in memoranda or an occasional telegram. Out of office for over two years, politicians were beginning to be active. We remained close to the major groups, the Peronist party, because that still was the largest party, the Radical party because they were the ones who had been in power and were overthrown, and a number of smaller ones. Most of the party contacts were managed by me. On occasion Herb Thompson would participate.

Herb Thompson specialized on the Foreign Ministry and other government offices. A special effort was made to gain Argentine support for U.S. initiatives in international organizations. We very much wanted to get the Argentines to sign the Nuclear Non-Proliferation Treaty, but they were very resistant. They were concerned over what they perceived as Brazilian ambitions. Herb also had several inroads into the military, getting their views on major issues and on politics.

While all this was going on and the embassy placed such a heavy emphasis on economic matters and how positive the Argentina economic program was, there really was only one person in the embassy who had his ear to the ground. That was the labor attaché, Jim Shea. Jim, a wonderful, gregarious Irish-American, had been in Argentina several years and knew virtually everybody in the labor movement leadership. The labor movement in Argentina, even with the military government, was quite influential. Workers were increasingly restive over the economic sacrifices they were required to make to support the military's economic stabilization programs.

Jim Shea was saying in his reporting, briefings to the country team, etc., "Folks, there are lots of unhappiness and unrest out there and something is going to happen. Things are beginning to get serious."

Nobody much, except maybe in the political section, was listening to him. All of a sudden, I guess this must have been about October, 1969, came the famous Cordobazo, the insurrection against the government largely instigated by labor in Cordoba. Cordoba was one of the major provincial capitals and a major industrial center. Workers simply took to the streets and caused a lot of destruction. There were also many deaths in this protest against the government's wage policy, the conditions of labor, and so on.

The event was called the Cordobazo to mirror the even bigger worker explosion in Colombia, the Bogotazo, sometime in the late 1940s, as I recall.

The Cordobazo was the turning point for the Argentina military government. The decline of the Onganía government began at that moment. More mistakes were made. The unhappiness of labor and the public generally became increasingly pronounced. This led to Onganía's departure; he was followed by another military government, an interim one led by General Roberto Levingston, who had been the Argentina military attaché in Washington.

Levingston did not last long before he was overthrown. It was interesting at the time. It must have been 1970. Except for Jim Shea, the embassy had no foresight of the Cordobazo, but we all saw the Levingston government getting into deeper and deeper trouble. It was abundantly clear to all agencies, the political section, the economic section, and the Ambassador that the government

was in danger of being overthrown. It was easier in this circumstance to clear cables reflecting that analysis, and in a matter of weeks we were proven correct. The result led to yet another military government led by General Alejandro Lanusse. But in this case, Lanusse understood what was happening. His government began to move the country to a return to civil rule. Not far behind that would be the eventual return of ex-President Juan Peron to Argentina, which came in about 1974, after I left. Lanusse seemed to recognize that, as well.

I had lots of contacts with different Peronist groups of very different political persuasions. Peron, living in Madrid and orchestrating his influence from there, was a master of playing off one segment of his movement against the others and making them all think that their view of Peronism was prevailing. He seemed to have more power and influence at a distance, where he did not have to take stands or make and implement government decisions. But in 1968-72, despite the incantations of his followers, Peron's return to Argentina did not seem to be a good bet.

While I was there, the exciting rediscovery of Eva Peron's body was announced. Initially it had been hidden in an undisclosed grave in Argentina. Then, as I recall, it was spirited out to a cemetery in Italy, where it remained for years. Finally, after this discovery, it was taken to Spain and displayed at Peron's residence until he returned to Argentina and brought the body back with him. The body had been embalmed with chemicals, much like the corpse of Lenin in Moscow, and there was controversy as to just how effective the embalming process had been. The Argentine press was fixated on Peron and on matters such as that.

In any event, there were all kinds of political bickering and maneuvering among the different Peronist groups. The labor leaders were largely Peronists, too, and they became increasingly active politically, claiming to be at the heart of Peronism. The Radicals were seeking to reaffirm their role in politics and to remake the image of the party that was overthrown. And so there were lots of contacts to be made with these people. The new DCM, Max Krebs, was very much involved in it, so was the new political counselor, Bill Sowash. Milton Barall, the previous DCM, was also keen on meeting Peronists.

We had to deal with an ambassador who wasn't very perceptive on politics. The replacement of Carter Burgess was John Davis Lodge, a Republican politician. He was a one-time governor of Connecticut who served a first term almost everywhere except when he became an ambassador. He was a member of the Republican freshman Congressional team with Richard Nixon. He had been Ambassador to Spain in the Eisenhower administration. Now, under President Nixon, Burgess' Republican credentials didn't carry him across the threshold. Lodge came in, he was a "professional anti-communist." He was inclined to interpret everything that he saw politically in terms of a communist threat. He seemed unable to understand and deal with Peronist influences in Argentina because he saw the Peronists as opening opportunities for communism. His mind also seemed set on the excesses of the Peron government of the 1940s. While we tried to explain the Peronism phenomenon, we didn't expose the ambassador very often to Peronists. We were trying to build bridges to them for the future and we didn't want to put them off.

Q: I always find this interesting that you judge one of your colleagues, even your superior, and

then decide what you will let them deal with and what you won't. There is much more manipulation than one might think. It is done for the best of purposes.

HIGH: Well, it usually is, or you hope it is. I suppose there are some circumstances when that may not be the case. But that very much was the situation in Argentina. Lodge did have some contact with Argentine labor, but the kinds of questions he asked and remarks made to such contacts weren't likely to let that Peronists conclude that Lodge was friendly or understood them.

Argentina was the kind of place where there were lots of visitors, influential visitors, coming down from the States. Nelson Rockefeller came through while I was there, and I as the control officer for the visit. He was going around the hemisphere to seek out policy initiatives for the new Nixon Administration. He was chosen for this task because of his leadership role in Latin American affairs in the State Department during World War II, and his friendship with leaders throughout the hemisphere.

His mission was extremely interesting in the sense of the kinds of people brought together to meet him and his advisors as they traveled from country to country. He had a cultural member of his American team, a labor member of his team, a political member, etc.; separate meetings would be held for them with representative counterparts. The Latin Americans hoped that what he learned and his prestige at home would prove influential in policy making. I don't think the visit produced much that was concrete, but it showed, in our case, attention to Argentina by a leading American.

That was important because we were still in that post-"Braden or Peron" period in our bilateral relations. The Argentines still resented what they saw as Braden's interference in domestic Argentine politics, when he encouraged Argentines to vote against Peron. The United States needed to show that times had changed and it listened to Argentina and responded to Argentine concerns.

Q: Yes, Spruille Braden, the American Ambassador. Peron used our ambassador as a wonderful foil.

HIGH: Argentines generally swallowed that hook, line and sinker and lived by it. What we were trying to do in our contacts was to underscore the relevance of the United States to Argentina. To show that many of our interests were interests in common. We were trying to do something positive with a country that was having a difficult time governing itself.

Q: Did the Falklands/Malvinas issue come up at all?

HIGH: Well, it was always there. When we were in Argentina a right wing nationalist of really no significance, except as a wild card, got into a biplane, flew to the Malvinas, crash landed and said, "I am here to claim the Malvinas for Argentina." Of course he was sent back to Argentina and enjoyed a brief notoriety among his friends.

Some talks about the islands also opened up between the British and the Argentines. For the first

time in many years, direct shipping was permitted between Argentina and the Falklands. Previously you had to go over to Uruguay to make infrequent sea connections to the islands.

Q: Did you get any impression of how the CIA was operating? Did you get anything from them or were they just doing their thing?

HIGH: They were active and interested. There were some differences in understanding and interpretation between the political section and the agency on what really was happening in Argentine politics. Some people on their staff had a pretty clear picture of what was going on and were accurate in their reporting. There were others who lacked that understanding and were rather disingenuous in interpreting events. One of the blind spots, shared in other corners of the embassy, was labor discontent. The Cordobazo caught them by surprise. But, as the military began to make important mistakes we had an ongoing discussion, usually constructive, over the meaning of those developments.

When there are basic differences in understanding between the agency and a political section, one can be tempted to ask if you are better off letting the agency just go ahead and let events prove it wrong. Or do you work with them, help them improve their product so that their analysis is sounder and not lost off in left field somewhere? Our political section approach was to talk with them about our differences. The interesting point on the overthrow of the Levingston government was that the agency's assessment was the same as everybody else's. Looking at the situation from different vantage points, we were all together on it.

Q: Well, you left Argentina in?

HIGH: In 1972. Terrorism had begun before I left. It began in 1971 and was very much a part of life and of public concern. People disappeared, people were killed. And so much of it was meaningless.

I remember the labor attaché at the time, John Doherty, very effective in his ties with labor and reporting, commented on one of the early incidents. A terrorist from the Montoneros or some other guerrilla group simply walked up to a guard at the presidential residence in Olivos, pulled a gun, and shot and killed the guard. Here was a poor, under-paid army private, who had a family with four or five kids. The murder was senseless. What kind of a revolution is it that does that kind of thing? These incidents got a lot worse after we left and, of course, and the Argentine military began to take law into their own hands, responding to violence with their own violence.

Two other points before leaving Argentina. One of my wife's activities here, besides raising two children and participating in the life of the embassy, was to work as a volunteer at a rehabilitation institute run by the Argentines. She found that a very rewarding experience because her Argentine associates were very professional.

The second point is that we joined an Argentine Anglican church in Martinez, the suburb of Buenos Aires where we lived. The great majority of the congregation was Anglo-Argentine, there were only a few foreigners. Lacking an Argentine pastor, they had brought in a Spanish speaking

American to be their minister, Ron Maitland. They were intent on developing a Spanish-speaking church, while hopefully some Argentines could be trained, because they were convinced that the future of the church depended on speaking Spanish. We thought that was very enlightened, and we enjoyed becoming close to a number of families there.

FRANK ORAM
Public Affairs Officer, USIS
Buenos Aires (1969)

Frank Oram is a retired Foreign Service officer of USIA. Frank began his career in foreign affairs in 1941 when he received an appointment to the Foreign Service Auxiliary. By the time he retired in 1970, he had held such senior positions as the Assistant Director of USIA for Latin America, and Country Public Affairs Officer in Spain, Brazil, and Argentina. Prior to his career with USIA, his State Department duties involved him with the Office of the Coordinator of Inter-American Affairs, the liquidation of a number of wartime agencies in Washington and in the field at the end of World War II, the reorganization of the Department of State, and the creation and organization of the U.S. Information Agency in 1953. He was interviewed by Allen Hansen on December 6, 1990.

ORAM: The most concentrated expression of anti-American feeling occurred just as I was ending my tour when Vice President Nixon made his unfortunate goodwill tour of eight Latin American capitals in May 1958. I may say that he did not lack advice as to what he was going to get into because the student anti-US agitation was already very evident. His first stop in Uruguay really set the tone. He met with university students and responded to their challenges and criticisms with clear, forthright statements--very good statements. His readiness to meet and debate was interpreted by the activists that they should now organize better and really go after him. So, at every stop from that point on, the degree and type of agitation grew and grew until, in Caracas, he came within an inch of being killed.

Q: That was his second stop in Caracas?

ORAM: No, that was his eighth and last stop. With every city this agitation mounted. By the time he got to Lima, there were big street riots. Looking back, you'd think that at some point some one would have concluded that there had to be a point when the schedule would be changed, but Mr. Nixon was very determined to complete the tour.

Q: He was vice president then.

ORAM: Yes, he was vice president. He was very determined and, at every stop, he made very clear forthright statements about where the U.S. stood on this or that issue. He would not be faced down. He was not going to give in to any agitation.

In Caracas--you know how Caracas is one-way streets, narrow. The mob stopped the motorcade and started beating on the Nixon car, breaking the windows. Dick Walters, who was in the car as interpreter, got glass in his face and eyes. It was just pure luck that the mob didn't get totally out of hand.

After this unfortunate event the many latent problems in Latin America began to show themselves more clearly, except for one factor that is always underestimated, I am sorry to say, and that is population pressure. The birth rate in Latin America had continued very high while the death rate was lower and lower. So the annual increase in population was extreme. When you add the factor of rural migration to the cities, you soon had in every city larger numbers of unemployed youth, many with no chance for employment.

Q: Any inclination, even more than today, to blame Uncle Sam for it?

ORAM: Yes. In so many ways Latin America depended on our trade and aid. It is quite understandable that that would be the reaction.

Q: At that time there were many more authoritarian governments in Latin America than there are today.

ORAM: Yes. Peron still was in Argentina. I remember an exchange between Peron and Ted Streibert and Senator Hickenlooper about catching trout. Senator Hickenlooper had just been in La Paz where he had gone out fishing on Lake Titicaca at 13,000 feet altitude and had caught a trout which, by the time they weighed it, was still over 34 pounds. Senator Hickenlooper was sure that it was over 36 pounds, which would have been the record had they weighed it promptly because things at that high altitude dry out very rapidly indeed. Peron couldn't let this go. He urged the Senator to visit "our lakes down south," almost saying he would personally put a 36-pound trout on the Senator's hook.

Q: Since you were over in Spain afterwards and Peron was over there at that time, did you ever have a chance to talk with Peron when he was in Madrid?

ORAM: No, and I didn't seek it.

MILTON BARALL
Deputy Chief of Mission
Buenos Aires (1969-1971)

Milton Barall was born in New York in 1911. He entered the Foreign Service in 1948 and served in Chile, Haiti, Spain, and Argentina. He was interviewed by Charles Stuart Kennedy in 1990.

Q: From 1969 to 1971 you became Deputy Chief of Mission in Argentina. How did that job come

about?

BARALL: Well, John Lodge had a healthy skepticism about career people. He had been to Spain, where I had served with him. He wanted to have people he knew and he felt were trustworthy and wouldn't be disloyal to him. So when he was named Ambassador to Argentina, he asked me if I would go with him. I was at a loose end at that time and still had two years to go before I faced compulsory retirement at age 60. Fortunately this stupid law has been amended to allow service at least till age 65.

Q: That's changed, but that was how the rules were in those days.

BARALL: That was the law. Not just the rules, it was the law, and you couldn't do anything about it.

I liked Buenos Aires, it's a great big city. And it's no insult to be Deputy Chief of Mission in a Class One post. So I went along with him, and we worked out to be a pretty good team.

I thought he was a great Ambassador in Spain, because he had no problems working with Franco. Lodge was a born aristocrat, and in Spain he fit in beautifully. He pushed to get Spain into NATO and to break down isolation and become part of Europe and the economic world.

In Argentina, we were in a democratic country, even though they had three military dictators in a row, as presidents. Still, it was a democratic country. The press was totally open, and you could say anything you wanted in the press. And the universities were allowed to teach freely and to expose students to all views. Many of the teachers and students leaned toward socialism. Peronism, a continuing and leading political movement, was named for a dreadful dictator who disseminated populist, unworkable ideas and nationalized much of the economy.

At the time I was there, they had not yet started "the disappeared." You know, the people who disappeared and were sometimes dropped into the ocean out of a plane or a helicopter. This began as a reaction to left wing terrorism by "Montoneros" and other organizations while I was still there.

I was told by our CIA man, who was very competent, that at first, the government didn't know about it. The Montoneros (who were like the Tupamaros, the revolutionaries in Uruguay) were assassinating people at that time. They had assassinated former President Aramburu, who was very popular. But he had helped in overthrowing Peron so there was some resentment against him.

Some of the sergeants in the police and the army got together and decided to reply in kind, to kill those Peronists who are killing the military and other leaders. Our CIA man said he thought the President and the government did not really know about this. But, awhile the government became aware and even though it was not proclaimed policy, at least it was tacitly permitted.

Ambassador Lodge was in a difficult position in dealing with these problems. We worked as a

team. He was a marvelous linguist. He could deliver a speech beautifully, he had been an actor, and, like President Reagan, he worked very successfully with 3 x 5 cards. The PAO and I programmed him to visit all the provinces. The people of the provinces and the governors were very happy. They'd never seen an American Ambassador. He visited them and was treated royally. A very attractive man, he gave speeches and shook hands and the people had parties.

And that left me to run the day-to-day embassy back home. We were a good team. I used to say: "One show horse, one work horse."

Q: What were America's major issues with Argentina at the time?

BARALL: We had no really great issues with them. We were friendly. We wanted, of course, to see a democratic government, but it was not our business to tell them, and we didn't deliver that message.

We were sort of allies in looking askance at the Allende administration in Chile. And the Foreign Minister, de Pablo Pardo, had been Argentina's Ambassador to Chile. He asked for a special liaison with the US Embassy, where we could discuss the problems of Chile and exchange information, but not acting together. He named an Under Secretary, and I was named for the embassy. We met a couple of times but I also met quietly, occasionally with the Foreign Minister, who had been a professor of international affairs. Before he was named, I sought him out as an "eminence gris" at the Foreign Office. We used to lunch together and discuss foreign affairs. I was the only one in the embassy who knew him then.

My source of information was that CIA man, who went over to Chile regularly to get information, and also (in a legal way) to bring back money at a free rate of exchange. This was with the permission and the knowledge of the Argentine government.

This man, who subsequently became head of the CIA in Vietnam, and was really one of their most effective operators in the world, was dependable and of absolute reliability. In Argentina a Braniff airplane had been taken over by some cuckoo with a gun. Our CIA man, at the risk of his life, went onto that plane and talked the man into surrender.

One of the things he told me after a visit to Chile was that the US had nothing to do with efforts to overthrow Allende." We had, certainly, an input. We tried to keep his opponent from being defeated, by contributing money. But the congressional investigation showed something like a total of four to eight million dollars. You can't buy a Chilean election for that kind of money--they're much more expensive.

So we didn't win the election. I think the Chileans lost it themselves because Frei, who was the president, and the Christian Democrats didn't put up a good candidate. They put up a man named Radomiro Tomic, who was wild-eyed and maybe to the left of Allende. It seemed to me that the people of Chile came to the conclusion that "if we're going to have a Communist, let's get a real one, not someone who's masquerading as a Christian Democrat." And so Allende won the election in spite of our efforts.

I am thoroughly convinced, that we did not overthrow him and did not murder him. I think, in harmony with conventional wisdom, that he did, in fact, commit suicide.

Q: Well, you're looking at it. You're an economist. Why is it, here is Argentina, which is not, maybe it's the wrong term, but not stuck with a large indigenous Indian population which has its own problems and all. I mean, here...

BARALL: It's the best educated country. Argentina and Uruguay, far and away the best educated countries.

Q: I mean, wonderful country resources and everything else. Was it working then? I'm talking about economically at that point.

BARALL: I'll give you a facetious answer first. The Argentines tell the same story about themselves as the Swiss. They say: "God gave us this wonderful country, all this capability, with mountains and lakes and rivers and arable land and whatnot. And to even up the score, he put the Argentines here."

They don't get along with each other, although they're mostly of European background. At the beginning of the 19th Century, there was a great wave of immigration from Italy and Spain. And there were a lot of people who came with some Socialist notions. This led eventually to something called Peronism. And Peronism is the reason why they are not able to be economically or politically sound. Peron nationalized to put his people on the public payroll.

Peron became Minister of Labor in 1945 and then parleyed that up into becoming the President of the country. He called his followers the Shirtless Ones, and he wanted to put a shirt on their back by putting them on the government payroll. So that you've got in the railroads about six times as many employees as you need to run them. Peron very stupidly paid a lot of money to buy the railroads from the English, whereas he could have got them for nothing if he had just put a little pressure on them, because they were losing money due to government regulations and pressure. Then he proceeded to exaggerated government.

They took over steel plants and power plants and a lot of things. A state-controlled economy. So that leads to black market operations. It leads to currency being sent abroad. It leads to lack of initiative. Now they still have a lot of wonderful farmers, and they produce agricultural commodities for export. But by double invoicing or whatnot, they don't let the money come back into the country, in most cases.

I was there just last February. A friend of mine, a banker, arranged a special lunch with the head of the stock exchange, a general, a big businessman, a leading economist, etc. in the boardroom of his bank. I said I had read in the papers, in the United States, that the rate of inflation was currently five thousand percent per year. I asked if that were possible, how can a country live with that?

After consultation he replied that it was probably more like eight to ten thousand percent. The funny thing is that the present President, Menem, is a Peronist. He was elected by the Peronistas. Yet he is trying very hard to do everything the opposite way, to get rid of government controls, to cut the public payrolls, and to run the country properly. Whether he makes it or not is very dicey. It's like Gorbachev really. You know, somebody from the inside trying to change the system, and it's a very, very difficult thing to do.

Q: Well, now, at the time (we're talking about '69 to '71), what was the relationship between our military and the Argentinean military?

BARALL: Very good. We had a military assistance program there, a MAG, led by a brigadier general who was on very good terms with the military in power in Argentina. He was not really, technically, part of the embassy, but we gave him an office because we wanted to know what he was doing. He submitted willingly to direction from the Ambassador or me. He considered himself part of our staff as well as head of the MAG. He was a very good, competent officer, and he wanted to be on the team. We were providing a little military assistance and a little training, that's about all. We didn't have a big military staff.

Q: I've always wondered about these large military establishments, or what seem like large military establishments, in Latin America.

BARALL: Are you talking about the US military establishments?

Q: No, I'm talking about right within a country, the military being so important and taking over, when they don't seem to fight each other very much. Are these necessary? Was our aid sort of perpetuating this over-emphasis on the military at the time?

BARALL: Aid's a funny thing, you know. You have many purposes. The United States never has an opportunity to have a clear-cut decision. You can look at today's newspapers and you see that the President has to balance one thing against another all the time in making a policy. China and the students' rioting happen to be mixed up with most favored nation treatment and other matters. Really, you'd have difficulty making a policy decision on one of them alone, and when you get them both thrown together, they're very complicated.

So you may have to help some of the countries of Latin America even if you disapprove of some of the government's actions, or the government itself. We had diplomatic relations with Allende!. Also, it was always one of the objectives of the United States to standardize US equipment in Latin America, so that if they ever joined us in a war, we could help them arm their troops because they would know about our weapons.

Refusal to help also had its consequences. In Peru, we once turned them down for military assistance. They wanted to buy sophisticated planes from the United States, but we said no, as a matter of principle. So they went and bought the Mystere from France. So it's not just a nice moralistic decision that you have to make. The question is: What's good for the United States? when you consider all of the problems that have to be considered.

Q: Then you didn't feel that what we were doing in Argentina at the time was inordinate.

BARALL: We were not helping them a great deal. We had an economic aid program, which had been cut down and was eliminated after awhile. So our assistance to them was not very great, no. In any event, it is not wise to disregard the military in Latin America. One reason they are frequently the government is that the army is generally the only institution of national scope.

JOHN T. DOHERTY
Labor-Political Officer
Buenos Aires (1969-1973)

John T. Doherty joined the State Department in 1965, where he served in Mexico, Peru, Argentina, Brussels and Portugal. Prior to his service with the State Department, he worked for the Bureau of International Labor Affairs at the Labor Department. He retired from the State Department in 1979. He was interviewed by Jim Shea in the fall of 1991.

Q: Would you say that the militant Communists at that time in Peru were as violent as the Sendero Luminoso [Shining Path] movement?

DOHERTY: Oh, no. No, they did advocate a lot of marches and confrontations but they were not involved in the kind of murderous lunacy [that the Shining Path is]. It is difficult for me to comprehend any organization as wild as the Shining Path, except some of the younger people in Argentina involved in various revolutionary movements, which were also quite violent.

Q: I know, John, that when you got to Argentina the situation was "no bed of roses."

DOHERTY: No, I succeeded you there. I think there were two months during which the post wasn't covered [by a labor attaché]. The "Cordobazo" had already happened when you were there, which was the worker uprising in Cordoba. I would say it was not so much an uprising as just wild riots which did a lot of damage and in which people were killed and a lot of people hurt. Then subsequent to that, Augusto Vandor, the head of the Metalworkers Union was murdered. I was in Argentina for four years. I came after the "Cordobazo" and I left after the "regresso," Cordobazo meaning, of course, what happened in Cordoba, and the *regresso* meaning the return of Peron in 1973 which was another very bloody kind of affair out at the airport at Ezeiza. So when people ask, "When were you in Argentina?" I say, "I was there from after the Cordobazo to after the *regresso*."

And it was a very tumultuous time. There was a lot of upheaval. That was the same time that the Tupamaros were very strong in Uruguay. These wild organizations, the Revolutionary Army of the People and the Montoneros, the youth wing of the radical left wing of the Peronist party, were doing very violent things. Their theory was that the only way to have a just society is to destroy

what exists, and they set out to do that. These were basically Trotskyites on the non-Peronist side, and they would shoot down policemen and some innocent people. Some of the AIFLD classrooms were bombed. There was quite a movement on the left to sew disruption and to do it violently. This is what eventually led in the 1970s to the repression on the part of the military, which got completely out of hand. Some 8,000 people disappeared. I think that's when "disappear" became a verb in the language of Latin Americans. I was in Argentina at a very exciting time. You could see that with the return of Peron, who had pretty much dominated the country even while in exile in Madrid, the movement that he had built was beginning to crumble and that new forces were coming to play in the political situation in Argentina.

Q: John, why were many of these labor leaders assassinated?

DOHERTY: Well, there was some corruption in the Argentine unions, but the assassinations were more political than anything having to do with an Argentine style Mafia. Vandor was the head of 62 organizations which was a collection the staunchest Peronist unions dating back to Eva Peron's day when the unions developed there political power. Vandor was the most influential leader in the Peronist labor movement. When he was assassinated, the number one labor leader in terms of notoriety and popularity was probably Jose Alonzo of the Garment Workers. Jose Alonzo's case was a little bit different. He was the head of the 25 "participationist" unions. These were Peronist but they believed that the best way to represent the workers of Argentina was to participate in military governments, particularly in the government of Ongania. So when Alonzo was assassinated in 1970-he was gunned down on the street on his way to work-there was a lot of speculation that it was because he was advocating cooperation with the military government which [he thought] would lead to the restitution of democracy. That was considered traitorous by the hard-line Peronists. So to that extent, I think, his murder was somewhat different from Vandor's murder.

Q: Do you recall a "group of 32" headed up by one Juan Carlos Brunetti?

DOHERTY: Yes. This organization was the original labor movement prior to Peron and had its origins with the Socialists of Europe. These were the old Argentine Socialists for the most part who were connected with Americo Ghioldi and other Socialist political leaders. By the time I arrived in Argentina, they had almost completely lost their political power and influence. I met with Brunetti on several occasions. The [group of 32] had some trade union strength in Rosario and a few unions in Buenos Aires, but by the end of 1969, they were no longer considered to be significant.

Q: John, I believe that when you were there AIFLD had a fairly extensive workers' housing project.

DOHERTY: Yes, that was built mostly with the Light and Power Workers Union and a couple of other unions. I know that the American Institute for Free Labor Development (AIFLD) was criticized in some circles, particularly in the old AID circles among people who had to accept what AIFLD proposed to do when AIFLD was able to get [a project approved] in Washington, and also by those who resisted promoters such as my brother, [AIFLD Executive Director

William Doherty], who was an excellent promoter. There was a lot of resistance, and there were some people who say that there were mixed results in terms of what AIFLD was able to accomplish or not able to accomplish in these countries. In Argentina the AIFLD served as a bridge between the Peronists and the Peronist unions, which represented the bulk of labor in Argentina, and American labor as well as between the Peronist political movement and our government. AIFLD also contributed to bringing the Peronists back into the Inter-American trade union organizations. AIFLD served as a bridge through things like the housing projects and the education programs. You have to remember that in Peron's last days before he was overthrown in 1955, Peron was involved in direct confrontations with the United States. And going back to World War II, of course, he was very sympathetic towards the Germans. It wasn't until the last minute prior to peace being declared that the Argentine Government announced, in a very opportunist way, that it was with the Allies. So there was a history of antipathy, a history of Peron preaching what he called "the third position" in the world, where you would be neither Marxist nor Yankee. Then there was a lot of opposition to the US in the Peronist movement, particularly in labor circles so that most of the most powerful Argentine labor leaders were very anti-American. I think AIFLD, more than any other institution, contributed to breaking that down, not completely, but all of a sudden after several years of hard work there on housing and education and in other areas of cooperation, we became *persona grata* with the Peronist labor movement. The labor attaché could go into any trade union in the country and sit down and talk and that wasn't possible when, say, someone like John Fishburn was there [in the 1940's].

Q: I certainly agree, John. And I recall that the Peronists had an extensive labor attaché corps.

DOHERTY: Yes, in the days of Peron and after, that 10 year period from 1945 to 1955, Argentina had a labor attaché in almost every country of Latin America-certainly the most significant countries-as well as in Europe. Argentina had a labor attaché corps which the Peronists were quite proud of. It was the labor attachés' job to go out and become a third force through an organization called "ATLAS," [the Latin American Association of Trade Unions]. They tried to form [an international labor federation with a] third position which would be between ORIT and CTAL, the Communist Latin American Federation, which Vicente Lombardo Toledano had founded and pushed. ATLAS was going to be the third force and the [Argentine] labor attachés in those countries were the ones who were going not only to carry the day but carry the money and carry the support from Peron. He invested a lot money trying to organize ATLAS into a viable force, but it never really got off the ground.

Q: And one of your Ambassadors there was John Lodge.

DOHERTY: He was the Ambassador for my entire four years there. He was a nice man, but he didn't have a very good understanding of [the political situation]. When he first arrived there, he thought Peronists were Communists, and he was shocked to find out that a lot of them were Nationalist Socialists and right-wingers. But I think that over our four years together, he learned a lot about the Peronists. And let's face it. There were different grades of Peronists there. There were "participationists" and there were hard-liners. The sugar workers up in Tucuman were clamoring for Peron's return right to the very end. Peron was able to call strikes from exile in Madrid. He was able to pass the word that "I want a nation-wide strike" and there was a

nation-wide strike, and a nation-wide strike in Argentina was *total* right down to people working at the race tracks and in the casinos. Peron had that kind of power.

I have an interesting story. The head of the Insurance Workers Union was a man by the name of José Vallegas. He was called a "*Peronista sin Peron*," a Peronist without Peron. Actually he had been a Peronist but was no longer a Peronist. He was not even what they called a "neo-Peronist." Argentina is a wonderful place for a labor attaché to work, because the Argentines are great talkers. You can go into their offices and sit down and have a cup of coffee and talk about things that probably would be secret in other countries. You would get the whole scoop right there, or at least their version of it.

Anyway, I went to talk with Bahias and I asked him to explain to me the "myth" of Peron, the *mito* of Peron. And he said, "Well, that's the problem with so many of you foreigners. You don't understand that it wasn't a myth; it was real." And he recounted how when he was a nine or ten year old boy in Resistencia, the only thing he owned was a pair of pants and a rope that he tied them up with. And when the loud speaker came down the country road and said that all boys from nine to twelve were to report to the stadium in Resistencia to participate in the Eva Peron football championship, which is soccer to us, he walked eleven miles. And when he got there, they gave him a shirt with a name on it, and they gave him shorts and shoes which said "*campeonato de futbol Eva Peron*." And when he finished playing that day, they said, "We want you here every Saturday, and that uniform is yours to wear." And he said he wore it until it wore out. He was so proud of it that he wore it to school and wherever he went. And he said, "That's not a myth; that's real!" And that's the kind of influence Eva Peron had on poor people in that country. I thought that was a valuable lesson for any labor attaché coming in trying to understand the Argentine psyche and what makes them tick and how a Peronist movement could survive even though the leader had been deposed.

Q: This is very, very interesting about the "Peronistas sin Peron". How did you classify Juan Jose Taccone and the Light and Power Union at that time?

DOHERTY: Well, I think Juan Jose Taccone was probably the most influential [leader]. Even though his wasn't the largest union, it was probably the best run union and it was probably one of the best heeled unions, because in the tradition of Juan and Eva Peron, they began all kinds of programs under the Perons. They owned their own hotels, their own vacation centers, their own clinic, and their own worker education school.

The workers of the Light and Power Company became totally identified with the union and with its leadership and I thought the leadership on the whole was probably the finest I had seen in Latin America. They were very astute politically; they were sophisticated internationally; and they were powerful in Argentina.

By the way, when Juan Jose Taccone hired people, they weren't necessarily from his union. He hired a lot of professional people out of the universities to head up various departments in his union. It was as well organized as any union I have ever encountered anywhere including the United States. Basically when we went to Argentina, we were not dealing with Peruvians or

Ecuadorians or Salvadorans. We were dealing with Argentines and the Argentines, thanks to Peron, had developed a very strong labor movement. It was already strong before we arrived on the scene in the early 1960s.

Q: What was the attitude of the AID Mission toward AIFLD activities?

DOHERTY: The AID missions in Mexico, Peru, and Argentina, which are my three countries of experience with Mission-AIFLD relationships, were not sympathetic. They felt that labor had no business in development programs. They felt that AIFLD was being crammed down their throats, and they resisted it. I'm not saying that every AID director felt that way. When I was in Mexico, Clare Boonstra, who later became Ambassador to Costa Rica, was the DCM. I saw him years later and reminded him of a conversation [we had]. I was there in the AID office negotiating the AIFLD contract, trying to keep AID from closing down the AIFLD programs. At the time the labor attaché was on extended home leave, so it fell to me to defend the AIFLD program. It was difficult for AID to separate me from my brother, [AIFLD Executive Director William Doherty], and I remember being quite upset in the meeting as we argued back and forth. The AID director was a man by the name of Ainsworth. Finally when the meeting broke up, Clare Boonstra asked me into his office, and he said, "You're going to have to remember something about your brother. He's successful; he's a promoter; and successful promoters step on feet, and when you were in there trying to negotiate an AIFLD contract, there were an awful lot of hurt feet. So whenever you get involved with this in the future, remember that." (laughter) Boonstra didn't feel that way about AIFLD; he was very supportive. Now AIFLD has gained acceptance over the years, but in the early days when they were getting started, there was resistance from the insiders to these interlopers coming in from labor. There were some philosophical differences, but I think personality differences also had a lot to do with it.

Q: Would you care to comment on Communist activities in Argentina at that time and particularly [on the role of] the Cubans?

DOHERTY: Well, that was interesting. Of course Argentina was the home of Che Guevara. He came out of Argentina as a medical student, I believe, and then as a doctor joined up with Castro. The Cubans tried mightily to influence the Argentine labor movement. They did not have a great deal of success. Most of their success was in influencing student organizations and in the "ejercito," the people's army, which was Trotskyite, and to some extent with the Montoneros. Most of their success was with the fringe groups, not with the main line Peronist ones. The Cubans were having greater success than the Soviets. There was an antipathy towards the Soviets among the Peronists. I was very much surprised after coming from Peru where the Communists were in the majority in the labor leadership. In Argentina the Communists were far less effective and were not really an element in the revolutionary movement that eventually brought repression from the military. I didn't think the Communists were all that strong.

Q: I can only recall one union which was under some Communist influence and that was the Chemical Workers Union. But I don't think they had any effect at all on the overall Argentine labor scene. After Argentina, John, what was your next assignment? Did you spend any time in Washington?

DOHERTY: In 1973 I transferred from Argentina to Brussels. I had been on home leave not long before that. I did come back for some French language training. The only French I had dated back to 1954 and 1955, when I was in Paris with the OEEC and much of it had disappeared, so I did go back to Washington for some French training before Brussels.

JOHN EDGAR WILLIAMS
Commercial Attache
Buenos Aires (1970-1975)

John Edgar Williams began his working career as an enlistee turned officer in the US Army. After WWII he finished his BA at the University of North Carolina, Chapel Hill and later became an FSO after a stint at the Pentagon. He has served in posts in London, Madrid, Buenos Aires, Montevideo, Auckland, and Ottawa. He is now retired and was interviewed by Dr. Anne R. Phillips on April 8, 1995.

WILLIAMS: I'll begin with what I considered to be my principal mission in Buenos Aires. Despite the fact that as we talked about the other day, there was a lot of terrorism going on and we were possible targets of it. Commercial work had to go on. As I mentioned, the Deputy Chief of my own section, my number two man was directly targeted, but fortunately we spotted it before anything serious could happen to him. There were all kinds of other attempts, some successful, on both American diplomatic personnel and American business people. Not just Americans either, but British, Italian, anybody who represented capitalism and the "evil multinationals." I did not mention, I think, that there were actually two terrorist groups. One of them was a Maoist and Fidelista group. I won't give my political science lecture on the difference between them, but the other one was the Montoneros. It came out of a radical fringe of the Catholic church. They were responsible for kidnapping a former Argentine president in 1970. That was the first major act of terrorism in Argentina. It had already started in Uruguay and Southern Brazil. The surveillance on this ex-president was conducted out of a Catholic monastery which was diagonally across the street from where he lived. There were monks and students there who were directly involved; they were the people who were doing this. It was all "liberation theology". These people would go around saying, "If Christ were here among us today he would be out here with us with his backpack and rifle, fighting against imperialism and the multinationals." Anyway, that made our work more difficult. But, my job, I felt, was to try actively to promote U.S. trade and investment. A two-way trade, probably not two-way investment, because the Argentines did not have much to invest abroad, but to promote productive American investment in Argentina. But, most of all to promote two-way trade, especially U.S. exports, while always taking into consideration that, in order to be able to import, Argentina had to be able to export too. I told you about one of the bigger deals that I had quite an active hand in putting across. But, let me just mention one more. In fact, this was the biggest one. The Argentine railways were trying to become more efficient. They had different gauges of rails in different parts of the country, different kinds of locomotives and equipment, and they wanted to begin to standardize so they wanted

to procure close to two hundred locomotives. They had called for bids. What they wanted was to import the first fifty of these and then to have whoever won the bid, set up a plant down there to begin to manufacture locomotives locally, rather than import the whole thing. The General Motors Locomotive Division had put in a bid and there were two or three other competitors, a Belgian company, a British company, and an Italian company, FIAT. Well, one of the problems there was that FIAT had people on salary who were government employees working in the various economic ministries, the trade ministry and industry ministry, and they were paying them regular salaries to give them tips and to tilt things in their direction. Now, we did not have such a thing. I was unaware if indeed any such thing was being done by any individual American company. I think I would have been aware of it, because I had some good friends in the Government when I first arrived there. An old friend of mine from my Uruguay days who had been a senior executive of the Latin American Free Trade Association was the Secretary of Foreign Trade. I think I would have known if there was something. He was not the only Senior Government person that I knew pretty well, but he was I guess my best friend. We still stay in contact. Subsequently he was the Minister of Industry and had several other important jobs, but is now retired. Anyway, the FIAT people were very, very competitive, shall we say? One of their little deals that they had going was they had the Governor of Cordoba, who was a retired military man, on their side, because they had promised to set up their plant out in Cordoba, rather than in the Buenos Aires area. I won't go through all of the things that I had to do or try to head FIAT off, but to make a long story short, the General Motors Locomotive Division did win the bidding after a very, very tough fight. That was several hundred million dollars. I figured that paid my salary for quite a while. The assistance that I gave them on that I think was crucial. And you see, it was not just me, but at times I had to get the Ambassador to go in and talk to the Minister of Economy or the Secretary of Industry or the Secretary of Commerce or whatever. I would trot out my big gun whenever I really had to. I didn't want to over-use the big gun, but the Ambassador was willing. I told you about him before, John Davis Lodge, at that time, and then later, Bob Hill of New Hampshire. That was quite a period of time, because this went on over a period of two or three years. Nothing goes very fast. And you see, this is one of the reasons that I think that I probably did more than a lot of people in my position, because I stayed there for five years and was able to follow through on some of these things, rather than just leave a note for my successor and say, "Hey, this is one of the big deals that I have been working on."

Q: Was that the General Motors, was that toward the beginning or middle part of your stay?

WILLIAMS: Middle part it must have been, because it overlapped the two Ambassadors. John Lodge left after the end of Nixon's first term, though not without some difficulty.

Q: Can you talk about that?

WILLIAMS: Oh, I can talk about it, what the heck. You see, Lodge didn't want to leave. He had been there four years and his appointment had been for that term. Well, I'm not sure whether it was made specifically clear to him or not. Maybe it wasn't. But, his appointment was considered to be for Nixon's first term, four years. Then, they wanted him to get out of the way and let someone else take a turn. So, the word was passed to him from the

Department of State through the Desk Officer or the Office Director, or someone, that it was time for him to submit his resignation and leave. Well, he didn't want to. I remember him telling somebody - I was in his office one time and he was on the phone to somebody in Washington - and he was saying in that inimitable voice, which I will nevertheless try to imitate, "As you know, the Ambassador is the direct representative of the President of the United States. I am the direct representative of President Nixon to the Head of State of Argentina. When President Nixon asks me to resign, I shall resign." I heard that, you see. Oh man, I will never forget that. I don't know who guy was on the other end. This is why the people in the Department of State just really hated his guts, because he was not duly respectful of them. Even though an Ambassador ranks higher than most of the people he would be talking to back there, nevertheless, an Ambassador is supposed to take these hints as if they were instructions from the Secretary of State or the President. But, he didn't feel that even the Secretary of State could tell him to resign; it was only the President. He was correct; technically he was correct. An Ambassador is the direct representative of the President to the Head of State of that country, and serves at the pleasure of the President. Anyway, he was finally convinced to resign. I really am not sure whether President Nixon talked to him personally. That I don't know, I wish I did. I wish I had asked him. But, I'm pretty sure he must have, or at least Nixon must have written to him and signed it himself, and he probably compared the signature to make sure.

Q: That would be good to know. An interesting piece of history.

WILLIAMS: I remember another incident which involved the treatment of the Ambassador. Secretary of State Rogers, William Rogers was there on a visit and they were going to visit the President of Argentina in the Casa Rosada, but they were not able to arrange an appointment there until the very last day. In fact, they were going to do that and then go immediately to the airport and the Secretary and his entourage were going to leave. And he had a quite an entourage with him.

Q: How many people?

WILLIAMS: I don't remember, but he had the Assistant Secretary for Inter- American Affairs (I believe that was Jack Kubisch) and I think at least one Deputy Assistant Secretary and several other people. Anyway, there was a motorcade, beginning with the Ambassador's car, which wasn't one of these long stretch limousines, but it was a pretty impressive car for Buenos Aires at that time. It was a sort of a short limousine. Anyway, I was not part of the group that went in to the Casa Rosada. In fact, I was not even involved in it at all. I just happened to be down there, because I was going to see someone, some official of the government who had an office on the Plaza de Mayo, right next to the Casa Rosada. Anyway, when they came out of the Casa Rosada, the Secretary got in the Ambassador's limousine which was where he should be, but then he motioned over a couple of the other guys and said, "Come over and ride with me I want to talk with you," or something like that. I really don't know what he said to them, because I wasn't close enough to hear, but anyway he motioned some of them to come over. Later I heard that when the Ambassador came over to get in the limousine with him, he said, "Could you let these guys ride with me and you ride in

some other car?" But, there was no other car that was not already full. So, the Ambassador was left standing there on the street in front of the Casa Rosada by the Secretary of State. I thought that was despicable! The motorcade went out to Ezeiza airport. The Ambassador caught a taxi and went out to the airport. Although I wasn't there I did hear about it. They said he was very polite. He said good-bye to the Secretary and all of the other people and did not betray how he felt, even by a facial expression, which I thought was something that I might not have been able to do myself. But, I just thought that this was an awful way to treat an Ambassador in front of officials of the Government to which he was the envoy.

Q: The American Ambassador who was left standing - what was his name?

WILLIAMS: John Davis Lodge, former Governor of Connecticut, former member of Congress from Connecticut, American Ambassador. You know, the Secretary of State when he comes to visit a country should be doing all he can to promote the image of the Ambassador, not undermine him. I don't believe that the Argentines really noticed this, though. I'm really not sure about that. They might have, but I don't believe that it actually served to undermine his Ambassadorship, or what was left of it. This happened at the time when they were trying to get him to resign, and he was resisting until he heard from the President.

Q: Oh, but that would not have necessarily been the reason for his being left standing there?

WILLIAMS: It might have been, I really don't know. But, that really made me angry.

Q: That must have been a sight to witness.

WILLIAMS: Yes, it was. Anyway, I hope with what I have said, with all the asides and everything, sums up the job that I was doing. I really felt that I did a good job there. I knew just about everybody who was worth knowing in Argentine business and industry and the government agencies that dealt with economic matters. I could walk around Buenos Aires and I could think; "This is my city. I know this city." I'm sure there was an awful lot that I didn't know, but still I could walk around, I could walk down the Calle Florida or the Calle Sarmiento and I would see people on the street that I knew and greet them. I was a member of several influential clubs, and I could go in a club and greet high-level people. I really felt good about knowing all these people. Getting to know everybody came about through a fairly gradual process -- well perhaps not all that gradual. I think when I'd been there two years I began to have that feeling and then for the next three years, I felt I really knew Buenos Aires.

Q: I would say that's too strong a feeling to manufacture. I think we, as professionals know when we are doing a good job or when we're not doing a good job, and I would say yes, that you certainly were. You certainly did your homework -- I'm looking at your book, The American Club Directory, and it lists some of the different companies there, not only Embassy people, but other people there, people from banks.

WILLIAMS: They would come to me and ask for help sometimes, especially because of the

things that happened when Peron returned. In fact, it happened even before that, when Peron's stand-in, Hector Campora, became President in 1972. Actually, there were two or three major business organizations there. One of them was the Buenos Aires Chamber of Commerce. That was oriented towards small businesses in Buenos Aires itself and in the immediately surrounding area. Then, there were two national business organizations. One was mostly the big multinationals of all nationalities. The other one was smaller, with mostly Argentine firms. Before the Peronists took over in '72, or maybe early '73, the big multinational business organization was much the more influential. But, the smaller Argentine-owned business people somehow felt that their interests were better looked after by this other organization and they may have been correct, I don't know. Anyway, that organization became exceedingly influential after the Peronist take-over. I shouldn't say "take-over." It was a legal election. In fact, the President of that Argentine manufacturers organization became the Minister of Economy. His name was Gelbard. There happens to be an Assistant Secretary of State right now named Bob Gelbard, and I heard him say one time back in the 70's, "Hey, this guy's my cousin." Apparently, as happened in so many cases, one brother emigrated from Europe to the United States and another brother went to Argentina, or Brazil. Anyway, that outfit promoted a lot of legislation designed to discriminate against foreign firms in favor of Argentine firms. This is one thing that we would really oppose any time that we saw it -- discrimination. We thought that all firms needed to be treated equally, and not on the basis of the ownership of their capital. But we did have a very hard time. American companies had a lot more problems after Minister Gelbard came to power.

Q: How would the Argentine group have reacted to General Motors?

WILLIAMS: Well, no Argentine company was then capable of manufacturing locomotives, but I think a lot of them felt that FIAT would be more friendly to them, because after all, the FIAT were "Italians." There are an awful lot of Italians or people of fairly close Italian descent in Argentina. "Sono i nostri fratelli."

Q: Did you know of any Argentine of that influential group who might have openly opposed the General Motors?

WILLIAMS: Yes, there were some and I can't remember exactly who they were, but I do remember there certainly were some. As I recall, I got the representative of General Motors Locomotive Division together with some of these people to talk about supplying parts and components, how the contracts would be let for supplying parts and components. They were going to be locally manufactured. I think that after they had a chance to meet with him they felt a lot better about it. They didn't feel that they were going to get frozen out by the Norteamericanos. So, I think it helped. The Governor of Cordoba, who, by the way, had an Italian name, was the son of an Italian immigrant. He was a retired Admiral. We had to keep fighting him the whole time. He never gave up. He wanted that plant out in the Providence of Cordoba and FIAT had promised it to him; although, we had suspicions that FIAT might not have delivered on it and we sort of worked on those suspicions.

Q: That's interesting to know. I'm just noticing here, wondering about the place of the press.

At that time, how did you view the press?

WILLIAMS: The press. Well, there were two principle newspapers at the time. Well, maybe three. There was La Prensa, which was the old classic one. Then there was another called El Pais, then another one that was just being set up at that time. Now what was the name of it? I think it was Clarin. It was a sort of a New York Post kind of thing. Not quite tabloid, but not New York Times either, if you know what I mean. Then there were a couple of economic weeklies that we felt were very good. One of them was published by the Professor that I mentioned to you, the Professor of Economics who was run out of his classroom by some communists guerrillas with machine guns who, with Peron's permission, had taken over the University. He was the publisher of one of these economic weeklies which I felt was quite reliable. There was an English language newspaper there too. It was owned by a matter of fact at that time by a guy that owned the Charleston, South Carolina, newspaper. I don't think they exercised any editorial control or anything like that, but the owner was this fellow from Charleston. I don't know how he ever got in on it, but he did. They called it the Buenos Aires Herald. It was kind of interesting. It would concentrate on things more of interest to the American and British communities.

Q: That's interesting. I'm looking at this directory.

WILLIAMS: What was the one you were looking at?

Q: La Prensa. I wondered how much they had to do with influencing international policy?

WILLIAMS: Well, I'm not sure they had much. Well, maybe I'm selling them short, but I don't think they had all that much influence, and I don't believe that they really tried, to the same extent as the New York Times and the Washington Post do, to influence policy in a certain direction, that kind of thing. They were conservative papers and that's what -- this other one that I mentioned, the kind of New York Post thing was more liberal, not really leftist, but tending in that direction. The publisher of it, was later put in jail for a while around '76 or '77, after I left, because apparently the military government thought he was feeding information to the Marxist rebels or something like that, and he published a book about his experiences. I remember the name of the book, but I don't remember his name. The book was called "Prisoner Without A Name, Cell Without A Number." He got out alright; nothing serious happened to him. He eventually got out, and was able to write the book.

Q: For the record did we establish your time there?

WILLIAMS: '70 to '75. I went there in January of '70 and left in March '75.

Q: You did stay over another year? You didn't have to do that?

WILLIAMS: I stayed a year longer than my tour of duty originally called for, because there was some difficulty in finding an appropriate person who wanted to go there and be my replacement.

Q: I see. The language, the situation of the country, the terrorist activity, why?

WILLIAMS: Well, I guess probably all of these things had some impact. I'm not trying to down my fellow Foreign Service officers. But, the thing is everybody really would like to try to find some place where he can go and take his family and have a safe tour of duty and some people do choose dangerous places, especially if there is a twenty-five percent or so danger differential attached.

Q: The situation wasn't exactly a piece of cake. There was terrorist activity. And you did stay on?

WILLIAMS: Yes. As I think I mentioned before, I felt that I knew the territory and could take care of myself perhaps a little better than a brand new person.

Q: Yes, you did know it by that time. The sheer length of time, the five years as opposed even to four would have made a difference. So, what were some of your feelings as you were planning to leave, as you thought about leaving? What did you say to the people coming in?

WILLIAMS: Well, there was a very interesting little event that happened as I was getting ready to leave. The Ambassador, Bob Hill, had a farewell luncheon for me at the Embassy Residence which was a palatial old home, several miles out of the real downtown part of Buenos Aires, but still well within the city. It was situated across from a nice, long park with a lake in it and everything. Anyway, the luncheon was attended by a lot of very distinguished and influential people. The Minister of Economy, Dr. Martinez de Hoz, the Secretaries of Commerce and Industry, the President of the Central Bank, and gosh, I don't know how many distinguished government and business leaders. The table would take thirty-five or so people and it was a nice full table. I was very, very pleased that all of these people would turn out to say good-bye to me. At some point during the lunch, one of the servants came in and whispered something to the Ambassador. The Ambassador got up and left for just a moment, came back, sat down and we heard nothing about why. There was no interruption or anything, everybody kept talking. Turned out later that what had happened was that several rifle shots had been fired into the front of the Embassy. The dining room was in the rear, overlooking the rear garden and the rifle shots had not penetrated that far. Apparently, the Marxist guerrillas had seen all of these cars out there and so they thought they would do some protesting or something like that. So, anyway I thought that was interesting. But nobody got hit.

Q: You learned this later?

WILLIAMS: I learned it right after the lunch. After the Argentine guests had left, and only Embassy people were there, the Ambassador told us. I think there was the Deputy Chief of Mission and the CIA Station Chief and the Economic Counselor and so on. Our boss told us what had happened.

Q: Did somebody guard your retreat?

WILLIAMS: Oh no. We thought that since this was broad daylight and we had been warned, we didn't think they would feel that they could do anything else. I felt very good when I left Argentina, because I was going as Consul General to Auckland, New Zealand, a post which I very much wanted and had worked hard to get. As I said before, I really felt that I had done a good job there. In fact, I think I was perhaps a key factor in getting a number of really major contracts for American companies, including some that I didn't mention. There were a good many of them. I felt very good about that assignment. So, I left for New Zealand with a good feeling.

Q: I don't know whether I should press you on some of the details of some of those other companies besides General Motors, but would that have been companies throughout all of Argentina or mainly Buenos Aires?

WILLIAMS: Most of them had their major manufacturing facilities in the Buenos Aires area, but some of the companies had at least some subsidiary facilities in other areas like Cordoba and Rosario or Sante Fe. They were mostly in the area right around Buenos Aires.

Q: Major activities there. I'm thinking also about your training, the work in economics at Yale, did that prepare you and help you as when you went to Buenos Aires?

WILLIAMS: Yes, it did. I felt that it was very valuable. It prepared me even more for the Montevideo job, because I was directly involved in the international economics of the Latin American Free Trade Association, but still in Buenos Aires it helped me out also.

Q: I guess maybe we haven't touched that much on international connections in the '70's, what was going on throughout Mexico, Central America, South America?

WILLIAMS: Well, one of the things that was going on was that all of the liberal and leftist economists at the time, (if that is not a contradiction in terms) (laughter) they all believed in the so-called Prebisch Thesis. Are you familiar with the Prebisch Thesis?

Q: No.

WILLIAMS: Well, Raul Prebisch was a distinguished Argentine gentleman who had occupied high positions in the Argentine government and subsequently was named Director (I forget the exact title) of the Economic Commission for Latin America of the United Nations. This is a very influential sort of think tank, based in Santiago de Chile. Back in the early '49 or '50, Prebisch and another economist named Singer had come up with the so-called Prebisch- Singer Thesis to the effect that the terms of international trade were steadily turning against producers of raw materials and primary products, and in favor of manufactured products. Of course, the third world countries like Argentina were involved primarily in the production of primary or perverting raw materials. The United States and England, and so on, were exporting manufactures. So, therefore, the terms of trade were

worthing for these countries in the third world and were getting better for us biggies. Well, the terms of trade is a measure -- let me put it like this. This is a very simplistic way to explain it, but how many tons of wheat does it cost to buy a tractor? Then, of course, you have to convert these into money. The thing that they were saying was, every year, every decade, it takes more and more tons of wheat to buy a tractor or whatever from the wealthy Northern Hemisphere, Western countries. So, everybody believed that this was exploitation, and this was what accounted for the poverty of the third world countries. They were being exploited by these Northern Hemisphere countries and their multinational corporations. Well, this turned out actually not to be the case. It was shown, to be wrong. I forget who wrote the paper that showed that thesis to be false, (I think it was Gottfried Haberler), but Prebisch had used the wrong figures in his original 1950 paper. He had calculated the terms of trade between England and Argentina for the period of 1870 up to just before World War II. A long period of time. One would think that, over such a long of period of time, you could come up with some good figures. But it turned out that on one side he was using the F.O.B. figures and on the other side he was using C.I.F. figures. In other words, what was happening there was that he was counting in the cost, insurance, and freight on one side but not on the other side. Over this period of time, transportation costs were coming down so it looked as though the price of wheat was coming down. So, it looked as though his thesis was true that the price of wheat was steadily coming down in relation to the price of manufactures. Wheat, meat, and other raw materials or primary products. When this pointed out to him, he readily accepted it. In fact, I had lunch with him one time at the ECLA meeting in 1969 in Lima. I don't recall whether at that time he had publicly come out and said he was wrong, but I brought up the subject and he immediately said, "Oh yes, I read that paper and yes, I was wrong. I chose the wrong figures." He said, "I've still got to look and see whether there is anything to my original thesis about the deterioration of the terms of trade for primary producing countries, but I was wrong." He admitted it quite freely. Anyway, I went back to the Embassy that day and wrote a nice, long cable to the Department of State. "Today at lunch, Dr. Raul Prebisch admitted to me that the Prebisch Thesis was in error." I felt really important. Oh, boy. Anyway, I would think that was probably the major thing that was happening in international economics at that time. The Prebisch Thesis almost had universal acceptance by the entire left, academics, and people who were working in international trade. They all accepted it. Just no question about it that the multinationals, the industrialized countries were exploiting the poor countries of the Southern Hemisphere, and so on. In fact, even today, you still hear some people talking as though they accept that thesis. Of course, this was one of the main things on which Liberation Theology was based, because Liberation theology was going to liberate these countries from this oppression by these exploiters.

Q: You talk about Liberation Theology. How intimately was that involved in the politics?

WILLIAMS: It was really closely involved. I don't consider myself all that good a Christian, but I am a Christian and I just felt a lot of anger to hear these leftists saying, "If Christ were here today, he'd be carrying his knapsack and his rifle and going out with us to fight against the multinational oppressors."

Q: Speaking of liberation, how important is religion in all of the country? It is a Catholic

country?

WILLIAMS: Pretty important. It used to be, of course, that in all of Latin America there were two ways for a young man to get ahead if he was not born in to the aristocracy or the upper middle class, or he could either go into the armed forces or into the Church. That was more true perhaps in some of the poor countries like, Paraguay and Bolivia than in Argentina. Because, after all, Argentina was a pretty wealthy country, as was Uruguay. In fact, in 1930, all of Argentina's economic statistics, as I recall, were better than Canada's. It really ranked right up there almost as a developed country to the same extent as Canada, back then. But things just went down hill. I think one reason, we touched on when we talked about Peron the other day. Argentina made an awful lot of money, piled up a lot of foreign exchange reserves, during World War II; selling meat and other food products to the allies. After the war, they had an enormous amount of foreign exchange built up. So, what did they do? Well, it really got frittered away. Peron did two things. One, he bought out all of the foreign-owned utilities, which is O.K. Although, why do it if things are getting along fine even if the foreigners are making some money out of it. Anyway, their public utilities were getting kind of old by then. Peron probably paid too much for them. Then the other thing was that he promoted industrialization. Non-economic industrialization. He really didn't care whether it was economic or not. The new industries were being created just so they would employ people who would vote for him. More industrial workers, more meat-packing plant workers to vote for the Peronist Party. So, most of that money got frittered away, rather than being spent sensibly to bring Argentina into the modern world.

Q: That original wealth going back to the 30's was based primarily on what?

WILLIAMS: Meat and grain exports, and sheep down in the southern part of Argentina.

Q: So, by the time you got through with that, there wasn't that much wealth left there?

WILLIAMS: Yeah, right. Then too, you see, they were always looking for some big cow to milk, and for a while there it was the big land- owners. He was taxing them and he was setting up export agencies. For example, farmers were not allowed to export their grain directly. They had to sell it to this government agency which would then export it. The government fixed the price at which they the agencies would buy the stuff. Then, the government would make a big profit on it, leaving the farmers just enough to keep them going. Same with meat. There was a slightly different way of handling it there, but they did virtually the same thing.

Q: Small landowners, or relatively small as opposed to large or both?

WILLIAMS: It was all the same.

Q: By the time Peron got through with it, it was not the same?

WILLIAMS: After Peron left the first time, I think the landowners were better off. Every

government had a tendency to try and make the money off of the landowner, the primary products, rather than putting on taxes that would affect the workers in Buenos Aires and the other major cities.

Q: When was all this happening? How involved was the State Department or Embassy, how much did the Embassy know about all of this, the history and the practice?

WILLIAMS: Well, that's a good question. I think there was a good bit that the individuals in the Embassy knew. For example, the Ag. Attache. I don't think he knew much about the history of agricultural production in the country, nor how the landowners had gotten their start, nor about their relations with the gauchos that worked the land and rode herd on their beef cattle and their sheep and so on. But there was a good bit of knowledge around here and there, because you know, when you go out and have lunch with some Argentine, he'll tell you a lot about the background of his particular activity and you learn a lot about it, especially if you go right back to the Embassy and write it up, take notes and write up, if it's interesting enough write up a report to the Department of State or the Department of Commerce or Department of Agriculture or whatever. I'm just trying to think of the Embassy as a corporate body, how much knowledge did we have? Well, quite a lot scattered here and there, but not in any organized way. But, we could brief a visitor. If we had some important person come down, an Assistant Secretary or the Special Trade Representative, or somebody like that, we could all get together and brief him and answer questions. If there were six or eight of us around the table, we could answer almost any question he had, including the history, or present activities, or present situation, just about anything. When one guy would leave that would leave a pretty big gap until his successor sort of got up to speed.

Q: And it would take him some time, no matter how brilliant or accomplished and insightful?

WILLIAMS: It would take some time, yes. Sure. And of course, the Department of State has a policy of transferring people frequently. I think it's a basically good policy of transferring people around every two, three, four years. I think I may have mentioned at one stage about Henry Kissinger's GLOP Policy. I forget what GLOP stood for. He found some people at some Embassies who had been there too long, not necessarily in that same country, but in that same area. For example, I think he went to Mexico and he found some guy in the Embassy that had been there for I don't know how many years and before that he was in Guatemala and before that he was in Nicaragua. He had been in Mexico and Central America so long that it seemed to Kissinger at the time apparently that he had a clearer view of their interests than he did of the United States interests. So, with that he decided to break these people loose from the places they had been for so long. If he was a Central American specialist, get him heck out of Central America and send him to Africa or Europe or some place. Basically, I think it was a good policy, because people do tend to get attached to a place where they are for a long time and do become, to some extent advocates for that country in the United States, rather than advocates for the United States in that country.

Q: Do you think that was Kissinger's pet idea or did other people have it?

WILLIAMS: I think other people had had it probably before, but Kissinger just did it -- something set him off. I really don't know what the incident was, but it was something like I just described, and I believe it was when he made a visit to Mexico.

Q: That's interesting. That's good to know. Thinking about some of your feelings as you left the country, feelings about people, food, music, you know. I still want to know about women again. Women there in the country, were there a lot of women working in Buenos Aires?

WILLIAMS: Ole, ole. Yes, there were an awful lot of women working there in the city. As I mentioned before, I think, it was more of a European city than a Latin American city. It reminded me very much of Madrid or Paris. Some people said Paris, but I've never lived in Paris, so I couldn't really compare the two for living. One little indicator is that there were more hotels that rented rooms by the hour in Buenos Aires than in any other city I have ever seen anywhere. Now, I don't know what that tells you about it, but it's got to tell you something.

Q: Wow, that's interesting. Women who work, say in business, in banks or in other multinational corporations, what about their training?

WILLIAMS: Down there in Latin America, you don't go to the University unless you are preparing for a career in which University training is necessary. There were many professional women. Lawyers for example. There were some women doctors. There were women in other professions, much more so than in most other Latin American countries. There weren't very many women in the Foreign Affairs Agencies there, the Ministry of Foreign Relations or Ministry of Economy, but there were some. We just felt that this was a fairly progressive Latin American country in that respect.

Q: Because I think many of us in North America feel, well, the Latin American Machismo -- maybe men need to have the more important jobs.

WILLIAMS: Well, that's true. There's certainly a lot of that around, perhaps more so than here. But, let me just give you one little incident which has nothing to do with Argentina. One of the visitors that I escorted around as an interpreter several years ago was Gustav De Greiff, who at the time was a Justice of the Supreme Court of Colombia. He had been a Minister in the government. His daughter, who was in her late thirties had been Minister of Justice. A year or so before he came here, she had resigned, because her life and that of her children had been threatened by the Medellin drug cartel, and she felt this was a serious threat since they had killed an awful lot of government people down there, so she resigned. They told her to resign, leave, or else. So, she resigned. Later, after he was here for a while he took over, not that specific job, but the job of chief prosecutor, a kind of Attorney General job. The chief government prosecutor. But, I see recently --

Q: In Argentina?

WILLIAMS: No. This was in Colombia. I'm sorry. Perhaps I didn't mention it was Colombia.

I beg your pardon. I should have said that at the very first. Anyway, Gustav De Greiff was apparently not tough enough on the cartel to suit us and we are now very happy apparently that he has been replaced by someone else who we think is tougher on the cartels. Anyway, his daughter was a Minister of the Government at the age of only about thirty-eight or thirty-nine.

Q: Wow. And that would have been unusual for any of their countries?

WILLIAMS: It was fairly unusual. It's not unheard of, but fairly unusual.

Q: Your being called on to be an interpreter -- where was that and when?

WILLIAMS: Bob Hill, replaced John Lodge as Ambassador in Argentina. I vaguely knew him, because at one point when I went back to Washington.

Q: Moving on to '70, and I knew we're not covering all of it but, roughly, after 1970?

WILLIAMS: I went to Buenos Aires. The reason I went to Buenos Aires was because my tour of duty was up. Going to Buenos Aires was perhaps a mistake from the career standpoint, because I could have waited a few months and gotten an assignment in Geneva at our delegation to the international organizations there. That probably would have been a much better career move, but unfortunately or fortunately, (I'm not sure which) I was not as attentive to career moves as I should have been. Anyway, Ambassador Lodge had been in Argentina for about a year, I think. He was appointed by Nixon when he first came in. He had been my Ambassador in Madrid. He called me up and said, "I've got a vacancy at the Embassy as Commercial Attache, would you like to come and fill that vacancy?" And, I said, "Yes, I would." It just appealed to me to go again to the River Plate area and work for Ambassador Lodge again. He was hated or despised by many of the career Foreign Service people who came in contact with him only periodically. I got along fine with him.

Q: Why?

WILLIAMS: Well, first of all, he was a conservative and loudly so. This conflicted with about eighty percent of the Foreign Service people's ideologies. Second, they considered him a loud blow-hard and someone whom they really couldn't control. A career man who is an Ambassador will often be much more amenable to suggestions. Not necessarily orders, everybody takes orders, but suggestions and hints and so on from the desk people back in the Department. Well, Lodge was known to be a pretty much of an independent guy. He didn't really take suggestions, he would barely take orders; Well, he would take orders, of course. Anyway, he asked me to go, so I went. I enjoyed the tour of duty there. I think I accomplished a lot. I was there for five years.

Q: When did you get back there?

WILLIAMS: In January, 1970.

Q: *In summertime?*

WILLIAMS: Yes, in their summertime.

Q: *Their summertime is -- what kind of weather?*

WILLIAMS: Oh, very nice. Sometime a bit humid around the immediate Buenos Aires area but, it's never really as hot as it gets here.

Q: *Not Baltimore or DC humidity?*

WILLIAMS: No, no, not that kind. It's very nice. My job there involved many things. First of all, I had to get into the American business community; I was a member of the American Chamber of Commerce there. Another task was getting to know very well the Argentine business community and the people in the Argentine government who were concerned with economics and business and industry and so on. That's a pretty broad array of people.

Q: *Yes. I was going to ask you, who was in the American Chamber of Commerce; how big was it?*

WILLIAMS: Oh, I've got a big thick book back in my office that I could show you. All of the major American companies had representatives there. At one time or another, a great many of them needed assistance with something that the Argentine government wanted to do to them. That was one of the things that I had to do. First of all, I had to try to help with problems that locally established American companies had with the Argentine government. Also, problems that exporters from the United States faced in getting their products into Argentina. Then, I went out on my own to look for trade opportunities for American companies, for American industries. Not necessarily for a specific American company but, for any company that could manufacture whatever product was needed. I will give you an example if you like. Fairly early in my assignment there, I began going out on the road to look at industries in different parts of the country to get to know the country. So I was on one of my visits up in the Northwest. I took my wife with me, because we would usually take a couple of days of leave in conjunction with these trips. She wanted to get to know the country too. We were in the Province of Jujuy. by the way, my brother-in-law is a tobacco man and he says that a colleague of his goes down there often since they raise tobacco in that province. He goes down there frequently enough so they call him the Mayor of Hooey Hooey. Anyway, there was a factory, a steel plant up there owned by the Argentine military, a group of companies known as Fabricaciones Mitares. I thought I'd drop in and talk to them and see if there wasn't something that American companies could sell them. So, when talking to the director of this company, Altos Hornos de Zapla, he said, "Well, you know, you're a little late, because we just put out a call for bids for a rolling mill." I said, "Did you invite any American companies?" He said, "Well, you see, this is a small rolling mill, and we don't know of any

American companies that manufacture small rolling mills." I said, "I'm sure there are at least one or two. Could you please give me a chance, give me a week or so or several days anyway, to get back to Buenos Aires and make sure that there are such companies and then allow them to get in on the bidding? Could you re-open the bidding if there is an American company?" "Sure, sure," he said. "We want to be fair to you, but we just didn't know of any American companies." They hadn't called the Embassy, of course. Anyway, on getting back to the Embassy, I telephoned the Department of Commerce. I said, "Who have we got that can manufacture a rolling mill of the following specifications?" I gave them the specs. They said, "We'll get back to you." So, in a couple of days, I got a call saying there was a company in Pennsylvania that manufactured rolling mills of this size. We're talking about a thirty or thirty-five million dollar contract here. They said they would be interested in bidding on this. Then, I called the guys up in Jujuy and said, "Look, there is an American company that wants to bid, can you re-open the bidding and accept a bid from them?" They said, they could. Anyway, the American company got in a bid, then they ran into a problem. There was a special type of furnace that they had to have in conjunction with the rolling mill. The company that they had been counting on to supply that furnace went broke, so they didn't know where they were going to get that from. I heard about this from the Department of Commerce, they might have to withdraw their bid. So, I said to a guy in the Department of Commerce, Please, look around and see if you can't find somebody. We don't want to get a reputation down here of being unreliable and here I've twisted these guys arms to re-open the bidding. Anyway, finally they did locate another company that could make this furnace that could be part of the entire package. The whole process went on for another three or four years. There were all kinds of little hitches in there that I had to help straighten out. Finally, the American company won the contract and supplied the rolling mill. That meant a lot of jobs in Pennsylvania. That was one of what I considered to be my accomplishment.

Q: So, the work was really done there.

WILLIAMS: No. The American Company exported the rolling mill to Argentina. The point is, I felt that, had it not been for me, a lot of people in Pennsylvania would not have had jobs.

Q: And the year?

WILLIAMS: It began in 1970.

Q: Talking about the time in Argentina, why were the Argentine officials willing to wait for a U.S. bid?

WILLIAMS: They felt that it was to their advantage. Maybe the American company might have a lower bid, because that's one of the points I made. You've got this Belgian company and this British company and so on, but you might find that the American company will come in with a lower bid.

Q: Were there South American companies?

WILLIAMS: No, there were no South American companies bidding. There were none capable of manufacturing that kind of rolling mill at the time. I don't know whether there are now. Maybe some Brazilian company could do it now.

Q: Tell me about the rolling mill. What was it going to do?

WILLIAMS: It makes steel plate or steel sheet. You can manufacture steel plate or sheet of various thickness, depending on how close you set the rollers and so on. Basically, it's the kind of thing that your car is made out of. Sheet steel.

Q: Where were they going to get the raw materials?

WILLIAMS: That was going to come mostly from their own steel plant.

Q: In Argentina?

WILLIAMS: Yes, in Argentina.

Q: In the Northwest or another part?

WILLIAMS: There and in another part of Argentina. Of course, some of their steel requirements did have to come from abroad, and I was trying my best to make sure that American companies got their share of imports. For example, let's say stainless steel. We would supply a good bit of that. Also, steel reinforcing rod, we had a lot of that going in there too. Basically, the rolling mill was a small one, because most of the rolling mills in the United States are used by major steel manufacturing companies. They are big, enormous things that would be three or four times as big as that one. But, that's what the Argentines wanted, you know.

Q: So it was specialized?

WILLIAMS: Special, and it turned out that there was only that one company in the United States that could make one that small. There were others that could manufacture bigger ones.

Q: What about Bethlehem Steel, would they be making raw materials or is that a rolling mill?

WILLIAMS: They would have enormous rolling mills there. Much bigger than the one that they needed at Altos Hornos de Zapla.

Q: What was the countryside around it? Was that mountainous?

WILLIAMS: Yes.

Q: Northwest?

WILLIAMS: The province of Jujuy extends along the Bolivian border and the Chilean. It is the northwestern-most province of Argentina. Part of it is right up in the Andes.

Q: Was the language or the culture quite different from other parts of Argentina in that area? I guess I'm asking a more general, more broader question about culture differences.

WILLIAMS: Well, let me give you a broader answer. The answer basically is "yes." But let me tell you something. I read a book on sociology in Argentina which said, in effect, that the boundary between Europe and Latin America runs through Argentina. It runs specifically through Cordoba, which is a major city in the interior of Argentina. By the time you get as far west as Cordoba, you're getting out of the area which is almost entirely European with Spanish and Italian and English influence. You're getting into Latin American which is the *mezcal*, the mixture between the Indian culture, the native cultures and the earlier Spanish. There is much less Italian and English, influence; that's confined to the coastal areas. I used to talk about this book with my friends down there, and even if they hadn't read the book, they'd all say, "Yes, he's got it right." The sociologist who wrote the book (I wish I could remember his name now) said that this is the reason why Cordoba has always been a focus of turbulence in their society, because it is right on the edge, right on the border. That is where a lot of major movements, revolts or whatever, had begun and that was the reason. Indeed, that happened in 1968 and that was the trigger that set off the downslide that has only recently terminated. That was the so called *Cordobazo*, the revolt of the leftist students and union people and so on. You might ask, what has leftism got to do with the mixture with the Indians and so on. Well, I don't know, I'm not sure whether the writer had a specific answer to that, and I'm sure that I have any specific answers. It is a point at which two cultures come together, and in some ways they clash; and people who want conflict, like the Leftists, can take advantage of this, and they did take advantage of it.

Q: How far was Cordoba from Buenos Aires?

WILLIAMS: I want to say about four hundred miles but, I'm not sure, maybe it's four hundred kilometers, maybe two hundred and fifty miles something like that.

Q: Is the geography quite different?

WILLIAMS: The geography, it's hilly country around Cordoba. There are some rivers there. Few of the rivers from there lead directly to the Atlantic coast or the Parana system. Some of the rivers vanish in the desert or flow into a lake or something. Perhaps it's not a real desert but, only salt flats. Anyway, there's nice countryside around there. Mostly it has always been a kind center for cattle-raising and that kind of thing; farm products of all kinds.

Q: Such as?

WILLIAMS: Corn and grains of different kinds wheat; soybeans, sunflowers. Anyway, this guy was saying you could trace the border between Europe and Latin America, right along

there through Cordoba and when you get up in to the northwestern cities, Tucuman, Salta, and Jujuy, they are all Latin American; whereas, Buenos Aires, Santa Fe, Rosario and Bahia Blanca are European.

Q: It sounds an extremely plausible theory. Not just a theory but reality.

WILLIAMS: It's always seemed to me that way. And, having experienced the country for five years, I really think the writer had an insight. I wish I'd thought of it myself.

Q: The language, are the shades of language and pronunciation differences?

WILLIAMS: There are some shades, but no real problems with communication. We had a woman who worked for us in our home, she was our maid-of-all-work, who was from up in that area, the northwestern area. She was obviously a good part Indian. She was a good worker. We really loved her. There was no problem with communication at all. She spoke good, although "country" Spanish. Nothing wrong with that.

Q: Yes. I'm thinking it might remind us of people from Northwestern Piedmont, or just at the edge of the Blue Ridge as opposed to Chapel Hill.

WILLIAMS: Oh yes. That would be the same kind of comparison.

Q: Yes. Because we do hear shades of dialect, even among rural people on the east coast of North Carolina.

WILLIAMS: Sure you do. For example, the people down in Hyde County where the high-tide comes in.

Q: Think about the first regime, the first time Peron came in.

WILLIAMS: He was actually elected President in 1946 with a great deal of help from Evita. Had it not been for Evita getting a lot of support on his behalf he might not have been elected, despite the fact that he had been Minister of Labor and had the firm support of union people. Anyway, he was President from '46 to '55 when the military revolted, even though Peron was a military man himself. He was moving in a direction that the military people did not like. He was obviously -- well, he was a maverick, so to speak. A military man who became Minister of Labor and who then was elected President with the undying support of the union movement. He did everything he had to do to build the union movement, not so much because he thought that was a good thing necessarily, but because they were his supporters. They were the people he could count on. So he promoted industrialization, not so much for industrialization's sake but for the sake of creating more union jobs so that he would have more supporters. Anyway, Evita died in 1952. I'm not sure just what effect this may have had on his presidency but, in any case, in 1955 there came a point at which the military felt that he was no longer an asset to the country. The military in Argentina have traditionally felt that they are the ultimate guardians of the constitution and that when a

president or an elected government is working against what they feel is the long range national interest, then they feel they have not just a right but a duty to step in and take over, which is what they did. So, they turfed him out in '55 and for a couple of years there was a temporary military government. Then in 1958, they brought in an elected civilian government which was still very much under the military influence. I may be getting a little hazy on my memory of all of the succession of events here but, in the early 60's there was a dispute among different groups of the military and there was even a little bit of shooting there between different groups of the military. So, they decided maybe the best thing to do would be to have another election. They'd had an election earlier in '58 but they refused to allow the Peronist Party, which is the largest single party to participate as the Peronist Party. They could vote as individuals but they couldn't run a candidate as the Peronist candidate. Anyway, in '63 they had another election and a civilian government was elected. As many civilian governments in Latin America are inclined to do, many people in the government felt that they only had a very few years and they'd better make it while they could so they were pretty corrupt. They were going around trying to make all the money they could while they were in power and they were not governing very well. So, in 1966, the military threw them out. At that point it was General Onganía became President. He was the Chief of Staff of the Army. He was still President when I arrived. Under the military government, I'll say, things had been going reasonably well economically up until then, but things got even better because the military, whatever else you may say about them, they were not out to enrich themselves to the same extent as the previous civilian government. Now, there was the odd exception here and there but, in general, they were adopting regulations and laws that they thought would promote the economy of the country - they were not necessarily beholden to the big landowners and so on, nor to the unions or anyone else. So they had no particular economic constituency to bow down to and try to do favors for. Things went quite well as I mentioned to you before about the price of cars for example and the number of automobiles manufactured and price going down and quality and numbers going up. More people were owning cars, which was very good. Then, I think it was '71, I'm not quite sure, I don't remember exactly what happened here but, the presidency was changed abruptly by more or less of a coup. A new and less influential General became president. In fact, he had been their military attache in the United States before he was suddenly called on the phone one day and told, "Hey, you're going to be our new president." Anyway, then the more influential General, who was General Lanusse, decided that he wanted to be president. So, in the late 1971 and 1972 he was campaigning. The guy actually thought that he could be elected in a free election! He, a military man was going to be elected in a free election! Well, thinking back I guess to the fact that, after all, Peron was a military man and he was elected in a free election; but he had a constituency. Lanusse had no constituency.

Q: *Where's he from?*

WILLIAMS: I don't know. His family had a great big auction house and I think originally they were big landowners, but I'm not sure what branch of the family he was from. Anyway, he then permitted an election in '72. Peron was in exile in Spain at the time. You mentioned about Eva Peron's body. She was in a coffin on top of the piano in his home there in Puerto de Hierro in Madrid. She was lying there with candles all around her apparently. People who

have seen it have described it to me. It was amazing. Apparently, she was very well embalmed. Anyway, Peron was not allowed to run. But, the Peronist Party was. They didn't repeat that mistake from '58. They did allow the Peronist Party to present a candidate. He was a dentist who was an old Peronist from way back. He was Peron's designated stand-in. It was a very close thing. He got a few more votes than the General did, but not quite a majority. It was surprising to many people that the military did allow him to take the Presidency. Then, he immediately started working so that Peron could come back and there could be another election and Peron could run himself. So this happened in 1973. The laws were changed and in 1973 there was the "second coming" of Peron. The Peronist movement has always been difficult to describe in traditional terms, leftist-rightist. It was based on what people normally think of as being leftist, that is unions, labor unions, except it was different here. Peron had gotten his political education under Mussolini in Italy. He was the Argentine Military Attache for several years in Rome and observed how the Fascists worked there. "Fascist," of course, became a bad word and most people don't know it has a specific political meaning, just like Communist, you know. There are words that get thrown at others -- "You Fascist, you Communist," and so on. But the Fascist political system was based on the idea that people should be represented through the organizations that they are members of or through the classes that they belong to -- for example, heads of households are a class which should be represented in the Parliament. Industries should be represented in the Parliament; farmers should be represented. In other words, you are represented, but you are not represented as an individual voter but by the group to which you belong. "The corporate state" is the usual term for this. You are represented by what corporate body you are a member of. This was developed or carried a little further in Germany by Hitler under "national socialism." Most people forget that Nazi comes from the *Nazional Sozialistische Deutsche Arbeiter Partei*. The National Socialist German Workers Party. Socialists, O.K. So, are they left or are they right? Well, "Nazi" is not quite the same as Fascist. Are they the extreme right? They are Socialists; they are national socialists as opposed to the Soviet kind of international socialists. So, my feeling on this as a political scientist, taking off my economist hat for a moment and putting on my political scientist hat, is that you don't have a straight line spectrum here. You have a kind of horse-shoe shape, where it comes around and where the two extremes almost meet. So, the extreme left and the extreme right are very close. I think this was the case with the Peronist movement, because he curried favor with the extremes, the leftist terrorists. By the way, the extreme left, the Communist and the Maoists and the Fidelistas and so on (terrorists) were very active by this time in Argentine.

Q: Mostly in cities or the countryside or all over?

WILLIAMS: Both. But, more in the cities. They were trying to set up a base of operation in Tucumán which unfortunately from their standpoint, fortunately from ours, failed. There was a lot of bad stuff that happened in Tucumán while they were trying to set up there, and that's a northwestern city where they had some sympathizers.

Q: Such things as?

WILLIAMS: Murders, kidnappings, actual raids on military installations. They would get two

hundred people to raid and take over a military installation. Kill people and so on. Anyway, Peron curried favor with the leftists, making them think that he was really sympathetic to them. He was one of the few people who was able to deceive them, because after all these leftists are Communists. They are very cunning, clever people. I certainly won't take that away from them. But, he managed to fool them. He got their support. They supported him to the point of voting for him in the election and the election was free. We were keeping a very close eye on it; the Embassy was keeping a very close eye on this election. He did get somewhere around sixty-five or sixty-six percent of the vote.

Q: Was the State Department surprised when the people supported him?

WILLIAMS: No, we were not surprised. In fact, we were surprised his percentage was that low. He did come back. On the day he came back, there was a terrific fight. I mean a literally shooting war between his extreme leftist and extreme rightist (if you want to call 'em that after my little lecture) supporters at the airport at which he was supposed to come in. They got to shooting at each other. There is a book on that, but I've never read it. At the time I did not know why they had started shooting at each other, but they did. Anyway, he had to come in at a different airport.

Q: He was due back at which airport?

WILLIAMS: Into Ezeiza International Airport at Buenos Aires. He actually came in at another airport near Buenos Aires. Anyway, he straightened things out, more or less. He laid down the law; he said, "Look, you guys have to toe the line." It took the leftists some months, if not a year, to decide that he really wasn't one of them after all. Although, he did turn over the Ministry of Foreign Affairs to them. He had promised them the Ministry of Foreign Affairs, the University, and I forget what else. You had these young Communists going into the Ministry of Foreign Affairs and rousting these old dignified diplomats into the court yard and making them jump up and down and chant a pro-Peron chant.

Q: Literally?

WILLIAMS: Literally! Literally! These old guys were out there being forced to jump up and down and saying, "Saltan, Saltan por Peron Quien no salte es un gorilon," "Jump, jump for Peron, anybody that doesn't jump is a gorilla." The Communist called the military guys "gorilones," or "gorillas." So, anybody that doesn't jump up and down for Peron is a gorilla, a military sympathizer. These dignified old ambassadors out there jumping up and down at the command of these young Fidelistas and Maoistas and so on. God! I had some friends in the Ministry at the time who described this to me and it was just -- well, what can you say? Anyway, for about a year Peron was the President, but he was in failing health, obviously. At the end of that time he died and by then the break between the Peronists and the leftists was pretty complete and the leftists who for a while had slacked up on the terrorism, went back to it.

Q: So, in the movie, the mothers of the "disappeared" -- do I have the right country,

Argentina? So, who were the "disappeared" people?

WILLIAMS: Well, I'll tell you about at least one of the "disappeared." My wife's first cousin, son of my wife's mother's older sister. They were a family of Jewish refugees who came to Montevideo in '36. One sister stayed with her parents in Montevideo and the other sister met and married an Argentine and went to live in Buenos Aires. So when we arrived in 1970, one of the first things we did was to call on Loreta's aunt and her uncle by marriage and their two children, a boy and a girl. At that time the girl was about sixteen I think, and the boy was about twelve, maybe thirteen. Anyway, we would visit back and forth for two or three years. Then one day we got a call from them, the aunt and uncle wanted to come over and see us. They sounded alarmed about something. We invited them to come on over. So they came over and said that they had found in their daughter's and son's rooms some material from one of the terrorist groups. They were very alarmed at this, because they didn't want their kids mixed up in any terrorist gang. They obviously, didn't know how or to what extent they were mixed up with them, but they wanted our advice as to what to do about it. I could hardly give them any advice. I just said, try to find out whether they are involved -- how closely they are involved and just try to talk to them. Try to see what it is that's driving them in this direction or if it's just that some of their friends at school had given them some papers and said, "Read this, you'll find it interesting," or something like that. Well, I won't go through the whole story here, but apparently what had happened that both kids were fairly closely involved with the terrorists. The older child, the girl, was at the University by then, and she fortunately fell in love with a fellow student who was not mixed up with the gangs and didn't want to be. So, she dropped out. Meanwhile, the parents were just suffering terribly because they didn't know what was going to happen. At the time, the terrorists were going around killing police officers and military people, kidnapping American and Italian and British executives, and so on. They burned down the houses of a couple of our Embassy people and kidnapped and shot a guy out in Cordoba, one of our USIA people. Anyway, things were really frightening. After Loreta and I had left there and gone to New Zealand, we had a letter from them saying that their son, Miguelito, had disappeared. They knew by then that he was very closely mixed up with the E.R.P. terrorists. He disappeared and he never returned. So, there is one of them. He was not a little innocent idealist who got picked up just because of his ideas or something like that. His parents knew that.

Q: When did he disappear?

WILLIAMS: It must have been '76 or '77. Probably '76.

Q: So did the worst of it start, or the major activities start in '76?

WILLIAMS: Major terrorist activity?

Q: Yes.

WILLIAMS: Well, aside from the kidnapping of the former President, that was in '70 I believe, but aside from that, it started really in '72 I guess. It started getting got bad in '72. So,

from '72, until after we left in '75, it was pretty bad. Apparently, Loreta's girl cousin got mixed up in the terrorism first and brought her brother into it. The parents never really knew that for certain because the girl wouldn't talk about it.

Q: Did the E.R.P. involve mostly young people?

WILLIAMS: A great many University people were in it.

Q: Students and professors?

WILLIAMS: Students and professors. At one point, for example, there was a professor I knew who was an economist. He taught at the University of Buenos Aires. His name was Robert Aleman. He was well known because, he often wrote newspaper columns on economics. He was a conservative, though not what you would call an extreme conservative. One day, shortly after Peron came back, some guys with sub machine guns walked into his classroom and said, "Get out, we don't want to see you back here!" So, he left and he didn't go back. He was lucky they didn't shoot him, I guess.

Q: Was it possible to remain neutral? The disappeared would have been done in, taken away by whom?

WILLIAMS: By the military. As we've seen recently in the newspapers about confessions by some of the military people who participated in elimination of a lot of those people who disappeared. How it was done and all that. Apparently, there was a Navy base right there on the river, close to downtown Buenos Aires, where a lot of this took place. I just can't get too excited about it. We naturally sympathized with my wife's aunt and uncle over the disappearance of their son, but he made a choice. I know they tried to get him out of it, but he wanted to be a rebel, I guess.

Q: I was thinking, could they have been like gangs, say in L.A.?

WILLIAMS: Well, I think it's the same sociology in a way. I'm going to tell you the way they worked this business. There were a certain number of professors who were convinced Marxists or Maoists or whatever. Most of them, by the way, considered the Marxism as practiced in the Soviet Union as too tame. It was old fashioned, you know, it didn't go far enough. They were the Maoists and the Fidelistas. Many of their students would study to become teachers. They would then pick out the students that they felt were the most damnable and they would recruit them into one of the Marxist gangs and they would, after graduation, send them as teachers down to the secondary schools. They would contact somebody that they knew in the Administration and say, "Look, I've got somebody here I want to get in to a secondary school." So, they would send them down and get them a job as teacher in a secondary school, usually in the Buenos Aires area, but also in some of the other major cities, Cordoba, Rosario, etc. Then, these teachers would teach the Marxist line in their classes, and would pick out the people that they felt were the best recruits. Then, when they got ready to go to the University, the teacher would call up his mentor at the University and

say, "Look, I've got a couple of good prospects coming up to you now. Take these people in hand and I think you will be pleased with the results." It was a circular process going on there. It had been pioneered for them over in Uruguay among other places. Among the Tupamaros in Uruguay.

Q: When and how and why?

WILLIAMS: Well, for the same reasons. The Tupamaros were just the Uruguayan version of the E.R.P. They were Maoists and Fidelistas. They had done the same thing. They had taken over the University in Uruguay by the late 60's. I was no longer there then. That's more or less the way those guys worked in Argentina. They needed a stream of recruits. Many of them were eighteen and nineteen year old University students. They had to be sure of them. There were some of them that they recognized right away that would not be good for anything except as supply clerks or people to operate safe houses, but not as members of the active gangs that went out on the street and killed or kidnapped people. But they needed to have teams who were capable of doing that. So, when they came across somebody that they thought would be good for that, they would send maybe two recruits out with maybe four or five veterans. They would have the recruits kill somebody. They would pick a cop or a military man, it didn't matter who. What they wanted to do was to have this recruit actually kill someone so that when the time came for him or her to kill somebody important they would be able to do it. They wouldn't freeze on the trigger or something like that. So, you had the spectacle of some forty-five year old police officer with a family of five who lived in a poor house in a poor neighborhood and who came from a low class background and to whom being a police officer was the highest thing you could ever aspire to, to make a salary and be respectable being killed by an upper middle class little yuppie son of a (you know what) who was doing it because he was for "the People." He was in the Revolutionary Army of the People. What can you say! Girls were doing this too! It wasn't just boys, it was girls. There was a girl who planted a bomb in the bed of the Chief of Police and his wife. She was a University friend of the police chief's daughter. She was invited now and then to sleep-over at their apartment. She put a pressure bomb under their bed; so, when they went to bed, boom. It killed not only them but also an eighty-three year old woman in the apartment next door. A nineteen year old girl! I hope she was one of the disappeared and I hope her disappearance was painful!!

Q: Oh my goodness! What were your instructions as State Department people? What did you do, what were you supposed to do or not do?

WILLIAMS: Among other things, we were supposed to vary our routes and our times of coming to the office and leaving the office, but especially going to the office in the morning. In my office, I had to work up a little schedule. I'd say, "Tomorrow, Charlie, you come in late, and Jim you come in early. That kind of thing. And, I'll be here about such and such a time." But we had to vary it a lot so they would not be able to pick up on us so easily.

Q: Were you afraid for your life?

WILLIAMS: Yes. It was always in the back of our minds. For four of my five years there, I carried a gun every day. There was a little dispute over that in the Embassy at first because, the F.B.I. guy and a couple of the military people there thought that us civilians shouldn't be carrying guns around, because we don't know how to use 'em. I said, "I'll take you fellows out on the target range any day and compete with you." Anyway, I felt, as did many of us, that we wanted to have the option. If we looked up and found our car surrounded by guys with machine guns, obviously we weren't going to try and shoot it out with them, but we wanted to have an option in case there arose circumstances in which somebody tried to get at us and we did have a chance to defend ourselves. The Ambassador came down very heavily on the side of those that wanted permission to carry guns.

Q: Some did and some did not?

WILLIAMS: Some did and some didn't.

Q: What about Washington? Was Washington aware of how severe things were? Did they know and did they care? Your life was on the line.

WILLIAMS: Our lives were on the line and we had a request in -- the Administrative Officer and I put in a request for a danger pay differential, a hazardous duty differential, which Washington sat on for three years. It finally came through after I left. They approved a twenty-five percent differential.

Q: Years?

WILLIAMS: Yeah, years. We'd send a reminder every time there was an incident involving one of our people, the Air Attaches house gets burned down or whatever. You see, this was the kind of danger we were exposed to. They would ask whether anybody got hurt. More often than not, nobody actually got killed or hurt. Anyway, that was the kind of thing we faced from Washington.

Q: It sounds extremely tense.

WILLIAMS: It was tense but, you couldn't let it get to you too much.

Q: I was going to say, how could you do your work? I mean every day knowing this?

WILLIAMS: Well, every day you just had to -- not put it out of your mind -- I wouldn't say put it out of your mind. I would say at certain times of the day you had to be thinking about it very carefully, but when you got to the office, try to put it aside. We had to be very aware of our surroundings at all times. That's what I always tell people now. Especially women who live alone or who travel alone a lot. You need to be aware of your surroundings. I would say that to you. Be alert to what's going on around you. If you see somebody that's suspicious, don't think, "Oh well, I'm just being too sensitive or I'm being paranoid." Just because you're paranoid doesn't mean that people aren't out to get you.

Q: I keep thinking about walking in cities on a perfectly deserted block, maybe dusk or something. I can remember getting out and walking in the street, not staying on the sidewalk. I don't know where this was, Greensboro or Baltimore; but, yes, I know.

WILLIAMS: So you know what I mean. Anyway, that was the way it was. We had to be alert. Then one time I remember, we got an intelligence report that one of the gangs, I forget whether it was the E.R.P. or the Montoneros, was going to try to infiltrate the Embassy, and shoot somebody or do something like that, or perhaps kidnap somebody, through either the consular section or the commercial section because we had to be open to the public. If a business man or someone wanted to come in to my office, I couldn't just refuse to receive him. So, for a while there, we took it seriously. I had a .45 automatic under my desk. I had it fixed up with a little nail brace so that it was under the desk where it couldn't be seen from the front, but where I could get at it easily if it turned out that somebody was trying to do something to me. Again, it would give me an option, you know, if all of a sudden I looked up and I saw myself gazing down the muzzle of an Vzi or something. Well, I wouldn't necessarily try to shoot it out with him, but if I saw something to indicate that something funny was happening, I could get my hand on the gun fairly easy and unnoticeably. Fortunately, I never had to use that. In fact, only one time did I ever have a gun pointed at anybody that I thought that I was going to have to shoot. But it turned out that I didn't have to shoot him.

Q: When was that and where?

WILLIAMS: My wife and I lived on the fifth floor of an apartment building overlooking a park. Right below us, there was a T-junction. A street came down the side and T'd at the park. I wasn't driving to the office. What I would do was to walk down to a main street which was just about a block away and take a bus there, well usually take a bus to the end of the metro line, the subte they call it, and then take the subway from there on in. This was still Buenos Aires; it was not a suburb, it was the city of Buenos Aires, but was several miles out of the center of this big city. Anyway, my deputy lived about a half a block up the street from me in another apartment building. After the terrorism got bad I made a habit of going out on my balcony every morning before leaving for the office and I'd just look around. I'd take my field glasses with me and just look around the area to see if I saw anything unusual. I had some shrubbery around so I wasn't all that highly visible, I could get behind the shrubbery and do a little surveillance. So, one morning I saw right down on the corner below me a guy standing there reading a magazine. Reading a magazine at 7:45 in the morning, standing here on this corner? There was no taxi stand, no bus stop, no nothing right there. So, I thought this was very strange. I watched him for a while and then all of a sudden he put the magazine under his arm and took off across the street. I saw my deputy walking down the other side of the street and the man fell in about ten yards behind him. I had an M-1 Carbine very handy. So, I grabbed it and I aimed at that guy's back, because I thought what was going to happen was that a car was going to pull up beside Peter and this guy was going to try to force Peter into the car, in which case I would have killed him. But, fortunately that did not happen. He followed Peter on down to the corner. He normally did like I, the same thing I did: took the

bus, the fifty-five bus. That morning, however, he hailed a taxi and I could see the guy looking around waving and desperately looking for another taxi. He wanted to follow Peter, obviously. But, he didn't find another taxi. Taxis were hard to come by at that time of morning. So, he turned around and came back up the street and there I was with my seven power field glasses and I got a good look at him. I subsequently picked him out of a mug book. He was a member of the E.R.P. So, I told Peter to take two weeks leave, go somewhere, break this up. The CIA guys who were in contact with Argentine Intelligence said this sounded like about the second week of a three-week surveillance, because that was their normal practice, a surveillance lasting about three weeks on somebody whom they had intended to kidnap. This sounded like about the end of the second week. So, fortunately it wasn't the end of the third week, because if I'd had to kill that guy then of course I'd been in danger. Well, we'd have had to leave the country of course. Anyway, that was the only incident -- actually -- no, I just thought of another involving this same guy, Peter. This was months later. Peter called me up and said, "Ed, take a look from your balcony and look out in front on the grass bank of the park, in front of my apartment building and see what you see." So, I went out with my field glasses and parted the shrubbery and looked over there and there were about a half dozen university-age people sitting on that grass bank. It looked like they were just sitting there not doing anything. Then, I went back to the phone and I said, "Yeah, I see a bunch of people, a bunch of university types. They're sitting out on the bank there." He said, "Now look, watch what happens when I come out on the balcony." So, he went out on his balcony and immediately they all started chatting with each other and smiling and joking and everything and then he went back in and all of this stopped. They sat there and just looked. So, I said, "Peter, they may be planning something, why don't you come down here?" He didn't have a gun. I said, "Come down here and I'll give you a gun." So, he walked down and by the time he got to my place, they had vanished. We didn't see them anymore in that particular place. Anyway, I gave him a gun and I got my gun and we put them under our jackets and walked out just to see if we could get a little closer look at some of them to see if we could identify them. We walked over into the park, keeping a close eye out and we didn't see any of them. All the ones we had seen there had disappeared. Apparently, they still had some kind of designs on him but, why HIM, we couldn't figure out. Why him and not me.

Q: What was your title and what was his title?

WILLIAMS: I was the Commercial Attache and he was the Assistant Commercial Attache. So, I really couldn't figure out why him specifically, rather than me or someone else. Shortly after that, his tour of duty was up and he left the country.

Q: Was he married?

WILLIAMS: He was married.

Q: Children?

WILLIAMS: No children. Anyway, we told this to somebody and they said, "You fools, you're going out there in a park with guns looking for terrorists." Well, I guess maybe we

were foolish. But, we just felt -- I mean psychologically to sit there and know you are targets for these people is infuriating. They want to get you. I just felt like I wanted to do something. I'm not exactly an amateur with a gun. Peter was, but he knew enough about how to use one so that he could have defended himself. I just felt like I didn't want to sit there and see these people just getting away with this.

Q: About how many North American companies were there?

WILLIAMS: A whole flock of them.

Q: Did you all look very North American?

WILLIAMS: Yes.

Q: Were people targeted for their looks?

WILLIAMS: Well, no because there are so many Argentines of English or German descent. Walking down the street, you'd be hard pressed to identify one person as Argentine and another as American.

Q: Unless you spoke with them?

WILLIAMS: Unless you spoke with them, yes.

Q: Oh my. It sounds a little scary.

WILLIAMS: It was a scary time. But, when my four year tour of duty was coming to an end and they couldn't find anybody who wanted to apply for the job to come down and replace me, they asked me to extend for a year and I did. I felt I knew the territory.

Q: What about your wife?

WILLIAMS: Well, she didn't mind. First of all, she could go over and visit her parents in Uruguay often, and her grandparents too. She enjoyed that. They were not at that time targeting wives, except the odd case where they would burn down somebody's house. Even then, actually we got the impression that wives and children were not being targeted as specific individuals. Nevertheless, when we came home in the evening, we would be very careful always. We had a procedure. I would bring the car up to the garage door. I would get out on my side with my hand on my gun. She would slide over to the driver's side and be ready to take off if anything happened. Then, I would open the garage door, there was no such thing as an electronic garage door opener at the time. So, I would open the garage door with my key, and then I used a flashlight to look around inside to the extent that I could and make sure that nobody was hiding in there. While I still stood guard she would drive the car in and park it. Then I would close the garage door from the inside and go over to the elevator, operated with a key.

Q: *From the garage?*

WILLIAMS: From the garage. The door into the lobby was locked and you couldn't open it or operate the elevator without a key. I would be looking around with my gun all of this time while she was parking the car and then we would go up to our apartment. That was just a regular procedure. It was just one of those things we had to do and we didn't think too much about it.

MYRON B. KRATZER
Science Attaché & AEC Representative
Buenos Aires (1971-1973)

Myron B. Kratzer was born in Manhattan in 1925 and moved to Oklahoma at the age of 4. Before completing his studies at the University of Oklahoma, he joined the Army through the Army Specialized Training Program and worked on the Manhattan Project. In 1947 he graduated from Ohio State University. In 1951 he joined the Atomic Energy Commission where he stayed until 1971 when he went to the State Department. His foreign service career included posts in Argentina and Japan and finished his State Department career in Washington as Deputy Assistant Secretary for Nuclear Energy and Energy Technology Affairs. He is currently still working on non-proliferation and safeguards issues. He was interviewed on September 25, 1998 by Charles Stuart Kennedy.

Q: *In 1971 you came to the State Department. How did that come about?*

KRATZER: I had been the assistant general manager for international activities at the AEC, and I figured that that was pretty much the end of the line. In terms of personal advancement, in other words, the general manager, even if I had otherwise been qualified, was traditionally chosen from the main line of the Commission, which was the nuclear materials production and weapons program. I was interested in overseas assignments, and the main line of the Commission was domestic activities. I think the trigger was really Herman Pollack, who was then the head of the science bureau in the Department of State and who had become a friend and collaborator, my opposite number in the State Department. He had, on a number of occasions, said that anytime I feel like being one of his overseas people, a science counselor or a science attaché, to let him know. He made that statement one day when I felt it was about time to leave. No doubt a contributing factor was that the tenure of the then chairman, Glen Seaborg, was ending. I didn't know who the next chairman would be but I didn't particularly want to start with a new one. These things came together. Herman, in effect - within reasonable limits - gave me the choice of any post where he had an opening. One of those posts was Argentina. I had some Spanish language capability and my wife had some, and we liked the idea of a Spanish-language post. It was a new beginning and a new career, and I did it.

Q: You were in Argentina from when?

KRATZER: I was there from 1971 to 1973. Bureaucratically, it was, in the eyes of my friends and colleagues, a step backward from being an assistant general manager at the AEC, which was a statutory job but there was no pay change. More importantly, I was interested in going overseas.

Q: Your job was what?

KRATZER: I'm glad you mentioned that. Buenos Aires was one of the posts where the Atomic Energy Commission had one of its overseas offices. At that stage, the AEC had perhaps six or so offices in embassies. The officers had the title of AEC scientific representative. The offices were funded by the AEC but, like all overseas positions, the officers reported to the ambassador in principle, but in reality we were there to do the AEC's work. In fact, the offices reported programmatically to me as AEC assistant general manager. One of the conditions of my going - and it turned out that it was compatible with who was then scheduled to leave the respective posts - was that I would take both the State Department science attaché and AEC jobs. I would become a State Department Foreign Service officer and be a science counselor, but I would consolidate that position with what had previously been a separate job as the AEC scientific representative.

Q: That would make sense. Otherwise, you would be right up against each other.

KRATZER: It had been separate before, but given my AEC background, it did not make any sense with my going out there. The reality, which I guess I always knew, was that there weren't two jobs to be done. It was an interesting post but not that active, so I performed both jobs without much strain. In fact, from that point onward, I became a State Department employee, although I would say that most of my time in Argentina was spent on nuclear matters. That's not inconsistent with being a science counselor because one of the major issues coming to the fore at that time was non-proliferation. It had always been there but was growing in recognition and importance. Herman, I think quite rightly, felt that people who could do the best job in this area were those with a nuclear background. Herman filled a number of science attaché posts with people from the Atomic Energy Commission who had a nuclear background. That was almost a requirement for the job of science counselor in those days.

Q: What was our concern in Argentina in 1971 and 1972?

KRATZER: There was concern that the Argentines had a military nuclear program in the back of their mind. There was no evidence while I was there that they were actively pursuing it, though the whole nature of their program indicated they were keeping this option open. They desired to be independent in each of the steps of the nuclear fuel cycle, and they had a preference for natural uranium reactors to avoid U.S. control of fuel supply.

Q: We were concerned both about Argentina and Brazil. We essentially didn't have any great quarrel but we didn't like the thought of both of them running around with nuclear weapons.

KRATZER: Yes. That's right. They weren't adversaries but they were certainly rivals. They were rivals in terms of who was making the most progress in a number of fields, whose economy was the strongest, and who was technically the most advanced. The Argentines, although smaller, laid claim to that, particularly in the area of science and technology. The area of atomic energy was one of the competitive areas. It's funny the way minds work in that part of the world. When the Atomic Energy Commission first set up its overseas program, and I don't mean just international cooperation but actually setting up overseas offices, the decision was made initially to have a representative in Buenos Aires dealing with Latin America as a whole. The Brazilians were so upset by this that we had to set up a parallel office in Rio de Janeiro so that there was one in both places. It didn't turn out to be a matter of great importance, but the Argentine office both for the AEC and the State Department was a regional job. It was understood that Argentina was to be the main focus of activity but, in point of fact, it was a regional job that covered the southern cone. It covered Uruguay, Paraguay (where essentially nothing nuclear goes on), Chile, and Peru, which is an interesting country, but not Brazil. Of course, those were the days of Allende in Chile, but I did get over there. The same controversy between Argentina and Brazil arose at the IAEA in Vienna. The IAEA statute provided that the most advanced country in nuclear energy in Latin America would be a permanent member of the IAEA Board of Governors, and Argentina and Brazil argued over who would fill that position. The final solution was to split it, with the two countries alternating.

Now one of the things that I think is worth saying is that, which I assume is one of the areas of interest to you, Herman really re-created, in my judgment, the science counselor and science attaché program. He put it on the track that I assume it's still on today although my contact with it is not very extensive right now. At one time there was an earlier science attaché program in the Department. The science counselors in the early days - I knew very few of them personally - tended to be people who had retired from academia, very prominent in their fields. I think there was a State Department science advisor to whom these people nominally reported. They built up relationships with their counterparts in the scientific communities in the countries where they went. I am sure they did this very well. As a completely separate organizational unit at State, there was a position known as SAE, special assistant to the Secretary for Atomic Energy. The first occupant of this position that I knew was Gerard Smith, who later went on to be head of ACDA, the Arms Control and Disarmament Administration; he was a very prominent individual. He happened to be a wealthy man, which is perhaps not relevant, but he was also a man of considerable reputation. He had been a colleague and, I guess, a friend of Louis Strauss at the Atomic Energy Commission and moved over, probably at the request of Dulles, to the position of SAE. His deputy also came from the Atomic Energy Commission, a gentleman named Philip Farley who was absolutely first rate. He replaced Smith when Smith retired. This organizational unit originally had nothing to do with the science counselor program, but the two were ultimately merged.

Q: I may have the facts a little mistaken but I think that Herman Pollack was the first individual and probably the only one who proposed it, although I don't have any direct knowledge of this.

KRATZER: Herman came out of Administration in State. He was not an FSO. I don't think he was particularly trained in political science and certainly not in any of the physical or natural sciences but he was an excellent administrator and a very thoughtful guy. He put together these programs: the program of science attaches and science counselors and the SAE activity into what became SCI, the Science Bureau. His title was Director. It was a bureau, but not a bureau headed by an assistant secretary at that time. Herman saw that the real job of the science counselor abroad was that of interacting, not so much on science in the narrow sense, but on science policy with the host country. The job included non-proliferation very prominently because of its importance in those days and still in the nuclear field in general. The emphasis, as Herman saw it, should be on the political side of science. Herman also saw that the people who could do this the best were people knowing how science worked at the policy level of the U.S. government. A lot of these people, like myself, came from the Atomic Energy Commission where science and government policy first interacted most intensively. A number of us were people with backgrounds from various government agencies, including the Atomic Energy Commission with government science backgrounds. Herman built the science bureau and particularly the science attaché program around the concept of science policy.

I went to Argentina knowing that it wasn't the hottest spot in the world in professional terms but still an interesting place, a place that I thought, mistakenly at the time, was ready to emerge from the days of Peron and not very much progress. I also felt that it was time for a change of pace and a little less intense work. Relaxation was not the word because the hours were long but the work was certainly not of the intensity that I had been accustomed to. That was to be a four-year assignment but it ended prematurely after about two years. Herman initially asked me and then told me that there was an opening in Japan that I was to take. I transferred directly from Argentina to Japan, which, of course, was much more active.

Q: I'd like to go back to Argentina. Who was the ambassador then?

KRATZER: The ambassador was John Lodge.

Q: Was he very much interested in science?

KRATZER: He was very interested. He was a very colorful character. I think that's widely known in the State Department. I'm not talking out of school but he had come from a very interesting background. In addition to being a member of the prominent Lodge family, he was a movie actor.

Q: I saw him in...

KRATZER: *The Little Colonel.*

Q: He was also in Catherine the Great.

KRATZER: Quite probably. He spoke very commendable Spanish and had a very, very active social life. He had many friends in Argentina. I think he was the right person at the right time in Buenos Aires. He would certainly not have been the right person at many other times in Buenos Aires. He interacted extremely well with the then government of that country. He was interested in everything. He liked science - I don't know that he was knowledgeable - and he particularly liked the natural sciences. He was a conservationist of the old school. He liked the fact that Argentina was the home to a lot of rare species - whales and the like - which he kept track of. He loved to travel around the country and visit some of these places. I don't know that he ever made it to Antarctica but Argentina takes the position that it owns a good slice of Antarctica and that was a matter of interest to him. He was interested in science. He didn't delve into it deeply, but he was on top of many things.

Q: Are science attaches, in general, there sort of like military attaches, not spying but collecting intelligence? Were you dishing out stuff or were you commercially trying to promote American things?

KRATZER: Yes. All of the above, but I think that is a central question. I have thought a fair amount about it and reported on some of these things to the Department. Every Foreign Service officer or attaché is there to get information on an open basis. I always wanted to avoid doing anything that the host country would consider to be off base. Everything we wrote was, of course, available to the station and to headquarters in Washington. In other words, it was available to the intelligence community, but it wasn't collected for them on request. No one ever asked me to break that rule but that was my own thinking about what the proper course was. We also kept the host country informed of major science policy developments in the U.S. in areas that were of interest to them, which in Argentina were fairly limited. Again, my feeling was and still is that the main job of the science attaché overseas is to interact in science and technology at the policy level. Things like what is their policy on protection of scientific information, what is their policy on environmental issues? Doing what every Foreign Service officer does in his area; namely, trying to make the climate for U.S. policy as positive as possible and trying to bring the host government along as far as possible to compatible policy positions.

Now the area of commercial things was very important in my own mind because it's something we were very attuned to in the AEC. It happened, maybe it was in my mind even when I went, that Argentina was at a critical stage in its nuclear program from the commercial point of view. At that point in time, Argentina was in the process of getting international tenders for their second nuclear power plant. They had ordered their first plant and were well along in building it when I got there. They bought their first plant from Germany, and the AEC was very much involved in that in a number of ways. The AEC had to supply heavy water to them because the Germans had no heavy water. It was always a source of annoyance to a number of us that the Germans sold them a heavy water reactor, knowing that Argentina had no heavy water to put in it. The Germans assumed,

without ever coordinating or talking with us, that we would supply it. The position that I took as AEC Assistant General Manager for International Activities was that, despite the unfair aspects of the German sale, it was in the U.S. interest to provide the heavy water; the AEC commissioners agreed and we did so. I still believe this was the correct decision.

Q: Canada would be the supplier?

KRATZER: No. At that time, the Canadians, too, were depending on us for heavy water. Later the Canadians produced their own, and that's relevant to what happened in Argentina. We were, for many years, the only source of supply of heavy water. We were widely suspected of wanting to monopolize the enriched uranium business, which was not necessarily incorrect, but the reality was that without even really trying to do so, we were the only source of supply of heavy water. The Canadians and Germans and others who were out selling heavy water reactors were relying on us to supply the heavy water. There was a lot of opposition to our doing so for that German reactor. We finally decided, and this was something I was directly involved in while at AEC, that it was better for us to do it. If we withheld it, it in effect destroyed this very expensive project for the Argentines. That would have been the end of the road for us in Argentina and would also have tended to discredit us and the Atoms for Peace program.

When I got to Argentina, the competition on the second project was just beginning. The Germans, the Canadians, and the U.S. were the competitors. At that time, the Germans were pretty much out of it because their reactor was economically unattractive. The Canadians were in it and, by that time, had begun to produce heavy water so they could supply it. It was very intensive competition, and we did our best to promote the potential U.S. supplier, Westinghouse. The Argentines, true to form, decided to buy another heavy water reactor, which was one of the sources of concern. In our view, it was not the right reactor for the country in economic terms, but the fact is, they wanted a reactor that didn't depend on U.S. enriched uranium. We used to kid them that they were becoming highly dependent on heavy water from one source of supply, namely, Canada but that didn't bother them as much as becoming dependent on us for enriched uranium. They bought the Canadian reactor, which has performed satisfactorily.

Q: What was the Argentine government at that point?

KRATZER: At the time, the Argentine government was actually the last of the series of military governments that had displaced Peron in the mid-1950s. I've forgotten when he left the first time. Now, toward the end of our two-year stay, that government, which was headed by a general named Lanusse, under tremendous public pressure, decided to hold an election. Shortly before we left, the election was held and a non-entity who was in fact a stand-in for Peron was elected and began to serve. I think the day that we were leaving, or maybe a day or two before, Peron and his then wife returned to Argentina. I have forgotten the exact sequence of events after we left. I guess Peron became the president, and she became the vice president. After a period of time, he died and then she became the president. Then she was displaced by still another military government. During my stay, 1971-1973, they were very

severe times for the Argentines and rather unsafe times for foreign diplomats and businesspeople. There were kidnappings, some just for ransom, but others of a political nature. One of the U.S. military attaches' homes was bombed. It was not a good situation, but that's not why we left. We were never threatened or felt any security risk personally but it was not secure.

Q: Was there much in the way of scientific exchange there? I would have thought things would have been relatively slow.

KRATZER: It was not an intensive post in that sense, other than nuclear science, which was quite active because of the competition that I mentioned. Yes, there was scientific exchange, mostly at the academic level. There were a number of U.S. firms that were active in Argentina, General Electric, and so on. I made a point of keeping in touch with them. There was also a considerable amount of policy level activity in the form of efforts on the part of the Argentines to influence the nature of the technology transfer arrangements between them and the U.S. or any donor country. Their position was that they were a Third World country when it came to something they wanted badly. Of course, they were an advanced European-oriented country when they wanted to play it differently. Their basic position was that technology should be more or less freely available to them without regard to royalties or patent rights because they needed it and because they were behind. It never reached the level of high policy but it was a constant issue, and there was a Latin American meeting in Brazil that I attended which, by the standards of those days in that part of the world, was of some importance on technology transfer and the like. Generally, Argentina was not an area of great activity.

I'll give you an example of the kind of thing that comes up from time to time that you can't predict but certainly creates a considerable amount of interesting work for a science counselor or science attaché. While I was there, we launched Sky Lab. That was the first of the large orbiting laboratories. It wasn't the shuttle but it was the third stage of a large booster rocket. In any event it was a rather long-term U.S. orbiting laboratory, as the name implies, and there had to be a tracking and communications station in the South Atlantic. The logical place for this was Argentina. The tracking station took the form of a ship that belonged to NASA, a fair sized ship with all sorts of antennas on it, which made it look like an intelligence or spy ship. It wasn't, but it looked like one. Of course, for the ship to be home-ported in an Argentine port required Argentine government approval. That became a cooperative project of the naval attaché and myself, primarily me, and it took a little bit of doing to get the Argentines to let it be stationed there, but they finally agreed to it.

Another project that came up was their desire to, in effect, lease to us an island with a landing strip on the Argentine portion of the Antarctic Peninsula. They invited a number of us to go down there. What they wanted from the U.S., in exchange for U.S. right of use of the strip, was for the U.S. to improve the strip by laying a surface on it. It was not to be concrete but a type of mesh surface that was used during World II and maybe beyond. I don't know whether that was ever done because the project wasn't completed by the time I left. I got involved in that because one of the rationales for it was scientific interest in Antarctica and the like. It

could have been useful to the National Science Foundation as a staging point for their activities in the Antarctic. In fact, the Antarctic, in general, was an area of interaction, scientifically, with the Argentines because of the Antarctic Treaty and the extensive U.S. research program there. There was work to be done but I couldn't argue that it was the center point of our overseas science activities. I don't know whether we have a science counselor there at the present time. My instincts are that in an era of budgetary tightness, you could dispense with it. Having occupied the job, however, I couldn't say that we didn't get value received for whatever maintaining the post might cost.

WILLIAM JEFFRAS DIETERICH
Press and Information Officer, USIS
Buenos Aires (1972-1974)

William Jeffras Dietrich was born in Boston in 1936. He received his bachelor's degree from Connecticut Wesleyan University in 1958 and then served in the US Navy. His career included positions in Bolivia, Argentina, Brazil, Israel, Italy, Ecuador, El Salvador, and Mexico. Mr. Dieterich was interviewed by Charles Stuart Kennedy in 1999.

Q: This is the 3rd of November, 1999. Jeff, in 1972, you are off to Buenos Aires, Argentina. You were there from '72 to when?

DIETERICH: To '74.

Q: What were you up to, and tell me about it?

DIETERICH: Sure. We took a nice long leave and arrived in Buenos Aires in January of 1972. We had actually taken a vacation earlier from Bolivia and passed through Buenos Aires, and discovered then that it was a town we liked very much, so we were delighted to be back there. As it turned out, it was getting towards the last days of the military governments. The economy was not actually in a shambles, but had just gone through a severe devaluation.

Q: Which government was this?

DIETERICH: This was the last days of the Lanusse government. The Argentine peso had just been devalued. I remember reporting for duty at USIS in the embassy building, and being taken out to lunch and discovering I had a wonderful steak and a salad with all the trimmings for \$1.25. It made me think I was going to enjoy this tour very much. I went in there assigned as the Labor Information Officer, in the Information Section. But things were changing very quickly, and the PAO and some of the others figured out they didn't really need a labor information officer.

Q: What had been the origin of having a labor information officer?

DIETERICH: I don't know. The person I replaced had spent a lot of time in the labor movement. The idea was to maintain liaison with the labor movement, and to help foster ties with American labor groups. But that didn't seem to fit with the direction in which USIS was going, and I was assigned different duties, which were basically called the Press and Information Officer. This meant I was in charge of getting things published in the Argentine press. The USIS post was big by today's standards. The information section alone had four officers, including press attaché, who worked directly with the ambassador and was rather independent from the rest of the USIS operation.

Q: Who was the ambassador at that time?

DIETERICH: The ambassador was Lodge, John Davis Lodge. A colorful character. He had been around - he was in his sixties at that time. Yet, he became ambassador sometime later in Switzerland. He must have been well into his seventies. Still a glamorous kind of gentleman. He had been governor of Connecticut at one time, and lived in an absolute mansion of an embassy residence. The old embassy building was still downtown in a very nice location.

Anyway, I started trying to figure out how to do the job. It was clear the times were changing. USIS in the past had traded on the economics of journalistic poverty throughout the world. It is hard to imagine now, but there was a time when most newspapers in most lesser-developed countries didn't have wire services. Either they couldn't afford them, or the communications didn't work well, or they didn't want to be bothered with them. USIS' staple fare was what was called the wireless file. This was a wire service that tried to cover the news and U.S. policy, and provide feature services, and all sorts of things. Selected articles, and sometimes the whole service, was provided free to newspapers throughout the world. In a place like Bolivia it worked well.

Newspapers all over town would pick up articles and use them as if USIS were a real wire service. It became clear to me that that approach was not working in Argentina. They had some good newspapers, and they had some lousy ones too. The good papers had access to all sorts of wire services and weren't very interested in our wireless file, and it seemed to me there was very little point in working with the lousy ones. Our job was to have an impact, if we could, on the bigger, most influential papers. I spent time studying what our output was, and what we could do to be useful. I decided the wireless file was not going to serve us very well.

But at that time, USIA also had begun to put out the text of speeches, and occasionally procure copyrighted articles. USIA would buy the copy- rights on an article published someplace in the U.S. press that reflected favorably on U.S. policy or illuminated an issue we felt was being misunderstood overseas. The article would then be offered to posts for placement in the local press. I decided those two things - the complete text of important speeches and copyrighted articles - would work for us. Soon after my arrival, I managed to meet Jacobo Timerman, who was the publisher of *La Opinion* at that time, but later became a famous author and political prisoner. *La Opinion* was a young newspaper on the way up.

Q: How did you work with him, and how would you describe him?

DIETERICH: He kind of liked me, and I liked him. He was a very interesting person. I just started talking to him about what he would be interested in. He was interested in publishing the text of speeches, especially speeches by famous people. He said "If you can get me a Kissinger speech fast enough so that I can publish it before anybody else does, I'll be happy to do so." You can't promise on a speech by the Secretary, but you can work as fast as you can, and we worked out arrangements with Washington to get these things pretty quickly. I can't remember, we may have even done translations for him. He was also interested in the copyright idea, which was an important idea, not because *La Opinion* couldn't afford to pay for copyrights, but we saved them a lot of work. We saved them the negotiations. He did publish some Kissinger speeches, and some copyrighted articles, and these made USIS look pretty good. It was a good way to work and a way of getting USIS off its dependence on what I had concluded was a dying product at least as far as developed countries were concerned. The other papers - the big traditional ones, *La Prensa* and *La Nacion* - were not particularly interested in publishing the full text of speeches, but they were interested in the copyrighted articles. Again, they could afford to buy the rights, but we could save them time and effort both in identifying articles and securing the rights.

Q: I would have thought in '72 to '74, when the attention of the White House focused on Latin America, which was seldom, that Chili would have dominated it. At least we were anti-Allende. Did this cause problems for you?

DIETERICH: I don't remember that it did. I don't remember that people were so sure, at that point, that we were absolutely anti-Allende. Argentina is a very self-absorbed country. What Argentina was interested in was when the Lanusse government was going to wind down. People thought the end was in sight, and people thought they saw elections coming, and they thought they saw elections meaning the return of Peron. That was the topic. What Peron was doing in Spain was much more interesting than what Allende was doing in Santiago.

Q: At one point the United States had been strongly anti-Peron but had times changed?

DIETERICH: Times had changed. While we still didn't think much of Peron - and rightly so - we couldn't be anti-elections. That has often been what has gotten us into trouble in Latin America. We've at times paid lip service to the idea of elections when we were really interested in much more self-centered short-term political goals. That lukewarm support for democracy often plopped us into bed with dumb dictators. Fortunately, our cover story about democracy eventually saved us.

The lesson for U.S. policy is to be very careful of your cover story because it may well come true. When you have repeated the cover story enough, eventually the press, Congress and public opinion - both at home and abroad - beat you into coming through on what you said you would do or support. That is why we had to support elections regardless of an almost inevitable result.

There is a corollary which has to do with how you react to the other person's cover story. If your adversary is saying things that you like and support, even if you know he is lying - don't call him a liar. Eventually you and your political allies and the press and public opinion may be able to

beat him into coming clean on his cover story.

So we looked with some traditional reservations about the return of Peronism to Argentina, but on the other hand we had to be in favor of elections, and in favor of a government that had some popular support. And the country had its share of problems that needed to be addressed. The truth about military dictatorships is not that they are strong, but that they are weak. They can't solve real problems because they don't have parliamentary mechanisms to let them know when they are screwing up and when they are getting it right. A trial balloon doesn't tell you much if nobody dares shoot at it. So they spend all their time tending their offshore bank accounts and looking over their shoulders wondering what is going to happen to them. Therefore, they become profoundly conservative in the sense that they are actually afraid to try anything new.

Q: I spent four years in Greece when the Colonels were running the place, and you would have thought they might have come up with some social things. The Greeks are difficult to control, but what the hell, as long as you have a military dictatorship you would think they could do something. They didn't. While you were there, was the embassy getting any information about Peron and trying to figure out where he was coming from now that he was getting older?

DIETERICH: Sure, sure, there was a lot of attention paid to "what will Peron II be like. Who are the people around him, and what are they like?" Basically, we were caught in a machine. Elections were going to come, and that is eventually what happened. The political opposition in Argentina, the *Radicales*, and people more to the left, were also making peace with the notion of a return of Peronism. They felt you could not govern Argentina without coming to terms with the huge masses of people who still considered themselves Peron supporters. There was no way to govern the country without coming to terms with Peronism, and the way to do that was to let Peron come back. I remember asking Jacobo Timerman what would *La Opinion* do when Peron came back. He said "We will help Peron become what we think he ought to be." That's what political forces do.

Q: What about other papers? La Prensa?

DIETERICH: *La Prensa* was still very important. *La Nacion* was very important. *La Prensa* was beginning to look a bit frayed, in the sense that it had become a monument. The Gainza Paz family had very courageously stood up to Peron in the forties, but paid the price for it. They still enjoyed great respect in Argentina, but I think the paper was not quite "with it" the way *La Nacion* and *La Opinion* were trying to be.

Q: Were these responsible papers? I'm talking about the major papers.

DIETERICH: There were a slew of junky tabloids, but *La Nacion* and *La Prensa* were certainly representative of a very strong tradition in Latin America of family-owned, moderately conservative newspapers. You can go through the big cities of Latin America and find this pattern repeats itself. They are conservative, but not crazy conservative. They sort of think democracy is a good idea, although they have doubts about it working in their country. They sort of like the United States. At least they like the idea of the United States; sometimes they don't

like the practice of the United States. They like the American system of government, but they don't like American society very much - too disorderly and just a bit vulgar. Nevertheless these papers and their like throughout Latin America deserve some credit for having kept alive democratic traditions. They are part of the reason why almost all Latin American politicians, no matter how brutally authoritarian, pay lip service to democracy. Remember what I said about cover stories coming true. I think that the fact that we are now looking at a democratic Latin America is partly due to the basic decency of those papers and the families that ran them. The countries of Latin America owe a debt to them for having survived just out of sheer stubbornness.

Q: In Argentina, was there much life from your point of view, beyond the boundaries of the city? One doesn't hear much about the interior of Argentina.

DIETERICH: That's a really good question. The truth is that Buenos Aires dominates the rest of the country and it's a big country to dominate. All the railroad lines, for example, terminate in Buenos Aires. The British built them that way. Despite all that seacoast Buenos Aires is the only port that counts for anything. Maybe residents of Buenos Aires are called *portenos* - people of the port - because there's no other port worth mentioning. There's an old joke that says a *porteno* is really an Italian who speaks Spanish and thinks he is an Englishman.

To understand Argentina, you almost have to think of the southern cone of South America as a distinct entity that shares patterns of immigration and characteristic with the other countries of the temperate-climate southern hemisphere. We are used to thinking of Australia, New Zealand and South Africa as products of late eighteenth and nineteenth century immigration. It's a little harder for us to see a similar process in the southern cone because we only see our own Hollywoodized version of Mexican history. First there was Indoamerica and then the Spaniards came and they were really tough so everybody had to speak Spanish. Mexico is of course much more complicated than that and what happened in the southern cone, including southern Brazil was even more complicated.

In the seventeenth century the Spaniards, and Portuguese took control of relatively weak native American cultures and imposed their own models of urban and agricultural life, as well as their own mining industries. But beginning in the second half of the nineteenth century while we were collecting Europe's huddled masses, Brazil, Argentina, Chile and even little Paraguay and impoverished Bolivia were attracting middle class immigrants from southern Europe and the middle east who came with education, modern commercial and industrial know-how and capital. They were people looking for land and commercial opportunity and had, or could get, the money to finance it. As people of the Mediterranean basin they were attracted to the Latin, Catholic cultures of South America. There were of course some northern European immigrants as well but many fewer.

Those waves of immigrants basically transformed the cultures and economies of Argentina, Chile, Uruguay and southern Brazil. If you were to draw a line across the continent from just north of Sao Paulo, Brazil to Santiago, Chile everywhere below that line is a part of southern cone culture that shares characteristics with South Africa, Australia and New Zealand. These are

countries that are economically capable of feeding, clothing and arming themselves and are therefore the most independent countries in the world. Consequently, they have a tendency not to pay a great deal of attention to the rest of the world, nor to care much what the rest of the world thinks of them. Think of the outrageous, nose-thumbing behavior of South Africa with apartheid, Chile during the Pinochet regime, and Argentina with the dirty war of the seventies and the invasion of the Falklands. Even New Zealand had its own mild outrageousness when it confronted the U.S. concerning nuclear weapons aboard U.S. ships, a question that other Asian nations or the Europeans never ask. I can't think of anything particularly outrageous the Australians have done except win the America's Cup, but I suspect their World War II trauma shocked them out of some of their sense of independence.

I think the notion that they don't pay attention is important. Under Peron, who admired Mussolini, Argentina initiated an experiment with fascism in 1945. That's a pretty good example of not paying attention to what is going on in the rest of the world. Buenos Aires had this weird, and often pleasant, sense of entrenched nostalgia which I guess came from the tango, the big old fashioned railroad stations and the 1930s quality of political discourse. It was a romantic place in a kind of *Casablanca* way.

So below that Sao Paulo-Santiago line you have reasonably-developed societies that regard themselves as essentially European. They are not as European as they think, but certainly more so than the rest of Latin America. As they say, Santiago is farther from Washington than Moscow and the U.S. influence is not as strong as in the Caribbean basin. We tend to forget that they did pretty well at least up through the great depression. While Mexico was suffering through its terribly destructive revolution, Argentina, Chile, Uruguay and southern Brazil were entering what could almost be called their golden age.

Q: The Indians have been pretty well eliminated, haven't they?

DIETERICH: The Indians of the *pampas* were pretty much eliminated in the nineteenth century in wars reminiscent of what happened in the U.S., although the famous gauchos are their *mestizo* descendants. In the north of Argentina, the Salta region there are some of the same Andean Indian groups that are found in Bolivia and Chile. There are some remnants of Patagonian tribes in the far South of Chile, so there may be some in Argentina, but I don't really know. Indians simply don't figure in Argentina's modern vision of itself and neither do blacks although both Indians and blacks played historic roles in the nation's development. How did I get into all of these unsupported generalizations?

Q: I asked about the interior, in the '72 to '74 period, were we trying to do much there?

DIETERICH: Not much. There were the remnants of an AID program that had to do with housing guarantees, but nothing new. There was no Peace Corps. There was a story, probably apocryphal, that when Argentina was offered the Peace Corps during the Kennedy years, they had asked, "Do you plan to send your Peace Corps to France?" and then turned it down.

Q: Were we doing much in those days to reach out beyond Buenos Aires?

DIETERICH: Not much. USIS kept a small presence in Cordova, Rosario, Tucuman and Mendoza. I visited those cities occasionally. I don't think the United States government was reaching out very strongly into the provinces of Argentina. Our game was in Buenos Aires.

Q: Did you talk to the officials of the Argentine government?

DIETERICH: Occasionally, but not much. My bailiwick was the press. When I had contact with government officials it was with some American VIP visit, of which we had our share. I remember spending some time with the Argentine navy because I was the project officer for the visit of a naval ship.

Q: The university's system would supply the reporters and managers of the press, what was the university system?

DIETERICH: I didn't spend a great deal of time with the universities. We were probably too specialized. We were a big post and that tends to make you specialize. The cultural section of the USIS did that sort of thing. I occasionally talked to journalism professors and made some university visits, but I don't have a strong feeling for the universities themselves. Nor do I have sense that the press was particularly interested in the universities as a source of their training. It was more a "we'll get them young and train them ourselves" kind of thing.

Q: Were you all looking over your shoulder wondering what the military might do?

DIETERICH: The military was seen by the embassy at that point as having run out of energy. We could see they weren't going to be the government much longer. The higher-ups in the Army had decided to get out of power and were looking for a way to do it. In the first part of my tour, terrorism from the left had begun a little bit. There were some kidnappings and bombings and you could see the reaction in the army begin to set in. My guess is that as the military began to wind down its governmental role, that's when the death squads and hard-liners began to take on an extracurricular, non-official, and very vicious approach. At least I think that at the beginning it was non-official. The trouble with that kind of activity throughout Latin America goes back to what I said about the basic weakness of military dictators. Even when they know better, or are under serious international pressure, the last thing they want to do is take on the hard-liners in their own institution, because they have very little idea of what kind of support they might have elsewhere. What makes it worse is that the longer they are in power the more dependent they become on support from their own military institutions and therefore all the more vulnerable to bone-headed hard-liners.

Q: I assume you had developed a social life with the press people. Were they looking at Europe or were they looking more at the United States?

DIETERICH: Traditionally, most southern cone institutions, including the press, looked toward Europe for their models. But by the time I was there, even before the excitement about the investigative reporting of Watergate, the press was beginning to look more and more at the

United States. I think the model of U.S. journalism was beginning to look more distinctive and different from Europe, and perhaps more attractive. I think that was less true of *La Prensa*, but more true of *La Nacion* and *La Opinion*, although Timmerman would tell you that his model was *Le Monde*.

There was also the question of how to cover the overpowering importance of developments in the United States. They thought they could not be really great newspapers unless they figured out how to cover the United States well. The questions for the papers was can we afford to keep permanent correspondents in the United States or is it better to pick up stringers? Or is it better to let the embassy let the U.S. embassy provide us stuff from the United States? The answer tended to be a combination of all three. I found them to be very open to us. A good press embassy press officer can actually help an editor determine if his correspondent is doing a good job, which means covering the right things. People up to the level of publishers, and certainly reporters, were more than willing to talk to us.

We also had a good press attach_ who was covering the ambassador. Ambassador Lodge was a very visible kind of person. He had a lot of contact with the press himself, and the press attaché, Jack DeWitt, was very kind about sharing his contacts with me and referring people to me. We talked about things that might back up what the ambassador was trying to do so he could get a more effective package. My job there was not so much to follow political events as it was to get stuff into the papers.

Q: Did you have any problems with putting things in that would make you wince?

DIETERICH: I didn't have anybody looking over my shoulder and saying "Did you see that piece in the wireless file? That is really a good piece and I want you to go out and get that placed." Getting something placed was our term for convincing a paper to publish something we provided. I was given a lot of freedom and I didn't place things that would make me wince. I figured if it made me wince, it would make other people wince, so what would be the point? I think one of the defects of USIS over the years was to have had a lot of high-powered, persuasive information officers who wanted to get credit for placing lots of column inches and would go in and browbeat an editor into publishing something the editor doesn't want to publish. To me, that is short-circuiting a system you ought to make work for you. Unless you think the editor is an idiot, you ought to pay attention when he doesn't want to publish something from us. He may well think his readers, or his publisher, or his advertisers will not like it much. He will make judgments that help him keep his job and increase the circulation and profitability of his paper. Since we share at least a part of those goals we should pay attention to his judgment. If we don't share in those goals, why would be working with that paper? There are of course some very partisan publications that we may work with tactically, I suppose, but that really does involve a different set of calculations.

So, we were getting out of the days when the effectiveness of the USIS press officer was measured in column inches. It was a very tempting kind of measure because it was quantifiable and easily documented. It also gave the people in Washington who produced the Wireless File a way to gauge their product. The trouble was that it was not a good measure of success in the

field. Lots of column inches in a lousy paper, an ideological rag, or low-circulation newsletter could be quite meaningless or even counterproductive. I felt my job was to identify the papers with clout over issues of concern to U.S. foreign policy and concentrate my efforts on them.

At any rate we were still using the Wireless File in a kind of routine way. The chief national employee, an excellent journalist named Alberto Shtirbu and I would look at the file in the morning and decide which pieces should be distributed generally and which might be offered as an "exclusive" to a particular paper. We got decent results although nowhere near the column inches that could be racked up in a country like, just for example, Bolivia.

Q: Who was the head of USIA then?

DIETERICH: It was Jim Keogh

Q: It was the Nixon administration, so you think of Kissinger, but did USIA feel they had a heavy hand?

DIETERICH: Well eventually USIA and especially VOA felt that Nixon administration had a very heavy hand. But I don't believe we felt that way in Argentina during the time I was there. As for Kissinger and the State Department, if somebody asked "What have you done to support U.S. foreign policy?" I could say, "Hey, we got the whole text of the Kissinger speech published the next day in a major daily. What more would you want?" Or, "You know that great copyrighted article by George Kennan, or whoever the hell it was, we got that published in the Sunday supplement of such and such a paper verbatim." That stuff would make us look great. It not only was effective policy support, it was easy to convince people who were paying attention in Washington that it was effective policy. Fortunately, Gene Friedman, the head of USIS, and Jim Miller, the chief of the Information Section, understood that things were changing, and that publishing a nice little feature article on irrigation methods in the southwestern United States, or the wonders of the national park system in the United States, didn't mean a damn thing in Argentina. It didn't mean very much any place else, either. I never met anybody in Latin America who said I'm opposed to the U.S. because you don't know anything about irrigation or have crummy national parks. It was our foreign policy - especially Vietnam - that was the problem at that time, and that's what we had to work on.

Q: Did the major Argentine papers have a permanent representative in the United States?

DIETERICH: Yes, some, I think some part-timers. They weren't persons who were zinging stuff down there every day but they did have people they could turn to. Occasionally they would send people up there and the USIA foreign press centers in Washington and New York were beginning to function at that time, I think. They certainly were a couple of years later when I was in Brazil. They were pretty good. For a person coming cold into Washington representing a Latin American newspaper, they really were extremely helpful.

Q: What were these?

DIETERICH: They were one of USIA's best ideas ever. The Washington center is located here in the National Press building. It was a place where a journalist could go and get a desk and a telephone, access to a teletype and telex, and help in making contacts. It was mainly staffed by USIS officers who had gotten to be pretty good in Washington and knew how to help. They were a major resource for people like me in the field.

Q: I would think coverage of Argentina or any place in Latin America would be a sometime thing by a major newspaper in the United States. You might have one correspondent who might roam the whole hemisphere.

DIETERICH: Yes, although some of those were stationed in Buenos Aires. Some were stationed in Chile. Actually the pattern at that time for major U.S. media organizations probably had one person covering South America and another handling Mexico, Central America and the Caribbean. U.S. journalists were not particularly my responsibility. The PAO, IO and press attach_ handled contacts with the U.S. press. We also had a Voice of America correspondent stationed in Buenos Aires at that time.

Q: Were there news magazines like Newsweek, Time, that equivalent? Were these important?

DIETERICH: Yes, and they also worked with us. Almost every country in Latin America at that time had a sort of *Time* magazine clone.

Q: Was there a segment of the press working on anti-Americanism, or was that much of an issue?

DIETERICH: Extreme violent Anti-Americanism was not a big deal except on the radical student left. Of course there was a sort of residual anti Americanism among the most militant old-fashioned Peronists as well as the sort of resentful, cultural anti-Americanism of right wingers. I was represented the embassy at some kind of parade in a Buenos Aires neighborhood. I was standing on the reviewing stand, and at one point a bunch of students came running down the middle of the parade yelling slogans and singing "Get the Yankees out of Latin America." The Argentines with us on the were a good deal more embarrassed than I was. There were a couple of kidnappings of American business men at that time; but those were mainly big money operations. Everything that happened after that in Argentina was really horrible. The death squads. You have to remember there was a left which was also very willing to do very nasty stuff.

Q: But this hadn't really developed while you were there?

DIETERICH: No, but it was coming. Eventually, the elections came and the embassy went into great embassy-like spasms of covering the elections and trying to predict the elections.

Q: That always seems to be a game you play.

DIETERICH: Even if we could predict, 24 hours in advance, the outcome of the elections, what

difference would it make? What would we really do about it? The answer during my career was just about nothing. So why all the effort?

Q: I can't tell you how many times I've talked to people who say, "And we predicted the election right down to where it was."

DIETERICH: It's not exactly a benign quirk of our culture though. It's a bit dangerous. It makes you look real nosy. I've been in embassies where people try to organize a pool to see who can predict the winners and/or the percentages. I've always counseled unsuccessfully against that because either the fact of the poll or the results would get out to the press. That could have awful consequences. Even leaving polls aside, I think we need to be very careful in our election coverage, because if you question too closely, too often, to many people it looks like manipulation. In Argentina that was the last thing we want to be accused of, especially if you go back in history to the famous election when the election slogans was "*Braden o Peron*," - "Braden or Peron." Spruille Braden was the American ambassador. Peron won the election.

To its credit, the embassy in Buenos Aires, in my time, leaned over backwards to not take any position whatsoever. The fact is, in order to look like you are doing nothing, you really have to almost do nothing. You know, we like to talk about public vs. private or traditional diplomacy. The apparent distinction has been convenient to USIA over the years. But the distinction is really kind of phony, in that "private diplomacy" is a kind of retrofitted term like digital watch or acoustic guitar. We didn't need the term until we started talking about public diplomacy. The trouble with the notion is the implication that traditional diplomacy is always sort of a secret. Of course it isn't. Diplomacy is a public function which, only for brief periods, and for very good tactical reasons, can be practiced in secret. When you are keeping all those secrets you had better be smart enough to figure out what you are going to do when it all comes out. Unless you are dealing with something that nobody cares about, the end result of any diplomatic effort is public. We need to rid ourselves of the illusion that we have much secrecy to work with. I think in Argentina at that time, we did it pretty well. There were no really credible accusations that the U.S. government was messing about in the outcome of the Argentine elections.

Q: Did Brazil loom heavily at that time? Was there concern or not?

DIETERICH: Brazil always looms heavily in the Argentine consciousness. Argentina, however, does not loom heavily in the Brazilian consciousness. There is a great difference in size. I don't think there was much feeling in Argentina that Brazil was particularly concerned with, or of a mind to do anything about, the elections. I don't think anybody in Brazil was messing about in the Argentine elections.

There always were people on both of the political extremes that would claim somebody was messing around in their elections. The left claiming the Americans were messing about, or the far nutty right claiming the freemasons were trying to throw the elections, but it wasn't taken seriously.

The elections were held and the Peronists won. No matter what you thought about the result, you

had to feel when the tallies were finally in, that Buenos Aires was a very happy city. There were people in the streets, there was a lot of good humor, and there was a certain feeling that maybe they could bring off a successful government. Maybe the Peronists wouldn't be all that hard for us to deal with. Eventually, that was the case. Now we are looking at the last days of the Menem government and a smooth transition to a person that really represents the Old *radical* party. Eventually, it was a nice outcome, but it didn't work that way right away.

Q: Were you there when Peron came back?

DIETERICH: Yes. Yes, I was. The best way to describe it is to tell an Argentine political joke. When Peron came back to Argentina he really suffered from three basic misconceptions. One he thought that Gelbard, who was his current minister of finance, was Miranda, who had been his first minister of finance. Secondly, he thought that Isabelita was Evita (his first and second wives). Thirdly, and worst of all, he thought that he was Peron.

It turned out to not be a very effective administration. But everybody was patient with that. He had some decent talent around him, but he had some very suspicious characters around him also. I don't remember how many months it was, but Keiko and I had planned to take home leave and return to Buenos Aires. After all I had season tickets for the opera at the Colon Theater, at a very reasonable price, and owned one of the best sailboats I've ever had in my life. We went on home leave and went to Ohio to be with my folks, and Peron died during that time. With the evolution of events it ended up with Isabelita taking over the government. In the meantime, I got a call from Washington asking me if I would be willing to go as the information officer at the American Consulate in Sao Paulo, Brazil.

Q: Did the Malvinas/Falklands raise any eyebrows?

DIETERICH: Oh, it was there, but talking about the Malvinas in Argentina was like talking about returning to the sea in Bolivia. These issues are all over Latin America. It is easy to miscalculate because Americans basically don't take those issues seriously, therefore they don't think the local people really take them seriously, and we are usually wrong about that. The Argentines obviously took them very seriously. You would be careful to say Malvinas instead of Falklands when you talked about it to Argentines. The U.S. policy position was one of these absolutely inconclusive, "Well we think the two parties should reach a mutually acceptable solution." That's like saying nothing, which is what we intended to do.

I've also got to talk about a change in ambassadors in Argentina. Lodge eventually left under great protest. He really didn't want to leave. He was replaced by Robert Hill. A businessman, and now I can't remember from where. I also didn't describe the social life of the embassy under Lodge. It was quite extraordinary in terms of receptions. One of the first receptions I went to, I was told I had to help the ambassador in the reception line. The ambassador was famous for picking fairly tall people and having them stand near him in the line and ask everybody's name, then introduce them to the ambassador. Kind of a major doom kind of job. I was exceedingly uncomfortable doing that.

I also remember being the control officer for a visit by two astronauts. That's a wonderful term we use in the foreign service - control officer. I actually tried to get rid of the term in San Salvador, with no success. I always figured that the VIPs you are taking care of don't really like the idea of being "controlled" and would find that fairly objectionable. I always thought "liaison" might be a better term. Anyway, I was the person for a visit by the astronauts Jim Lovell and Deke Slayton. Lovell had been the Apollo 13 commander, and Slayton was the ex-test pilot astronaut's astronaut who had missed a moon mission due to a heart murmur. We had a great time taking them around to air bases and meeting all sorts of people. Somehow they had left for Santiago, but got turned around and had to come back. I don't remember why, but Keiko and I ended up being invited to the upstairs dining room at the residence with the Lodges and the astronauts and their wives. It was an absolutely wonderful evening. Lodge, undeterred by the presence of two astronauts, monopolized much of the conversation. But he was a very charming and funny person, and interesting when reminiscing about politics.

The funniest moment, though, was when Jim Lovell was describing the Apollo 13 mission, and talking about the disaster of the onboard explosion. When Lovell talked about having to turn the ship around on the other side of the moon, Lodge said, "Well, I don't know how you would do that, because that thing doesn't have a rudder on it." Lovell, using a model of the spacecraft, explained how the little jets on the module would turn the whole thing. Lodge did not seem convinced. Then they got all the way around the moon and they were back into getting ready to reenter the atmosphere, and Lovell was explaining how they had achieved the right angle to come in so they wouldn't skip off or burn up. Talking about how they had to orient the craft by looking at stars, and damned if Lodge didn't ask the same question again, "Well, how do you steer that thing? It doesn't have a rudder on it."

Q: Was there a change when Hill came in?

DIETERICH: Yes, he wasn't nearly as flamboyant and didn't speak the beautiful Spanish that Lodge spoke. Lodge was really good in Spanish. Sometimes you wished he didn't speak as good Spanish as he did, because you couldn't always be sure he would say the right things.

Needless to say, things changed quite a bit with Hill. But I wasn't there very long after he came.

STEPHEN BOSWORTH
Deputy Assistant Secretary, Western Hemisphere Affairs
Washington, DC (1981-1983)

Ambassador Bosworth was born and raised in Michigan and educated at Dartmouth College and George Washington University. Entering the Foreign Service in 1961 he served abroad in Panama, Madrid and Paris before becoming Ambassador to Tunisia, where he served from 1979 to 1981, to the Philippines (1984-1987) and to the Republic of Korea (1997-2000). The Ambassador also was a member of the Department's Policy Planning Staff, and he played a major role

in the US-Japan Foundation and the Korean Peninsula Energy Development Organization. In 2009 Ambassador Bosworth was named the President's Special Representative for North Korean Policy. He was interviewed by Michael Mahoney in 2003.

Q: Talk a little bit about this Falkland Islands question. Were you in your job in ARA at the time of that?

BOSWORTH: Yes.

Q: I remember there being a big debate between some people who wanted to support in effect Argentina because they felt that really they were entitled to have those islands and obviously felt that not the European NATO whole question of relations with Britain, talk a little bit about that.

BOSWORTH: Well, within Latin America of course there was a great feeling of sympathy for Argentina.

Q: The Latin American countries.

BOSWORTH: Right. Within the bureau there was some feeling of sympathies for Argentina, some FSOs who had been spent most of their careers working on these countries. I think Enders and I had sort of the same view which was basically it would be very nice not to have a war, but that in the end if push came to shove, the U.S. had no choice but to support as quietly as possible and without as much as drama as possible, support the UK.

Q: Wasn't Jeane Kirkpatrick somebody that was weighing in very strongly on the side of Argentina?

BOSWORTH: Yes. Yes.

Q: I'm talking with Ambassador Stephen Bosworth. We're talking about the Falkland Island war, which took place, basically I think in the summer of '82 or early summer.

BOSWORTH: Spring, summer.

Q: Spring and summer of 1982 and talking about how the U.S. got to its position and what we did I guess in support of the British.

BOSWORTH: The Argentines never really thought the British would come after them. They thought they were far enough away, 12,000 miles, that the British navy was not what it had been of course and that they would simply make a fuss and then go away. Haig I remember when the Argentine foreign minister was in Washington on this problem and Haig had been in Argentina and had not persuaded them to withdraw. The foreign minister was in Haig's conference room and I was there as sort of a note taker and a backup. Haig said, "Look, Mr. Minister, you have to understand. The British are the most warlike people in the world and you think they're not going

to do anything about this. I can promise you right now that unless you withdraw she is going to send her navy and her army after you and they're going to come." The poor minister was simply disbelieving. He said, "We can't beat them." Well, of course, 60 days later the British were there and retook the Falklands. We were trying to keep a position, not of neutrality, but kind of quiet support for the British. Many of our Latin American neighbors were very upset about all of this and it strained our relationships.

Q: Did we provide some Intel or satellite photos?

BOSWORTH: We did. We did. We provided satellite intelligence. We provided refueling. We provided logistical support and given the history of our relationship with the UK we couldn't have done otherwise. Look at what's happening today as we prepare to act jointly on the subject of Iraq.

Q: Obviously the British won in short order and I assume for a period our relations with the Argentineans and other Latin Americans suffered a bit as a result of that.

BOSWORTH: Our relations with Argentina suffered although fairly shortly thereafter of course the military government fell. Then we were very actively engaged in helping the Argentineans trying to rebuild a democratic institution. I got involved with that when I was in policy planning a year or so later.

EDWARD H. WILKINSON
Consul
Buenos Aires (1972-1975)

Edward Wilkinson was born in Indiana in 1936. Mr. Wilkinson received his bachelor's degree at Purdue University and served in the army from 1957-1959. His career included positions in Philippines, Mexico, Costa Rica, Argentina, Taiwan, Ecuador, Korea, Thailand, and Germany. Mr. Wilkinson was interviewed by Charles Stuart Kennedy in April 2002.

Q: Well, then where did you go?

WILKINSON: Buenos Aires, Argentina.

Q: Ed, you were in Buenos Aires from '72 to when?

WILKINSON: From January of '72 until August of '75, about three years, nine months.

Q: What was your job?

WILKINSON: Vice consul, and I was promoted to consul during the end of my tour there. I did

everything that the consular officers do during my tour there.

Q: How did you see Argentina in the '72 period when you were assigned there?

WILKINSON: The security situation was not at all good because there were revolutionaries in Argentina at the time. We had many travel restrictions, although usually we were free to move around the city any time we wanted.

Because there were serious anti-Argentine government revolutionaries around, though, bombs went off and people were shot. The American consular agent in the town of Mendoza was kidnapped and murdered during our tour in Argentina. A bomb exploded in front of the British embassy just after the Queen's birthday celebration. So, it was not a nice situation.

Q: What was the government like at the time?

WILKINSON: It was in those days, as it was all too often all over in Latin America, a dictatorship. In fact, when we arrived, the president of the country, Alejandro Lanusse, was a general who acquired the presidency essentially simply by being a general. But I think, nevertheless, he was a good man in certain ways. Lanusse had announced publicly that he would hold a regular election, one that was going to result in the people deciding who would be the next leader of Argentina. And that happened.

The election took place the following year. A dentist by the name of Héctor Cámpora won, but while running for president he made no bones about the fact that he was really running as a stand in for Juan Perón. Perón, you may remember, was living in exile in Spain at the time. Anyway, Cámpora won the election and became president, but within a few weeks of his election, he simply announced that there would be new elections, which took place. Juan Perón won practically without opposition. Cámpora effectively turned over the presidency to Perón.

Q: Wow...

WILKINSON: Yes, amazing. So Perón became president and his wife, Isabelita, became vice president. This would have been sometime toward the end of the year 1973.

AS far as life in Argentina was concerned, frankly, for those of us who had dollars to spend, we lived quite well. If you've been in Argentina, you know exactly what I'm talking about and, if not, it's a little hard to describe. Argentina is a first class country in many, many ways. It was and is a country with wonderful food, spectacular cultural events of all sorts, libraries, and a beautiful opera house with regular presentations of opera, ballet, concerts and the like.

Because the city of Buenos Aires is in the southern hemisphere, we had European, American and other opera and ballet stars from the North during their off-season, June, July and August. That, of course, is the "on-season" in Argentina. So we saw some fantastic things at the opera house there and because the money situation was not good for the Argentine, we were able to obtain tickets relatively inexpensively. To repeat: we lived very well.

Q: It must've been a major topic of conversation. Why couldn't the Argentines get their act together? They had almost everything going; they didn't have an Indian population to worry about and it is not a poor country in terms of resources.

WILKINSON: All true, all true. That question you probably should put in the present tense, because it appears they still haven't really gotten their act together. It's a little hard to understand why. In our day, I think Argentina produced 40% of the oil the country needed. Of course, the earth in Argentina is extremely rich. I believe I read somewhere that the topsoil is 23 feet deep there because there were no glaciers in the Southern Hemisphere.

The European immigrants, who are the Argentines of today, were educated people. Exactly why they have such basically fiscal, but certainly government-wide, problems, I can't answer. It is surprising. You think each time it's turning around, but, it doesn't. The minister of economics who is there even right now, Domingo Caballo, is a highly educated person. He was economics minister ten years ago, and all things seem to have gone well economically speaking, but they've just had another disaster there financially.

Q: Before we get to the consular work, who was the ambassador while you were there?

WILKINSON: When we arrived, John Davis Lodge was the ambassador. John Davis Lodge was not nearly so well known as his younger brother, Henry Cabot Lodge. Ambassador Lodge was later ambassador to Switzerland. He left and was replaced by Robert C. Hill.

Ambassador Hill was on his fifth assignment as ambassador. He was a man of independent means who had a good handle on what he was doing and why he was doing it. I thought he was just a wonderful ambassador.

Q: Let's talk about consular work there. What was it like?

WILKINSON: It was a pretty standard, almost a textbook operation. With the exception of people who were in the country temporarily with companies, the Americans who lived there tended to be long-term residents. In many cases, they were born there and continued to make Argentina home. Therefore, they did not need lots of consular services. Neither the immigrant visa nor the non-immigrant visa programs were all that large, either. I must say, though, that the non-immigrant visa business was often interesting because of the economic situation. As far as our American staff was concerned, I think we were six consular officers there, including the consul general.

Q: What about the students? Didn't Argentina in those days look towards Europe more than towards the United States?

WILKINSON: Yes, that's true. There was quite a large British population, or people of British origin, in Argentina, and they tended to go to Britain for holidays and for study. The Italians were a little different story. They would go to France and Spain as quickly as to Italy, but Europe was

of course “home,” if you will. I think the city of Buenos Aires is something like 90% of Italian origin.

Q: How about protection and welfare?

WILKINSON: Well, this was not a big problem either in terms of quantity or in terms of quality. Argentina is a Latin country, but by Latin standards the situation there is far better than in many other places where I’ve served. That is to say, the authorities were generally pretty honest. So, if you have an authority you can deal with – I’m talking about police, magistrates and judges, etc. – who are by and large decent, law-abiding people, your problems are not significant.

There was one particular situation I dealt with which was interesting. Now this was, don’t forget, in the ‘70s. There was a young woman of Hispanic origin who came to Argentina as a part of a protest. I confess I’ve forgotten what she was protesting about, but she was out in a provincial town leading marches and making lots of noise in her protests. She was arrested for reasons that we all thought were pretty shaky. A well-known (at least at that time) American lawyer, Leonard Weinglass (of the “Chicago Seven” trial fame), came down to try to see what he could do about getting her out of jail.

Q: So she was from the American left establishment?

WILKINSON: She was certainly leftist, as was Mr. Weinglass. Now, he knew perfectly well that the Napoleonic Code legal system in Argentina is quite different from the American English Common Law system, and that there was not much he could bring in terms of his own legal experience. However he had been asked to come down to “represent” her and so he did. He and I went to visit her. And this is an example of why I say we really didn’t have a lot of trouble with Argentine authorities. Weinglass was not the young lady’s lawyer, but the Argentines allowed him to visit her on at least two different occasions. Frankly, I thought they were pretty nice about it. We went to see the judge in charge of the case, and - can you believe this? - he invited us to his home for a very nice lunch.

I thought all Argentines bent over backwards to be decent to us, so I bring that up as an example of that.

Q: Were you able to get her out?

WILKINSON: Yes, she was finally released.

Q: What about the security situation at the time?

WILKINSON: Traveling out of the city of Buenos Aires was difficult because of embassy rules as a result of the very dire security situation. You could travel under certain circumstances, but you had to get permission. The only visit my wife and children and I made out of the city within Argentina was a trip straight south to the resort town of Mar del Plata, where we spent two glorious weeks just being tourists.

I should point out that when we arrived in Buenos Aires our daughter was six weeks old and our son was fifteen months, so getting around for tourist purposes was not all that easy. Having two children in diapers did not make tourism so desirable for us. On the other hand, Buenos Aires is a huge city. I've forgotten now, but it seems there were ten million inhabitants at the time. There were many, many things to do, so we didn't feel that we were deprived, necessarily, because we couldn't conveniently leave the city.

Q: Was the embassy and embassy personnel at all targeted by the terrorists? Were these kidnappings politically motivated or were they money motivated?

WILKINSON: Like altogether too many times in too many places, the American Embassy, and I must say many other embassies, were targeted, particularly if they were high profile. I think this was largely because such attacks would bring publicity that the revolutionaries wanted. I cannot think of a situation where money was an issue. They simply wanted the publicity.

We had one major terrorist incident while we were there. A pickup truck stopped at a stop light right outside the ambassador's residence (a beautiful old home, by the way). Welded into the back of the pickup truck were bazookas. For whatever reason –publicity for their cause, I assume – the people in the open truck were able to fire the bazooka, and they did so when the light changed green. They fired several shots, then sped away. A number of shells went right into the outside wall of the ambassador's residence. There was some damage, but nobody was hurt, so they got away with that one with relatively little trouble for us.

Another thing I might mention was something I referred to a little while ago. One night my wife and I were in bed reading. The kids were asleep. I suppose it was ten o'clock at night. We heard a huge boom. It turned out to have been an explosion at the British Embassy that was eight or ten blocks away from where we were living. This particular day was the Queen's birthday.

Somebody had pulled a car right up next to the British Embassy earlier in the evening. Apparently something didn't go right with the bomb planted in the car, because by the time of the explosion the celebration was finished, and the guests had left. An embassy guard noticed some strange lights in the car near the dashboard. The car was loaded with explosives, and when the guard tried to determine the cause of the lights, it exploded. With the exception of the unfortunate guard, nobody was hurt.

These were two of the security matters that I remember, but lamentably there was a steady stream of nasty occurrences.

Another little story: One night my wife and I and a couple of friends went to dinner someplace and then went to have a drink after the dinner. We went to a section of town called the Recoleta, which is near the famous cemetery of the same name and near a university. It's a very nice neighborhood of bars, restaurants, and so on. To our amazement, when we pulled up to a main intersection, there were a number of anti-Argentine government revolutionaries with guns there. A couple of them were actually directing traffic; they had basically taken over the

neighborhood. We, however, were so used to this kind of thing that we went through the intersection, found a parking place and had our drinks. By the time we were ready to leave, these guys had been chased out. It was a bit surrealistic.

Q: The consular section often is the place where people come looking for asylum. Did you get hit by any of that?

WILKINSON: A good question. I think the answer is no. I can't remember a situation like that. Needless to say, I was pretty junior; I wasn't necessarily privy to everything that might have happened, but I'm not aware that there was.

Q: Were there demonstrations against the United States?

WILKINSON: No. There were not. But let me tell a little story here, the likes of which most people have never seen.

We talked earlier about the economic situation there, and I'm afraid the word "mismanagement" leaps to mind. One of the things that the Argentine Central Bank did during our time there was to promulgate a regulation that allowed travelers who were going abroad for tourism to get money – dollars or marks or yen or whatever it was they would need – at a relatively favorable rate. This meant if you're a person living in Argentina who had Argentine Pesos to spend and you wanted to go to the U.S., you could get up to \$1,500 at this favorable rate. You could get, I think, 10% of the total in cash in Argentina, and the rest you would have to get from a designated bank in the U.S. after arrival there. In order to qualify for obtaining the rest of the \$1,500, the traveler had to remain in the U.S. (or at least, outside Argentina) for at least 30 days.

It's a little odd that the Central Bank would do that because it effectively encouraged tourism, i.e. spending your Argentine money outside of the country. This is not my idea of a good way to manage the economic situation, especially during an economic crisis.

Of course, during the relatively short period of time this rule was in effect, it made a huge difference in our non-immigrant visa operation. As you might expect, a lot of people found it convenient to go to Miami, the closest U.S. city of any size to Argentina, to take advantage of the opportunity to make a little money.

So if a potential traveler could get a visa, the normal procedure would be to obtain the 10 percent of the \$1,500 from the Central Bank in Buenos Aires, purchase the ticket (on credit, of course, in Pesos), fly off to Miami, do the paperwork, get the rest of the dollars from the bank in Miami, then quickly fly back. However, the traveler couldn't enter Argentina again through the airport in Buenos Aires, because if he did he would be in trouble with the Central Bank. Remember, theoretically, the traveler was supposed to remain in the U.S. for 30 full days. The traveler would instead return from Miami to Montevideo, Uruguay, then come across the Rio Plata using only his national identification card, a regularly used procedure for travel to surrounding countries. Thirty days later the traveler would go back to Montevideo using the ID card, then return to Argentina "internationally," that is, with a passport.

The traveler would then have \$1,500 in U.S. dollars, which could be changed on the black market for about three or four times the locally available rate. Even after paying off the Peso debts for the round trips to Miami and Montevideo, the traveler would still have considerable cash in Pesos.

A lot of people did that, but to do so they required a U.S. non-immigrant visa. When they applied, it was not really reasonable for us to say, “No, you can’t have a tourist visa because your idea is to make money off a weird Central Bank rule.” I mean, one of the main points of a non-immigrant visa interview is simply to get to the bottom of the section 214(b) of the Immigration and Nationality Act question, “Are you coming back?” And I expect in most cases they probably were.

Q: They’ve got a much better reason to come back than others.

WILKINSON: Exactly. I remember one of the embassy drivers asked me, “Can I get a visa?” and I said, “Well, look, I’m not going to guarantee you anything, but I think you can.” First of all, he had a full-time job, and secondly, although he didn’t make an awful lot of money, he had a good reason to come home. So, we had people practically breaking down the door to apply for visas. In fact, one particular day the door was, indeed, broken down. It was knocked down because the ancient building the consular section was in at the time didn’t have strong doors. The crowd gathered outside the door to the consular section (on the third floor of the office building), and there was such a crush from behind as people got off the elevator that the door literally fell down.

So in Argentina, we experienced a lot of things that normally you don’t get involved in.

Q: What about the technical class? I mean the engineers and doctors? Were there good employment opportunities??

WILKINSON: I think the answer to that is no. The Argentine of those days and I’m sure today – and I suspect 150 years ago – was a relatively well-educated person, so you certainly had a technical class. You had professors of everything, from media to literature, and doctors and lawyers and other professionals. However, there weren’t a lot of jobs. Most people, though, loved Argentina (just like they do today), so there was not a lot of desire to find one’s (financial, at least) destiny abroad. I don’t think that happened much then. It certainly happened, but it wasn’t a major phenomenon. In fact, I don’t think our non-immigrant visa refusal rate was very high.

Q: Now when Perón came back, was there apprehension or people running for cover?

WILKINSON: Quite the contrary. I have a little story about that.

After Cámpora was elected, he removed the prohibition against Perón being able to return to Argentina, so Perón did come back during the winter in Argentina, in June or July of 1973. We had an Argentine maid at the time, a nice, very hard-working lady. She told us something, I think, that a lot of people lose track of when remembering Juan Perón, and that is this: Perón

was, in the '30s, a general. Later he was made minister of work. He became very well known during that time, and the changes he made then were his opening later to become president of his country.

Let me explain further. Argentina, in the 30s and before, was anything but an egalitarian society. You had rich people, but there were very few. They were largely landowners and large business people who managed the country. And there were a very large number of poor people. Workers, I'm talking maids and people of low income or all too often no income, were badly, badly treated by the system.

As minister of labor, Perón made a number of changes. For example, he allowed, for the first time the existence of trade unions. He did a number of other things that made life better for the man and the woman on the street. And his first wife, Evita, was seen to be – and was, I believe – an important part of this. So when he returned, the vast majority of the people who remembered pre-Perón life, and how bad it was, welcomed him. No matter what he may have done regarding fleecing the country in a variety of ways and the other things that were pretty shady, for these reasons, the average Argentine thought very highly of him right up to the end.

Q: Then you left there in '75?

WILKINSON: We left there in August of '75.

DAN W. FIGGINS
Political Officer
Buenos Aires (1972-1977)

Dan W. Figgins received a bachelor's from Grinnell College, where he was president of the International Relations Club; he also completed some graduate work. Upon graduation, he completed an internship with the State Department. He joined the Foreign Service in 1966. He served in Switzerland, Argentina and as the US delegate to the US Mission to the United Nations in New York. He was interviewed by Jeff Broadwater on November 20, 1993.

Q: You went to Buenos Aires in 1972-73 and I want you to just comment briefly on US-Argentine relations during that period.

FIGGINS: There was a political counselor and then there was another officer, who was his deputy, a labor officer and myself. So I was the fourth ranking officer in the political section.

The ambassador was a political appointee, Henry Cabot Lodge's brother, John Davis Lodge. He was very much out of touch with Argentina. For example, the labor unions were anti-communist but he saw labor unions as being dangerous and subversive or even communist. So he was in a strangely anachronistic position. I don't know that he did any particular harm, but it did remind

one of Braden who was the ambassador at the time that Juan Peron was first elected President. Braden criticized Peron as being a communist and dangerous and Peron was elected with a lot of help. The big posters were Braden verses Peron. So I had this feeling of an echo with John Davis Lodge, who was also being out of touch. Again, I don't know that he did any particular harm. I guess his deputy and the political counselor kept him in line. And the Argentines didn't take him very seriously.

Q: I was going to ask you whether Nixon or Kissinger took him very seriously, or did they tend to ignore Argentina and Latin America in general?

FIGGINS: I don't think they were very interested in the area. Kissinger was very European centered and then the world balance went to opening China. I think it is fair to say that they ignored Latin American to a large extent.

Q: I think the period that you were in Argentina was about the time that Allende was overthrown in Chile. How did that affect American influence in Argentina?

FIGGINS: I don't know that it had any effect.

Q: Anything unusual about your responsibilities as the fourth officer in the political section? What did you do?

FIGGINS: All the political officers divvied up the newspapers so I would read one or two of the main newspapers. Argentina is very literate so they have a lot of print. The people in general take a great interest in their politics. So each day I would cover one of the paper carefully. There were a number of political parties so I interviewed from one or two of them. I was given relations with the military so I made contacts with the people who taught at what would be the equivalent of our West Point and to some extent, lower ranking generals and colonels. I was also given the responsibility for the Church which meant the Catholic hierarchy, starting with the Papal Nuncio, an Argentine Cardinal, plus the third world priest movement which was anti-government, plus the Jesuits who did very careful studies. Whenever visitors came from Washington and the embassy wanted to inform them about what was going on, we would go talk to the Jesuits. So those were the different things I did and people I talked to and wrote reports about what they were all thinking.

Q: How cooperative were they with you? Did you have a sense that they were candid and wanted to talk?

FIGGINS: They were all open to share fairly frankly what they were thinking.

ROBERT OGDEN
Treasury Attaché
Buenos Aires (1973-1975)

Robert Ogden was born in Norwalk, CT in 1939. During his study at Stanford University, he took trips to Japan and Europe which primed his fascination with other countries. After graduating from Stanford University in 1961 with a degree in Economics, he did his graduate study at the Fletcher School of Law and Diplomacy. He entered the foreign service in 1964 and was posted to Thailand, Colombia, Argentina, Peru, and London. He is now retired and was interviewed by Charles Stuart Kennedy on June 16, 1999.

Q: You were on your way to Argentina in 1973.

OGDEN: After getting married, we took a brief honeymoon and then went directly to Buenos Aires.

Q: You were in Argentina from when to when?

OGDEN: I was there from 1973 to just after the military coup in 1976. This was the period when Juan Peron returned to Argentina and took power. The administration started out with a lot of popular enthusiasm but ended up tragically.

Q: What was your job?

OGDEN: I was the equivalent of the Treasury attaché. There wasn't any Treasury officer in Argentina so I did all the balance of payments reporting, financial reporting, liaison with the banks, national accounts reporting and monetary and fiscal policy. It was a very interesting tour as I was able to use my Harvard training well. Although the Peronist government suffered many economic and financial problems, the Argentine Central Bank and other financial institutions were quite open about sharing data and information.

Q: What was the political and economic situation when you arrived there in 1973?

OGDEN: After years of military rule, free elections in Argentina were held in March 1973. Peron's personal delegate, Hector Campora, became the president-elect. In June of that year, Peron himself triumphantly returned to Argentina. New elections were held in September, and Peron himself took power in mid October just after we arrived. Initially, there was a lot of popular enthusiasm about Peron's return. There was hope that Peron would be able to control leftist extremism and curb the growing civil unrest in Argentina. But the regime ran into trouble pretty quickly and things began to unravel.

Q: How did Argentina stand economically from your perspective when you arrived? What was happening while you were there, and were we doing anything about it?

OGDEN: Peron's economic policies were similar to those followed in his previous administrations. The State played a key role, generally seeking to promote industrialization at the expense of agriculture. There was an open and well publicized effort to shift income

toward the workers and specifically toward the Confederacion General de Trabajo (CGT). The exchange rate was maintained at an overvalued level and a variety of import controls and export subsidies were used to try to maintain control of the external accounts.

These policies worked pretty well for about a year because Argentina's foreign exchange reserve position was quite strong and export prices held up well. But after that, things began to really fall apart. Wages increased much faster than prices, and the public deficit started to soar. Inflation took off and reached levels of over 200 percent. With an overvalued exchange rate, the balance of payments went into serious deficit and Argentina's foreign exchange reserves disappeared. There wasn't much foreign investment coming to Argentina and banks and other external creditors increasingly were reluctant to lend new money. A number of economic ministers tried to deal with the situation but usually got sacked after a short time. The Peronist government lacked the political will to defy the unions by controlling wages. This was not too surprising since toward the end of the period, the unions were the last and strongest bastions of support for the government.

Q: You were new to Argentina. How did you see this? I mean, to somebody from the outside, it looks like Argentina has the potential of having a very literate, basically European government without a big Indian problem and lots of food. It should have a very good solid industrial base. It looks like everything would be going great.

OGDEN: You are right. Argentina has excellent natural resources and a well trained work force. It should have done very well economically. I think a central issue was the high level of social tension which usually split the country into left and right. Moderate, centrist economic policies often didn't have a chance in Argentina. Also, Argentina's isolated geographic location probably was a negative factor.

Q: Well, Argentina, from what I gather, unlike most of other South American countries, didn't look as much towards the United States as it did towards Europe. Was that true?

OGDEN: Yes, I think that was generally true. We had a good amount of investment in Argentina, but the trading relationship between Argentina and Europe was stronger than it was with the United States. Most of Argentina's meat and wheat exports went to Europe. We didn't take very much of either. But, Argentina did import a lot of capital equipment and machinery from the United States. There was a big U.S. business and banking presence, including automobile manufacturing. I would say our relationship with Argentina was close and normal. But there were no large AID programs like we had with Colombia.

Q: What about the banking business? This is one of your beats. Bankers, I assume they are quite astute and could see what was happening and could they doing anything about it?

OGDEN: Well, initially, I think U.S. banks were providing Argentina quite a bit of short term credit. But as the situation deteriorated, the banks became more reluctant to lend and of course set higher interest rates. Eventually, I recall that the government implemented a big liberalization program and a major devaluation but that led to more inflation.

Q: Who was our ambassador?

OGDEN: Our Ambassador at that time was Bob Hill. I liked him a lot and had a good personal relationship with him. I remember many fun tennis games at the residence court surrounded by security guards with armed shot guns. His wife, incidentally, was a nationally ranked U.S. player when she was younger.

Q: Obviously, Perón was never the darling of the United States. I remember Spiro Brandon who had been our ambassador was quite a controversial figure in Argentina back in the 1950s. How did we react to Perón's reappearance and how about our dealings with the government?

OGDEN: I think, in general, our relationship with the Peron government was quite good. There was no personal hostility to the Ambassador that I was aware of and we had plenty of access to senior officials. In light of the 1973 coup in Chile, and the allegations of our involvement, the normality of the relationship was perhaps surprising. I think the Argentine government felt it needed our economic and financial support.

While relations with the government were normal, the security situation was extremely bad. There were two major guerrilla groups operating in Argentina at the time, the Montoneros and the ERP. These groups focused their attacks on Argentine police and military targets, but several Americans had been killed as well. All the staff took basic security precautions such as varying our routes to the Embassy and trying to arrive at different times.

I remember we were expecting a visit from Secretary Kissinger in 1974 or 1975. The security situation was so bad that we evacuated families and non-essential staff to Uruguay fearing reprisals.

Q: How did it go?

OGDEN: He never came. Several trips that Kissinger planned to Latin America never materialized. There always seemed to be a higher priority.

Q: Were you picking up the impression that Latin America was not high on the Nixon-Kissinger list?

OGDEN: There were genuine emergencies which caused Kissinger to postpone these trips. Still, the message was that Latin America was a lesser priority for the U.S. at that time.

Q: What was the thinking about when Perón came back before he died? Was he better or worse or competent or what?

OGDEN: Certainly there was enormous enthusiasm and hope among Argentines when Peron returned. He only governed for about nine months before he died in July 1974. At the time,

the situation was starting to slide downhill but was still manageable. After his death, no one was able to maintain control. Anyway, Peron already was about 78 years old when he passed away. I doubt even he could have kept Argentina together for much longer.

Q: Somebody I interviewed—I can't remember who—was talking about world leaders and was using Isabel Perón as probably the most incompetent leader he could think of.

OGDEN: Isabel Peron was not a natural political leader like Peron's first wife, Evita. I think she probably was named vice-president because any other choice would have been too controversial. When Peron died, Isabel tried to keep things together but it was no use. She quickly became tired and sick. Lopez Rega became the real power in the movement. But the infighting among the Peronists, and between the guerrillas and the armed forces got even worse. No one was in real control.

Q: When Perón died, was there a feeling on our part that what leadership there had been, was this going to get worse?

OGDEN: After Peron died, I think most people were pretty pessimistic about Argentina's immediate future. Of course, there was some hope that Isabel could keep things together. But the economic and security situation kept getting worse.

Q: Did the Cold War intrude at all?

OGDEN: I would say it did, indirectly. In Colombia, we were looking over our shoulders at the Cuban experience. In Argentina, a lot of people looked at Chile and wondered if Argentina would face a similar situation. Indeed, Argentina's fate was somewhat similar. There was a military coup in March 1976 followed by years of repression.

I remember when the coup took place. It was a very quiet coup. It seemed as though nothing had happened. There was very little violence, at least that I was aware of. Nobody was out on the street. Nobody quite knew what was going on.

Q: How long were you there with the new regime?

OGDEN: Only about three months, we left Argentina in July 1976. Certainly, there wasn't much rejoicing about having another military regime in Argentina. I would say the feeling was one of resignation and perhaps relief because the situation had gotten so bad. Certainly, no one could foresee how repressive the new military regime would be.

Q: What about when you were dealing with the banking and the commercial interests how about the role of major European banks and European governments vis-à-vis the Argentineans and the financial field?

OGDEN: I think that the European and American banks were working quite closely together at the time. The Peron government certainly got additional breathing room thanks to

commercial bank credits.

Q: What about Brazil? Was this the menace to the north or something?

OGDEN: I don't think so. The Argentines were rather jealous of Brazil's economic strength and success but I don't think they felt threatened.

Q: Did you get any of this feeling that if things went wrongly it was the blame of the United States, which is true in so many other countries, or were we too far away?

OGDEN: Well, we had normal and close relations with the Peron government and tried to be supportive economically. As far as I know, we were not involved with the coup in any way and didn't try to support it. So I think that the vast majority of Argentines recognized that the United States was not involved in these domestic affairs. Of course, some of the guerrilla groups no doubt blamed the U.S. anyway.

Q: In 1976 where did you go?

OGDEN: We returned to Washington and I began another tour in the Economic Bureau of the Department. I was in the Bureau from 1976-1981. My oldest daughter Carolina had been born in Argentina. My other two daughters, Clara and Alison, were born during this period in Washington. I suppose that is why I have such nice memories of that time.

HERMAN REBHAN
General Secretary, International Metalworkers Federation
Washington, DC (1974-1989)

Herman Rebham was born in Poland and raised in Germany. He came with his family to the United States in 1938 and settled in Cleveland, Ohio. After working in auto manufacturing plants in the Midwest, he became Administrative Assistant to United Auto Workers President Walter Reuther, and dealt with domestic and international labor matters throughout his career. In 1972 he became the United Auto Workers Director of International Affairs in Washington, D.C. Mr. Rebham died in 2006. Mr. Rebham was interviewed by James F. Shea and Don R. Kienzle in 1995.

REBHAN: Then in Latin America we did a lot, especially during the strikes in Brazil in the auto industry. Lula, Luis Ignacio da Silva, was our creation. At one time he was very good; later it went to his head.

Shea: He was a gutsy guy.

REBHAN: He was a gutsy guy. Absolutely! And he was a self-educated man.

Kienzle: What was the IMF program there?

REBHAN: We had seminars down there, but mainly we gave them financial support during strikes, because they really needed it. The unions existed in semi-legality. They got the extra benefits of that system. They had a health [benefit] business, so the union members paid extra dues for that.

Shea: They had the imposto sindicato, the trade union tax. In Argentina, this was after Van Door was murdered.

REBHAN: The first time I went to Argentina, Vandor was still alive and I met with him. Vandor was murdered shortly after that. Speaking of Argentina, I once was a member of a delegation to Argentina to go talk to the government, to Videla, and to try to get some of the trade unionists out of jail.

Kienzle: This would have been during the same period roughly in the late 1970s?

REBHAN: Yes, in the late 1970s. When was the military government there?

Shea: They had a series of military governments. The first time was in 1966 when they threw out Arturo Illia and Juan Carlos Ongania came in.

REBHAN: We were down there at that time. Later Peron came back, but he didn't last very long, and he died. His wife took over, and there was anarchy. Then they threw her out, and the generals took over, and Videla was the leader of the generals at that time. Tony Freeman was the Labor Attaché. We went down there with the General Secretary of the ICFTU. We met with some of the union people, then with Videla in Videla's office.

Shea: Then you saw Lorenzo Miguel?

REBHAN: Yes, in jail. We went to see Videla. We were sitting across from him, and he had his crucifix hanging on the wall behind his back. He gave us a line of bull about anarchists and so on. Then finally I asked him whether I could see certain trade unionists who were in prison. He was taken aback by that and said, "Well, we'll let you know."

[Later] we were having a press conference at the hotel, and there was a phone call. The caller said, "Mr. Rebhan, be at the local city airport at one or two o'clock, and we will go to the prison." I got over there and there were soldiers all around with machine guns. I said to myself, "If any of these young kids drops one of these guns, he will kill you by mistake." Finally, the General Secretary of ORIT at that time [arrived. He was] a Peruvian or Bolivian or something like that. A young kid. He didn't last long. He went with me, and the soldiers said, "Stay here, and an officer will get you. We'll take you by helicopter to the prison."

So we took this military helicopter, which was wide open on all sides. This was one of those that

they probably [used] to throw people out of. It had two pilots with side arms and an officer. We got on the plane and we rode about 15 minutes. I said to myself, "If somebody shoots at this helicopter, goodbye!" In the meantime, the union people took my luggage out to the airport in order not to waste time, because I had to leave that evening. We rode out into the countryside, and we landed at a big building; all the prisoners were at the windows of the jail, because a helicopter coming [means] either an important person or an important prisoner. The warden was standing there. He was nine feet tall. He saluted. The other fellow, who was with me, the General Secretary of ORIT, was also a little fellow. So we little fellows went into his office, and he called, "Soldier, bring coffee," and [the soldier] brought coffee. Then like a typical jail warden, he showed us what the prisoners had made this for him, a coat hanger and so forth. Finally he said, "Well, we'll get the guys [you came to see]." The fellows came in. There were three of them there. Lorenzo Miguel was one of them, and there were two others from two other unions. I don't remember what unions they were. They looked pretty good. They were sun-tanned. They must have been outside in the yard, but they were so happy to see us, because somebody was paying attention to them. "How did you manage to get here?" "It was an accident you ever got here." The [warden] left us alone and we talked to them for a while. We spent about 15 or 20 minutes with them. They thanked us profusely. They couldn't get over [the fact] that we had come to see them.

Shea: Did they say that they were well treated?

REBHAN: They said that they were not tortured. After all, Lorenzo was a big wheel in the Peronist Party. They figured that "if he gets back in, he will pay us back." Then the fellow who was with me wanted to see another prisoner, and they said he was in some other jail. We flew over to another jail, and the pilots didn't know where to land. There was a convent next door and all these nuns were out there waving their handkerchiefs. We landed at the jail and we talked to the [wardens]. They said, "This guy is not here. There is no such prisoner." He was probably dead by then. Well, we took off again and I told the officer, "Look, why don't you talk to the airport by radio. I have to catch a plane to go back to Madrid and then on to Geneva, and my luggage is already out there." He said, "Well, there is so much radio traffic now. I can't do it." Finally, we get to the airport and we landed right in front of the plane. They got the luggage and my passport and ran in to stamp the passport. I got on the plane and all these people were giving me dirty looks, because we were probably a half hour or an hour late leaving. "Who is he?" That was quite an experience, and I felt pretty good about that.

BARBARA S. MERELLO
Director, Lincoln Center, USIS
Buenos Aires (1975-1978)

Barbara Shelby Merello joined USIA in 1959. Her overseas postings included Brazil, Peru, Spain, Costa Rica, and Argentina. Ms. Merello was interviewed by Lewis Hoffacker in 2000.

MERELLO: One day I got a call, and they said, "How would you like to go to Buenos Aires?" I

hesitated for half a second, and “Yes, take me to a big city.” And I did go to Buenos Aires. I was director of what we called the Lincoln Center there, which is the Binational Center - no, it isn’t the Binational Center, I’m sorry. We had a Binational Center there as well, but this is a library and cultural center, which was founded long ago, during World War II. And again, it was a well-known institution in Buenos Aires. At the time it was the only circulating library, and people would come there, and they would say, “How do we start a political party?” or “How do we impeach a president?” This was long before our own impeachment. People would go there and study, just sit there and study, or just take the books down and look at them. We had a wonderful librarian, a woman who, to me, she’s a saint. She would always find a way to get the information that anyone wanted. I loved that lady. And the whole staff was very good.

And then we had a great many cultural programs as well. One of the ones that I remember most fondly was when Admiral Samuel Eliot Morrison came to town. He was just - I think he had just made his voyage repeating Columbus’s voyage. He had a good friend there, and he came and lectured, and that was a great honor. It was wonderful to meet that man - a wonderful man. And we got to take him to this medieval shipyard in Buenos Aires, where they still have a full-sized caravel. Amazing that they ever crossed the Atlantic. They’re not much bigger than rowboats, just amazing. And that was fun, taking him to that and to the Gothic quarter, and then he gave a talk in the Lincoln Center along with a distinguished Argentine admiral. It was delightful.

Q: Who was our ambassador at the time?

MERELLO: Well, part of the time, it was Robert [Hill], and actually I have a picture with Jesse Helms.

Q: Is that necessary?

MERELLO: Jesse Helms came to see him, and I just happened to be in the office. I hardly ever went to the embassy unless I had to, but I just happened to be there, and I don’t know what for, some errand or other, and Jesse Helms came in and [he had to] have a picture. I didn’t know who he was at that time. And I have to confess, I have a picture of me with Jesse Helms.

Well, it was, again, a very interesting job because it was taken seriously. It was an institution that was taken seriously, and it was important to do things well. And we tried to... Borges lived not far from there, a few blocks from there, and once or twice we had him come and give a talk, and one of the talks was not very good, and the other one was superb. His talk on Walt Whitman was wonderful. And we would see him sometimes. He liked to frequent a little Chilean restaurant nearby, and I remember that Agustín and I saw him several times, just around there. And I don’t remember how this happened. One time we went to see him to ask him if he would give a talk, and he found out that I was from Texas, and he had a great fondness for Texas because after Perón had made him chicken inspector or something, he really didn’t have any money, and the University of Texas was the first institution that invited him to come to speak, and forever after, any Texan would have an entrée to Jorge Luís Borges. He was very grateful.

And Argentines and Texans have a certain compatibility anyway. But he found out that my

family was from Texas, and so he started - I think he was teasing me, pulling my leg - telling me about the good old days of slavery. I remember I ended up singing him "Summertime," why, I don't remember the circumstances. I sang "Summertime." And I had very fond memories of Borges. The last time I saw him we had actually left Argentina. It was some years later, and we were just passing through on the way back from Peru, 1987, I guess, and we stayed a few weeks in Argentina to visit Agustín's family and so on. And one day he was with one of his daughters, and I wandered around old haunts - Florida is the pedestrian street in Buenos Aires, and that is where the library was. So I was wandering around in one of the galleries, and I saw that Borges was in a little bookstore signing one of his books. And so I went in and spoke to him, and he was the last person I saw in Argentina, practically. And he died only a few months after that. I have a very good memory of him. He was not like anyone else. He could be very cold, really, but he was also a very - he wanted to be like everyone else, but he wasn't. He was unique.

Q: *Well, he was outspoken politically.*

MERELLO: Well, yes, he was, and he really hated Perón. And so he was a little too indulgent of the military, but afterward he hated them too. And they deserved to be hated.

Q: *Was that the period of the "disappeared."*

MERELLO: Yes. I went there in 1975, and that was when Eva Peron was still - you can't say in power, because she was never in power, but she was there. And things were not going too well. Then they got worse. I was there for about two months before they actually had a reception for me because they had been expecting Henry Kissinger on and off, and then in the end he didn't come, so they finally had a reception at the library. In the meantime I had met a very interesting artist named Marta Mujinin. She was a fine artist in every way, but she became notorious for some of her happenings that she would stage. And it was very easy to scandalize the Argentines in those days. They were very conventional. And my favorite thing that she did - this was later, after the military took over, or maybe when they were finally out of there - she had a framework made to look like the Parthenon, and it was almost the size of the Parthenon, and she got publishers to donate books. And most of the books were forbidden books - books and books and books, thousands and thousands of books. She filled it with the books, and then she gave them away. This was unbelievable.

Q: *Eccentric is a polite term for her.*

MERELLO: Oh, no, she's marvelous. She's wonderful.

Q: *As an artist, what was she? Was she a painter?*

MERELLO: Oh, a great artist. She could paint. She was a good sculptor. She still is working. She's very versatile, a real artist. But Marta would come to the library to look at art books and so on, so I had met her already, and the day of the reception, she met Agustín, my future husband. Agustín was a futurist, among other things. He had done many other things, too, but he was a futurist, and he had an idea for a school for failure. The Argentines are too hooked on

triumphalism, as they call it, too hooked on success, and they don't understand that you have to fail in order to learn anything and then go beyond it. This was a philosophical idea for him. So a mutual friend wanted to introduce him to Marta Mujinin because he thought that she would be interested. She saw it as a sort of happening. Anyway- (end of tape)

I was in the middle of a story of Marta Mujinin, our fairy godmother. Anyway, she and Agustín had just met, and they were talking about this possibility of this school for failure, and Marta dragged him to the reception, and of course he didn't want to go. He didn't know anyone there, and she said, "No, no, no. Come along, come along. Who knows, you may fall in love with Barbara and get married."

Q: A fairy godmother. Isn't that nice.?

MERELLO: Yes, and we met, and later on we collaborated on the school for failure because I was very intrigued by this idea. Agustín had a friend who had a very modern art gallery, a three-story art gallery, and was going to lend it to him for that purpose. So they actually did have an Academia del Fracaso, a school for failure, for 10 days. And as I was saying, Marta saw it as a sort of happening, and she invented all sorts of things. When people came in, there was a platform, and you could get up on the platform, and there would be television lights and canned *¡Viva, muy bien!*. And some people did not like to stand on that platform. There were people who wanted to stay up there. And I was dressed as a nurse, and I would inoculate people who were willing against triumphalism. And some people were willing and some people weren't, and some people on the way out said that they would be inoculated. And we had a gallery of portraits of people who had gone beyond failure. And there's a wonderful word in Spanish Agustín used - *transfracasales* - when they'd gone beyond it. Van Gogh and I forget who the others were, people who had surmounted failure. And then there was a hammock; you could lie and you could talk to a psychiatrist. There are more psychiatrists in Argentina *per capita* than in any other country in the world. And you could talk about your failures and so on. And then we invited a lot of people to give talks about failures in their lives, and some of them were quite famous. There was a movie maker who told about the movie that he had dreamed of making and never was able to get backing for it. And then, providentially for me, there was a cancer researcher at the university named Dr. Skolnik, and Dr. Skolnik had a theory that people with allergies did not get certain sorts of cancer. And that may be true. And he felt that it was because of the histamines, and he thought that he had proved it, but he was terribly frustrated because he could never get enough funds. He did work on animals and a few people, but at this point he needed to work on a lot of people, and he was unable to get grant. Well, when I heard him, I remembered that they had just started saying that it was a good idea for women to discover whether they had any nodules in their breasts, and I'd never done it, of course. I hadn't even thought about it. I went home, I found a lump. I went to the doctor, to a surgeon, and he said, "Well, it's probably benign. It's probably nothing, but we'll have to look and see. Well, they didn't have biopsy in those days. And two days later I had the operation. Well, it turned out it was carcinoma, so I probably would have been dead because I never would have bothered. It probably would have been too late.

Q: *That was providential?*

MERELLO: Yes, providential. I'll always be grateful to Dr. Skolnik. I wish I could tell him to thank him.

Q: *Was he Argentine?*

MERELLO: This doctor? Yes. The doctor who was talking, the researcher.

Q: *But you had it done in Buenos Aires.*

MERELLO: Oh, I had it done in Buenos Aires. I never thought differently. Well, it turned out afterward they said they wanted me to go to Panama. I wouldn't have dreamed of going to Panama. I had just met Agustín, and he couldn't have been more wonderful. The next day I woke up, and it turned out they had to do the mastectomy. But I'm glad it was that way. I wouldn't have wanted to fret about it for days and days and days. I hadn't even called my mother, and she was very upset when she found out. But, you know, everyone assumed it would be benign. Well, it wasn't. So I only had one really bad day, and Agustín came and, oh, it was hot, and he brought the only soda pop they let me have, some awful stuff the equivalent of Gatorade. And then he brought "the cheese that walked," we called it, because it was a soft cheese and it was so hot that it would sort of [run away]. But he came and one of his sons offered to donate blood. I had never met him, of course, and I was so touched, and he was wonderful. And I wouldn't have dreamed of going to Panama where I didn't know anyone. I never even thought about it. And I felt, Oh, no, this isn't such a big deal; they talk about it all the time. Marta actually lent us her little apartment in a place called Punamar, down on the shore, on the ocean, sand dunes and pine trees, a lovely place. And I just walked a lot along the seashore, and I thought, Why do people make so much fuss over this. Well, later on, many, many years later, I developed lymphodema in my left arm, which I think I could have avoided if anyone had ever warned me about it. And I had so much radiation after that - I'm sure they gave me too much radiation - that eventually I lost the use of my left hand because the nerves were destroyed. This happened many years later, and I never thought about it at the time. I never thought about it at all. And fortunately it was the left hand, you know, and after all, when you think of the alternative, it's not such a high price to pay.

Q: *No. You were lucky.*

MERELLO: I feel extremely lucky. So the School for Failure was a success as far as we were concerned.

Q: *Well, that's great.*

MERELLO: But it's amazing how much indignation there was about this. The phrase made people angry, which proved that it was needed.

Q: *This had no relationship to the library which you were running.*

MERELLO: No, no, this had nothing to do with it. This was just free time.

Q: *Extracurricular.*

MERELLO: This was just extracurricular.

Q: *And getting married.*

MERELLO: Oh, I didn't get married for quite a while actually, because Agustín was divorced when we met, but there was no remarriage in Argentina at that time, so we couldn't get married there.

Q: *Oh, so you had to move on.*

MERELLO: Anyway, well, it didn't happen that fast anyway. We said we were going to get married, and so when my time was up we were transferred to Washington, which was customary. When you wanted to marry a foreigner they usually bring you to Washington as soon as they can. And of course, I was fortunate that it wasn't before 1971. We couldn't have married at all, although I would have had to leave the Foreign Service, which I didn't want to do. And Agustín was able to leave. He was older than I was, and he had done many, many things in his life. He had been in a Jesuit seminary, which always leaves its mark. He'd grown up, his childhood was spent in France, and so he was really more European than Argentine in a way, but a man of the world, a citizen of the world. He had decided - I think the Jesuits decided - that he would be better off outside the seminary, and he had married and had eight children. And not too long before I met him, a year or two before, he had divorced, but I still have a very good relationship with his children, his older boys especially. And he had, let's see, he had studied law; he had studied engineering; he had been a businessman for a while; and then he went to the Sorbonne and became very, very interested in the future, the study of the future, *prospective* it's called in French. And you think about the future that you want, and then you go back from that vantage point and think what steps you should take to get it. And from that time on he gave many, many workshops - he had all sorts of devices to get people to think about the future. He found that it was very easy to get people to think about what they did not want and what they were afraid of, the "dystopia," very easy, and so he would start with that and then gradually take some particular specific facet of life. He wasn't interested in the technology. It was the institutions, democracy and so on. And for the rest of his life he would give workshops to all sorts of different people to get them to think about the future, about what they wanted. So this for him was just another experiment, really.

We went to Washington, and I was first in the Foreign Service National Office, and I always had a lot of appreciation for the Foreign Service nationals who have to put up with all of us and really run things. And in the course of that time they were instituting an entirely new system, and I went to several places to explain it and actually start it. I went to Belgium for six weeks, and I went to Africa then, to Zaire. And that was quite an experience.

Q: *What period was that? Do you remember, roughly?*

MERELLO: That would have been sometime in the late '70s. And of course, Mobutu was still

there.

ROBERT S. STEVEN
Political Officer
Buenos Aires (1976-1977)

Mr. Steven was born in Massachusetts and raised there and in Rhode Island. He graduated from Brown University and served in the US Army before entering the Foreign Service in 1957. Mr. Steven became a specialist Latin America, where he served in Mexico, Chile and Argentina. He also served in Burma, Vietnam and Japan and had several senior assignments at the State Department in Washington. Mr. Steven was interviewed by Charles Stuart Kennedy in 2001.

Q: You left there in March of '76, I think, and then you were off to Buenos Aires.

STEVEN: A direct transfer.

Q: A direct transfer. Did you go right to Buenos Aires?

STEVEN: Yes, they had a vacancy there and things were hot in Buenos Aires. They needed somebody and I said, "Fine, I'll go," and arrived in Buenos Aires after their coup to find a rather similar situation, a military government being quite repressive, but still a very different circumstance: less efficiency, more corruption, more brutality. The total numbers of cases, the total volume of human rights abuse in Chile never approached that in Argentina. I think over time it would become clear that the Argentine military were more motivated by the pure idea of power than they were by saving their country. The Chilean military, for whatever one thinks of them, I believe, genuinely were reluctant to move as they did. They were provoked for a long period of time. They were urged by many people in their society to move. They were very reluctant to do it. They didn't take power because they wanted power. They were not particularly corrupt. Of course, there were instances, yes, but as a whole it was not a corrupted class of people. I remember talking once to an officer, a *Carabinero* officer I got to know very well, who told me that they were becoming increasingly concerned because the chaplains, the *Carabinero* chaplains, were reporting to the senior leadership that the officers and men coming to confession were very troubled. Many of them were talking to the priests and saying, "I have difficulty reconciling what I'm being required to do, because I know that this is not God's will, killing people and so on." And many of them were genuinely and seriously disturbed. I think that *Carabineros* particularly, being police rather than soldiers, were very concerned about how their troops were reacting to it. I rather doubt that became as much of an issue with the Argentine military. Corruption over there was a far more prevalent thing.

Q: Could you explain the origins and what the coup was about? You arrived after it happened, but could you explain...?

STEVEN: It was basically, again, a breakdown in the political situation. Argentina had had the same sort of turnovers of government and economic disasters that were typical for so long of places like Italy. The very well known comment is such a cliché but it's true, that Argentina has resources. It's one of the wealthiest countries in the world, and up until about the 1920s Argentina was thought of as one of the richest and most promising countries in the world. And because it's inhabited by Argentines, it's been a disasters. Again, even today they are having problems with the IMF.

Q: Today we're talking about sort of a financial breakdown.

STEVEN: Yes. Nothing ever changes in Argentina, and the Peron experience, of course, had exposed them to dictatorial government there. I think at the time the Argentine military decided to move, they felt that the country was again in this disastrous situation and something had to be done. I have a private view, which I've never seen expressed by any scholar or anybody better qualified, that perhaps the Argentine military were inspired by what they'd seen happen in Chile, that they saw their colleagues across the hills take over and were making a success of the economy, at least in classic terms of product and foreign exchange reserves, and that perhaps they could do the same for Argentina. Well, they weren't the same people and it didn't work in Argentina. To me, the culture is a large part of it. You're talking about Mediterranean culture, which has a different outlook on life and efficiency in government than, say, the Teutonic or Anglo-Saxon culture, just a very different thing. Whereas Chile today is stable and economically in pretty good shape, Argentina is not. I think the Argentina military may have deluded themselves into the idea that they could do the same thing the Chilean military had done. Of course, there was also the terrorist factor, the fact that people were being assassinated in Argentina. We had an American USIA officer, one of the branch public affairs officers killed at the time. And there was much more danger for the rest of us. We had considerable security precautions as Americans moving around in Argentina than we had ever had in Chile. The Argentine military were much more brutal, openly so. One of the worst examples we saw of that was - I forget the exact circumstances - they found a number of bodies of people who had been apparently killed by the Argentina military police piled in a field with a large charge under them and literally blown up. There were body parts all over the field. And everyone said, "What on earth! What are they trying to signal to their people and to the world?" and the basic signal, we all agreed, was very clear "We're in charge. We can do any damn thing we want, and if you don't behave yourself, this is what's going to happen to you." The business of tossing people out of aircraft: we all like to think at least that they were heavily drugged or dead before they were thrown out, but who knows. But bodies started washing up in the River Plate estuary in Uruguay, and the Uruguayans complained, "What in the hell is going on here? We don't want these bodies washing up on our shores." This was a government that didn't even care enough to fly coroners out to the bodies to bring them back in. That resulted, of course, later - a different subject entirely - in the Falklands War when the Argentine military, losing popularity, seeing that the opposition was increasingly gathered its strength, desperately reached for the old classic idea: find an external enemy, and thought if we invade the Falklands, we will get our people united behind us. It was the disaster that brought them down and ended them all in jail with trials and so on.

Q: You were there from 1976 to 1977, approximately a year, a little over a year. Talk about the

embassy. Who was the ambassador, DCM, and your impression of the embassy, coming from one to another?

STEVEN: The ambassador was the political appointee...

Q: His name was Robert C. Hill.

STEVEN: Ambassador Hill. He was a political appointee who had been ambassador, I think, in Mexico at least before that and perhaps some other country. It was an interesting situation for me that Ambassador Hill did not speak Spanish. He had had at least two assignments, perhaps three, as ambassador to Latin American countries, and he didn't speak Spanish. So everywhere he went, he took one of the officers with him to act as an interpreter. I went with him on visits to fairly high-ranking people where I acted as the interpreter, untrained as I was, and also took the notes to write up the conversations. And then for his next interview in the afternoon, he'd take another officer, so we sort of rotated the duty. I think, at least in his own mind, he may have also thought that he was doing us a favor by exposing us more to what was going on in the embassy, which was perfectly true. It was interesting to have that access, but also trying to learn to act as an interpreter, which was very difficult. Fortunately, the majority of people that we talked to spoke English. But Ambassador Hill was there.

Q: Was this a different type of embassy from the one you'd come from? How did you find it?

STEVEN: It was a bigger embassy and, therefore, I knew less what was going and didn't know the people as well. I think my own impression of it was that we were less involved. We had been deeply involved in what was happening in Chile because of the Allende government and so on. In Argentina it was more sort of a normal distance. We were interested, but I don't think we were as much involved. My impression has always been, both from what I've read since and what I knew then, that we were not really involved in the coup. I have no idea whether we even knew it was coming. But it was just sort of a little bit more laid back, watching what they were doing and scratching our heads trying to figure it out at times. Yes, protesting the human rights abuses when we could. Americans were not as directly affected. I don't think that any Americans were killed over there. Very few Americans gave a damn what went on in Argentina. The government didn't focus on it, the press didn't focus much on it.

Q: Well, there had been so many coups, and you hadn't had this sort of PR delight of Allende.

STEVEN: Chile was ideological, like Spain, but Argentina was just another banana republic. Who's in, who's out, so what? They'd had the military in before. The governments changed. It just didn't excite people as much as what happened over in Chile. Chile in a sense to me - I probably would get thrown out if I talked about this among certain circles - Chile was a serious country, and what happened in Chile made a difference to people. It was important, I think, that Chile be restored to democracy. In Argentina, what happened, so what? In a year or two it would change anyway, and they never had been able to govern themselves very well, so what did we really expect? In Chile we had seen the loss of a long democratic tradition of good self government. In Argentina we didn't see that at all; we just saw another example of a takeover or

misuse of power and the country stumbling from crisis to crisis. It was a different atmosphere.

Q: What job did you have?

STEVEN: I was political officer there.

Q: What part of the action did you have?

STEVEN: It was more general. In Chile I had had three sort of assigned portfolios and I knew them specifically. In Argentina, as I recall, we reacted more ad hoc, whoever happened to have the time to write the latest report or follow something. We all tried to keep in touch with everything. The political counselor was Wayne Smith, whom I hope you will have interviewed or you should put him on your list. Oh, yes, Wayne Smith is better known for having been head of the US interests section in Cuba.

Q: Yes, I've tried to get a hold of him. He was at George Washington University.

STEVEN: He's here. I saw him on television just a couple of days ago. He was quoted on TV just a couple of days ago, a short stretch with him. Wayne was political counselor there and certainly somebody that really should be pressed very hard to participate in this because he's got lots of experience, the Cuban experience particularly. But in Argentina it was more the politics. Even when the military were in, the political parties were still important. They were never formally dissolved. I remember going to receptions where the politicians all talked who was up and who was down and who was involved with the military and who was not, again quite different from the situation in Chile where the politicians were literally for the first year or two out of sight. They kept very carefully out of sight. In Argentina, no, life continued on much more normally. The people who had changes in their lives were largely on the left, those the military had identified as dissident or problem makers. The embassy was not as polarized, as I recall. The embassy in Chile was quite polarized, the military and some of the Agency people and some of the others. That didn't happen in Argentina, partly because the passions were so much less.

Q: So what were you doing? How did you operate?

STEVEN: Quite openly. We had no problems. We went out as standard political practice and tried to interview and meet and get to know and cultivate politicians. I had much less contact with the military. In Chile I had a great deal of contact with the military, particularly in the police, the *Carabineros*. I'm still in touch with a *Carabinero* officer; we exchange letters and so on regularly. But in Argentina our military pretty much conducted those relationships. Again, I did narcotics work, which brought me into some contact with the Argentine police, but again not as much. Human rights questions were a problem - and do make a note to press Tex Harris on this.

Q: I've had a long interview with him.

STEVEN: Oh, you've already had him here, but I would make a point then. Among the jobs I did

was to receive people who wanted to come in to tell us about human rights abuses and to listen, and I found was becoming sort of a routine stop for people. When you had human rights complaints, you went to the Red Cross or to the human rights organizations or to the Catholic Church, of course, but then you also went to the US embassy and told them your story. The stories were depressingly similar, and we made notes and so on. But then what? What were we to do with this? When they weren't American citizens, we weren't going to go to the local government and complain, except in the most general terms, you know: "We've been hearing all these complaints. You really shouldn't be doing this." But you can't take up individual cases with them. You can write the thing up, but you can't publish it, you don't send it to the newspapers. So I began to think to myself what really are we doing this for, and I became convinced that we were doing it more as a sop to our consciences and to let these people feel better. They felt that they could come and talk to us and get it out of their systems and record what was being done and that the US government was hearing them, and so on. This all had a certain validity. Yes, it's admirable, but it was not, I thought, a good idea for us to develop a reputation and a practice of routinely interviewing everybody who was abused. Some of them were genuine horror stories, torture and so on, or mothers coming in about their sons and so on. Others were people who clearly just had political axes to grind and wanted to talk to us. So when I was packing up to leave the place, I recommended, I think even in writing, that we try to discourage the practice of our becoming a stop on the parade of people who had complaints, and I heard later that Tex, picking up after me, had taken quite a different approach and was widely available and known in the human rights community as a person you went and talked to. In fact, I think he even got some sort of an award for doing that. And I'm not sure that it was the appropriate thing.

Q: You've got to remember you have to look at the political change in the United States. We had gone from the Ford/Kissinger, particularly with Kissinger, to the Jimmy Carter Administration with human rights on the thing in Argentina. So Tex Harris was...

STEVEN: Tex was doing what he was told to do.

Q: I'm sure it's his proclivity too, but the point was that the time, at least politically in the United States, was ripe for this.

STEVEN: Whether it was the best use of our time and whether in the end it was a good idea. Among other things it may have raised expectations among the human rights people that we seemed to be so interested in collecting this information and listening to these people, and then look at what we did about it. There was a disconnect there. It was nice to have the archives, but unless we were out there really working hard to change things... And, of course, we did change after the Carter Administration came in, but I will show you how that worked. The two best examples I can recall were Father Drinan. Do you remember the Catholic priest who was a Congressman?

Q: Yes.

STEVEN: He was very interested in human rights matters, and he came to Argentina. Well, when

a Congressman comes to your embassy, what do you normally do? The ambassador would normally have a reception for him, right, or at least include him in some big reception, or you would have the DCM or the political counselor at least pay a lot of attention. But instead of that, I was assigned as his control. You know, I'm a careerist but I'm second down in the political section. I sat down to plan out his schedule and waited expectantly to be told when he would go to the ambassador's or when something else would be done, which didn't happen. There was a silence there, and so I finally asked, "Look, is somebody going to have a reception for him or something?" "Well, that would probably be a good idea, Bob. Could you handle that?" So I gave a reception for a visiting Congressman, not any of the three senior levels above me but I did it. And I invited primarily people from other embassies who were interested in these matters too and reporting on them, the Brits and the Australians and the French, who were important in that area, and a few contacts from the Argentine government. I knew a couple of Foreign Office people, Ministry of Foreign Relations people and so on. And we had a cookout in my backyard, which was a nice arrangement. In any event, there I am with an interesting man. My mother-in-law was living with us then, and he charmed her. She said she hadn't met such a fascinating gentleman for a long time, he was interesting. We had a good talk with him, but I was just very concerned and embarrassed that the senior people in the embassy in effect were keeping their distance. This was reaffirmed in another instance - I can never remember which was first, but another instance - where Patt Darien, who was then the Assistant Secretary for Humanitarian Affairs, HA, came down. She was an Assistant Secretary, and the same thing happened. I was assigned to be her escort, and the schedule was simply left for me to work up. She was not invited to the ambassador's or the DCM's or the political counselor's, and it was suggested that perhaps I could arrange something for her. They made sure I had some representation money for it. So, again, I ran a party at my house for Patt Darien and her escorts. To me it was fairly clear. They didn't want to be associated with that element, with Drinan and Darien, who were human rights advocates. They wanted to keep their distance, even although the President's policy was fairly clear. It should have been done. But these were people who were unhappy with that policy and were distancing themselves from it as much as they possibly could. I was fortunate in not having to try to explain in detail to either Drinan or Darien why they weren't being treated in a somewhat more elegant fashion. I suspect in retrospect they were wise enough to realize themselves and didn't embarrass me. They were very delighted that I was honoring them with a reception. So the policy of the President and the Administration at the time was exactly not disobeyed or foiled by the people running the embassy, but they certainly didn't encourage it or do anything that they could to advance it. It was, again, left to the lower levels to handle.

Q: Did you get any feel for the CIA representative and the military representatives? Did they seem rather close to the government? Or did you have any feel for that?

STEVEN: Only much further away than I did in Chile. In Chile I was very much involved. I knew what was happening in Chile. In this situation my impressions were that they had good contacts, but to what degree they represented normal contacts that you would have with your counterparts or involvement in any further sense, I don't know. I suspect it was less, but again in Argentina there was not a political element. This was another coup of a military who essentially didn't like the civilian politicians no matter who they were as they were making a mess of the country, and they could try to straighten in out and also make some money for themselves. The

corruption level was much higher. And I think our military and our CIA didn't see it as a political challenge or political issues as we did in Chile. It was just more a question of the normal relationship with still another Latin American junta, until, of course, the Falklands came along.

Q: The Falklands didn't come while you were there?

STEVEN: No, no, no, but I saw it later.

Q: Were other embassies - I'm talking about the major European embassies and all - were they sort of treating the government in Argentina as just 'this is the way things are done here' and not getting very involved in it.

STEVEN: I think that was a fair summary of it. It varied, of course, with different ones. The British always had a somewhat different relationship. Britain was the European power, after all, which landed troops in Argentina at one point. There's a large British colony of Scots and English in Argentina too and had quite an influence there, and the Brits always had the Falklands thing in the background, which had been a longstanding problem. So their relationship was a little tougher. Countries tended to me to react on two bases: one, did they have citizens in trouble - if they happen to pick up one of our citizens, then we're going to be more involved - or attitudes of the individual officers or ambassadors in those embassies. The Finnish embassy in Santiago became a hotbed of resistance. The young Finnish chargé, who lived two doors down the street from me - I was always worried I was going to get blown up when they blew him up - was very active in human rights cases. Why Finland, you say? Was there a Finnish colony? Not a big one. Was it trade or something? But this individual established himself and worked on these questions. In Argentina, as I recall, an embassy would have an officer who was particularly active, there would be a little more focus on that. If he transferred and went away, the focus may have died off. It was a more casual relationship. I don't think it drew the world attention anything to the degree that the Chilean experience had.

Q: Did the Argentineans look to Europe more than to the United States?

STEVEN: I think so, yes. The connections were very much there. There were very few Americans other than some businesspeople there. They looked back to Spain, to Italy, to other countries. Tex may have covered some of this ground, but it was interesting to me to see in Argentina, also in Chile and other countries but emphasized in Argentina, the communities that were there, the country club which is the one for the British community, and there's another one that was specialized for the Italians and there was another for the Spanish, and there was a Jewish club. They were not exclusive but clearly it was a community's center, and Argentina was very much a collection of communities rather than integrated nation, which I think is one of their problems. There were the *turcos*, the people from Syria in Lamont who had their club, and there have been certain elements of business.

Q: Mennan was from that group.

STEVEN: Mennan, I think, was, yes. But they tended to be focused around their community lives

and not a feeling of being an Argentine. If you asked in Buenos Aires the question "Where are you from?" they wouldn't say, "I'm an Argentine"; they'd say, "I'm a *Portena*," "I come from Buenos Aires," or "I'm something else, whatever." It was interesting to find how many carried two passports. The average ex-Britisher down there, who may have been two generations in Argentina, still maintained his British nationality and Argentine.

Q: I understand that there were long lines at embassies just recently in Argentina.

STEVEN: Well, because of the economic situation, to be able to get out. It's a much less integrated country than some of the others that we know, which is part of the reason, I think, for its economic problems.

Q: Were we doing much in the way of sending people off on leader grants and that sort of thing?

STEVEN: There was some of that. I wasn't directly involved in it, but it was a routine thing as they tended to try to get people, young people particularly. I always had a little bit of doubt about those programs. They sound wonderful, but I'm not sure how effective they've ever been, and I've talked to numbers of young leaders who've come back from those countries. In many cases, they were young leaders who had already traveled to the United States on their own privately or had been to college up here. It seemed rather silly to spend money on a young Argentine leader who was educated in this country. And we had another famous one, not here but in Mexico, I always recall, when I was involved up there. This young politician was reluctant to go to the States, because he thought they were going to show him only the showplaces that we wanted him to see. And we said, "No, no, no. You plan it out and tell us what you want to see." So he laid out a pretty good schedule, and he wanted to go to Harlem, for example, and things that he knew about that we would probably try to hide. But they worked out a pretty good schedule for him, at universities and all sort of activities, and even to a factory somewhere. Then he came back, and I wasn't responsible, I was the ambassador's aide, but I was with some others who talked with him at the breakfast, which was a big thing down there. They sort of held their breath and said, "Well now, how was your trip? What did you think?" and waited for him to say how wonderful it had been and how it had really affected his thinking. He sort of looked at us all and said, "It confirmed every bad thing I ever thought about your country." We all had to laugh. He even laughed himself because it was so not what we wanted to hear. But I think it had. He had already convinced himself, of course, that our workers were oppressed and we had racial discrimination, and he was able to confirm all that in his own mind and what he saw. That one didn't work too well. Argentina was a fascinating country. It's so rich, and it's just devastating to see it so poor in every way. To go out in the pampa out there, I took my family and drove over to Chile and down through Chile and back over on a vacation trip, stopping literally beside the road out on the pampa in southern Argentina and walking out to a field and just putting my hand in and digging in the rich, black soil. Most places out there have thick topsoil. That rich, black soil is 10 feet deep. It's the breadbasket for the world out there, and they have to bail out of their economic difficulties and respond.

Q: Was there any labor movement going while you were there?

STEVEN: Yes. My impression - I wasn't directly involved with it - my impression has been though that labor was extremely politicized in that country. It is in many Latin American countries, but there particularly labor tends to be an arm of a political party, the labor union will be an arm of a political party rather than a real, what we call, independent labor union. There are some in this country would say the AFL-CIO is an arm of the Democratic Party, but down there it really is. The labor union would be integrated pretty much...

Q: Well, Peron had taken over the labor.

STEVEN: Labor was very much politicized. My impression was that you didn't really look at it as much as labor and the classic indications of its progress or lack thereof; you looked at it more as an element of the political life of the country down there.

Q: Did you get any feel or repercussions about the Dirty War that was going on with, you know, young students particularly, young people, who were getting involved? Was this affecting everyone?

STEVEN: No, I don't think it's fair to say it did. It affected those who were affected, in the sense that if your son was taken or your family was involved in the political activity and they were targeted, yes, you were affected. But I don't think that it was something that affected the majority of Argentines. The man in the street wasn't being beaten up by the police, and these were the students or the young people who were in trouble and there weren't that many of them. Many of them had lost, I think, a great deal of sympathy because of assassinations and kidnappings and things. There was some attitude I remember hearing once from someone I thought was a very liberal-minded Argentine when somebody had just been found assassinated and disappeared, "Well, he had it coming. They were trouble makers." It wasn't that it affected such wide numbers of people. They were more worried about their economic, I think, than their political situation. They didn't like the publicity, of course. Let's face it. Many of them were humane people after all, and they didn't like to see people being killed or tortured. I don't think the majority of Argentines would have overthrown their arms because of that type of thing. The thing which the Argentine military did which forced them out of power was the stupid war in the Falklands. The dumbest thing they ever did.

Q: Maybe this is a good place to stop, I think, Bob. So we'll pick this up the next time when you leave Argentina in July of '77 and you're going back to Washington, where you're in charge of Chilean affairs, which was very interesting. We'll pick it up then.

GARY S. USREY
Consular Officer
Buenos Aires (1976-1978)

Gary S. Usrey was born in North Carolina in 1948. He graduated from the University of Maryland in 1970. His postings abroad during his Foreign Service

Career included Baghdad, Buenos Aires, Alexandria, Bilbao, Panama City and Rabat. Mr. Usrey was interviewed by Charles Stuart Kennedy on March 21, 2002.

USREY: I took an assignment to Buenos Aires, Argentina, which I guess I had always wanted to go to.

Q: This goes back to the salt tables.

USREY: The salt maps. I was due there in December, and we left Baghdad in April. I had six months of Spanish at FSI in addition to what I had in high school. I was in pretty good shape. We arrived right before Christmas. Those were the days when they said, Please come before Christmas. So, we got to Buenos Aires in December 1976.

Q: You left there when?

USREY: I left Buenos Aires in December 1978, after exactly two years.

Q: What was the situation in Argentina at the time?

USREY: It was a big mess. Isabel Peron had just been overthrown. This was the second wife of Peron. She had been overthrown by this junta. They were three, a triumvirate of Air Force, Navy, and Army generals. Videla was the nominal head of it. So, there was a military government. There was hyper inflation. I remember going to the store and seeing cans of tomatoes with eight, nine stickers on them. Each day, they would go through and reprice everything. It was astonishing. The exchange rate board at the embassy, when you got accommodations exchanged for your checks, would change all the time. It was cheap to live there. We would go out, and you couldn't spend \$20.00 in the best restaurants in town. We had a great time. Only until quite late in my tour did we become fully aware of the a dirty war that had been going on almost this whole period. That they had been putting away their own people. I got involved in that. Do you know Tex Harris?

Q: I've interviewed Tex Harris.

USREY: Tex was very close to that, and did some of the best reporting on it from the political section. I was a consular officer there. The junta, after getting much bad international press, had decided to give this much talked about □derecho de opcion, right of option, which effectively meant that if you were a political prisoner, and you didn't have outrageous charges against you, if you would give up your Argentine nationality, and agree to exile yourself permanently from the country, the right of option, you could leave, if another country would take you. I found myself going into jails interviewing people, to see if they would be eligible to come to the U.S. So, I got some great reporting and stories to end on. The present conditions, and so on. That began to cloud the whole experience. It's a huge city, 12 million people, very well off. They've squandered a lot of that now.

Q: When you got there, who was the ambassador?

USREY: Ambassador Hill, a political appointee. He was followed later by Raul Castro, the former governor of Arizona.

Q: Looking back on it, would you say that the people, from the ambassador down, until you get to the young squirts, like Tex Harris and yourself, were really trying to keep the relationship on an even keel, and didn't want to get too concerned about the dirty war? You must have known about this. We have the CIA down there, and all that. Was this a decided topic?

USREY: I remember Pat Derian had been appointed our Assistant Secretary for Human Rights, our first one. She came down to visit Argentina as part of a regional trip. She agreed to speak at a town meeting for the embassy. Some guys in the military had established a heavy relationship with the Argentine military. I guess we had had a treaty relationship with the Argentines, and certainly a very robust military-to-military relationship. At least we did then. The news that the military was engaging in practices that were inimical to our interests was not greeted with great pleasure by our military colleagues. I remember a question that was very disrespectful. Some colonel or lieutenant said to Pat Darien, Does this mean we are not going to be selling any more helicopters or military equipment to the Argentines? He said, well, we certainly aren't going to be selling thumb screws. Quiet, quiet, hushed response after that. I don't think anyone knew the scope of it. I don't know how much the station or CIA knew or didn't know, but it certainly became known to Argentines and to the larger international community, only well into the dirty war, what was going on. This included things like the military dropping suspected subversives out of helicopters. It was very bad. So, there was economic chaos. We had a huge U.S. corporate presence there. Argentina, at the turn of the century was the fifth GNP of the world. It was more rich than the U.S. It was a big country. So, we had a big commercial relationship with Argentina. We had a typical big embassy with a huge USIS section, and a massive press operation. We had a big military relationship. We had all the typical functions of a big embassy. I think there was some reluctance by the business community and the military to believe what they were beginning to hear, about the atrocities, by the Argentine military.

Q: Weren't there, within the embassy, as this news came out... Sometimes the split that occurs at an embassy where essentially the junior officers are much more indignant over moral issues and all. Where the more senior officers see things in relationships, and they don't want to upset things. There is a balance here. It's easy to take a high moral standard if you're junior, without responsibility, but if often happened. Did you see that there?

USREY: Yes, I think there probably was some of that older-younger split. I also would say that some of the people... I don't know to what extent we are encouraged to talk about colleagues here.

Q: We can talk about colleagues.

USREY: Maybe edit it later.

Q: We are talking about the role of people within policy things, so we do talk about colleagues.

USREY: Let me just say it this way, if it works. Some of the younger embassy officers whose job it was to report on this, maybe made it a bit of a personal campaign to sort of go hard after its work, while some of the other younger officers, maybe in the economic section and elsewhere, saw this as maybe grandstanding, even hotdogging. It was not only a senior-young junior split, but there was some skepticism among other elements of the embassy that maybe this was a little odyssey of personal glorification here. I don't know how to characterize it. I remember having conversations along those lines.

Q: I think it was Tex Harris who told me that he found himself sort of cut out at a certain point, where he was talking about the Navy, which apparently was sort of the nastiest school.

USREY: Yes, it turned out that the Naval Mechanic School was the torture chamber, basically.

Q: The torture chamber, and reporting on this. There seemed that there was a big contract that was coming out of Pennsylvania for turbines, or I don't know what have you, but for Naval purposes, and this report about how nasty the Navy was having repercussions up in Congress. The governor of Pennsylvania and the delegation was quite unhappy about this.

USREY: That could be. I don't know that story. Let me try to give a little more context. I got there in December 1976 and left two years later. It was my impression that of the two years, this thing was only really a policy focus of the embassy in a big way the last six, eight months. In fact, we weren't consumed by this. The embassy was big and it concentrated across a wide spectrum. I was friends with some Argentine bankers, and the dirty war never came up. They didn't seem concerned about it. We had cultural activities and all this stuff. There was the usual power play range. It was the usual military stuff. So, this was seen as one aspect of it. It wasn't the only thing going on. It was one aspect of a complicated, big highly textured relationship. It was a big democracy that had been upset by this military takeover. That was seen as, I guess, as a parentheses.

Q: At that time, it wasn't as apparent as it certainly is today, but were we looking at what was causing Argentina to be a failed state almost? It has all the riches in the world. Anything you want was there, practically; European population, not much of an Indian problem, wonderful agriculture.

USREY: Top wheat producers in the world. Huge ports.

Q: All this. At that time, were we asking what is wrong with these people?

USREY: I think we were. There's a cycle of military government, this sort of cycle of civilian to military is so corrosive, that you see now, clearly in retrospect, that this was a huge blow to their development. Also, I think there was economic mismanagement. They had very high tariff areas. They were famous for this, a protected economy, like India, in many ways. They protected the Argentines. There was an Argentine Ford and an Argentine Peugeot. Imports were not allowed to come in. If U.S. companies wanted to set up, they had to do a wholly owned subsidiary and

produce goods there, with a majority of Argentine ownership, and all that stuff. They started printing money when things got tight. It was just fiscal mismanagement. That is obviously easier to do when you have a dysfunctional legislative branch, and a Peronist and radical populous sentiment was lingering. Then, you had this alternate military-civilian government. So, it's a recipe for mismanagement. I don't think it was corruption, per se. You had a certain amount, but not on a Ceausescu or Mobutu scale. We obviously have some here. I think it was more economic mismanagement, lack of responsibility. You have to blame the press. They had eight daily papers there. You have to blame an institution that just didn't work. The checks and balances didn't work. I'm impressed with your ability to pay attention to all this lovely detail. It must be an acquired skill or something.

Q: It is. Well, I enjoy it. What about consular work? What were consuls doing there, when you were there?

USREY: First of all, I was thrust into the non-immigrant visa section. We were just giving short-term visas, tourist visas, student visas, and so on. It is one of the most international cities in the world. You can give visas to people from Sweden. There were big ports, so you had seamen coming in. You gave the whole range. It was one of the few posts where you give the whole range. All these visa categories have letters of the alphabet, and here you gave the gamut. There were seamen visas, transit visas, pilot visas, student visas, and whatever. I later became head of the immigration unit, which was interesting. I hadn't done that before. Oddly enough, you had a lot of Argentines which, itself was a target of immigration from Europe, doing secondary immigration to the U.S. It was very, very interesting. I always thought that was the big difference between Argentina and the U.S. in many ways. You had many, many people in Argentina with Spanish passports, or Italian passports, or German passports, who had lived there several generations, whereas in the U.S., there was always an urge to become an American. Argentines were always going back to the *madre pais*. Argentina was never really home. It was a sort of transit place.

Q: It's recently come up that an awful lot of Argentines are going back.

USREY: Back to Europe, yes. Exactly. These were people who never had Argentine passports, who had resided for generations and still had these European passports. I always felt it was greatly to the discredit of Argentina. You had to feel that this was a bad blot on their part. This was supposed to have been one of the great American republics, and it was falling apart. But, the living was so good, the weather was good, the buildings and the architecture were magnificent. The food was superb. The people, like you say, you never saw so many clear eyes and white skin. It's the biggest white city I have ever been in, including Europe. When you go to Paris, you see people of all colors. This is 12 million white people, with only an occasional dark Brazilian on the street. It was an astonishing big pool of human resources, not doing particularly well.

Q: Did you run across the problem of protective services? Were Americans getting in trouble?

USREY: Yes, we did have that. That did come up. We had people who died, and people who got arrested, and lots of tourism. I mentioned to you the ultimate consular service. At the end, when

once this dirty war thing became a full blown bilateral issue... Again, remember we had an election while we were there, and Carter was elected in the middle of all that period. So, that switched. Before Carter, it was Ford. So, that changed our focus. Derian came in with the Carter administration. It wasn't a U.S. priority, it was an embassy priority, except for a few people, doing their own thing. So, I had this consular experience, going into prisons and talking with people who had been brutalized, and who had been given the chance to exile themselves if they wanted to. It was really interesting, and very sad.

I talked with one of the women, who was trying to go to California. She said she had been in this prison a couple years, and had overheard a conversation by guards. She heard some guards talking who said, "we have the wrong Isabel Martinez, or whatever her name was. They had been looking for a particular person, and they broke her door down one night and took the wrong one. But having made that mistake with no due process, they couldn't admit it, and return her. They were stuck with that. You couldn't say, Oops, got the wrong one, here she is. So, these people became "desaparecido (they disappeared), they came off the rolls. It was a really nasty mess. Then, it unraveled very quickly.

Q: *This is your first tasting of a big embassy...*

USREY: A huge embassy.

Q: *In Latin America. Did you get a feel for the Latin America area and the cadre of the Foreign Service people dealing there. Did you get a sampling of that?*

USREY: Good question. I did. Having gone in through NEA, they still had pride in bureau in those days, where there was the "mother bureau, NEA, and you are always seen as being able to attract the top people. There was that feeling. ARA, now WHA, was seen as sort of a backwater. I think I noticed in the type of people you saw that you wouldn't have seen in another big embassy, in a place like Cairo, or something. I did make that distinction, which is what made me want to go back to Egypt after Argentina. I was glad to get back to the Middle East. I didn't really like that experience. Physically, personally, it was very pleasant. But, in terms of policy and the way they organized it didn't attract me much.

ANTHONY G. FREEMAN
Labor Attaché, Acting Political Counselor
Buenos Aires (1976-1980)

Mr. Freeman was born and raised in New Jersey and educated at Rutgers and Princeton Universities and the Johns Hopkins School of Advanced International Studies (SAIS). He served in the US Army, later joining the State Department in 1961. After Labor Training at American University, he was assigned to Buenos Aires as Assistant Labor Attaché. His subsequent assignments to Rome, La Paz and Buenos Aires were also in the field of Labor Affairs. He also served in

Valencia, and Sao Paulo. In Washington Mr. Freeman was Special Assistant to several Secretaries of State on Labor issues. Mr. Freeman was interviewed by Don R. Kienzle in 1995.

FREEMAN: I went back to Buenos Aires in August 1976 and stayed there until mid-1980. I went there as a labor attaché but became acting political counselor for a while when the political counselor was sent on detail back to Washington. I think I was acting political counselor for the good part of a year. That was a very interesting assignment, because, as I told you earlier, I had been in on the ground floor in developing contacts with the Peronist labor leaders, and many of the guys I had met then were still around. It was like old home week. I gained easy access to lots of people on the trade union side. It was known among the politicians that the U.S. Embassy had an active Labor Attaché, who knew Argentina better than most Americans. People often called me out of the blue asking for an appointment. I had some fascinating experiences there, including some risky ones.

The situation in Argentina in 1976 was that the military had overthrown the government of Isabel Peron by coup in March. Juan Peron himself had died the previous year. It is hard for me to reconstruct this all now from memory, but there were two armed leftist insurgencies against Mrs. Peron's government. There was a Trotskyite, leftist-guerrilla, pro-Castro kind of movement, known as the ERP, and there was a more nationalist band of leftist urban guerrillas of Peronist origin known as the Montoneros, who had turned against Mrs. Peron's government. Mrs. Peron's government had dealt with this challenge in a shadowy, Machiavellian way. A close aide of hers named Jorge Lopez Rega, from his post in the government, created a clandestine right-wing group of off-duty policemen known as the "Triple A" to assassinate the leaders of the leftist insurgency. In effect, there was a civil war going on between left-wing and right-wing Peronists. The government was inept and corrupt and became successively weakened. In March 1976 the Armed Forces overthrew the government of Mrs. Peron and created a military junta in order to fully take charge of the war against the leftist insurgency and also to restore the economy which had been undermined by Peronist economic policies.

There was a proliferation of Argentine military intelligence services and they all practiced deception. I don't know how many different intelligence services they had. Maybe thirteen or something like that. Every armed force had its own intelligence service: The Navy, the Army, the Air Force, the Federal Police, the Gendarmeria. Even the Coast Guard. They were all operating there.

The right-wing of the Peronist trade union movement included the guys that I knew best and had cultivated early on. On my first tour we had worked with a different element, the Frondizi-coopted types. But over time we also came in contact with the right-wingers, too. By this time, many of the right-wing labor leaders had been coopted by, or eagerly joined, the intelligence services to fight the left-wing Peronists.

So there was a kind of Peronist civil war going on. And some of these Peronists were actually government agents, who were contract thugs for the government sub-rosa. Many of the killings were between Peronists of the left and Peronists of the right. Of the latter, some were on the

payroll of one or another intelligence service. Quite a few top leaders of the Argentine trade union movement were killed this way during this civil war. And some of these killings were contract killings ordered or approved by the government intelligence services. It was not just a civil war. The military government helped to stimulate and paid for this, and many of the bodyguards of the government leaders were from the Peronist right-wing.

Peronists of both the left and right were anxious to maintain contact with the American Embassy and tended to gravitate towards me, because I was the labor attache and easily accessible. At the same time, we had officers in the Political Section assigned to human rights; and the more middle class left-of-center victims of the repression tended to gravitate towards them. By now, the human rights policy of the Carter Administration was in full swing and there were strong denunciations out of Washington concerning the violations of human rights in Argentina. The first signs of a human rights policy actually had surfaced a bit earlier in the Nixon Administration when I was in Sao Paulo, and I had gained some experience as political officer cultivating middle class liberal opponents of the military regime in Brazil, expressing U.S. concern about the heavy-handed military repression there.

But the Carter Administration's strong emphasis on human rights policy was not the only U.S. interest in Argentina. We didn't want to see the leftist guerrillas tortured to death and then "disappeared" in secret operations, let alone innocent civilians labeled as terrorists, arbitrarily detained and then disposed of in the same way, but I believe we recognized it was in the U.S. interest to see the guerrilla threat eliminated. We wanted the guerrillas dealt with by rule of law and some semblance of due process. When I say "we" I mean the US government. It's conceivable there may have been some people in the Administration in Washington who harbored a more benign view of Argentina's rebellious youth, but professionals in the State Department (and certainly the Pentagon) saw the guerrillas as a threat to US interests in Latin America. The political model they appeared to vaguely espouse was some kind of collectivist or totalitarian society, whether of the radical left or right or some hybrid thereof, and they used terrorist methods. They were the enemies not only of the current military dictators of Argentina, but also of the liberal democratic tradition in Argentine political history, represented by the civilian governments Argentina had known in the past. They were clearly anti-American. If they ever succeeded in attaining power, there was no doubt they would take Argentina on an anti-American, "anti-imperialist" path, whether directly into the Cuban-Soviet orbit outright or into the "non-aligned" camp. And so it was in our interest to see them defeated, but we preferred this done by civilized rules and not the way the Argentine military and police were doing it. As far as I can remember, however, U.S. concern over the latent threat represented by the insurgency was not articulated publicly. This may have been "signaled" or intimated in informal (and possibly even unauthorized) conversations between Embassy staff and Argentine government and military officials, but I don't think publicly. I would need to research this to be sure my reflections on this point are accurate but, officially, I think, the U.S. took a hands-off posture as to this internal rebellion in Argentina and the government's decision to defeat it militarily, except to express concern over the human rights aspects.

The Argentine counterinsurgency was carried out in good Machiavellian fashion. I had the notion of a great deal of deception going on and imagined there were operations where Army units

pretended to be from the Navy, or vice versa, just to hide their unit's identity and defend themselves from any future acts of retribution (or justice). The intelligence services would hire thugs, who did a lot of the underground killing that went on. "The Dirty War" as they called it. The French had started this kind of thing in Algeria, I think, and I suspect the Argentines had learned from the French how to do it. This was their operating style, and there were trade union elements right in the middle, either on one side or the other. Some of the labor leaders were suspected of harboring sympathy toward the guerrillas and some were with the government, or at least they were against the guerrillas. And I had opportunity to meet some of the thug types.

As head of the Political Section, I oversaw the human rights work for a time and had some personal experiences trying to protect people's lives. On one occasion during a Congressional visit, Congressman Ben Gilman (R.-NY) asked to see newspaperman Jacobo Timerman, who had been seized at his home a few months back by police and was under detention. The Embassy arranged this and I accompanied Gilman to this meeting. We met with the Minister of Interior, General Harguindeguy, and then he had Timerman brought into the room. When I asked Timerman in the Minister's presence how he was, he answered he was all right "now". Timerman's meaning was clear. He had not been tortured recently. I have recently seen a copy of the cable I did reporting this meeting, which has since been released under FOIA. Frankly, I had forgotten some of the details including the fact that it was Gilman who had generated this meeting. My recollection was that the meeting was connected with a visit that Assistant Secretary Derian was planning to make to Argentina. She too wanted to interview Timerman and hoped to affect his release. Harguindeguy was concerned that Timerman's detention could lead to sanctions by the U.S. against Argentina and he apparently agreed to produce Timerman for Gilman, to demonstrate that Timerman was an officially registered prisoner, in good health (more or less), and he would be dealt with in an accountable way. Harguindeguy's concerns were heightened by a rumor that Timerman and Patt Derian were actually family-related. For me, that was just a base, anti-Semitic, barracks-type joke, but my recollection is that Harguindeguy wanted to appear to be forthcoming to the Americans on the eve of Derian's visit.

Q: He was this newspaper man?

FREEMAN: Yes, he was a newspaper man. Jacobo Timerman, a well-known journalist and editor of Jewish origin whose disappearance became a cause celebre in human rights circles in the U.S. and in the American Jewish community. On instruction from the Ambassador, I also accompanied a local Argentine representative of the American Jewish Committee named Jacob Kovadloff to the airport one evening to make sure he got out of the country without incident. He had been receiving threats. The papers and manuscripts he had with him were inspected by the police before he boarded the plane, but they let him go. So human rights was very much a concern of the United States as reflected in our official pronouncements and demarches to the Argentine Government. However, behind the scenes there was a problem festering between Jimmy Carter's Assistant Secretary for Human Rights, Patt Derian, and Ambassador Castro. She felt he wasn't pressing the Argentines hard enough.

Q: Who was the Ambassador?

FREEMAN: Raul Castro, who was a very interesting character. He was first appointed ambassador during Lyndon Johnson's administration, as I recall, but his ambassadorial appointments spanned several administrations. Buenos Aires was his third post. He had been my ambassador in Bolivia after Henderson, and when he arrived in Buenos Aires he was happy to have on board a familiar face who had served him in a previous post. I had a good relationship with him. He was a man's man, a guy with a tough *hombre* exterior, and I much liked the guy even though I didn't always agree with his (conservative) politics. Born in Mexico, he had been a boxer at one time, had worked his way up the hard scrabble way, emigrated to the U.S. and had become a citizen. He became a lawyer and a judge and was active in Democratic party politics in Arizona, eventually serving as Governor of the state before his first ambassadorial appointment. On one occasion in Bolivia he had been asked eagerly by a group of Bolivians whether he too was a "mestizo". "Hell, no", he said, he was "pure indio". (This went down very well in Bolivia, but later not so well with the "aristocratic" Argentines). On another occasion after the Gulf Oil Co.'s concessions were dramatically nationalized by the Bolivian military, he was on the phone in my presence answering somebody's questions and he said, "and we've just landed the Marines in Valparaiso and they'll be up here by tomorrow." It wasn't true, of course. Perhaps it was for the benefit and consternation of any Bolivian wiretappers listening in, or maybe he was just venting his macho side. You can't but like a guy like this. After the Foreign Service he returned to Arizona and was elected Governor again, but was implicated in some kind of political coverup of a criminal investigation while in office and I think he went to jail after that for a time. Anyway, he was a very picturesque and likeable character with lots of moxie. He liked me and we got along great, but he wasn't terribly sympathetic to traditional worker concerns. I had some arguments with him over labor issues, but he certainly supported my efforts to cultivate and report on the Bolivian and Argentine trade union movements.

And, as I said, I also oversaw the human rights reporting for a while and there were some differences which emerged between him and Patt Derian, because she didn't think he was doing enough in Argentina to rein in the military government's excesses. The Embassy's reporting and some State Department statements dealing with the human rights problems in Argentina during this period have recently been made public as a result of a FOIA action. It reveals that the volume of Embassy reporting on the detentions and other human rights violations was quite staggering and that all the key elements of the Embassy were engaged in this effort, including the Ambassador who, as per instructions from Washington, intervened personally on several occasions to make demarches to Argentine military authorities on behalf of individuals who had been arrested or "disappeared". But Patricia felt the Ambassador wasn't doing enough. I think there was a question as to whether there was a pro forma or routine quality to the Embassy's demarches. The regime responded now and then by "throwing us a bone", that is, producing (and saving) this or that prisoner when it recognized the pressure from the US was particularly intense. Also, there is some evidence in the record that the regime began reducing the number of "disappearances" after a certain point and ballyhooed this to the Embassy as an "improvement" in response to US wishes. But I'm not sure this wasn't just a reflection of the fact that the regime had largely achieved its objective and the "dirty war" was winding down anyway. If the US didn't do more, I'm not sure the blame should be put on the Embassy. If the US really wanted to put the screws to Argentina, I think it could have done much more in the way of economic sanctions, but that would have been Washington's call, not the Embassy's. Nevertheless, I think

there was a certain degree of rankling on the part of the Ambassador as a result of the pressure he was under from Washington and this showed in his body language. There were also internal tensions within the Embassy on these issues. One officer in particular who was assigned the human rights portfolio came under fire in the Embassy because he appeared to be following instructions from the Assistant Secretary of State for Human Rights Affairs more than those of his own Ambassador. This officer was fearless in terms of going out, at some personal risk, and bringing back information on human rights abuses, but I think he probably also made some mistakes along the way. He was regarded as “grandstanding” and not being a “team player”. The extreme reaction within the Embassy bordered on the ridiculous and he was virtually treated as a subversive. This led to nasty charges and countercharges, and his career suffered for a while after that. This later became a noteworthy subject of controversy within the Foreign Service grievance or other administrative channels, following which the officer eventually was fully “rehabilitated” and even honored for following his conscience. He has since even been elected President of AFSA. At the time this issue was being played out at post, I had mixed feelings about all this. I was no longer acting head of the political section by this time and wasn’t privy to all the details (and he did not share them with me), but this officer was a colleague and friend and I empathized with his unhappiness that the Embassy’s efforts weren’t turning the Argentines around on their heels. If I had to think of one phrase to sum up the Argentine military’s behavior in this period it would be “the banality of evil.” They acted in an absolutely bestial manner. It would not have been in the U.S. interest if the leftist insurgents had succeeded, but once the military decided to intervene decisively, the insurgents were no match for the state. Of course, I have the benefit of hindsight in saying this now, but I think the military could have easily beat “the terrorists” without having had to adopt methods of state terrorism themselves. And I wonder whether the U.S. exercised enough pressure on them. That we didn’t, I think the responsibility lies as much with Washington as with the Embassy. But whether the Ambassador could have done more or not, I still have warm regards for him personally.

[February 5, 2004 note: Having almost by accident stumbled upon a website the other evening and located a cable of mine from this period on the Timerman meeting which has since been declassified under FOIA, it is an object lesson that my recollections of some events during my Foreign Service career may be substantially off in terms of accuracy. With this slew of cables numbering in the thousands now available on the US Embassy’s human rights interventions during the 1976-1980 period, it’s an opportunity for me to go back and review the record, which I hope to be able to do some time. Until I do, however, prudence dictates that I tone down the recollections and judgments I’ve offered up here and warn that they should be treated as provisional and not definitive. On the general point of recollections and accuracy, see more below in my postscript].

Probably the most important part of my job in Buenos Aires was to maintain contact with the Argentine political class who would be called on to run the Government when the country was eventually restored to normalcy. The Political Counselor before me in Buenos Aires, actually my boss when I arrived there on my second tour in the country, was Wayne Smith. Now Wayne was a fantastic political officer. He knew lots and lots of people, and we worked together very well. When Wayne’s assignment was curtailed - I’ve forgotten why he left early - he turned over all his contacts to me. The Ambassador at that time, a Republican, was Bob Hill. He was from the

Grace Lines Company. He didn't like me very much, whether because I was the Labor Attaché (and as a businessman he had apparently had some prior unhappy history with the AFL-CIO), or perhaps because I had (both too loudly and as it turned out quite wrongly) predicted that the Republicans were going to lose the next elections in the U.S. [laughter], I don't know. He wanted to appoint somebody else from Washington as acting Political Counselor until a new Political Counselor was assigned by Washington, but Wayne insisted that I knew Argentina better and should serve in the interim.

Wayne turned over his contacts list to me. Among his contacts was a character named Americo Grossman, an Argentine Jewish businessman from Cordoba in the fur export business, who was a Peronist or called himself a Peronist, but who was also a friend (or agent) of Admiral Massera, the chief of the Navy and member of the ruling junta at that time. And Grossman had a Friday night soirée, a sort of political salon every Friday night, at his apartment during which any and every politician in the country would drop in, as well as flag officers from the Navy and Air Force. Few if any from the Army, however.

Americo also invited Wayne to these parties and Wayne had been a perennial Friday evening guest. When Wayne left town, he turned this over to me. So I became the American Embassy representative to this fabulous political salon and it was a unique opportunity to socialize and discuss politics with virtually all the leading political figures in the country, including Massera, the Chief of the Air Force, General Lami Dozo, who had also been a junta member at one time, various intelligence types, and the top leaders of the civilian political parties, at least two of whom were later elected Presidents of Argentina, Raul Alfonsín and Fernando de la Rúa. This was a standing social gathering of leading figures of the incumbent military regime together with representatives of the fragile past and future civilian governments of Argentina, and as a representative of the American Embassy I was invited to mix in and develop a relationship with these people. This was an extraordinary experience which cemented my status in the Embassy as a knowledgeable political officer about Argentina and in the Argentine political and labor communities as a prominent official of the American Embassy.

At the same time I worked on labor and human rights issues in the Embassy and saw our political contact work as helping to encourage eventually the restoration of civilian democracy to Argentina. Certainly Raul Alfonsín, who was elected President after that, looked upon it that way. I developed a relationship with him. He went on an exchange grant to the United States in November 1980 and we spent the evening of the U.S. elections together in Washington analyzing the returns which saw Ronald Reagan elected President of the U.S. He paid me a call at the American Embassy in Rome when he was on a visit to Rome afterwards. So, the political aspects of my assignment in Buenos Aires were an important experience.

But let me also tell you about some labor contacts I had which provide a fascinating insight into the political underworld in Argentina. The top Peronist labor leader on the right-wing side - they called him... (End of tape)

FREEMAN: Where were we?

Q: You were talking about the "chief of chiefs."

FREEMAN: Before I get to that, let me add a footnote about the Argentine Navy. As I said, I had gotten to know the junta leader Admiral Massera. My wife and I were invited on board his yacht several times. I took Kissinger to meet with Massera once. Massera and the Navy were deeply involved in "the Dirty War". The Navy Cadets' School was reportedly used as a torture chamber. Where I didn't have any good contacts was on the Army side. The Army was mostly Catholic, nationalist, and right-wing reactionary. The Navy was considered to be much more internationalist because of its professional relationships with the British and American navies. The Army was more insular and nationalist. The Army was doing a lot of bad things, too, of course. They were both extremely bad. I recognized that I didn't have any good Army contacts. One day, a leader of the metallurgical union from Cordoba sidled up to me and whispered that the Army was "out to get" me. A particular colonel, whose name I don't remember now, had it in for me, he said. I jotted the name down; I didn't know who he was. And incidentally at this same time, AIFLD was in Argentina, and there had been several break-ins at the AIFLD office. The door to the office had been forced open, the safe opened and Communist slogans had been painted on the wall - a sign this was probably done by government intelligence units.

Q: Who was the AIFLD representative?

FREEMAN: It was Bob Cazares. We got along well and we did a lot of good things together. At least, I thought we did. I thought he had "the best" AIFLD program in Latin America. Why? Because he wasn't engaged in a labor indoctrination program for the Argentine trade unionists at all. Instead, all he did - and I joined in with him - was to develop contacts and cement relations. We just went from one *asado* to another together. We would be invited to lunch frequently in one union hall or another or out in the nearby *campo* where many unions had their recreation centers and hotels. Virtually two or three days out of five I would have an asado at some union headquarters, all during the time this shadowy civil war was going on in the country. They loved to have us; this was the way they treated their friends. Over tremendous steak lunches we would discuss labor and politics and that way we got to know virtually the entire Argentine trade union leadership.

In any case, I was told that this colonel was out to get me, even though I didn't know exactly why. It was only later that I put two and two together and realized that this was the same colonel who had been sending people in to burgle Bob Cazares' office.

Sometime thereafter I was approached by a guy. These people would come out of nowhere and want to meet you, and I had an open door policy, which was probably too open. One of them was a meat exporter introduced to me by the head of the meatpackers union, and so that's how I got to meet this guy. He claimed to be a personal friend of the Chief of Staff of the Army, General Viola. I said to him one day, "Viola is one of the people whom I don't know. I'd like to meet him sometime." And he said, "Sure, I can set it up." So one or two days later, I got a phone call that I was supposed to be ready at a certain street corner in Buenos Aires at 7 am in the morning and they would come by and pick me up. The designated place was a few blocks from the Army Headquarters Building in the center of town. It wasn't such a brilliant thing to do, but in keeping

with the gung-ho spirit, there I was, standing on the street corner when a car pulled up and a door opened with people in civilian clothes inside, and one of them asked, "Freeman?" "Yes," I said, whereupon I was invited to "hop in."

This young guy said to me, "I am a nephew of Vandor's and I will escort you." Now Augusto Vandor had been the head of the autoworkers union, one of the most important of the Argentine trade union leaders, whom I had personally never got to meet. He was one of those guys we were trying to cultivate back in Henry Hammond's time. He stood us up once. Afterwards, Henry got to know him very well, but by that time I had rotated to another part of the Embassy and was no longer involved in labor issues. So I had not met Vandor. In the interim between my two assignments in Argentina, Vandor had been gunned down in his own office. After his murder his mystique increased even further. He was a great hero among certain trade union people, and now here's this young guy pulling up to me in a car on the street where I'm standing, called Moreno, and saying, "I'm Vandor's nephew. Get in. We are going to meet the General." So in I go, but the car then made a "U" turn and I quickly realized we were going in the opposite direction from the Army Headquarters building. We ended up at Federal Police Headquarters, not the Army Headquarters. The Federal Police were of course at this point run by the Army, as the Army was the principal force in the government.

So we went to the top floor and I was introduced to a Colonel so and so, who turned out to be the same colonel who, I had been warned earlier, was "out to get me". [Laughter] In all, we spent about two and a half hours in his office over coffee. It started out as a polite conversation in which he asked me what my job was, what the Embassy was doing, and what our human rights policy was all about, and at some point in the conversation, he said, "I want to show you something." I wasn't sure what would happen next and frankly the thought occurred to me that I could possibly end up "being disappeared" myself. It wasn't terribly smart of me to have set up this meeting this way. I don't think I told anybody at the Embassy that I was doing this, not even my wife either, at least not in any great detail. He said, "I want to show you something," and he took me down to the second or third floor. Now sometime before there had been an incident in this building in which guerrillas had gotten into Federal Police Headquarters and blew up the cafeteria. A large number of policemen died in that incident. In retaliation, the police reportedly rounded up around 50 or 100 prisoners they had in their custody, took them out to the countryside in handcuffs and lobbed hand grenades at them. They blew them up. That was their retaliation. Anyway, the Colonel took me downstairs to show me the cafeteria. They had put up a plaque where the police employees had died. He was obviously trying to persuade me - he wasn't out to kill me - he was making the point that we naive Americans were wrong; we didn't understand that there was a war going on, and in war you kill people. That was the point of the conversation, I believe. The Argentine Army was in a Christian crusade fighting World War III against world atheism and communism and they were gravely disappointed that they didn't have the full support of the United States. So I never got to meet Army Chief of Staff General Viola. Instead, I got to meet this guy for a fairly scary moment.

Q: Do you remember his name?

FREEMAN: I don't remember his name. But he was in charge of intelligence for the Federal

Police, or counter-intelligence or whatever they called it. So that was one very interesting event.

Then some time thereafter, I got a phone call that Lorenzo Miguel, the national head of the metalworkers union, known as the *capo di tutti* (in Italian, “the boss of all the bosses” - clearly an allusion to his reputation of being a Mafia-like boss) who was the top right-wing Peronist, [was inviting me to dinner at his apartment]. This was quite interesting. Remember I told you of my suspicion that the right-wing labor guys were working for the military to kill the left-wing Peronists. This guy was very much on the right. He was the chief of the right-wing. He was the head of the Metalworkers Union, who had spent the past year or so in an Army jail. He probably had lived the life of Reilly while there, but he lived in jail. Maybe it was for his own protection, but he was in jail, presumably because he was a thug, where nevertheless he was treated royally.

He had been out of jail only a few days when he invited AIFLD’s Bob Cazares and me over for dinner. I had not known him before. We knocked and guess who opened the door? The young kid who had told me that he was Vandor’s nephew. “Hi, remember me?” he said meekly. “I’m Vandor’s nephew!” Of course, I remembered him as being a police agent, because he was the one who took me to see the colonel at the police headquarters. I had subsequently checked him out and he had turned out to be a corporal in the Federal Police. He may also have been Vandor’s nephew for all I know. So, here he was as some sort of valet in Lorenzo Miguel’s home opening the door. I elbowed Bob Cazares in the ribs and whispered, “Be careful! I know this guy.” Lorenzo Miguel came out and greeted us and introduced us to some others. We sat down and Vandor’s nephew asked if he could get us drinks. And I said, “I’ll have a scotch.”

So the kid went out to get drinks and while he was out in the pantry, the Peronist labor leaders in the room whispered in unison, “Be careful! He’s a police agent.”

So, here was this scene in which Lorenzo Miguel was just released from jail and he wanted to meet with us while under the protection or surveillance of this guy working in his home. Technically, Miguel may have been under some kind of house arrest or parole status and that may explain this guy being in his house. But a police guard who doubles as manservant and claims to be a “compan[y]ero” of the guy he’s guarding and keeping tabs on? In any case, Miguel knew this guy was a police agent and warned us to be careful of what we said, “Don’t talk in front of this guy, because he’s a police agent,” which of course I already knew. That gives you the flavor of what political life was like in Argentina when I was there. That’s why I told you this story. This gives you the ambience of the place.

Q: What ever became of Miguel?

FREEMAN: He chatted with us, but nothing spectacular ever came from this that I can recall. He wasn’t a great friend of ours, but it was obviously opportune for him to get closer to the Americans and to the AFL-CIO. He was a thug. Not much doubt about it.

In telling you this, some further flashbacks have come to mind about other experiences at previous posts which may be worth retelling also. Sao Paulo was my first experience in which I got involved in human rights and democracy promotion. This was a principal preoccupation of

the Consulate General. A gigantic metropolis, Sao Paulo was a major center of resistance to military rule in Brazil. We found broad sympathy in the urban middle class and among the commercial interests for reining in the military's excesses and restoring democracy. This was during the Nixon and Ford Administrations and my recollection is that we had ample support from Washington to encourage respect for human rights and the restoration of democracy. This was before the advent of Jimmy Carter and his human rights policy. I looked up and cultivated a number of lawyers who defended the political opponents of the military regime in the courts. These lawyers were obviously political themselves - broadly supportive of the middle-class, mildly left of center MDB movement. At first, the lawyers were cool to these approaches, suspicious of some kind of entrapment, but they eventually warmed up. Brazil was facing an armed leftist insurgency of its own at this time and in defending itself against the insurgency a substantial number of human rights violations were committed. Perhaps not on the same scale or ferocity as Argentina a little later, but nevertheless quite problematic for the U.S. There was also censorship of the press, which was a bit humorous because the major liberal daily newspaper, *O Estado do Sao Paulo*, had the defiant practice of leaving blank the entire spaces where articles had been censored by the authorities. This produced quite a large amount of cut-out white spaces, which made for an odd-looking newspaper, but judging from the particular page of the censored articles and the nearby articles which had not been censored it was usually easy to figure out which stories had been censored. That was the editors' intention. Part of my job in the Consulate was to report on the abuses, the torture, and the killing that was going on there by the military. Also, the Consul General, Fred Chapin, who was a great boss and mentor and personal friend, made it a point of visiting periodically with Paulo Arns, the Cardinal for Sao Paulo, the largest Catholic diocese in the world. I would accompany Fred on these visits. The Cardinal was very strongly opposed to this torture policy and really to the military regime itself. He was very much representative of the Vatican II Council Catholic Church. He did much to support the poor and underdogs of the Sao Paulo slums and I think he also supported the striking auto workers under "Lula" in the "ABC" industrial suburbs of Sao Paulo, which later evolved into a social movement, and after that into a Brazilian Labor Party, known as the Workers' Party (PT). Fred, through his visits, wanted to show symbolic U.S. support for what the Cardinal stood for. As the political officer in the Consulate, I cultivated the local politicians, particularly the members of the national Chamber of Deputies from Sao Paulo and of course the local state authorities. Also a former President of Brazil named Janio Quadros, who lived in the area. I was especially active in cultivating - and thereby providing the symbolic moral support of the U.S. - to the members of the middle-class MDB party, a sort of social democratic party, which was then on the rise in Brazil. This was our small contribution to the eventual restoration of political democracy in Brazil.

There's also an incident which took place while I was Labor Attaché in La Paz, which I basically kept to myself when I was there, but which gives me some personal satisfaction in recalling now. At some point, Governor Nelson Rockefeller made a whirlwind hemispheric tour of the major Latin American capitals with USG logistical support. Rockefeller had developed a thesis that we had to work with the military governments in Latin America. According to him, it was the best way to defeat the Communists and build the way towards restoration of middle-class democracy in Latin America. The first step was for the USG to develop relations with the military regimes and then work with them to promote middle class democracy in the Hemisphere. He was

accompanied on his trip by none other than Andy McClellan, the Inter-American Representative of the AFL-CIO.

Q: Did Rockefeller have an official position in the U.S. Government at that time?

FREEMAN: He probably had been named by the President to chair some commission to study and recommend policy changes towards Latin America. He came in a semi-official or official capacity, but he was not in the government per se at that time.

Almost everywhere in Latin America Rockefeller landed, riots were mounted against him, Bolivia included. The Embassy decided it was not safe enough for Rockefeller to come down to the city from the El Alto airport, because there were road blockades being thrown up and riots planned in the city. The Ambassador, the DCM and the Political Counselor would go up and meet him at the airport instead. I insisted that I had to go and meet with Andy McClellan. McClellan was a very prickly character. If I didn't meet and greet him, I knew I would hear about it. And sure enough I did afterwards. The Ambassador would have let me go if I could have gotten through to him, but the Political Counselor, Chuck Grover, just didn't understand and said, no, I couldn't go.

So instead I was assigned to observe the riots in La Paz, and in fact, I walked down the main boulevard of La Paz, which was called the "Prado," towards the University to take a look at what was going on. The university, or "the U" as it was known, was a hot bed of radicalism, Communism, and Marxism of different varieties. The professors were mostly Marxists. And, as I said, every major element of society was a feudal element. The university was protected by the typical Latin American *fuero* or tradition of university autonomy and practically regarded as the "Independent Republic of the University." The government was expected to respect university autonomy and the police were expected to keep their distance except I suppose in the most extreme circumstances.

Well, I went down to the rotunda nearest to the university to watch the students run amok. I was standing in the plaza and I looked down below towards the university and there was one of my Embassy colleagues, who was actually "assigned" to our section but wasn't, if you know what I mean. He was a young fellow, a first tour officer, and he was standing out there all by himself on the street less than a hundred yards from the university, an obvious "gringo", taking photographs of the students running amok. I was standing there watching him, and all of a sudden a small commando group of students came out of the university running up the street, and grabbed this guy. They took his camera away from him, and I could see scuffling, and then they grabbed him and started dragging him back to "the U" as hostage.

He had spotted me a few minutes earlier, and he knew I was standing up there on the plaza only 25 or 30 yards away. He looked up at me as though to say, "Do something!" And, instinctively, I jumped down from the plaza and went running down the street towards them. I spoke pretty good Spanish, albeit with an accent, in those days, I had dark hair and liked to think I could be mistaken for some sort of Latin, Italian or whatever - but not obviously an American.

I went charging down there, and began shoving these guys and cursing at them. "What the hell do you think you're doing, you freaking assholes." You know, something like that in Spanish. And it rattled them enough that they broke and ran. They took this guy's camera, but released their grip on him. Afterwards he said, "it was great what you did, because they had their guns on me." And I said, "What?" I hadn't seen any guns. I was just acting by instinct. So I saved this guy from being taken hostage, but I don't think he ever told anybody back at the Embassy about it because no one ever made a comment about it to me afterwards. I supposed he was embarrassed he had such a close call, and I didn't say much about it either except perhaps to my closest colleagues, so as not to embarrass him further. So, this was never recognized in the Embassy, but I always felt pretty good about it. I tell you this now, since it comes to mind and I'll never have a better chance to retell it.

JOHN A. BUSHNELL
Deputy Assistant Secretary, ARA
Washington, DC (1977-1982)

Mr. Bushnell was born in New York State and educated at Yale University and McMurray College. An Economic Specialist, he served primarily in senior level positions at Latin American posts, including Bogota, Santo Domingo, San Jose and Buenos Aires, dealing primarily with Economic and International Trade issues. An assignment to the Staff of the National Security Council was followed by tours as Deputy Chief of Mission at Buenos Aires, Chargé d'Affaires at Panama City, and subsequently as Assistant Secretary of State for Inter-American Affairs. Mr. Bushnell was the recipient of several awards for outstanding service. Mr. Bushnell was interviewed by John Harter in 1997

BUSHNELL: In most countries we did have other objectives in addition to human rights improvement. In Argentina we were very concerned with nuclear nonproliferation because Argentina's nuclear program was by far the most advanced in the southern hemisphere and it had not accepted international inspections and safeguards. Its nuclear program caused Brazil to invest heavily in nuclear science, and both countries had the potential to develop atomic bombs in the 1980's. The more we made Argentina feel like an outcast, the more likely it would feel it needed nuclear weapons. We were also concerned with maintaining the peace. In 1978 Argentina was close to war with Chile over their boundary dispute in the South. During my time in ARA the Argentine economy was booming and our exports to Argentina were growing fast. We also wanted cooperation from Argentina on opening European agricultural markets because Argentina exports the same grains and soybeans we do. There was growing US private investment in Argentina, and the government made steady progress in resolving the inherited expropriation disputes. In short there were a lot of issues in addition to human rights on the US agenda with Argentina. Moreover, by 1978 the Argentine human rights situation was greatly improved. The military had won the war with the urban guerrillas, and the guerrilla leaders who had not been killed had fled to Cuba. People no longer disappeared; the number of political prisoners was falling fast. Press freedom was restored. However, the military was still in charge, and there was

no sign of early elections and a return to democracy. Argentina did want loans from the IBRD, IDB, and Ex-Im even though it did not really need the money. It was hard to argue that most projects were for basic human needs in a country as rich as Argentina at the time.

Because the human rights situation was improved and continued improving, ARA argued that tightening our sanctions by voting against economic assistance would send the wrong signal on human rights and make it much harder for us to make progress on both our other interests and on continuing human rights improvement and a return to democracy. In the Christopher Committee I was supported by Treasury, Commerce, Ex-Im, and other economic agencies. HA wanted to vote no. Patt would explain what terrible killers the military leaders were. I would point out the guerrillas had been killing people on the streets of Buenos Aires every night and blowing up generals in their beds. I tried to make the case that killing in what really was a war was different from killing the opposition for political or economic gain. Patt would always have some cases where people who at least appeared to be innocent were picked up by the military and disappeared. As I recall, the debate was inconclusive. Once or twice I proposed delaying a loan to see if we could get some specific movement forward, such as the release of some political prisoners. Such proposals were unusual in the Christopher Committee, but this worked at least once. The prisoners were released, and we voted for the loan. We may have opposed some loans in 1978, but Christopher generally found for ARA and the economic agencies. After the Argentines cooperated on the Russian grain embargo following the invasion of Afghanistan, we regularly approved loans although we made little progress on the nuclear issue – also a major concern of Christopher.

BUSHNELL: It didn't happen on my watch. Perhaps it happened in 1975 or 1976. Raul Castro was Carter's ambassador. In the early and mid 1970s the Argentine situation deteriorated in almost every way. In 1973 General Juan Peron, who had ruled Argentina from 1943 to 1955, returned from a long exile in Spain and was elected president. His third wife, who had been a bar dancer in Panama, ran as his vice president. Peron died in July 1974, and his wife became president although she had no political or leadership experience. The economy continued to deteriorate, and the political and economic problems opened the door to the Montonero guerrillas led by Mario Firmenich. The motives and objectives of the Montoneros were complex; they professed to be Trotskyists or guerrillas of the people. But many of their supporters were from the Moscow-leaning communist party, and some of their members seemed mainly interested in the money. They sent much of their money to Havana for safekeeping - although Havana of course was not known as a banking center. Eventually most of the surviving leadership fled to Cuba and from there eventually went to Nicaragua to help the Sandinistas. The Montoneros were allied with a more rural and even more radical, but smaller, group called the ERP, Revolutionary People's Army.

The Montoneros had led violent demonstrations in favor of Peron's return. But, when he came back, there was no pause in their violence and kidnapping. They raised many millions by kidnapping business executives – Argentine and foreign. Several American executives were kidnapped for ransom. They kidnapped the head of the giant Argentine grain and food products

company, Bunge & Born, and collected some \$10 or \$12 million dollars. Executives had body guards; in shoot-outs executives, guards, Montoneros, and bystanders were killed. Although they organized some rural guerrilla activities and training camps, the Montoneros acted primarily in the cities. By 1975 they were engaged in gun battles with the police most nights in Buenos Aires with many innocent bystanders killed as well as many military/police and Montoneros. Buenos Aires became the wild west at its worst. They shot a rocket into the dining room of the American Ambassador's residence on a night he was giving a dinner for some 70 or 80 people. Fortunately, some of the guests were late and the party had not yet gone into the dining room when the rocket hit; no one was killed, but apparently the intent was to kill many.

The 1976 military coup was supported by 95 percent of the people. The military then intensified the dirty war with primary focus on the Montonero infrastructure. HA would always quote the figures for disappeared and tortured supposedly by the military. However, certainly the Montoneros fought at least as dirty and with less regard for bystanders. Let me illustrate with a couple of incidents I know from personal connections.. One Army general living in a Buenos Aires apartment had a daughter, maybe 14, who invited a school friend of the same age for a sleep-over, since people couldn't go out at night because of the violence. This girl came over, put her suitcase under the bed, and in the middle of the night the suitcase blew up and killed both girls, the general, his wife, and the rest of his family -- a guerrilla success. This sort of thing got the attention of the military. And this wasn't an isolated instance. While I was in ARA in 1978, the Montoneros attacked Walter Kline, who was the Secretary of Finance who had worked with me in Treasury launching our economic relationship with Argentina after the coup. The military took over the country, but they put in a civilian team to run the economy. Walter Kline's house was bombed with him and his family in it; the walls, roof and everything came down. Martinez De Hoz, who was the economy minister, heard about this attack almost immediately and went to the area. He saw the damage and confiscated cranes from nearby construction sites to pull the big cement pieces off to rescue the family. Walter was not seriously hurt. One child was quite severely hurt and is still suffering from that attack. And the Klein family was lucky!

The economic team did a sensational job. In 1978 or 1979 I happened to pick up an Argentine newspaper, and I saw advertisements for imported apartments. Imported apartments didn't make sense to me. I asked the Argentine country director, "What the hell is an imported apartment? You can't import an apartment." I couldn't get an answer. When I saw an Argentine friend from the World Bank at some social function, I asked him about imported apartments. He said, "Oh, that's what we call an apartment where everything's imported, all the light fixtures, the plumbing fixtures, and all the furniture is imported." I thought this country's doing pretty well, and it was doing very well. One of the things I had to do every year was defend the budget for ARA in the Congress, and one of the questions that some Congressperson was likely to ask was, "How many local employees do you have in Latin America who are at the US salary cap, i.e. making the maximum amount the U.S. could pay any civil servant?" In most Latin countries the highest paid local employee in an embassy made about as much as the most junior American officer, but we had several, I think seven or eight, Argentines in the Buenos Aires embassy who were at the US salary cap making nearly the same salary as the ambassador, and we were still losing people because they were being offered substantially higher salaries in the private sector. This was an amazingly successful turn-around of the economy that came with Martinez De Hoz beginning in

1976. Within the first 12 months Argentine exchange reserves increase by more than 10 billion dollars. Reserves stopped going up once they started importing apartments.

The military during 1976 was fully engaged in the Dirty War. The military operatives would pick up people they thought were in the guerrilla infrastructure, most of whom were in the infrastructure but some of whom weren't, and these people would never be seen again. They would be tortured to find what other people were in the infrastructure. Some were dropped out of planes into the ocean; most were killed and buried. Arrested pregnant women would be held in prison until the baby was born. Then they might disappear, and the baby would be taken by a military family or someone associated with the intelligence service who wished to adopt a baby. It was a truly horrendous situation. Most of the disappearances were from families with communist or far left political associations and beliefs; thus only a fairly small part of the population was directly impacted by the military's actions, a far smaller part than was directly impacted by the guerrilla attacks and kidnappings. But by 1978 the war was largely over. The attack on Walter Kline was one of the last terrorist acts. Disappearances stopped. Many political prisoners were released.

Then the question was what should our response to the improving human rights situation be. Yes, the military had done horrible things, and the guerrillas had done horrible things in 1974, 1975, and 1976. But nobody disappeared in 1978 and 1979; the number of political prisoners was down to a handful; progress had been made, but they hadn't had an election yet and no one in the military had been punished. How should we moderate our policy to reflect progress and at least verbal intentions of making more progress? In 1977, before I came into the ARA Bureau, Patt Derian made a trip to Argentina and told, according to when I was briefed later, President Videla, who was the general in charge, that he had not only to give up the presidency but he had to go to jail. He told me years later that he'd never been spoken to by anybody, let alone a woman, like she spoke to him. Had it been a man, he would have challenged him to a duel on the spot. I don't think such confrontations helped human rights or our policy.

There were numerous economic sanction issues on Argentina; some were discussed in the Christopher Committee, but others were presented to the Secretary and Deputy Secretary in the form of decision memos. One was Export Import Bank financing for a major dam project on the border of Paraguay and Argentina, a multi-year project. Allis Chalmers, which was then still a US company, had a good chance of winning the bid for the turbines. The company was in trouble, and without this big contract it might well be out of business. The question was should we block Export Import Bank financing to show our disapproval of Argentine human rights, or should we signal our approval of recent human rights improvements by approving the loan and at the same time save several hundred US jobs and the export earnings. All economic agencies favored approval. Probably this was the meeting when Commerce even brought the Labor Department to a Christopher Committee meeting. I remember arguing that it would be one thing if our sanction carried a significant price for Argentina, but the other bidders on this project, Japan and Italy as I recall, were quite prepared to finance their turbines on the same terms. Thus Argentina would be virtually unaffected if we turned down this Ex-Im financing. Only the company and its workers in the United States would be penalized. HA and SP argued strongly that there were still serious human rights problems and we needed to stand by our principals and

not get our hands bloody helping this terrible regime. Christopher decided to approve the Ex-Im financing. I noted that he was more flexible on Ex-Im financing where he had a clear veto than on votes in the IFIs where many loans would go ahead even with a negative US vote. It was also the case that there seemed to be fewer leaks on Ex-Im financing; perhaps the human rights community thought the public would be less receptive to human rights actions if US jobs and exports were being lost.

One leak, which eventually turned out to help me, concerned a World Bank loan for railroad improvements. We had prepared a memo on this issue with HA including its exaggerated picture of human rights. "The Argentine government continues to kill, torture and imprison innocent people. The basic institutions of repression, including secret prisons and an impotent judiciary, remain unaffected." After much back and forth with HA the wording was technically nearly correct even though the impression it gives does not reflect the situation. Someone was killed months before – one case. There were a couple of reports of torture, more in the area of police abuse of common criminals; there were still some political prisoners although many had been released. The secret prisons were still there, although empty. ARA of course described the improvements in human rights and recommended we vote for the loan or abstain to encourage more progress. Christopher decided to abstain, and I did not think anything more about it. A few weeks later in September 1979, a Jack Anderson column appeared. He included the above quotes which he said came from a secret State Department report [actually a decision memo]. Anderson compared Argentina with Uganda under Idi Amin. He said State Department defenders of the Videla regime favored voting for or abstaining in the World Bank. He named Patt Derian who opposed the loan based on Argentina's disgraceful record of repression under Videla. He said John Bushnell argued for the loan. He wrote, "State's Latin American bureau is notorious for its support of right-wing dictators south of the border, no matter how blatant their violations of human rights may be." Anderson wrote that his people had seen the State report which was secret. Given the HA slant, I had a good guess who had leaked it. This was not the first or last such leak in the activists' guerrilla war. Three years later when I was assigned to Buenos Aires, I found the Anderson article had circulated widely among the Argentine military who then to some extent saw me as a friend in court even though overall relations with the U.S. were rock bottom following the Falklands war.

There was agreement, except for HA, that human rights were not at the heart of our relations with Brazil where individual rights abuses were pretty few although there was still a military government. Even SP agreed. But there were fascinating arguments on Brazil in the Christopher Committee.

After the fall of Somoza, the Montoneros, stupidly in my view, actually set up a base and controlled the Managua airport. They had their building there and were quite visible. This was certainly a challenge to the Argentine military and intelligence services. The Argentines moved quickly to establish operations, mainly in Honduras. They began to recruit Nicaraguans who were against the Sandinistas in an effort to get the Montoneros. Of course, many of the Nicaraguans had other agenda, but it made a marriage of convenience as the Argentines began organizing their

covert operation. I don't think the Argentines had the intention or capability to support a full-scale war. They hoped to organize attacks on the Montoneros. They didn't really care about the Sandinistas. There were a few shooting confrontations in the course of 1980 and the first part of 1981. I've never seen any US intelligence that defines the Argentine operations; the Argentines told me they ran quite a big operation, but they probably exaggerated.

In April 1982 the Falklands War broke out. Haig would call me up to his office to talk about it or call on the phone. I guess he thought I knew a lot about Argentina, and he was trying to learn about Argentina quickly. Soon he became in effect a mediator between the British and the Argentines and was flying between Buenos Aires and London. One day in early June 1982 when the British had pretty well won, he called me to his office, and he said, "John, how about going down to Buenos Aires?" I thought he meant go down for a few days or a couple of weeks to look into some things. Without pausing I said, "Sure." He realized I hadn't really understood, and he said, "Now, you know, Shlaudeman is a good ambassador, but the Argentines are going to throw Harry out. The DCM is Claus Ruser, and I don't have any confidence in him, so I want you to go down there as DCM and then you'll become chargé when Shlaudeman is thrown out, and that might last a long time." I said, "I think that's alright, but at least as a courtesy I should check with Ann." He said, "You have till tomorrow morning." When I talked with Tom Enders about the assignment, he said to grab it while Haig was still the secretary which might not be much longer and before my opposition had a chance to wade in. The assignment was made the next day, and I rushed to get visas and get packed. I think I did do one last public diplomacy trip that had been scheduled to meet with some editorial boards and do some speaking. It may have been over a week before I flew to Buenos Aires. The Falklands War was really over, but dependents had been evacuated from Buenos Aires so my family could not go. Before I departed Tom told me Ambassador Kirkpatrick in New York had heard I was going and had called him to object and he had said she would have to raise the assignment with Haig.

Q: What kind of briefing did you get on Argentina in Washington?

BUSHNELL: I was still sitting in the front office of ARA. I talked with Bosworth, Briggs, Enders, and with various office directors most days when I was in town. I had been getting all the cable traffic on Argentina because of the Falklands War, which always came up as I visited editorial boards and did public appearances. I talked with the executive director of ARA about personnel, budget, and other administrative problems, and I had a meeting with the security people. Substantively I was pretty well up to date. By this time the British had actually landed on the island.

Q: I think they went in on April 2nd of '82.

BUSHNELL: That's when the Argentines took the island.

Q: And the Argentine surrender was June 14th.

ROBERT B. MORLEY
ARA Policy Planning Coordinator
Washington, DC (1979-1982)

Robert B. Morley was born in Massachusetts on March 7, 1935. He completed his bachelor's at Central College in Iowa and did further studies at the University of Oslo and Georgetown University. He joined the State Department in 1962 after teaching for several years and served in Norway, Barbados, Poland, Venezuela, Washington D.C., and with the National Security Council. Mr. Morley was interviewed by Mr. Charles Stuart Kennedy on July 1, 1997.

Q: Let's talk about the Malvinas/Falkland Crisis. Did that happen on your watch?

MORLEY: Yes, it happened on my watch.

Q: Here you are in Policy Planning. I assume you have a plan for dealing with the Falkland Crisis. I'm getting a real blank look and a shaking of the head. There was a smile in my voice when I said that.

MORLEY: Let me say that we understood and for some time had followed closely the dispute between Britain and Argentina over the Malvinas/Falklands issue. Negotiations had reached a dead end. But no one really expected that the Argentines would actually invade and occupy the islands. It was a total surprise. When it happened, few believed that the Brits had the will or the capability to take the islands back.

To the best of my knowledge, we did not have contingency plans against an invasion of the Malvinas/Falklands Islands by the Argentines. When this happened, we became heavily involved in efforts to try to get the Argentines to withdraw their forces voluntarily. When the Brits embarked on a military response, we were caught in a real quandary. We didn't have a contingency plan for this either! I've got to say that sometimes things happen that you don't anticipate.

Q: I think most of the time they do. This was basically a stupid decision on the part of both sides, but particularly on the part of the Argentineans to do this.

MORLEY: It was viewed as a gambit by the government of Argentina. The government of Argentina had lost a lot of its credibility and a lot of its influence, a lot of its support among the Argentine people. We felt at the time that the seizure of the islands by the Argentine military was an attempt to restore the popularity of the Argentine government, to give it a new lease on life. I think that this assumption was correct. I remember reading reports from our embassy in Buenos Aires that the people of Argentina apparently supported very strongly the invasion. There were big demonstrations in front of the presidential palace and elsewhere in favor of this decision by the military government.

The British response also caught us by surprise. At the beginning, we speculated that British military preparations were designed to put additional pressure on the Argentines to withdraw, but they were not serious about invasion. When the British initiated military operations, we were caught in a real dilemma. There was a faction within State that said that we should support the Brits because they are our NATO partner, because the Argentines were the aggressor in this case, that negotiations had been going on and there was still prospect for a peaceful solution of the problem, that the Falklanders wanted to remain British, and finally, in terms of US global interests, the British were important to us in ways that Argentina could never be.

There were others who said we had to support the Argentines because, even though the British were a NATO partner, we were not bound to support them in every situation, especially where they seemed to be acting against US regional interests. Further, the British reaction was mostly a function of domestic politics. The British had little at stake in terms of national interests. Finally, we believed that support for the British would carry a price; we would lose a lot of influence in the region and compromise our ability to achieve other goals in the hemisphere. So, there was sort of a dichotomy within the Department as to how to proceed. What happened was that we did little in support of either side.

Q: It's very interesting to look at interdepartmental conflicts. Very obviously, the European Bureau could see one side, the Latin American Bureau another. But this was an invasion, no question. On the other hand, the island seemed to have little political or economic importance. The citizens of the Falklands and Malvinas were sheep herders.

MORLEY: About 10,000 people. More sheep than people.

Q: It's like Vermont - more cows than people at one point. They were obviously pro-British.

MORLEY: The Falkland Islanders were strongly pro-British. According to our best information, they did not want to become citizens of Argentina.

Q: Very often, there isn't any particular clash between the Latin American Bureau and the European Bureau. They each go their own way. But here is a classic case... Was there a clash between almost bureaucratic cultures? How did this work out in your perspective?

MORLEY: We thought that the European Bureau was being a bit myopic about the whole thing. We doubted that the British government would do anything drastic in terms of its relationship with the United States because of our policy on the Falklands.

We wanted the two sides to settle the dispute amicably if possible, but wanted to adopt a neutral stance in terms of the military confrontation. We did not advocate any kind of support for the Argentines, as EUR was advocating for the British. In sum, we doubted seriously that a neutral posture would do little damage to our relationship with the UK, while it could gain us influence in Latin America.

Q: How did it play out from your perspective?

MORLEY: We were active on the diplomatic front. I think the Secretary was engaged in shuttle diplomacy at the time and we were doing the backup papers for him. But by the time the seventh floor was engaged, the time was past for negotiations. The two sides were too far apart. Britain had laid its prestige on the line, while an Argentine withdrawal would mean the demise of the military regime in Buenos Aires.

We watched the British mobilize. We watched them send naval forces to the South Atlantic. We watched battles take place. But nobody was convinced of the seriousness of the British intention until the sinking of the Argentine cruiser, Belgrano.

Q: This was the cruiser.

MORLEY: The Argentine cruiser. I believe it was outside the so-called war zone declared by the Brits. It was torpedoed by a British nuclear submarine. There was great loss of life in part because the Argentines didn't expect the attack and reportedly weren't well trained in damage control techniques.

Q: This was an old ship. It was a World War II American cruiser.

MORLEY: Yes, but it was a disaster. There was a lot of loss of life. Our feeling was that the Argentines felt up until the last minute that the British mobilization was not a serious threat, that it was posturing to increase diplomatic pressure to get the Argentines to withdraw from the area. When that event happened, then the Argentines realized the British were serious and had a war on their hands. We also became convinced that the British were serious and that we had a war on our hands. Shortly thereafter, the British sent in a force to some of the minor islands.

Q: We don't have it right on the mark here, but it was the Georgia Islands or something, which are farther out in the Atlantic.

MORLEY: Which are some distance from the main Falkland Islands. The British invaded and took them back. A British task force, including at least one carrier, appeared in waters to the east of the Falklands/Malvinas Islands and started reconnaissance flights and other military operations, followed by landings on the main islands. The Argentines seemed ill-prepared to resist the British. Reportedly, after their successful seizure of the islands, the Argentine Government had decided to withdraw their invasion force and replace it with units of lesser quality. Less capable garrison type troops were sent to the islands to maintain control. So, I don't really think Buenos Aires expected a serious military response on the part of the British. When the British landings took place, the Argentines had to fight with what they had on the islands, because the British controlled the sea. The Argentine Air Force also played an important part and performed better than any other branch of the Argentine military.

Q: I'm sure information was coming to you from the other Latin American countries as this thing first happened and then the showdown became more and more apparent. In the first place, the

Argentine government was held in a certain amount of abhorrence by most of its Latin American neighbors, but at the same time...

MORLEY: There was an ambivalence on their part. Yes, a lot of Latins viewed the government of Argentina as undesirable. On the other hand, a number of the governments of South America at least were military at the time. So, the responses, the reactions of the various governments of South America, which were the key to the whole thing, ranged all over the place. I think it can be said that the Chileans and probably the Uruguayans tended to lean toward the British, although not actively supporting the British. The Peruvians, if I remember correctly, actively supported the Argentines, providing military equipment. The Brazilians stayed studiously neutral. So, there was a wide range of responses from the South American governments for whom the crisis was most germane.

In many cases, it was for reasons perhaps unrelated to the Malvinas/Falklands crisis itself. Argentina and Chile were traditional enemies. So, if Argentina was in trouble, at least diplomatically, the Chileans were going to lean toward whoever was giving Argentina problems. There are a lot of historical ties between Uruguay and Great Britain that probably influenced that government to take at least a benign view toward British activities in the area. It ranged all over the place.

Q: As this crisis developed, if for no other reason than when it was a choice between the British and the Argentine government, particularly the type of Argentine government, within the American public I don't think there was any real conflict as it went forward and as it was presented. Here was the British doing a rather amazing job at tremendous distance of taking back their islands. This was American public opinion, I would say. What was the feeling that you got from your vantage point about a) what was this whole thing doing to posture in Latin America and b) there was certainly more than tacit cooperation between our military and the British military as things developed.

MORLEY: As things developed, yes. We felt about the Argentine decision, especially when it became obvious, that world opinion was gradually swinging against Argentina both because of the reputation of its government and because it was confirmed as the aggressor. It probably strengthened our hand in terms of trying to influence the Argentine government to create a transition. Certainly as the Argentines suffered defeat after defeat in the Islands, the government of Argentina became weaker internally. It became evident to the Argentine public that the military not only couldn't handle economics and politics and didn't have a decent human rights record, it couldn't even do what they were supposed to be experts at - that is, conduct an effective military campaign. So, they lost all credibility as a result of their adventurism. As the outcome of the conflict became clearer, our assumption was that it would strengthen our hand in terms of restoring democracy to Argentina. This is what we were saying to the seventh floor and to the White House in position papers, that there was some good coming out of this. It probably hastened the demise of the Argentine government and a return to democracy. That's what happened. For the reasons that I stated earlier, we hoped a successful transition in Argentina would probably influence developments in Uruguay and, to a lesser degree, Chile and perhaps elsewhere in South America.

Q: During the height of this crisis, did proponents of one side or another in Congress come at you?

MORLEY: Not that I recall. I don't recall any serious congressional intervention in the issue. They wanted statements. They wanted testimony. They wanted to know what was going on. Congressmen asked searching questions about the impact of this development on the British credibility, Argentine credibility, Britain's diversion of important military resources away from NATO and toward what amounted to national interests and that kind of thing. But I don't recall that there was strong congressional criticism of the Department's policy with respect to the Islands and the Argentine decision to go in there.

Q: Moving back to the center of our concern, you were there during sort of the buildup of major concern over Central America.

MORLEY: I don't think it was so much a buildup. We had been very concerned about Central America for several years before Reagan came to be President.

PHILLIP W. PILLSBURY, JR.
Cultural Affairs Officer, USIS
Buenos Aires (1980-1984)

Philip W. Pillsbury, Jr. was born in Chicago in 1935. He received a BA from Yale University in 1957 and joined the Foreign Service in 1959. His overseas posts included Spain, Italy, Mali, Madagascar, Zaire, Iran, and Argentina. He was interviewed by Charles Kennedy on February 28, 1994.

Q: So then, your last post was Buenos Aires? You got there just at either the right or the wrong time, didn't you? Could you tell how you got the assignment and you were there from when to when?

PILLSBURY: The Buenos Aires assignment for a change came as a result of the bidding process. It was my second or third choice and it turned out to be that rare combination where everything seemed to fall into place right. In effect I arrived there in the early fall of 1980 when the military dictatorship was still in power, the Videla government. They had been running an anti-terrorist campaign that was known as the dirty war, *la guerra sucia*. They had been under constant fire from the Carter administration for human rights violation and rightly so. Exactly how many people died in that period of 'disaparecidos', the disappeared campaign, nobody knew. The Mothers of the Plaza de Mayo marched against it every Thursday. The Embassy had a political officer whose sole job was making sure that the policy of the Carter administration was always front and center. Pat Derian was the head of that in the State Department. Argentina was certainly one of the main focal points. They were nasty people, the Videla government, and they were dealing with a nasty situation. It will be one of those subjects that will be talked about and

debated for years. They used draconian methods to get rid of the terrorist threat. It was both urban and rural terrorism that had overtaken Argentina. So that when we arrived, it was the end of the Videla government, certainly not the end of the military control. Videla turned over the reins of power to another military guy, military rule continued until 1983. From 1980 to 1982, the military were still very much in control. We arrived therefore at a time when the terrorist threat to the foreign diplomats was over. Therefore we had, as I said, it was a combination of the best. We had a situation that you could see would move towards democracy eventually. We had one of the two best Ambassadors I ever worked for. Harry Shlaudeman was the Ambassador who came in late fall of 1980 and it was just a pleasure to be associated with a man of that caliber who knew Latin America so well. The level of the Embassy staff was, officers and foreign service nationals, was uniformly excellent. We had a good school that was no longer under the terrorist gun. We could move around the country as much as we wanted. I was Cultural Affairs Officer. And so my job gave me the opportunity to travel extensively throughout the country which I did do. It was a good situation for both my wife and our kids, they all had interesting things to do and had the opportunity to widely appreciate Argentine life and culture. So it was a tremendous time to be there, with the exception of the Falklands war.

Q: Before we get to the Falklands war, how was the election of Ronald Reagan received? Because to most people in other countries, Ronald Reagan was a movie actor considered both a light weight and a hard right conservative. And you arrived there just at the time this happened.

PILLSBURY: He was elected two months after we arrived. That was the election of 1980. I think that, certainly in Argentina, his election was applauded by the military government. They were tired of constantly having the human rights issue stuck in their face. Carter's Ambassador Castro had been the former governor of New Mexico and was extremely effective in doing so. At the very minimum they looked at Reagan's election as a welcome respite from that. Human rights was in a very low key in Reagan's administration. Reagan's emphasis on military build-up, his emphasis on looking at the Soviet Union as the evil empire, all were applauded by the military government because that's what they had been fighting more or less. I mean the urban terrorists were Marxist. So that the urban terrorists, the Montoneros were definitely Marxist-oriented and were speaking the Soviet line. So that I think that Reagan's background, was not so much an issue with the Argentine government as the fact that he was a conservative and they liked that. I think that in terms of the public I don't think that there was a particular reaction one way or another in terms of Reagan being a movie actor. It was not an issue.

Q: Well now, as Cultural Affairs Officer, who were your target groups?

PILLSBURY: It was an interesting period because when I went there, my superior, the PAO, had gotten into kind of a frame, a mindset, in which he defined only certain groups to which he wanted to devote all USIS resources. Mainly government leaders. I mean the people who really pulled the levers of power. He wasn't interested much in education, the traditional focus of Cultural Affairs Officers. He wasn't interested in dealings with the university or with the performing arts theater groups, the library. He wanted to give away of all the general collection of the library, all of American literature. He was not interested in Americans. He was interested in political/economic/social issues and that's what he wanted to concentrate on, so it was initially

a difficult period for a Cultural Affairs Officer. I went there with the feeling that we should be dealing in long term with future leaders in all areas including the performing arts. It was a major policy difference for me and it was very hard at first for me and for my office because it was a big cultural affairs office. We had three Americans and about eight or nine foreign nationals, all seniors, senior level. So that first period was difficult. One example: The foreign service national librarian at the time had been told to get rid of all of American literature, theater, books on music, etc. Just stick to library books on the issues that "carried the freight", so to speak. And instead of getting rid of them, she hid them. The director for Latin America for the agency came down, he found that this was happening and eventually the man who had instituted this policy (which I felt was a mistake) was replaced. I mean he was not removed summarily, but the new PAO came in just before the war in 1982 and changed things around a way back to the traditional USIA operation and the Foreign Service national who'd hidden the books got an award for doing it. From that time on we got into a much more traditional operation with my new PAO and from that time on I could travel. My main focus was the twenty-six universities in the country. We had extensive speaking programs with them, a fast growing Fulbright program, extensive use of our library and establishment of contacts with university libraries throughout the country. So I would say that the main focus was certainly with the universities and students.

Q: Well in the first place on this focus, I would have thought that the focus on the people pulling the levers would have, just by itself I mean, here you had a dictatorship, and dictatorships come and dictatorships go and we all know they go, that this is almost self-defeating because you really have to prepare for the next generation. Was this sort of ...?

PILLSBURY: Exactly. All of the PAO's colleagues felt that yes it was important to have contacts with the people who were in power at the time in the various ministries, but I believed that especially given the fact that there was no particular edict from the military government that we could not deal with people outside of government, it was a mistake not to devote some resources and time to the future leaders. I think that if he'd stayed there for two more years we would have been caught when the military government fell, it just had no more credibility. We would have had a rebuilding program that would have been difficult to do. So yes. It was not something I agreed with.

Q: What about dealings with the universities? Could you do a little compared contrast with the Italian ones? Where the students were coming from? Their outlook, knowledge of the United States, etc.?

PILLSBURY: I think the Argentine government ... They wanted to establish a university in each of the twenty-six provinces. So there was a building program that went too far too fast. I visited some universities that really didn't have the facilities other than a name really to be called a university. The university of Buenos Aires was very similar to European universities in terms of hotbeds of activism, and students there of course had been one of the main focal points for the disappearance campaign. The so-called radicals in the university, the young radicals. It was dangerous to be a radical in the university during the 70s, from '76 to '80 certainly. So that the military government very much controlled what was being taught, who had the professorships, who was allowed to stay as professor. They saw any deviation from that as a real threat to their

existence. That began to change of course after we got there from '81 on. We had to be a little bit careful in terms of spreading the word of democracy through the university system. You know, we looked behind our shoulders a good deal when I first got there, in terms of not doing something that the military government would find inimical to their interests. There was a private university system that had begun. One in Buenos Aires, and a couple in another part of the country with whom we dealt. They had a little bit more freedom and were more reachable. One in particular had a pretty close exchange relationship with American University here. So the beginnings of good student exchanges really started to get going just after I got there. There were some similarities with Italy. I mean, the common denominator among students is that they want change fast and see ways of doing it, especially in a repressive government. You can't compare Italy and Argentina in terms of government. Italy was a functioning democracy and Argentina was a military dictatorship. So there was a pressure on academic and student life in Argentina that just didn't exist in Italy or in any free society.

Q: How about knowledge of the United States?

PILLSBURY: Surprisingly little. We found that the alternation of strong military dictatorship governments and weak democratic governments since 1930 in Argentina had resulted in alternating periods of strong Censorship on things during military rule and periods of cultural free expression during the years of democracy. During the 'Dirty War' cultural creativity withered, and resulted in a situation in 1980 in which a serious lack of knowledge and understanding existed between Argentina and the United States. There was a lot to do. And a huge interest in America. I mean all throughout the dictatorship periods, the library served as a tremendously important access for information about the United States and about democratic forms of government. The library was very, very active in their reference service and outreach. The most effective of any library I've been associated with in my career. Certainly the strongest continuing interest.

Q: Did you find that you were the heir to the Carter concentration on human rights. Did you find that that created a reservoir of good-will, made the United States a place where the educated people knew that at least our heart was in the right place, at least to some extent?

PILLSBURY: Yes, I'd say that's true. Certainly the base line was that people recognized that human rights policy saved lives. There were a lot of people that would either have been exiled or killed and weren't because of the pressure that was exercised by the Carter administration. There's always a problem in that situation. We're dealing with the question of human rights today in China you know. Certain elements of the society say: "Keep your nose out of our business, our internal affairs." Others would say: "You've got problems of yours at home. Why don't you take care of that before messing around with ours." That was a common denominator that we dealt with. Then there were other families, some of whose members had been kidnaped or killed by the terrorists. So their attitude towards human rights was a whole lot different. They felt that the government had to exercise draconian methods. But even they began to see that the need for a strong central hand was beginning to disappear and in a world that was more and more interdependent a military dictatorship could not operate independently of other neighboring countries in the Southern Cone of South America or the world at large. Everyone ... It was very

interesting to live and walk in a South American country central to U.S. interests because it makes you realize that the presence of the United States, understood or not, the presence of the United States, how well they understood the United States, just the very presence of the Goliath is a fact of life. More so than in the places I've worked in Europe or in Africa. They recognize that super power status is particularly relevant in the relationship of their countries with the United States.

Q: Could you talk about how the Malvinas or the Falkland war--it was in '82 wasn't it? How that impacted on ... how you observed it and our dealings with it and how it developed? In the first place, you might explain what it is?

PILLSBURY: Yes. The Malvinas, or as we called them the Falklands. The Argentines call them the Malvinas, are islands off the coast in the South Atlantic that are now owned by the British but have been claimed by the Argentines for a hundred and thirty-three years as theirs. In terms of value, as real estate there is probably very little. Many more sheep on the islands than human beings. There is indication of oil resources off the coast that have not yet been explored, probably true. But it was more a spiritual and historical and traditional thing for the Argentines and their claim is valid. It is shrouded in counter-claims that go back, even the United States was involved at some time.

Q: Yes, we grabbed it for a couple of weeks or so.

PILLSBURY: Our action, the U.S. Navy action in 1828 or 1830, enabled the British to establish their hegemony over the islands. But since then, there is a song that school kids sing in Argentina referring to "our sisters the Malvinas", so that it is part of the national psyche and was a constant thorn that existed in the love/hate relationship that has existed between the British and the Argentines, given the fact that there is a very large British community down there. It came to a head in 1982. There were three major misconceptions that led to the outbreak of that. One was that the British didn't really realize how seriously the Argentines felt about this. It was always on the back burner for them and when the Argentines said: "We want to talk about the Falklands," the British said: "Yes, sometime, but not now." The Argentine government, the military guy at the time was a man by the name of Galtieri. Galtieri had a mistaken notion about the relationship of civilian and military power in the United States. He had been to the United States just after Reagan's election, when he was head of the army, and had been feted and made to realize how important the United States felt the army was. He came away with the mistaken impression that the United States would support him in their effort to get the discussions going on the Malvinas. The third misconception was the failure of the Argentine military to take seriously the British threat to send an armada. I think that everybody was surprised by that. So there were these three misconceptions working when in the first part of 1982, some Argentines occupied the weather station on South Georgia in the South Atlantic. Galtieri at home was facing increasing unrest and it is a standard ploy as we know for military people, if they've got troubles at home, to embark on a foreign adventure to get the people's minds off what's wrong at home. So he very secretly laid the plans for the invasion of the Falklands and I think it was on April 1 as a matter of fact, April fool's day. To the surprise of everyone Margaret Thatcher said: "We're going to come and take them back." And the United States for the first part of that period of seventy or eighty day tried to

serve as a mediator. Haig came down a couple of times. He went to England. Then it became evident that nothing was going to happen. The British had launched their armada and we obviously sided with the British. We said: "It is still British property." It was at that point that things got kind of unpleasant in Argentina on an official basis for Americans being there and certainly for the British. They broke relations of course and the British interests section was set up in the Swiss Embassy. There were elements, certainly official, that felt that the United States had betrayed Argentina. Shlaudeman, our Ambassador was given the cold shoulder not just by the government but by friends who surprised him, doing that to him. We in a work capacity had to hunker down certainly. We stopped a lot of our activity. I still traveled some but our public programs were really basically stopped for that period. On a personal basis, friends ... there was no change at all in our relationship with the Argentines. We continued to have a very good personal relationship but we were in cold storage for that period during the war. Feelings in the country were ambivalent towards the United States. The Argentines realistically I think that the war reflected the last dying gasps of the repressive military government they wanted to get rid of. But on the other hand it dealt with something that was very close to their hearts and part of their national patriotic sense. So it was a very hard period for us as Americans and for the Argentines in our official dealings.

Q: You left there when?

PILLSBURY: In 1984.

Q: Now, we're talking about '82. You had two years when you were there. Was there a recovery period or not?

PILLSBURY: Interestingly enough, the thing that reopened relations between the United States and Argentina was a cultural event. It was the coming of the New York Philharmonic, Zubin Mehta. This was in September just a few months after the war was over. As one or two further comments on the war. Of course the effective Argentine use of the Exocet missile had changed the whole concept of wars that would be fought, the maritime strategy. So it had some strategic aspects that were very important. Also it had a long range influence in the fact that it made the then two superpowers realize that conflicts could break out in completely unexpected places in the world that would bring them face to face on opposite sides of the table in a situation that they could not control and they did not want to be in. I mean the Soviets had a very large grain trading relationship with the Argentines and in all probability helped them with some intelligence and logistics. We certainly helped the British. So it was an unpleasant confrontation that was kind of a harbinger of what we face today - situations that are out of the control of the now one superpower. So from that point it was very interesting. As I was saying, the New York Philharmonic was scheduled to come in September and there was a big question whether they should come at all. Anti-American feeling was riding high. The impresario in Argentina very courageously said she wanted to have them come and we went along with that, the American government and its sponsorship. Mehta came ...

Q: Within the Embassy, was there any dispute?

PILLSBURY: Big division, yes. Ambassador Shlaudeman felt that they should come. But there was a lot of debate. Mehta proved to be ... It was one of those times when the only thing that was going to unthaw that relationship was a cultural event. It had complete credibility. Culture, music, with the great Teatro Colon, Buenos Aires had always been a center for music and opera. So Mehta came and the first thing he did, he had a press conference that we put on. He didn't talk about the freeze in the bilateral relationship, but said that he was going to give a free concert at the big Luna Park which was a tremendous thing. He also made reference to the universal language of music and the importance of freedom of borders to the passage of information, of cultural performance. He was a master and those concerts in Buenos Aires and Cordoba really were the thing ... After that, things really began to change. Galtieri had been disgraced really because of the loss of the war and a caretaker military government had come in to prepare the country for democracy. Campaigns of the two major parties had begun after that concert in September and once again we began to be regarded with favor. So that the New York Philharmonic's appearance in September really opened the way for the return of more normal relations.

Q: Were you able to go then to the universities?

PILLSBURY: Yes. Right away after that. It was very clear that democracy was going to be coming back and so we had much greater access to various groups. The universities, the press, television, radio, etc. to place material on the how-tos of helping a democracy to work. We worked very closely with the UCR, Union Civica Radical party of the eventual Raul Alfonsin. Also to a certain extent with the opposition party, the former Peronistas - now known as the Justicialista Party. We had really greater access to these various elements.

Q: You left there when, in 1984?

PILLSBURY: Yes, Alfonsin was elected in October of '83 and we left in the summer of '84.

Q: Is there anything else that we should cover on that period? It sounds like you left on an upbeat.

PILLSBURY: We certainly did. We left on an upbeat and Alfonsin ... The basis for what appears to be now, ten years later a valid and vibrant democracy was laid in that period. So we definitely, it was my last overseas assignment, we left on a very high note.

HARRY W. SHLAUDEMAN
Ambassador
Argentina (1980-1983)

Ambassador Harry W. Shlaudeman joined the Foreign Service in 1955. His career included ambassadorships to Venezuela, Peru, Argentina, Brazil, and Nicaragua. Ambassador Shlaudeman was interviewed by William M. Knight in

1993.

Q: So the racial tension was between the Indians and the Europeans?

SHLAUDEMANN: And the old white families. That still existed, even though Velasco had confiscated most of the properties, but the social gulf was still very much there.

In any case, I went to Argentina in October of 1980. This was another one of those things in the Senate where Jesse Helms held up all the nominations -- he had some objection to something. The last session that night, he made some kind of a bargain with the Department and let the Latin America nominations go ahead, but blocked the African. Why this happened, I had no idea. Our concern, of course, in Argentina was with human rights and the so-called "dirty war" and I recall very vividly talking alone, at length, with Warren Christopher, before I went, about this problem. We were, of course, focused on this and on attempting quietly but effectively to put an end to these abuses. We had very little leverage, of course, with the Argentine military. I had only been there a very short time when Reagan was elected -- a couple of weeks, I think. The military then took the view that this was their deliverance, that now they were rid of these human rights advocates, and the Republicans would be great friends of theirs.

The Reagan Administration -- they were under a number of misconceptions, I think, about the nature of this government, about the nature of the abuses that had been committed. In any case, they were quite enthusiastic about creating a new relationship with the Argentine military. This all came from Jeane Kirkpatrick's famous article on dictators and double standards, in which a number of things were true. I think she hit the nail on the head in several respects, but, as I say, I think they went overboard. I had only been there a fairly short time -- a couple of months -- when they scheduled a visit -- Viola, who was the President-Designate. What happened in Argentina was that the President was in effect -- this was a true institutional military government where the President was elected by the Commanders-in-Chief, and Viola, who had been Commander-in-Chief of the Army -- they forced him to retire in return for gaining the Presidency.

In any case, they scheduled a visit for him in Washington, and I went with them, and he saw Reagan and Bush and Secretary Haig. There was this great enthusiasm, sort of embrace. I recall particularly that just before the end of the visit, I went up and saw Walt Stoessel alone, and I told him I thought they were making a terrible mistake. I agreed that we should be engaged with these people, we shouldn't create a gulf between us, but they shouldn't get in bed with these guys who, in effect, were a bunch of thugs. This should be something that they recognized. Unfortunately, it was only after the military had invaded the Falkland Islands that this became a general view in the Administration.

That was the high point, or the low point, of my tour in Buenos Aires. I must say that in many respects, it was the low point of my career. I've looked back on this many times and I think there were signs that something like the invasion might happen and I simply ignored them. Our focus was on human rights and other issues, and somehow -- the British were very conscious about this and had a pretty good notion of what could happen, and were pressing us -- not me personally,

but here in Washington -- to do something with the Argentines to discourage them from any such move.

It was also, on our part, an enormous intelligence failure -- the fact that there was absolutely nothing in the intelligence traffic, or in the Embassy, any suggestion that such a thing could happen. In any case, it was a terrible disaster, but it was perhaps inevitable -- it was the last gasp of the military who invaded those islands as a means of hanging on to power. They were really on their way out.

You've asked me previously about writing, if I've ever written about this. There is a book published by the FSI called *AUTHORITARIAN GOVERNMENTS IN TRANSITION* in which I have a brief written discussion of the nature of the Argentine military government and US policies. I won't repeat what I said there. I reread it before coming today and I think it's still valid.

Q: Do you have any personal opinion on the long-term prospect on the Falklands dispute?

SHLAUDEMANN: Yes, I think there are a couple of points to be made. The first is that it is difficult to understand why anybody would want those islands. They are just like Patagonia -- the only thing they are useful for is raising a few sheep. There is supposed to be oil out there but that may or may not be the case. My view was that if the Argentines had not invaded, perhaps within my lifetime they would have acquired by a natural process, because the population was decreasing -- every year it was lower.

The other thing is that most of the land is owned by a private company which used to be called the Falklands Land Company, or something of the kind. Costa-Mendez, who was the real villain in the piece, the Foreign Minister who I think was the intellectual author of this crazy thing -- he did have the idea of the Argentine government simply buying that company, which would give them a good part of the land. In any case, what happened, of course, made all that impossible. I do not think, as far ahead as I can see, that there will be a settlement, because the only settlement that would satisfy the Argentines would be to raise their flag over the island, and that's not going to happen, after the events of 1982.

I was there, of course, when Al Haig came down in his famous effort to mediate the conflict. I won't say much about that, but if you read this piece I wrote, you'll have some understanding of what he was faced with. In effect, once they had invaded those islands, it was a government that could make no decisions, that was totally paralyzed. I went on April 30 to Galtieri -- it was after midnight, and we were about to announce publicly our condemnation of the Argentines and the assistance we were offering the British. I proposed to him that he take the troops off the islands and leave the governor and leave his flag, and see what would happen.

Q: This was after the fighting?

SHLAUDEMANN: No, the fighting had not yet started, the British had not yet arrived but they were on their way. He thought that was a wonderful idea, and he said, You come and see me early tomorrow morning.

Q: Had you gotten that idea from Washington?

SHLAUDEMANN: No, no. That was strictly my idea. So I went to see him early the next morning and he told me that the Navy wouldn't agree. What I'm saying is that they were paralyzed, they were unable to do anything, really.

So the defeat, of course, ended the military government. I was in a very bad position, as you can imagine. In fact, during this entire conflict, and for several months after it, I was, in effect, ostracized in the entire country -- nobody talked to me. It was a very uncomfortable existence.

Q: What about the lower echelons in the Embassy, like the Economic and Political heads?

SHLAUDEMANN: Well, our political people, of course, maintained contact with the civilian opposition all throughout this. In fact, this made a lot of trouble for us, because Galtieri became aware of all this and it became a public matter, but we went ahead -- we didn't back away. Economically, yes, with the business community, but not with the government. Even though the Minister of Economy was Roberto Aleman who was a long-time friend of the US. In any case, this was a very uncomfortable existence for me, and I was very conscious of what I thought had been our errors in not foreseeing this.

So I was really more grateful when the Deputy Secretary called me and said they thought they'd have to make a change. And he said at the same time, Now, we've just appointed this National Bipartisan Commission on Central America and people we've suggested as Executive Secretary, Kissinger has rejected, but he said he would take you. So I came back right away and started in on that.

Q: Before we go to a new area, one other question about Argentina. You said that a lot of your attention was on Human Rights. What did you actually do operationally to further human rights?

SHLAUDEMANN: I think the real answer to that is "not very much." We had very little leverage with these people. I personally talked particularly to Viola a good deal about this before he was kicked out. What had happened is, and I can't assign credit or not, but particularly after Reagan was elected, the incidence fell off enormously. It was obvious that they were reined-in. I think that was partly the case because they had pretty well destroyed the Montoneros, the major guerrilla opposition. Of course, we had a lot of cases that were hang-overs, and a lot of cases in which Americans, and in particular, American Congressmen, were interested -- people who had disappeared, children who had disappeared. One of the things that, as you know, happened there was that when they murdered a couple, they would take the children and send them off. So there was a great deal of that, and we had just a constant stream of Congressional visitors, both the Senate and the House, people who were interested. Of course, they were all pressuring me. In fact, we had some very unpleasant encounters in some of these meetings, in which Viola kept talking about what he said was an effort to create a Nuremberg for the Argentine military -- put them on trial. This, of course, was the major objective of the military -- to avoid a Nuremberg.

Q: They took the threat seriously?

SHLAUDEMANN: Very seriously, and as it turned out, with reason. Although, as it turned out, they mostly got amnesty. So that was a constant theme throughout.

Q: Were there various economic and military relationships that were suspended because of the human rights issue?

SHLAUDEMANN: By law, the so-called Kennedy Amendment, we were forbidden to provide any military equipment, any military assistance whatsoever. As always with the Pentagon, that didn't mean you could send the Mil Group home -- they just remained. Going back to the problem of not foreseeing the invasion of the Falklands -- here we had this relatively large Mil Group, we had attachés and the Chief of the Military Group had attended Argentine service schools. But they were unwilling or unable to give any indication that this invasion was in the works. So we had a constant dialogue -- quite one-sided -- with Washington, on what kind of relations we should have with these people.

After the Falklands incident, the Embassy advocated -- though there were some in the Embassy who were very much opposed to this -- that we re-open the relationship with the Argentine military by providing them with some training, something. The Kennedy Amendment, as I recall, provided that you could proceed on the basis of a Presidential declaration -- the sort of thing you see in that kind of legislation. But Washington, I think in hindsight wisely, did not do that. We were probably wrong in advocating that. In any case, that was our relationship. It was a very difficult relationship -- Argentina is a very difficult country for a lot of reasons -- a lot of historical reasons. Up until a few years ago, the relationship had never been good -- it's quite good now, surprisingly.

To go on, I came back. I really didn't know anything about Central America. When I was Assistant Secretary, I had made my first and only trip down there and spent a week going to the 5 countries, but that was it. I knew nothing. Henry didn't know anything about Central America either, but we sure learned. It was a fascinating experience, working with him on this very political exercise. The Commission was the outgrowth of a speech that Scoop Jackson made in the Senate, in which he advocated a Marshall Plan for Central America. The conservative Democrats like Jackson were anxious to find a way out, because this controversy over the Contras and our support for the military in El Salvador had become daily more bitter -- the liberals and conservatives, Republican and Democrats. Jackson advocated a Marshall Plan as something to correct all the structural problems.

Q: Take their minds off the guns.

SHLAUDEMANN: That's it. So we had this Commission appointed, and there were some very interesting people on it, including Henry Cisneros who is now Secretary of HUD. It's interesting, looking back on it, to see who was prominent in the final outcome and who wasn't. Henry was a dissident, of course, on support for the Contras -- he was totally against that. We had a group of so-called Congressional advisors, including Jackson -- who never attended and who died during

the Commission's life. The one who was present for every business meeting, every meeting where we were producing material for the report, was Jack Kemp who played a very strong role in what came out.

Q: Overlapping of the Executive and the Legislative.

SHLAUDEMANN: Yes. Lane Kirkland was very important on that Commission, and Bob Strauss. They were very strong people.

Q: We are now about '84?

SHLAUDEMANN: This is '83. The Commission first met in August 1983, and the first thing they did was to hold hearings, closed hearings, with all of the former Presidents and former Secretaries of State, and they all came. Nixon was particularly interesting -- of course, felt that this was his field. In any case, we proceeded through a series of these sessions where we brought in people to discuss these issues. Then the Commission made two trips, one to Central America, one to Mexico and Venezuela. I made very sure that I did not go with them on the trips. I don't want to travel with Henry Kissinger.

Q: Why?

SHLAUDEMANN: Well, you know, he's very difficult, very demanding. These turned out to be successful trips. Whatever concerns I had about traveling with Kissinger, he and I got along very well, and the report, I still think, was a very good report. The disappointment came later because Congress did not fund the report adequately. I suppose that was to be expected. In any case, while I was doing this, I was asked if I would like to go to Guatemala, be Ambassador there, and I said Yes. Then shortly before the end of the Commission, before the submission of its final report to the President, the President's Special Envoy for Central America, former Senator Stone, got into a controversy with the Assistant Secretary, Tony Motley, which was finally resolved by Stone leaving, and Motley asked me to take that job. Then I started my travels. In the next two years I traveled over a quarter of a million miles, largely by government plane.

EDWARD H. WILKINSON
Temporary Duty
Buenos Aires (1982)

Edward Wilkinson was born in Indiana in 1936. Mr. Wilkinson received his bachelor's degree at Purdue University and served in the army from 1957-1959. His career included positions in Philippines, Mexico, Costa Rica, Argentina, Taiwan, Ecuador, Korea, Thailand, and Germany. Mr. Wilkinson was interviewed by Charles Stuart Kennedy in April 2002.

WILKINSON: This was my first experience in Washington. It was, as I say, in around October of

1981. I enjoyed my stay and I learned a lot. Then in late March of the next year, 1982, the argument, if you will, between Argentina and Britain, the...

Q: Malvinas-Falklands.

WILKINSON: Thank you so much. The Malvinas-Falklands War had started. I was sitting at my desk in Citizens Consular Services when Bob Lane came and asked if I had a minute. Well, of course I did, so he sat down and asked, "We need somebody to go to Buenos Aires, on temporary duty right away. Can you go?"

When he found out I had been stationed there for nearly four years he said, "Well, you're the man then." So, I left for Argentina pretty quickly thereafter. The reasons were two-fold: the Malvinas-Falkland War coupled with the fact that there were a number of personnel problems in the consular section. The fact that I had previously been on assignment in Buenos Aires was an important aspect of all of this. They thought my experience there would be useful, because it looked like neither the boss nor his deputy would likely remain there very much longer.

I got to Buenos Aires on, I think, Monday night and spent ten weeks there, although I was originally sent there for two weeks. You may remember that in the lead-up to the beginning of the conflict, Secretary of State Alexander Haig tried Kissinger-style shuttle diplomacy to try to patch the situation together. He went back and forth from London to Buenos Aires on a number of occasions, but later it was announced that the U.S. was going to back Britain in the war. There was considerable worry that the Argentines would take their unhappiness with that out on the U.S., and this was one of the things I was supposed to deal with from a consular standpoint.

I arrived a few days after the "we are going to back Britain" announcement came out. Because of the potential for problems, which might include huge numbers of Argentines coming into the embassy and tearing the place apart, the embassy personnel had sent all of the consular (and, I assume, other) files, the important files anyway, over to Montevideo. (Actually they didn't. It turns out there was a lot of citizenship files that got stuck in the basement of the embassy by mistake, but nobody knew they were there during my tenure.)

There were no visa files, there were ostensibly no citizenship files, and worst of all, there were no American federal benefits, including Social Security, files. The reason why I say "worst of all" is that those files had been destroyed, I assume by mistake. Anyway, we had no Social Security files in the office when I got there, and it was a long time before Social Security and the other federal benefits organizations could provide reproductions of the files they had on the American residents of Argentina on whom we had Federal Benefits business.

The reason I'm telling such a long build up to this story is that during the ten weeks I was there, virtually all the American consular staff transferred to the States or to other posts. Only one person remained of the entire consular section about ten days after I arrived, a young vice consul at the time by the name of Harry O'Hara. Also, I might add, because the Department saw these transfers coming they sent a first tour vice consul, Alec Wilczinski, down from Mexico City to help me out.

However, during the ten weeks I was there, we had almost no work to do; virtually none. Apart from the fact that we had no files, no Argentine nor virtually anybody else wanted to be seen coming into the embassy after our having backed Britain in the war. We had the occasional diplomatic visa, the occasional this, the occasional that. We issued one immigrant visa for the spouse of an officer of, I think, the Bank of Boston, but that was essentially it.

The ten weeks I was in Buenos Aires were a lot of fun, frankly. Amazingly, the second night I was there I went to a restaurant and ran into some friends whom my wife and I had known ten years before. This was an Argentine friend (a man of Basque origin who was born in the Philippines) and his American wife. We knew them pretty well. To run into them within hours of my arrival in a city of approximately ten million people was nothing short of amazing. So I had a good time there, and having friends there helped.

Q: Did you run across any anti-Americanism?

WILKINSON: Absolutely none. One afternoon early in my ten week “tour” in Buenos Aires, I took a taxi somewhere. Now I speak Spanish, but nobody is ever going to confuse me with a native speaker. Anyway, I told the taxi driver where I wanted to go. He looked around at me and said, “You’re a foreigner, aren’t you?” I admitted that I was an American. He promptly started to talk about the situation in the country, starting with the chief of state, General Leopoldo Galtieri. General Galtieri, he said, according to many people, started this war with Britain to hide the fact that the economic situation was in serious decline once again. The taxi driver went on and on in this vein, then repeated an old joke. He said that all Argentines wish that the government would just build a four lane highway between the president’s palace, the Casa Rosada, and the army base in town, so the generals could have their coups and their armies could go back and forth while the rest of the Argentines could go about their business without being bothered by these people. He was a very talkative taxi driver.

Q: You must’ve been there, over ten weeks, to see the fiasco of when they put the Argentine army into the Malvinas and left them there. That was disastrous.

WILKINSON: It was, indeed, a disaster.

One of the interesting things about being in Buenos Aires during this time is that somebody in the embassy put together a short wave radio so that everybody could listen to the news. The best news we could get was from the British Broadcasting Company out of London. With the exception of a few reporters out on the British ships, virtually everybody on the BBC broadcasts was in fact located a few blocks up the street from the embassy in the Sheraton Hotel. We would sit there every night trying to understand what was happening, listening to these scratchy short wave broadcasts from a quarter way around the world, yet most of the people talking were just a few blocks up the street.

After a couple of weeks, the British army landed at Goose Green on the main island in the Falklands. There was a wonderful story that I heard on BBC. A British officer had a two-shilling

piece in his pocket. He found a payphone, put the two shillings into the phone and called a relative or a friend in the still-occupied Malvinas port town of Port Stanley to ask what was happening. The person on the other end said, "Oh, the Argentines ran out of food, there's no money, they are running out of supplies and really don't have anything. They're in terrible shape. Just come on over." I don't know whether this story is true, but from what I could gather, it gives a flavor of the situation at the time. Anyway, the British army stormed into Port Stanley and that was essentially the end of the war.

Rumor had it that the Argentine Head of State General Galtieri would have a drink or two on occasion. One evening, he was supposed to give a major speech on that Casa Rosada balcony where Perón was seen speaking on many occasions. In fact, it is the same balcony pictured in the movie *Evita*. The Hotel Continental, where I was staying, was about three blocks from this plaza, so I walked down there at the designated time to see the general give his speech. I hung around for a couple of hours, but he never showed. The story was that he'd had a few drinks and just couldn't come out and speak. Anyway, the idea that General Galtieri started the war for the specific purpose of covering up a bad economic situation rings true to me. I think a lot of Argentines believed that, too.

The other part of this story is that during this ten-week period, I ate more steak than I have ever eaten in my whole life. You probably know that the world's finest beef, bar-none, is in Argentina. Once you're used to Argentine steaks, nothing else is good enough.

As Vice Consul Alec Wilczinski and I were a bit short of work to do, one day we decided to lunch at a rather well-known restaurant near the main railroad station called La Mosca Blanca. Incredibly, as Alec and I were crossing a main thoroughfare heading toward the restaurant, the Pope (!) passed by, virtually without any security people and certainly without much public around.

Now we knew that the Pope was visiting Argentina at about this time, but we hadn't focused on the matter. Apparently, for security reasons, the authorities had changed his travel route without warning. As he passed by, he was standing up in the Pope-mobile waving. Actually, there were only a few other people at the intersection while he was passing by. We waved back, then went on and had two of the largest steaks imaginable.

The rest of the story focuses on the fact that only a few days after the Mosca Blanca lunch, I got a call from Washington with the news that there was an unexpected opening in Manila.

I must say, I thought my boss, Carmen DiPlacido, accepted my precipitous departure from his office, where I had been assigned for about six months, with far too much alacrity. I was a little disappointed at how quickly he said, "Sure, no problem," or words to that effect. But off we went to Manila, some eleven days after my return to Washington.

I arranged to take my departure physical examination in Buenos Aires, not wait until I got back to the States. And – surprise, surprise – my cholesterol level was out of sight. Out of sight.

Q: From the steak?

WILKINSON: Steak and red wine, I think.

Anyway, my old friend, John St. Denis, came down and replaced me. He was with you in...

Q: In Korea.

WILKINSON: Yes, I met him there for the first time, actually, when I met you for the first time during a conference.

So off we went to Manila.

Q: I'm surprised personnel let you get away with going away to Manila, because they have this fifteen-year rule.

WILKINSON: The rule didn't actually apply to me until I became an FSO. I was a staff officer during a good bit of the time I was overseas at the beginning of my career.

Anyway, by the time I returned to the U.S., Lisa had packed us up, so after exactly eleven days back in the U.S., we left for Manila.

Q: Basically we're talking about '81 still?

WILKINSON: No, I got back to the States from Guayaquil in the fall of 1981, went to Argentina in late April of '82 and returned to the States after ten weeks. We then left for Manila.

JOHN A. BUSHNELL
Deputy Chief of Mission
Buenos Aires, Argentina (1982-1987)

Mr. Bushnell was born in New York State and educated at Yale University and McMurray College. An Economic Specialist, he served primarily in senior level positions at Latin American posts, including Bogota, Santo Domingo, San Jose and Buenos Aires, dealing primarily with Economic and International Trade issues. An assignment to the Staff of the National Security Council was followed by tours as Deputy Chief of Mission at Buenos Aires, Chargé d'Affaires at Panama City, and subsequently as Assistant Secretary of State for Inter-American Affairs. Mr. Bushnell was the recipient of several awards for outstanding service. Mr. Bushnell was interviewed by John Harter in 1997

BUSHNELL: I forget exactly when I arrived in Argentina, but it must have been just before that.

Q: So you went pretty quickly after this first came up?

BUSHNELL: Oh, yes, I went within a week.

Q: You went ahead of your family?

BUSHNELL: Yes. My family was not allowed to go. There was concern that Argentines would attack resident Americans, particularly diplomats, and the embassy had evacuated all dependents. Although Haig had tried to be balanced between the Argentines and the British, once the British attacked and there were numerous Argentine casualties, many Argentines believed we had helped the British. The Argentine military promoted the idea that they could have defeated the British in a fair fight but they lost because the United States helped the British. Thus one of my first big problems was to manage the inconsistent dependent evacuation policy among various agencies. The dependents of the State Department were sent back to the United States, and most other civilian agencies allowed dependents to be evacuated to the U.S. although some also allowed them to stay in nearby countries if they wished.. But the military's rules on evacuation were much tougher. If a dependent was evacuated back to the United States, the dependent could not return to post when it's permitted unless the employee has 18 months remaining in his/her tour. Everyone's perception was that this Argentine evacuation would be fairly short term, that the war would be over and things would settle down and come back to normal. So the military had sent dependents to Montevideo, and the dependents had spent a couple of months there when I arrived in Buenos Aires. The military officers would try to go over for weekends to be with their families that were having a hard time in Uruguay. The military families felt the embassy in Uruguay didn't really take care of them. They were left in hotels. They were given spasmodic access to the commissary. Kids could not get into the schools. Their conditions were difficult.

However, there was also resentment among our civilian employees because they had not seen their families for a couple of months, and they complained about the military going to Uruguay for the weekend while the civilians continued working in Buenos Aires. It was a bad scene, and morale was not good. The excitement had died down, and everyone was tired. Relations with the Argentines were – I suppose terrible is the best way to put it. The Argentines tended at almost every level to blame us for their defeat. The Argentines did not have a good assessment of military capabilities and were in denial about their military weakness. I don't know how many times during my first year there I pointed out that the cruiser Belgrano, which was sunk with the greatest single battle loss of lives, some 323 Argentine sailors, used to be a US Navy ship and we knew that, when it went to sea, its engines made so much noise that the ship could be detected several hundred miles away. But the Argentines preferred to believe it was US satellites which had located the ship for the British sub.

Q: Just what was the political and economic situation there?

BUSHNELL: Well, 1982 was the sixth year of the military government which had taken over in 1976 following a chaotic period when the Montonero insurgency had been killing people in the streets of Buenos Aires and there was a terrible dirty, largely urban, war with the military responsible for what were called disappearances, which generally meant killings after torture.

The human rights situation had greatly improved. People didn't disappear anymore after about 1978, and of course the Montoneros had been defeated by the military's tactic of eliminating the infrastructure that supported the guerrilla fighters. With the military take-over Martinez de Hoz had become the economic czar and had introduced sensible economic policies. There was a tremendous economic boom. Another embassy morale problem was that costs in Buenos Aires in terms of US dollars had gotten to be very high. Although there was a cost-of-living allowance for American employees, embassy people felt that they couldn't afford to live in Buenos Aires. However, even before the Falklands War the boom had ended, and both inflation and unemployment were increasing during 1981. Many people saw this economic weakening as the reason the military took the islands. Of course this would not have been the first time a government engaged in a foreign adventure to distract the public's attention from growing domestic economic problems. When the war dragged on, Argentina had to devalue its currency, and the devaluation made the dollar go much further in Buenos Aires by the time I got there. Devaluation also accelerated inflation which was running well over 5 percent a month.

Q: The war sounds kind of dumb. How do you explain such a totally irrational move?

BUSHNELL: Irrationality may depend on where you sit. Look at a globe and you see the Falklands Islands are not far off the coast of Argentina and not close to anything but Argentina, water, and ice. They are about as far from the UK as you can get in the Atlantic Ocean. One can certainly say, 'Why should these islands belong to the UK?' If you didn't know and had to guess to which country these cold islands belonged, the UK would probably be one of the last choices.

Q: The Argentines just totally miscalculated the UK reaction.

BUSHNELL: It has virtually always been the Argentine position that these islands were taken by the British from them in 1833 and that they want them back. Argentina is in many ways an odd sort of nationalistic country. Unlike many developing countries, it's not a poor country. It's a rich country with poor policies. At times it has been relatively rich.

Q: Oh, yes. In the 1920s they had one of the higher per-capita GNPs in the world.

BUSHNELL: That's right. From about 1850 to 1930 Argentina was populated by a large flow of immigrants from Europe; during most of this period there was a shortage of labor in the rich agricultural sector. As a major exporter of grains Argentina had as good a claim as the U.S. to being the breadbasket of the world. The Falklands, or Malvinas as they are called in Spanish, are a part of the Argentine psyche. All Argentines are taught in school that the Malvinas are not just a part of Argentina but an important part of Argentine wealth stolen by the British. Argentines grow up feeling that one of the great injustices in the world has been done to them because they don't have these islands. An analogy that often came to me was with the Panama Canal. I had found in the United States many people felt the Panama Canal was ours; we built it, and therefore it was ours; it didn't matter if it was in the middle of somebody else's country. Senator Hayakawa [R CA] said during his 1976 campaign, "We stole it fair and square." That sort of emotional outlook was typical of the Argentine view of the islands. I shouldn't put that statement in the past tense; it still is their attitude. The Falklands Islands is a cause that unites the country,

that is the keystone of their foreign policy, and that Argentines are willing to fight and die for, as they proved.

Q: Even so, it just seems extraordinary they would have thought that Maggie Thatcher would have ignored it, but an Argentine once told me that one night Galtieri was drunk and ordered the action while far from sober. Do you think there's any credibility to that?

BUSHNELL: That story is probably partly true but misleading. Why the Argentines did it at the time they did, I doubt if anybody, even Galtieri, really knows. It isn't that he just ordered it one night. He may have given the final go-ahead one night, but the Argentine military had spent years planning the operation, literally years. In early 1982 the plans had reached completion in all their details. Thus the invasion was not an idea out of the blue, but something the Argentine military had been planning for years; the planning intensified after the defeat of the guerrillas, about 1977. By 1982 with the economy faltering and the victory against the guerrillas fading into history, the military leadership was looking for something to enhance their prestige and justify their continuation in power. Nothing would do more to make the military popular again than their regaining the Malvinas.

Clearly they misjudged the UK reaction. They certainly knew the UK would complain, threaten military action, go to the UN. They did not think the UK might take economic measures such as freezing assets because the military did not tell their civilian economic advisors until the operation was underway; only a part of their liquid reserves were gotten out of the UK. The Economy Minister at the time, Roberto Aleman, told me he could have gotten all the funds out with only two days notice. Certainly the Argentines did not think the British would draw down their NATO-committed forces and send a large task force to take the islands back. If you had asked me, I would have agreed with the Argentines. Why would the British engage in a major war for something that did not affect their vital national interests? The British had given up much of an empire with many riches and many millions of people without many fights. Why would they fight for remote islands with a couple thousand people, most of whom had to be subsidized to get them to stay on the islands? Why would they make a big military effort to get the islands back when they had not stationed any significant military force to defend them? What I would not have thought of, and the Argentines did not think through, was that the Iron Lady [Thatcher] might be looking for a winnable war to fan patriotism and regain her domestic support.

Argentine military told me they thought the important thing was to seize the islands completely with few if any British casualties and put a large force on the island which would deter any British military adventures. From the military point of view, as many Argentine military explained to me, once they had taken the islands, they had the advantage. They had a fairly short supply line, certainly in relation to the UK, and they had the land so the only way it could be taken back – it wasn't even feasible to do a large parachute landing because the British had no base close enough – would be to send a large naval task force and make an assault on the beaches. Thus once they occupied the islands the advantage was with the Argentine defenders. It isn't that the Argentines didn't give any regard to the UK military; they sent more than 10,000 men to the islands to discourage the Brits from trying to win them back. Clearly the Argentines underestimated the abilities of the British Navy. It was logical for the Argentines to move at the

end of a summer (April in the southern hemisphere) to have good weather for the invasion while the British would face winter weather by the time they organized and transported their forces to try to retake the islands. Just what all the factors were that caused the Argentines to move in April 1982 perhaps we will never know. Some Argentines claim they got a green light from Tom Enders.

Q: Do you think that's credible?

BUSHNELL: Tom visited Buenos Aires a few weeks before the invasion. Tom's recollection to me was that at the end of a long day during an evening discussion covering many other things somebody brought up the Malvinas, and he didn't say much. He certainly didn't say they had a green light. On the other hand, he didn't tell them 'don't be damn fools and do something,' because, of course, they didn't say they were going to do anything. Tom's story reminded me of a fairly similar experience I had had, but with the British. Probably it was in 1979; I led our delegation for the ARA annual consultations with the British in London on Latin America. The consultations lasted only one day, but it was packed with discussions, including various interested groups in the Foreign Office. Jack Binns was the Embassy London officer assigned to coordinate my visit, and he hosted a dinner at his home that night.

After dinner the deputy or junior minister covering Latin America, a member of Parliament in his own right, who had led the British team that day, over coffee and brandy, said, "You know, we still have this problem of the Falklands." I said, "Yes, I'm aware of it. Anything happening?" He said, "Well, we're trying to do something, but the people on the island won't pay attention to anything sensible." I asked if it would not make sense to increase contacts between the Falklands' residents and the Argentines. He said he agreed, and there were indications the Argentines might be interested, but the islanders were very set in their ways. I turned the conversation to Belize where the British at considerable expense had deployed harrier aircraft to discourage any Guatemalan adventures. If I had asked what the chances were for a war over the Falklands, I think he would have said less than one in a thousand. From what he said, the Falklands were a minor annoyance not a national security interest. Probably the Argentines' conversation with Enders was analogous. Could someone with a Malvinas mind-set have misinterpreted some comment sympathizing with the Argentine desire for the islands as a go-ahead for taking them by force? I doubt it. You can't get a go-ahead for something if you don't describe what it is. But for whatever reasons, the Argentines took the islands, successfully with small casualties on both sides and held them while the British organized their large task force. The Brits came despite the winter weather and dislodged them with substantial casualties and loss of ships and planes on both sides. The War was a major trauma in the Argentine society. Although the military government greatly increased its prestige and mandate with the invasion – thousands were dancing in the streets of Buenos Aires – all that gain and much more was lost with the military's defeat. The military not only had to change its leaders, but it had to call for elections and begin the process of turning the country back to the civilian politicians.

Q: And Galtieri was out on his ear pretty soon, succeeded by Bignone?

BUSHNELL: Yes, the military was defeated and in trouble domestically. The tradition in

Argentina was that the military would take over, rule for two or three years, and then turn the government back to the civilians. This scenario had happened in a repetitive cycle for nearly a hundred years since the emergence of middle-class political parties. Before that the military just ruled most of the time. General Reynaldo Bignone was appointed essentially as a caretaker to prepare for and hold elections.

Q: There was an election on October 30th of 1983, and his job was to prepare for the election?

BUSHNELL: He announced, almost as soon as he came in, they were going to have elections and then set the time and opened up the political process. It was a free and open campaign and election.

Q: So you were the key guy there during the preparations for that election?

BUSHNELL: I was in charge of the embassy during the elections, but we had little to do with the elections. To back up, one of the first issues I had in Buenos Aires, aside from internal embassy morale issues, was sort of humorous although quite serious – the prisoner exchange. The British had whatever it was, some 10,000 Argentine soldiers captured on the islands, and the Argentines had two British pilots whom they'd shot down. The Argentines had proposed that they just exchange, but the British were having none of that. Ten thousand for two was an awkward proportion, especially when you were the victor. Although, as far as I could see, the British didn't really want to keep these men and pay to guard and feed them. There were no appropriate prison facilities on the islands, and taking this number back to England would have been expensive. Still, the British could not bring themselves to make the exchange, nor did they have an alternative proposition, although there were some noises about seeking the release of British property and companies intervened by the government in Argentina where Britain had been the second or third largest investor. Washington did not want to get involved, wisely avoiding the middle between Argentina and Britain. Both the Argentines and the British Interests Section, which continued to operate out of the former British Embassy, pressed our embassy to help resolve this issue.

At one point I was talking with a senior British diplomat in London, with whom I had dealt for years, to clarify something. Really humorously, although sometimes your best diplomacy is accomplished with humor, I told him I didn't see what the problem was. He said, "What do you mean you don't see what the problem is? Ten thousand to two." I said, "I thought you told me one night over a pint that any day of the week one British soldier was worth 7,000 Argentines, and you're getting two." He said I was exaggerating, but then he said, "Can I quote you in Cabinet?" I said, "Sure, if it solves the problem." Maybe it would have been solved anyway, but the prisoner exchange then went forward. Then our main issue was to try to reestablish some basis for constructive relationships with the Argentines, who didn't want to have anything to do with us. It is not easy dealing with a defeated military government which blamed us for its defeat.

Q: Was Shlaudeman still there?

BUSHNELL: Harry was still there. The Argentines didn't PNG Shlaudeman. They found

something worse for him. What they did – remember it was a military government – was ban Harry from all golf courses. Harry, who lived to play two or three rounds of golf a week, could not play golf. He was not allowed on any golf course; he was not a happy camper.

Q: That does sound like cruel and unusual punishment.

BUSHNELL: I don't know if Harry would have chosen the golf ban over being PNG. Moreover, it was virtually impossible for him, or for any of us, to meet with anybody in the government for a while. Since I had just arrived and since many Argentines, especially in the military and foreign ministry, perceived me as a friend of Argentina from my days in Treasury and ARA, some senior officials would meet with me. I hadn't been involved in the Malvinas mess. Many remembered a Jack Anderson report on a leaked memo I had signed recommending Argentina get an Export Import Bank loan.

We had some difficult issues. The Argentines threatened to stop Pan Am and Eastern from flying to Argentina, although we still permitted the Argentine airline to fly to Miami and New York. After I had arrived, they did stop their flights briefly. There was great time pressure to resolve this issue because PanAm and Eastern had lots of Argentine employees who continued to be paid, and the airlines were losing lots of money every day. Eastern had taken over the former Braniff operation earlier in 1982. Buenos Aires was a base for their stewardesses and pilots as well as the ground staff; they had hundreds of Argentine employees whom they couldn't keep if they weren't going to fly to Buenos Aires, especially the former Braniff employees, whom Eastern may have wanted to get rid of anyway. These Argentine employees were our pressure point, something to bargain with. Also, in my view it didn't make sense for us to allow their airline into the U.S. if they wouldn't allow our airlines into Buenos Aires. I could never get anybody in Washington actually to say Argentine flights would be stopped because we have to go through a nightmare of procedures to stop an airline flying into the United States. However, I mentioned that such disparities between U.S. and Argentine airlines was not something that could continue and that, if the Argentine airline were denied US entry, it would be a long procedure before it could ever resume. The Air Force Officers who were dealing with this issue in the Foreign Ministry seemed to appreciate this point. I helped the US airlines get stories in the press about the number of workers who were about to lose their jobs, often after careers of many years. Concern for these jobs quickly built pressure, and we fairly quickly got rights for the American airlines to fly again.

Some other US businesses also had problems with the military government; it seemed I had quite a long list for discussion at the Foreign Ministry and at the Economic Ministry. In the case of some companies it was not clear whether they were UK or US, such as Shell Oil where the home company was clearly Anglo-Dutch but most Argentine operations were under a subsidiary incorporated in the States. British companies were intervened, which meant an Argentine official had to approve major decisions and assure that no money was sent out of Argentina. In some cases we had a convincing argument for a company being considered US and not British. In others, such as Shell, our argument was at best legalistic, and we did not make much progress.

The Argentines, of course, had big economic problems, especially after the Mexican debt crisis. I

quickly established a relationship with the senior people in the Central Bank, some of whom I had known over the years, because they really wanted to discuss the debt issues and understand how the U.S. and other countries were dealing with the problem.

After I had been in Buenos Aires only about three weeks we got a decision that dependents were allowed to come back as the security situation seemed to be improved. I had to go to a Panama Canal Meeting in Panama, and I continued to Washington for a few days consultations and then took my family to Buenos Aires toward the end of July. Senior management at PanAm in the States, pleased to be flying to Buenos Aires again, heard my family was flying down; when we got to the airport, Pan Am upgraded all five of us to first class. From Miami, for the overnight flight, we took half the seats in the upstairs 747 compartment. My three teenage sons began to think going overseas was not so bad.

Q: How long was Shlaudeman there?

BUSHNELL: I worked with Harry for a year.

Q: Did they let him back on the golf courses?

BUSHNELL: Eventually. After a few months he sort of snuck back onto one golf course as part of a large party. Gradually he was able to play at least some golf courses.

Q: Of course, he had a reputation of being a pretty good ambassador. He knew Latin America, had been around a long time.

BUSHNELL: Yes. He was probably our most experienced Latin Americanist. The following July – 1983 – he was asked to head the staff for the Kissinger Commission on Central America. He was telephoned and asked to take that job, and he left the next day because he wanted to get to Washington to select the other staff members and not have somebody else select the staff for him. The Argentines were fully engaged in the election campaign by that point.

Q: The election was October 30th. And Shlaudeman was not replaced for some time?

BUSHNELL: I was chargé for several months before Frank Ortiz was nominated and confirmed. Harry went to Washington for a month or six weeks, then came back for a week of going-away parties and packing. Ortiz was approved just before Congress went on recess in November 1983. He arrived after the election but before the inauguration in December. I was in charge during the election period.

Q: How was the election?

BUSHNELL: The main issue was would the military allow a free and open election and would they allow the person elected to take over even if it were the candidate less sympathetic to the military. There are two major parties in Argentina: Peronists, the party established by Juan Peron in the 1940's and supported by most labor organizations, and Radicals, largely a party of the

urban middle-class. The Peronists are often authoritarian, and the military were more comfortable with them.

Q: The Peronist ticket was headed by Italo Luder?

BUSHNELL: Italo Luder was the candidate, a moderate lawyer. The Radical ticket was headed by Raul Alfonsin. The election was free, and there was plenty of debate. Various groups tried to get the U.S. involved or present us as favoring one candidate or the other. My challenge was to support the return to democracy but to be absolutely neutral between the candidates. We had to be careful about even visiting candidates to avoid speculation on a possible U.S. role. The opinion polls leading up to the election indicated that it would be close, but most polls showed Luder winning. There were no significant problems on election day. I drove around the city and saw several polling places. At some there were long lines in late morning and early afternoon.

Q: The odds had been that Luder was going to win.

BUSHNELL: Yes, Luder was favored but there were some pundits who thought the Radicals could win. In a country team meeting not long before the election, I did an informal poll of what officers guessed the outcome would be. Of course, political officers did not count any more than consular and administrative officers. The majority thought that Luder would win, which is where I put my hand up, but a significant minority, maybe a third of the country team thought Alfonsin would win.

Q: So what did you think of Vallimarescu in USIS?

BUSHNELL: Let me finish the election story. One of the challenges for the Foreign Service is to use all the tools of quiet diplomacy effectively to attain our objectives when there is not a crisis and there is not much if any guidance from Washington. The US objective in Argentina for years had been a return to democracy. We didn't really care who won, but we wanted the election to happen, and we wanted the elected person to take over. The threat was that the military would either stop the election or, more likely in my view, not allow Alfonsin to take over if he won. Thus I tried to mobilize all the resources of the country team to encourage compliance with the electoral process. For example, our military officers, both the attachés and the military group personnel, stressed to their counterparts how essential moving to an elected government was to normalizing our military relationships and restoring the supply line of spare parts for the American equipment which was the backbone of the Argentine navy and air force. USIS prepared and placed stories on the return to democracy in other Latin American countries and the consequent benefits in investment and other relationships. I used my contacts with the Radicals to suggest that they make contact with military leaders to give them confidence that a Radical government would not try to eliminate the military as an institution. Many Argentines did not consider us a friendly country at that time, but we at least had a lot contacts through whom we could get our message across and plant seeds that might strengthen the democratic process.

I went out of my way in my first year in Buenos Aires to meet most of the senior military officers, including some who had retired. I mentioned Viola, whom I'd seen with Haig in

Washington, who was then retired. He would come to my house for lunch, just the two of us, and he would tell me what the senior military were thinking. He could also plant ideas with the active-duty military, because, after all, they all worked for him at one time. By the end of 1982 the attachés could attract middle-to- senior level officers to their parties. I often went to these parties to meet these officers and advance my own understanding of what they were thinking. I developed a number of examples of how civilian control of the military in the U.S. benefitted the military, and I repeated these, it seemed endlessly. I also cultivated several civilians who, although they held no official position, were close to the most senior military.

About a week before the election, a businessman Peronist, who had been to my house several times, called me and said the First Corp commander really needed to meet with me. Argentina is divided into four corps, which are regional army headquarters, and virtually all fighting forces are directly under the control of one of the corp commanders. The First Corp is the most powerful for two reasons. First, the corp is headquartered in the Buenos Aires suburbs and is responsible for the capital of the country, the site of government and the richest area. Second, the armored division which had most of the tanks was part of the First Corp; traditionally any coup would be led by the armored division and the elite troops stationed in and around Buenos Aires. I had not met the First Corp commander, who had a reputation of being hardline and not moving outside his immediate military circle. I agreed to meet him at his headquarters at his convenience. I knew he had something serious to discuss when the intermediary came back with an invitation for me to have dinner alone with the general in his personal quarters. This dinner a week before the election was the only time in my five years in Argentina that I dined alone with an active duty general in his personal quarters. It was a difficult moment, a real test of quiet diplomacy.

It was clear, once we quickly got over the formalities, that the general was mulling in his mind whether or not the military could live with an Alfonsín government. I could tell that he was under a lot of pressure from other military officers who thought a Radical government would be a disaster. He wanted me, first of all, to assure him that Luder was going to win. Of course, there was no way I could. I said Luder was my guess, but elections are tricky things and you can't tell. He went through all the problems a Radical government might create for most of dinner. I mildly countered some of these, but it was clear the concern was more emotional than analytical. Finally I said to him I really didn't understand, although I'd been listening carefully and was sympathetic, why he was so concerned. He said, "Why is that?" I said, "It is my observation that Alfonsín and the Radicals don't have any guns and that you, the army, have all the guns, and after the inauguration Alfonsín still would not have any guns. You will have all the guns. So Alfonsín's options vis-à-vis the Army are limited. If he is elected, he's got a popular mandate; you can't just disregard him; officers will have to leave civilian positions; the Army budget may be cut some, but you have a strong position, and you should have confidence in the Army's position." He explained that the military had had to throw out every Radical government in the history of Argentina, and he said he did not think the Radicals had changed; they hate the military. I said I was quite sure the Radicals had changed in one respect. The Radicals were at least as aware as the military how all previous Radical governments had ended, and they would work hard to complete their five years. I was able to tell him that I had discussed this issue with several Radical leaders, but not Alfonsín himself, and they knew they would have to work with the military to strengthen the institution in the light of recent events. I hoped my Spanish was

good enough to get across the subtle Radical position; the whole evening was of course entirely in Spanish, as was usual for us in Buenos Aires.

Typically for Argentina this dinner was called for nine o'clock. We were just finishing dessert when, about midnight with military precision, the general's wife and either her sister or his sister-in-law arrived and pressed me to join the three of them for coffee. With almost no formalities the conversation continued on politics. The wife obviously was convinced there had to be a military coup and apparently thought her husband would have convinced me by that time. It was with great, but private, satisfaction that I sat there and listened to him give my argument to his wife. He said, "You know, we've got the guns and the tanks. After December [inauguration] we still have the guns and tanks." I don't think she was convinced, but it was clear I had gotten through to him. I do not know when I have felt so mentally exhausted as on the long drive home that evening. Although there were lots of coup rumors during the next couple of weeks, there was never a move by the military and the election went off peacefully, and a new government came in. Intelligence reports indicated various coup plotters could not get support from the First Corp. It was obvious to the new government but apparently not at all obvious to Washington, despite our specific and detailed reporting, that the big issue was to keep the military in the barracks.

Q: Another example of 'do they read our cables in Washington?'

BUSHNELL: I do not think the problem was that Washington was not reading our cables; the problem was the mind-set in Washington where civilian control of the military in a democracy is taken as a given, not something that you have to work hard to preserve. Once we accomplished a part of the US objective, which was to have an open and free election with a civilian government installed, we needed to figure out how to help this new government stay in power and not be thrown out by the military. Moreover, we had other objectives which depended on the success of democracy. I used to sum up for our many Congressional visitors to Argentina – a favorite place to go in January when it's warm there and cold here – that we had five objectives in Argentina, not necessarily in priority order. First was to avoid a military coup and help Argentina develop a tradition of democratic government. Democracy was not only an important objective in itself, but it was also the route to accomplishing our other objectives. Second was nonproliferation, because the Argentines had one of the most advanced nuclear programs in the world and the potential to build nuclear weapons within a few years and even to export them, or to export the technology. They were training nuclear scientists from both India and Pakistan, for example. There was a hemispheric nuclear safeguards treaty, but Argentina was one of the few countries that had not signed – Argentina and Cuba. Brazil, which also had an advanced nuclear program, but not so advanced as Argentina's, had signed but not ratified.. The nuclear program was a Navy program in Argentina. The only way we would ever get the Argentines to change their nationalist nuclear policy was through a civilian elected government. Thus democracy was also the route to making progress on nonproliferation.

The third US objective was to improve human rights where they had recently been very bad; again a democratic government was the best assurance of good individual human rights. The fourth objective was to avoid an Argentine default on the large external debt. Following the Mexican debt crisis, there was concern that defaults by Argentina and one or two other large

debtors could seriously damage the largest US and world banks and spark a worldwide crisis and recession, along the lines of what happened in the 1930s. The issue was to manage Argentine economic policy and thus the debt in a sensible way to avoid a default as part of the worldwide IMF-coordinated arrangements to lengthen debt maturities and keep interest rates reasonable. The fifth US objective was to avoid destabilizing regional wars. Argentina had nearly gone to war with Chile in 1978 and had fought the UK in 1982. Thus peace was by no means a given. Again democracy seemed the best route to assuring Argentina did not embark on new foreign adventures.

I would sum up our objectives as no coups, no bombs, no disappearances, no debt default, and no more wars. With the opening up of the country and the reduction of police powers under an elected government, substantial amounts of cocaine from Bolivia and other drugs began moving through Argentina. I then added a sixth US objective – no drug smuggling. Although Argentina was seldom on the front pages of the US press, we had an important agenda in the Buenos Aires embassy with major economic, nonproliferation, peace, and human rights issues in play. The only way we were going to make progress on all these objective was by getting a democratic government, working with it, and keeping it in power.

Quickly after he was elected in October 1983, Alfonsín named his cabinet or at least much of his cabinet, and he named his main political operative, who really won the close election for him by organizing supporting groups in the provinces, as Defense Minister.

Q: Who was this?

BUSHNELL: Borrás was his name. As soon as he was named, I invited him to a private lunch at the DCM residence [I seldom used the ambassador's residence to entertain when I was charged except for the largest functions]. He started right off by saying he knew nothing about what a defense minister does. He was a politician, and a good one I might add, a builder of compromise and coalition. Alfonsín had said to him, "Our biggest problem is the military, so I'm going to put my best man in the defense ministry." We talked extensively about how to organize the ministry, how civilians might relate to the military command structure, and how gradually to take control, recognizing that the military has the guns. He came to lunch several times because he said our discussions gave him ideas. I noticed that he smoked one cigarette after another although he did not otherwise appear to be a nervous man.

Q: Clearly the new government had monumental problems at that point and into 1984.

BUSHNELL: Yes, the new government had major economic problems; the military issues were very difficult, especially the question of punishing the military for past human rights abuses. Moreover, the Radicals had been out of power for a long time; lots of Radicals wanted jobs, and not all of them were honest. The U.S. had major interests riding on the way they solved these problems. This type of situation is where an embassy, through what we might call traditional non-crisis diplomacy – by what people on the ground can do that people from a distance can't do – can make a big difference. That's why I wanted to develop relationships to promote civilian control of the military. I looked for guidance from Washington on techniques to build civilian

control gradually, but I received next to none. Thus we had to invent this wheel as we went along. I did get outstanding support when I made a specific detailed recommendation. For example, I said, "We need a political military officer in the embassy, a civilian, a State Department officer, not just another military. We have attachés, we have military group advisors, and they do their jobs well. But US civilian control of our military is not demonstrated in these all military offices. I want a civilian, a State Department officer, whose job will be to build contacts and report on the civilian-military interface, to get to know the military and the civilians in the Argentine defense ministry." If we were going to play a role in protecting democracy, we were going to have to have people to play this role. I was very quickly given the position, although positions were generally being taken away at that time. A good officer, Jim Carragher, was quickly assigned, and he did yeoman service supporting our efforts to develop civilian control of the military.

Fate did not make it easy to build a lasting relationship with Argentine Defense Ministers. Within a year Borrás died of lung cancer, probably caused by his endless smoking. Alfonsín then appointed Carranza, who had been his minister of public works, a person I had known for a long time. He was an economist who had worked in the IDB, and I was close to him. Nine months later he died suddenly of a heart attack in his swimming pool. Herman López then became the third defense minister in the first two years of Alfonsín's term. Fortunately Borrás had brought a younger lawyer from the country to be his deputy – Horacio Juanarena. When Ambassador Ortiz and I first met with Juanarena right after the inauguration, the ambassador commented to me that Juanarena did not know anything about the military and seemed quite anti-America. However, Borrás asked me to work with Juanarena and help him master the job. Juanarena became my most frequent luncheon guest; as my wife says, he ate lunch at our house almost as much as I did. I soon came to like him. He was reserved but had good judgment. Every couple of weeks we would have lunch at my house or meet, just the two of us, at the ministry. We agonized over the many problems of managing the civilian/military interface; in effect we invented the wheel of gradual civilian control together. Fortunately he stayed in the deputy position as we attended one funeral after another. Finally, as López was not getting along with the military, Alfonsín moved him to be Minister of the Presidency and made Juanarena the Minister of Defense. He had developed over this time a very close relationship with Alfonsín. I guess I succeeded in what Borrás had asked me to do.

To pursue this story of civilian control of the military a little bit further, George Bush, the Vice President, led the US delegation to the inauguration in December 1983. The Argentines suggested that, after the official inauguration ceremonies, we go to the president's residence for a bilateral meeting. They also suggested we break into three groups because the US delegation was large and multiple meetings would allow them to cover more issues. Bush would meet with Alfonsín, with ARA Assistant Secretary Motley, Ambassador Ortiz, the Foreign Minister and a couple others. There would be separate meetings on defense and on economics. Finally, we would all meet to review progress.

In 1979 in ARA I introduced the policy of sending the CINCSO [Commander in Chief Southern Command] as a part of our official delegation whenever a freely elected civilian government took over from a military government. Such changes happened in several countries while I was in

ARA. Putting the CINC on the delegation was a way of showing our support for civilian control of the military. At the same time, the CINC could make clear that under a civilian government military to military relationships could be stronger than when the military controlled the government. In Latin America it was a strong symbolic gesture. This practice had become institutionalized, so the CINC came to Buenos Aires as part of the VP's delegation. In fact, he stayed at my house.

I decided, although we had a lot of big economic issues, I could catch up on those later, and I would go to the military meeting because I didn't know how that meeting might proceed. Oliver North was on the delegation. His issue was that he wanted the new democratic Argentine government to increase Argentine support for the contras in Nicaragua. As I described before, the Argentine military had been supporting violent opposition in Nicaragua because they wanted to get at the Argentine Montoneros even before we had done anything of a covert nature in Nicaragua. I'd already had numerous conversations with the incoming foreign and defense ministers and others, and they didn't know anything about Argentine military activities in Central America which were, of course, all covert. I had discussed Central America extensively with the Foreign Minister who was strongly opposed to US covert activities in Central America and certainly wouldn't have approved any such Argentine activity let alone an expansion of such activity. My assessment was that expanded covert action would be a resignation issue for him.

As usual we had a delegation meeting that the Vice President chaired; we particularly discussed what we were going to do in the military meeting. I argued strongly that we shouldn't surprise the new government by raising covert activities in Central America. I said it would be counterproductive for us to press this issue before the civilians even heard about it from their own military. North argued strongly that the VP should press for help from the Argentine military because it was needed in our Central American struggle. I countered that we should build a base for such a difficult request by showing our cooperation on economic and bilateral military matters first and not risk what support we were already getting by prematurely pressing the issue. Finally the Vice President, despite North's heated objections, overruled him and said we would not raise it.

We did not have many constructive things to raise in the military meeting. We had cut off virtually all military exports to Argentina, and we would change this policy with an elected civilian government. But we had little or no money in the pipeline to finance training or provide credit for military supplies, and the Argentine budget was very tight because of the economic crisis. I suggested something very simple. Sometimes the simplest things give the biggest benefit. I said, "We ought to give a commitment, now that there is a civilian defense minister, that we will not do anything involving the Argentine military without the prior approval of the civilians in the Defense Ministry. Any training or maneuvers we might do with the Argentine military, any supplies we might send, any export licenses we might approve, any slots we might offer for training will only be done with the civilian minister's or his deputy's approval. We won't do anything just army to army, navy to navy among the military." Nobody in the US delegation raised any objection, and the VP said he liked my idea even before I had a chance to stress it would be a cornerstone of our help in assuring civilian control of the military. Because I knew such a commitment would be important for the new government, the quick, almost unconsidered

agreement was for me one of those positive experiences which one gets to enjoy only occasionally in diplomacy.

I went to the military meeting with Defense Minister Borras and his Deputy Juanarena, whom I met then for the first time, and a couple of other Argentines. I kept waiting for the CINC or somebody else to make the offer of checking everything with the civilians. I was the only civilian on our side of the table, and I thought it was best if the CINC or another military officer made the offer. However, after about 40 minutes, mainly spent clarifying the role of the CINC, when nobody else was raising it and the meeting was fast coming to an end, I decided we couldn't let this agreed offer go by. I told them that we would coordinate completely with the civilian ministry and only with the defense minister and his deputy before we would do anything with the Argentine military. It was obvious that Borras was just delighted. Soon we broke up and went in the other room where we had a couple of minutes with Alfonsin. As that meeting was breaking up, Borras came over in his very politician way and put his arm around my shoulders – I had already had two or three lunches with him – and he said, “John,” in Spanish, of course, “you just gave my government the best gift another government could give at an inauguration.” For a moment I didn't even know what he was talking about. Then it dawned on me. Every Radical government in this century had been thrown out of office by the military, every single one. Thus what they saw as help in their interface with the military was the greatest thing we could do for them, even though it was simple for us.

Interestingly, although this commitment to work through the civilians in Defense had been something we basically invented on the fly in Buenos Aires, State, Defense, and all military services gave full and consistent support to it. There was endless cable traffic back and forth, because every week without fail the military from the Argentine embassy in Washington marched into the Pentagon and asked for something simple. Usually they were told that there wasn't any problem with supplying whatever it was but the Argentine military had to get it approved by their minister of defense. But the military in Buenos Aires did not want to put themselves in the position of asking for civilian approval of what they thought was military business. This dance went on from January until July or August, and, as far as I know, we never had a slip; we didn't give anything. The US military, I must say, completely followed the guidance from State. Finally, the Argentine military went to the defense minister and asked him to send the list of what they wanted, spare parts and training, to us at the embassy. The minister, with encouragement from me, agreed to everything on the first list. Once that channel was established, everyone found it quite easy to follow the civilian approval procedure. Perhaps it was mainly symbolic, but for the U.S. it illustrated on a continual basis our support for the civilian government and real civilian control of the military.

Q: At this point I understood also they did drastically cut military appropriations and they transferred control of heavy industries from the armed forces to the civilian sector.

BUSHNELL: Yes, they did. However, both budget cuts and privatization of the military-owned industries was a gradual, incremental process.

Q: They got away with it.

BUSHNELL: It was not easy, but the overall context of what was happening in Argentina made it possible. In order to manage its big economic problems, the Alfonsín government had to cut the budget everywhere. Their rule was that the military and most civilian ministries shared more or less equally. The military budget was cut back by about a third, but so was virtually every other ministry's budget. The cuts were more acceptable to the military because they were driven by the economic situation, not opposition of the Radical government to the military. Borras and Juanarena worked with each service to help it cut what it believed were the least important functions, even when the military had what seemed an odd sense of priorities.

Q: Before we discuss the economic, there were other political things. They prosecuted former junta members and launched a major investigation into the fate of those who had disappeared.

BUSHNELL: The issue of punishing the former military leadership, and even men well down in the ranks, for what had happened during the dirty civil war was the most sensitive nerve. There was great pressure from the Mothers of the Plaza and other human rights groups to identify and punish the military personnel involved. Most Radicals shared the view that punishment was appropriate, but Alfonsín and the leadership of the Defense Ministry generally gave priority to staying in power over punishing the military for past deeds. The fact that Borras and Juanarena with Alfonsín took the lead in protecting the military avoided the military focusing against the Radical Government.

Q: But all of this was right away.

BUSHNELL: No, it was gradual. Every year there were more cutbacks in the military budget. I don't think they were a third down until 1986. The military personnel in the civilian ministries departed right away. Having military in these ministries was a feature of a military government, and the military was accustomed to losing these jobs when a civilian government took over. Getting rid of the so-called military factories, most of which produced civilian products sold commercially, was a very gradual and often painful process. Because most of these military factories were inefficient and losing money, the Defense Ministry made them compete with military salaries and equipment expenditures for the scarce budget money. Thus the generals began to want to get rid of the factories to keep their fighting forces. At one point I suggested to Juanarena that he establish a procedure so that revenue from sale of factories or surplus property could be used by the military for equipment purchases or funding military pensions. He wanted to establish such an incentive structure but initially could not get it approved by the economics minister who grabbed every peso he could get his hands on. Over a leisurely lunch at my house, I was able to explain to the economics minister how such a procedure would accomplish several objectives in making the military less powerful and less expensive. It was then approved. Reducing the military factories was a slow process, and they're still not out of weapons production.

These problems were easy relative to the political and legal questions concerning punishment of the military. The issue was not just punishing the top leaders who were now retired. Most of the human rights abuses were actually carried out well down the chain of command, and officers

who had been perhaps captains in 1976 might now be majors; the sergeants were also still on active duty. This issue was perhaps Alfonsin's greatest challenge. The first thing he did on being elected was to try to punt. He said, "We're going to have a commission to investigate the disappearances. Nobody knows how many disappeared there were. Let's get the facts."

Q: Estimates of up to 9,000.

BUSHNELL: The human rights groups and the political left used numbers of 30,000 and sometimes more. It turns out there probably were about 9,000. Alfonsin named a commission, called the Sabato Commission after the head of the commission. The commission developed a detailed list of the actual disappeared and something about the circumstances. There was a great debate about what, if anything, to do to punish the individual military who might be shown to be responsible. The military argued that everything that happened was part of defending the country in the dirty war. Human rights groups argued that many military should go to jail for a long period. The military government, before it left office, had issued a law which pardoned everyone acting for the government. To prosecute anybody, the court would have to overcome that pardon, which was a complex legal issue, but courts eventually began to find ways around that law. After a couple of years the Alfonsin Administration and the elected Congress passed a law, called the Final Point, which essentially pardoned all but the most senior military acting as part of the institution. A few cases were brought into the courts where it was argued the acts were outside the scope of this law, but the courts generally found for the military. There were many legal debates. While I was there, a few of the most senior military officers were tried and were sentenced to long prison terms. Essentially no one was tried who was still on active duty. Later President Menem pardoned the senior military who were in jail; most were actually under house arrest because they were by then senior citizens. More recently, grounds have been found to try military involved in taking the babies of those who disappeared and a few others. The legal struggles still go on in the courts and in the press. Alfonsin managed this problem well, keeping the loyalty of the active military by allowing much negative publicity but little punishment.

To understand the political/military situation one has to understand the Argentine military, which is a cast apart. Many Argentine military officers began in a military preparatory school at grade one and went through grammar and high school in military schools. Then they went to a military academy. Their whole education was military, and they seldom associate with people outside the military circle.

Q: I think Peron went through that kind of education, didn't he?

BUSHNELL: Yes, Peron went through it, and Videla, Viola, Galtieri all went through this system although some may have begun only in middle or high school. Once an Army officer graduates from the academy, he is normally assigned to one of the remote posts on the border of Chile or Bolivia. Everywhere the most junior officers are assigned to the least desirable posts. Perhaps the system is similar to the assigning of most junior FSO's to consular work in developing countries. The only eligible young educated women in these remote posts are the daughters of the colonels and the majors. So many of these young officers marry daughters of military. There is another military family. Before long they send their sons to military schools

even when they're transferred close to Buenos Aires. There is little communication between the military and civilians, even with the civilians who are strong supporters of the military. Juanarena, who was the vice minister of Borras at the beginning of the Alfonsin Administration and eventually became the defense minister, told me that before he became vice minister of defense, he had never in his life had a conversation with a military officer. Never. That is how distant the military was from the civilians.

I tried to begin a long-term process to bring the military and civilians together. I used the USIA visitors program, for example, to send up mixed groups of senior military, civilians from the defense ministry, and civilians from the universities to see our ROTC programs. I pointed out that the military academies did not provide training in management, accounting, science, and other specialties needed in a modern military and suggested some officers go to the civilian universities for at least part of their education. Such training began, and now, for the first time just recently, the Argentine military has decided that one year of the military academy is going to be in civilian universities. They did disband, as part of the budgetary cutbacks, the military grammar schools and some of the high schools, which had been part of the military budget. Thus the next generation of military officers will have had far more association with their civilian counterparts.

We were able to help this process of the civilians gaining control of the military in many ways. For example, to help with the budget problems, we ran PPBS exercises; the planning, programming, budget system was the state of the art budgeting/programming system introduced in our Defense Department by the whiz kids in the 1970's. We called our work training the Argentines exercises because that way we could send our military to participate at no cost to either the Argentines or our very limited military assistance budget. Some Argentine military even went to the U.S. to train or exercise with our experts. The Argentine military were very interested in learning and applying this planning system. Moreover, it allowed them to identify areas of their budget where cuts could be taken without much reduction in military capability. Working with the very small group of Radical Party civilians in the Defense Ministry, we found a lot of ways we could draw on US programs established for quite different reasons to strengthen civilian control over the historically independent Argentine military.

I also worked on the other side of the equation, trying to get Argentine politicians and everyday citizens more in contact with the Argentine military. We normally had at least one representational dinner at the DCM residence each week, and I tried to include one or two Argentine military couples whenever possible. Many times other Argentine guests commented that they had seldom, if ever, had a chance to converse with senior military officers and they surprisingly found my guests quite reasonable people. Working with the political section, especially our new political/military officer, we encouraged the Congresspersons on the military affairs committees to visit various military installations. Juanarena had military officers assigned to the Defense Ministry organize such tours and work with the Congressmen. When we had a chance, which was fairly often, I and other Embassy officers would urge various civilian groups to reach out to the military in a positive way. We got editorial and opinion piece journalists to approach the Defense Ministry for background on stories and Juanarena to have military officers from all the services assigned to the task of improving civilian understanding of the military. I

even got the Banking Association to invite military to participate in some of their seminars on less specialized topics. I worked with the Argentine Council on Foreign Affairs to invite active duty military to their programs in significant numbers and to provide speakers to military schools.

Q: What is incredible is that while you were dealing with all these political and political/military issues, there were all kinds of economic interactions here and the Argentine government was grappling with a mounting economic crisis, a severe depression, huge fiscal deficits, runaway inflation, staggering foreign debt, and general strikes and protests against the economic austerity measures. This must have been especially interesting to you as an economist.

BUSHNELL: Yes, the economic problems were immense, interesting, and important to the United States. As there are only so many hours in a day, I frequently had to set priorities for my time. I adopted Alfonsín's guiding principle that the military was the biggest threat to democracy. Thus I gave priority to the military issues, but the second priority was the economic situation.

Q: The several thousand percent inflation was apparently comparable to that in Germany after World War I.

BUSHNELL: Yes, it almost got that bad, but it never reached the point where money became virtually worthless. Inflation was substantial even when I arrived, driven by war spending and the military's disregard for the size of the budget deficit. When I had been in Buenos Aires just a couple of weeks, before my family had come – July of 1982, one Friday my cook said to me, "I need some money to buy food and other things for the house." I guess I hadn't had time to exchange much money at the embassy that week. I said, "I'm a little short right now, so I'll give you money on Monday." She sort of gave a look of resignation and said, "The grocery prices will be a lot higher on Monday." That's inflation. The prices literally went up every day; of course the exchange rate moved every day too so those of us paid in dollars were really not much affected. When my wife arrived and began helping with the shopping, she told me that several clerks in the grocery store spent full-time marking up the prices on the individual cans, bottles, and packages. During the inflation crisis periods the same can might be repriced several times a day. In 1983 consumer inflation was 434 percent, and in 1984 it was substantially higher.

Q: How did people adjust to that kind of situation?

BUSHNELL: One thing everybody did was to think in terms of dollars, because otherwise you had no reference point. If you had bought a shirt several months ago and paid 10,000 pesos and now it's 25,000, you don't know if it's now cheaper or more expensive. You have to think that, when I bought it, my 10,000 pesos was worth 50 dollars and now my 25,000 pesos is worth 60 dollars; thus the shirt is more expensive. People did a lot of thinking in dollars, and major transactions such as selling a house tended to be quoted only in dollars.

Q: But also you just get rid of the local currency as fast as you can. I was in Chile in the late '50s when inflation was 60, 80, 100 percent, and of course people kept inventories of goods and people would start to build a building and get halfway through it and go bankrupt.

BUSHNELL: Correct. People would spend their wages the same day they got paid, and credit was very hard to find. Families would stock up on groceries. Other purchases would wait for payday. Some merchants continued to extend credit for a few days so purchases could be made before pay-day and the merchant paid on pay-day. Amazingly, despite this long period of inflation in Argentina, many of the institutions which one would expect to change didn't change. For example, there was not a great demand to get paid daily or even weekly. Most Argentines continued to be paid twice a month. Some, including much of the public sector, were paid only monthly. Perhaps the fact that Christmas bonuses were generally an extra pay discouraged people from demanding more frequent payments, risking getting smaller bonuses. Despite the various ways of adjusting to continual rapid inflation, such inflation is very disruptive and reduces productivity in any society. For example, the price of gasoline would go up every few days, but the increase would be announced one or two days before. Everyone then rushed to the gas stations to fill up before the price rose. The lines reminded me of the waits for gas in the U.S. during the 1973 energy crisis. Once the price went up, the gas stations had little business for several days. Almost everyone spent, or wasted, several hours a week coping with inflation.

Hyperinflation also has many structural effects. One story that really brings home the point was told me by Maria Julia Alsogaray, whose father had been a general, economy minister, and occasional conservative presidential candidate. She was a rising conservative politician in her own right. "With inflation how do you teach kids to save money in a piggy bank? For months they keep putting coins in the piggy bank, and, when they've filled it up after a year, it's not worth anything. You can't teach people to save that way."

We had few AID problems in Argentina which no longer received significant concessional assistance, but one AID problem illustrates how inflation awards some people windfalls although others are heavily penalized. There was an old AID housing guarantee on money provided by private lenders in the U.S. for home mortgages in Argentina. The mortgages were in pesos, but the lawyers protected AID from inflation and devaluation by providing inflationary adjustments. Every year the mortgages went up by the amount of the inflation, so the dollar value was kept more or less the same. But somebody put in the mortgage contract that the maximum annual adjustment would be 40 percent. People thought, when they wrote these contracts back in 1965 or something, that 40 percent would be a fantastic and unlikely rate of inflation. Well, inflation became a multiple of 40 percent, and in a few years the value of the underlying mortgages was greatly reduced. People could pay off their mortgage with a month's or two's salary, and many did. The Argentine government bank which was the intermediary then could not afford to buy the dollars to pay the US lender and claimed it did not owe the money because the lender and AID had agreed to the cap on the inflation adjustment. AID had paid the US lender but was still trying to collect from the Argentine bank. After much back and forth with AID in Washington, I arranged for the Argentine bank to make a fairly small partial payment, and AID finally accepted its loss.

Q: Once those inflation adjustments become habits, how do you overcome them and get back to a more stable currency?

BUSHNELL: There are two problems. First there are underlying reasons for rampant inflation, usually large government deficits financed by the printing of money. Unless these large increases in the money supply are stopped, inflation will continue and probably accelerate. Second, there is a psychological problem. If people don't believe prices are going to be stable and change their habits, they probably won't be. A government can take zeros off the money, making 1000 pesos become one peso, but without an effective program to deal with both the underlying problem and the psychological problem inflation will drop for only a couple of months and then start rising again. It was clear to just about every Argentine that Argentina had a tremendous government sector deficit problem. Argentina had great agricultural wealth, but not enough to pay for a greatly overgrown and very inefficient public sector, including a lot of government companies that ran railroads, airlines, basic utilities, and factories. Stopping inflation would require making the government efficient and laying off many thousands of public sector workers. However, in the face of already high unemployment it was very hard to do anything that would put more people out of work. Not to mention the problem of very strong unions, particularly in just the public enterprises where reform was most needed.

These structural economic problems would be hard to deal with in the best of circumstances, and a newly elected democratic government which narrowly defeated the party supported by most of the unions is far from good circumstances. Yet this was an important problem for the United States. Argentina was the second largest debtor of the major U.S. banks. If the banks lost all the money they had loaned Argentina, the devastating losses would reduce their capital below the minimum allowed by the Federal Reserve and they would have to reduce their loans sharply. Credit would become tight worldwide. Other debtors might also default, throwing the entire world into a long lasting recession. Again the question was how could we use creative diplomacy, the diplomatic tools that we had, to help the Argentines find a way to resolve this immense economic problem.

The Argentines had some pretty sophisticated economists. There were six Argentines with Ph.Ds. from the University of Chicago. Usually no more than one of them was in the government at the same time. Almost all senior government economic policy makers has done graduate work in US or European universities. But the voices of the well educated modern economists did not have much carry; the newspapers and television principally reported economic views of populist politicians, union leaders and journalists. To try to inject more modern economic ideas into the political debate, I ran what I called the Nobel Prize project. Argentines had great respect for Nobel Prize winners in all fields, perhaps in part because Argentines had themselves won an unusual number of Nobels, three or four, mainly in the sciences. Thus I thought that Nobel Prize winning economists visiting Argentina would get a lot of attention in the press and they could lift the level of the popular policy debate. I tried to get as many as possible, and over three or four years six visited.

Q: These were USIA activities?

BUSHNELL: Some came under the auspices of the USIA Visitors/Speakers Program, including two of the most effective, Jim Tobin (Nobel 1981) and T. Schultz (1979). I suggested to the leaders of Argentine Banking Association that they invite a couple to speak at their annual

meetings, and we then assisted in getting the Nobels to accept and with the details of their programs in Argentina. Similarly, FIEL [Foundation of Latin American Economic Studies], an Argentine think tank sponsored by leaders of the largest and more modern firms, invited one. F. Modigliani (1985) was arranged jointly by USIA, the American Chamber of Commerce, and the Italian/Argentine Society, as he was an Italian/American. I would, over dinners and at receptions at my house, bring together Argentine policy and opinion makers with the Nobel professors, and they did get a lot of press play. We encouraged journalists to seek the views of leading Argentine economists on the Nobels, and this tactic resulted in more serious Argentine economists getting into public policy debates.

Q: Who were the other Nobels? Do you remember?

BUSHNELL: W. Leontief (1973), G. Stigler (1982), and J. Buchanan (1986). Also we had other visitors who did comparable programs to promote the debate both within the government and among the public on the deficit, efficiency, and privatization. We had several Treasury officials, members and former members of the Federal Reserve Board, presidents of the New York Federal Reserve Bank. Promoting this economic debate and awakening was a fascinating and enjoyable activity for me. Because many Argentines were bright economists, we had sophisticated economic discussions. Often for these visitors I would give a stag dinner, inviting some of Argentina's best economists from both the government and private sectors. After one does something like this for awhile, the word spreads and invitations to my dinners was highly valued. I would get the minister of economy and/or his deputy and the head of the central bank as well as the best economists from the Peronist opposition and the private sector. Often we'd invite for dinner at nine or nine-thirty, and we wouldn't even get up from the table till two o'clock, as the time flew because of the interesting and challenging discussion. In many cases the visitors didn't know much about Argentina so they couldn't hone in too much, but they could apply general principles, and they were genuinely interested. Here was a country with near record inflation. How do you manage it? How do you get over it? What caused it? How could such a rich country get in such a mess?

One of these dinners had an amusing aftermath. Under Secretary of the Treasury Beryl Sprinkel was visiting in January of 1984, and he had recently had much publicity in Argentina because of his argument that the size of the government deficit did not matter. This argument was to support the Reagan tax cuts, and it assumed the deficit would be largely financed by borrowing from the private sector, not by printing money. However, the Argentine press was focused on his theory and his visit at a time when Argentine inflation was at world record levels. He tried to make the difference between financing by borrowing and by inflation clear in several public appearances including a press conference, although the Argentine press did not seem to understand this difference which was much more than a nuance. That night we had the best Argentine economists from the government and the private sector including the opposition. To promote a free flowing debate, I asked everyone to agree that no one would speak to the press about the substance of the discussion nor say what he or others had said. There was an excellent discussion; no one wanted to break it up, and my staff served several rounds of after-dinner drinks and coffee. The guests began leaving after 2:00 AM. Unbeknownst to me, a group of press had staked out the house; once they had seen several leading economists they knew go in, the

reporters were determined to get a story. The next week there was a big spread in Somos, the Argentine equivalent of Time magazine, with a headline, “The Last Supper” and a picture of the front of the DCM residence and one of Sprinkel. The reporters had tried to talk to my guests as they came out, but everyone honored my ground rules. Thus much of the story, aside from background on the guests, dealt with the menu. Two guests said how good the fish course was; others praised the main course; my cook was delighted (she could not have gotten better references). She’d never had such publicity in her life. Somos guessed at what might have been said. I know they were guessing because at least half, including some unattributed quotes, was not accurate. Some of the press tried to imply that the Argentines were getting instructions from Uncle Sam, but they had nothing to base such implications on. In fact the presence of economists from the private sector known to oppose the government’s policies undermined their stories.

Q: What was the role of the IMF in this?

BUSHNELL: We all hid behind the IMF. The IMF would not approve drawings for Argentina unless the government promised to carry out a specific detailed program which was viable, meaning the public sector deficit had to be greatly reduced. The private banks and other international financial institutions such as the World Bank would not lend unless there was an IMF program. The Embassy role was basically diplomatic, promoting the intellectual discussion that might lay the basis for a sound program the IMF would support. The US government was not going to provide any money, except for short-term stabilization fund loans or guarantees. US private bankers were in a leading role on the debt because our banks held much of the debt and Citibank chaired the steering group for Argentina. Most Argentines tended to think the US role in the IMF was even more important than it is, and it is fairly important. Thus Argentine officials worked closely with Treasury and the Federal Reserve and tried to convince the U.S. to intervene with the IMF and/or the private banks to help Argentina get whatever it was after at the moment. Often we were helpful, especially with the banks.

Because I had worked in Treasury and knew many of the senior officials of the IMF and World Bank, I was in an unusual position. Treasury and the Fed would consult me to get an on-site assessment of the Argentine situation and to look for ideas that the Argentines might find acceptable to improve their program. At times I felt I was the Treasury Attaché in Buenos Aires, and in some ways I was. Similarly, the Argentines would keep me well informed and exchange ideas because they wanted my assessment of what decision-makers in Washington were thinking, and they welcomed ideas on how to satisfy the power-brokers in Washington. I was in a classic diplomatic position, everyone’s friend and confidant but without any decision power. It was fascinating and a great position from which to plant ideas. As there were frequently misunderstandings between Washington and Buenos Aires, I had plenty to do just to keep communications clear.

One afternoon when we were at the decision point on a complicated commercial bank refinancing arrangement and I was trying to smooth details among the parties, Ambassador Ortiz complained that I had all the phone lines in the embassy front office tied up and he couldn’t make a call. Assistant Secretary of Treasury David Mulford had called me and then asked to keep the line open to him and his staff for me to report progress. Then Bill Rhodes, who was the Citibank

Executive Vice President and chairman of the bank steering group, called to ask me to try an idea on the Argentines informally, and his office then told my secretary they would keep the line open. I had had trouble earlier that day getting to the Central Bank President so I asked him to keep a line open, and I also had an open line to Herman Lopez, whose office was just outside President Alfonsin's office. I don't recall what the minor details were that had to be resolved, but I do recall that I was very frustrated. Citibank would propose some compromise wording, and the Argentines would reject it but propose wording that said essentially the same thing. Citibank would reject that language. At one point I proposed that the Argentines telex their proposed wording in Spanish; then I told Citibank that the Spanish could be translated to be what they had suggested. Everyone then agreed on that point.

Every time it seemed the agreement was done, one side or the other would come up with some change. Finally the banks insisted that President Alfonsin agree personally to a couple of the key actions the Argentines were agreeing to undertake. The Central Bank President and Economy Minister objected because they claimed the President had already approved such actions in earlier discussions with them. The banks insisted. I briefed Lopez, and he called the banks from the President's office. I think he told me he put the President on the phone; at any rate the agreement was then sealed. A diplomat who's on the scene, has made the right contacts, knows the relationships, understands what the US objectives are, and is willing to stick his neck out can make a big difference.

Q: And, of course, this was a time when the major thrust of the Reagan Administration was to encourage privatization and deregulation. All of that was presumably relevant.

BUSHNELL: Yes, although I sometimes wondered if the Reagan Administration was really committed to deregulation. By 1985 there was a lot of talk in Argentina about deregulation and privatization of the public enterprises, but the Alfonsin government was reluctant to make changes that would threaten the jobs of many government workers who regularly supported the Radical Party. I talked to the economy minister and head of the Central Bank and some other senior economic policy makers and said that I'd like to organize a group of senior Argentines to go to the United States and study our experience with deregulation. We'd deregulated trucking; we'd deregulated the airlines. It was our version of privatization, you might say. My idea was to expose a group of Argentines not only to the government side, to OMB which was in the lead on deregulation and had a whole office that was devoted to it, but also to academics who saw where the U.S. might be going and businessmen who had experience as beneficiaries or customers. Moreover, I wanted to get together a group of Argentines from different ministries and from the private sector in the hope that a dynamic might develop among the group that would help Argentine policy formulation. There was considerable enthusiasm among the senior Argentines, and the Ministers selected some of their outstanding career civil servants and at least one deputy minister who was a political appointee. There was a think tank supported by the leading big companies called FIEL [Foundation for Latin American Economic Investigations] which sent its executive secretary. Eventually, perhaps partly as a result of this mission to the United States, FIEL produced a 20 volume study analyzing the potential privatization of just about everything – the reasons, mechanisms, and benefits. At the time I proposed this trip FIEL, was just beginning work on privatization.

We proposed this study project to Washington through USIA, and I thought such a visitor group would be a welcome piece of cake in an Administration for which deregulation was a major policy thrust. Wrong. The word came back from USIA that it had not done any such programs and did not have any contractors who could do it. I thought this was absolutely absurd. The United States, the great proponent of the private sector, can't organize a visitor program on deregulation and privatization. I wrote a very undiplomatic cable addressed to the Assistant Secretary for Latin America as well as to USIA Director Wick, who had been down to visit and whom I knew from work on Radio Free Cuba at the beginning of the Reagan Administration.

Q: I would have thought Enders would be supportive of this.

BUSHNELL: By that time Enders had long since departed to be Ambassador in Spain. He would have supported it, and Tony Motley, who was then Assistant Secretary, did support it as did all of ARA and State. Everybody in State was as aghast as I was at the USIA position. Bob Gelbard, who at that point was the ARA Deputy for South America, was assigned to make it happen. ARA sent me a cable right away which said State was working on it and there would be a program; Bob wanted more ideas of particular people and institutions to visit from me, which I sent. Wick, when he finally got my cable, apparently went right through the roof. How could his agency not do a program so much in line with the views of the President, his friend? He telephoned me to say there would be a first rate program and he was going to oversee it himself. Out of the blue he offered to finance it without any charge to the Argentine USIS budget. State got the President's Council of Economic Advisors involved as well as OMB, and a great program was put together.

Except for the FIEL study and the privatization of some of the military-owned industries there were few concrete results by the time I left Argentina in July 1987. But big plants do not grow from small seeds overnight. In the 1990's President Menem adopted virtually the entire FIEL plan and privatized everything, even the postal service, the airports, and water and sewerage supply. Argentina has now privatized more than anybody else, even more than the UK or Chile. The Argentine situation now makes the U.S. look like a socialistic country. Of course, it was the desperateness of the situation that forced the Argentines to such extensive action, not a USIA visitor program. But such programs were part of our constructive diplomacy not only in managing the crisis of the moment but in trying to build for the future as well. Moreover, such programs showed the Argentines involved that we in the Embassy and we the United States were interested in Argentina's long-term progress. The more you demonstrate a shared interest, the more they feel you're on their side. Thus such programs open doors. People are more prepared, even eager, to listen to you.

Q: How about the World Bank and the Inter-American Development Bank? Were they part of this too?

BUSHNELL: At first the World Bank did not respond to the magnitude of the Argentine challenge. Argentina needed to take gigantic steps to improve the efficiency of government and the effectiveness of economic policies. The World Bank can do a lot to help. The Bank can provide technical assistance, but, more important, the Bank can encourage those that want to

improve institutions and policies. Then the Bank can structure large financial packages to make painful changes much more acceptable for all except those actually losing their jobs or their special privileges. Perhaps because Argentina was one of the Bank's richest borrowers in terms of per capita real income, the Bank had been content to lend for the usual road, electricity, and similar large projects without much concern with overall economic policies. When I came to Washington in 1984 for consultations during my home leave, I spent a couple days at the World Bank where I knew lots of people working on Latin America and in the President's office. I urged that now Argentina had a democratic government, the World Bank should make a big effort to help improve Argentine economic policies. The IMF was trying hard to get a reduction in the public sector deficit, but it was the Bank that had the experience and expertise to bring about the changes that would make many of the public institutions more efficient and effective and thus reduce the deficit on a permanent basis. I suggested the Bank should stop building better deck chairs on the Titanic and insist on addressing the vulnerabilities of the hull. I suggest the Bank say, "Look, if you'll reform the railroads and get rid of half the employees, we'll make you a big loan for the railroads."

I talked to quite a few people in the Bank, and they seemed to agree with me in principle. Soon the Bank expanded its study efforts in Argentina to a more comprehensive approach and began lending for both technical assistance with institution building and for policy improvements. The situation called for such a Bank role, and the IMF and some Argentines had also been pushing it; my role was just one among many. I met with most of the Bank missions to Argentina, often having them to dinner with just Embassy staff. They did good work and laid the basis for real reforms, but President Alfonsín was not willing, or perhaps able, to make big structural reforms. Thus the Bank built for the future with studies, technical assistance, and loans for the most needed projects. It was not until the 1990's that the Bank efforts paid off.

The Inter-American Development Bank had a narrow project approach. The IDB supported broad reform but did not press for it. A couple of times IDB projects missed obvious opportunities for improving economic policies. At one point the IDB was working on a proposal to finance needed electric transmission lines, but the IDB was not including any requirement that the Argentines set electric rates sufficiently high to cover costs or take action to reduce the stealing of electricity from the lines with jerry-rigged hookups. We sent a cable to Washington pointing out the problems, and Treasury successfully suggested the IDB make the appropriate changes.

To go back to one of the biggest issues, non-proliferation, how were we going to make progress on non-proliferation by stopping the Argentines nuclear arms research and getting Argentina to accept international safeguards? It was clear the only way we were going to make progress was if we could interest the new democratic government in taking this on and gradually assuming control of the Navy program. In November 1983 as soon as he had been named, and this was before the arrival of Ambassador Ortiz, I invited incoming Foreign Minister Caputo and a couple of his advisors to lunch. In fact I had two lunches to talk about everything worldwide. Toward the end of the second lunch when I felt we had developed a bit of a relationship - we discovered our wives had the same maiden name, Morel, even spelled the same, I said, "You know, I keep having a nightmare that involves Argentina." Caputo said, "What's that?" I said, "I have a nightmare that, at the time when all those British ships were gathering off the Malvinas, the

Argentine navy had already developed a few nuclear weapons, and they loaded them, flew out, and dropped a couple of nuclear bombs on all those ships. It was the ideal non-fall-out situation; thousands of miles to Africa before the fallout was going to land on any place that's populated." Caputo's mouth just fell open. When he recovered, he said, "Adios, Buenos Aires. [Goodbye, Buenos Aires]." Dante Caputo is a foreign policy intellectual and very bright and nationalistic. In his thinking there was no question that, if the Argentines had dropped nuclear weapons on the British fleet, the UK would have taken out the city of Buenos Aires with nuclear weapons. I don't myself think that necessarily would have happened. But it was certainly a possibility. Most helpful to us, it was Caputo's perception. He asked how close his military were to having nuclear weapons. I professed not to know but said they had all the science and only needed to perfect a few manufacturing techniques and assure the proper fuel. He said his government would have to address this issue on a priority basis. Soon thereafter he assigned it to his principal deputy who had a science background, and we worked together to make progress.

Occasionally when I would see President Alfonsín, although I never told him the nightmare, he would ask me, "John, how's your nightmares?" Thus my imagined nightmare served to focus the new democratic government on a major problem as well as to build a cooperative relationship on it with us. The Alfonsín government gradually got control of the nuclear program. I worked with Juanarena in the Defense Ministry to slow and eventually stop the Navy program. The Navy argued that the thrust of its nuclear program was toward building a nuclear submarine and perhaps other nuclear ships. This direction was certainly better than weapons development, and Juanarena initially encouraged it while tightening the budget. Within a couple of years the Navy project reached the stage of needing large investments to start construction. I suggested that Defense make the Navy compete its nuclear program against not only its other potential investments but also those of the Army and Air Force. The PPBS system our military was teaching the Argentines helped in this exercise. In effect the Army killed the Navy's nuclear sub program to protect its budget priorities.

Beyond slowing weapons development, we hoped to bring all Argentine nuclear programs under the IAEA international safeguards by getting Argentina to accept the Latin American nuclear treaty. The strongest argument of the Argentine nuclear community against safeguards, since no one argued publicly that Argentina should develop weapons of mass destruction, was that Argentina could not risk a situation where Brazil developed such weapons and Argentina did not. Thus I assumed the two countries would have to move forward together, but there was little communication between the nuclear communities in the two countries. I developed a close relationship with the Brazilian DCM, having a private lunch every couple of months. It was obvious that one of his Embassy's priorities was tracking the Argentine nuclear program. I was helpful by explaining to him the cooperative programs we began developing and by shooting down some of the crazy things that would appear in the press. This channel was also useful to let the Brazilians know that the democratic civilian government was getting control of the program and wanted to move it to strictly peaceful uses. He, of course, claimed that was also the goal of the Brazilian program, giving me opportunities to suggest they should move to safeguards together. More immediately the Foreign Ministries should start talking. Soon Caputo's deputy, Sabato, was invited to Brazil, and a dialogue began.

The Brazilians had signed the treaty but hadn't ratified it; thus safeguards did not apply. The Argentines hadn't signed, and they weren't going to sign until they had an agreement with Brazil and an agreement with the IAEA on safeguard procedures. During my time in Buenos Aires much progress was made in getting the two countries moving together toward full scope safeguards; most nuclear installations such as power plants in both countries were under IAEA safeguards because that was a condition of the U.S. or Germany which supplied and financed the plants. However, the two countries did not bring their programs under the treaty and safeguards until after I departed. But now both Brazil and Argentina are under the full international safeguards, and we don't have a Pakistan/India in our hemisphere. Incidentally, because the Argentine nuclear program was very advanced they provided much training to Pakistanis and Indians. Argentina/Brazil is a clear case where only the emergence of democratic governments which wished to weaken their militaries and had an anti-nuclear bias prevented development of nuclear weapons.

For the Embassy, in nuclear matters as in economic and military areas, it was a matter of doing the little things, of keeping our eye on the ball. We had a science officer for whom nuclear was the number-one priority. He worked closely with the civilians in the Argentine nuclear program. Dick Kennedy, who was the Under Secretary of State for non-proliferation or whatever it was called, made several trips to Argentina to build a constructive relationship with the Argentine nuclear community. His argument was, "If you join the non-proliferation treaty, then you can be part of many international programs; we can do research and other things together; we can export together; you can have access to more technology. There are many positive things to be gained." The senior elected politicians didn't want a military nuclear program, but the people in the program, of course, did, because they thought that was the only way their considerable skills would be used and they would have continued high-salary employment in their field. Many of these people were the cream of the Argentine scientific community, or in the case of the Navy some of the brightest officers. To help the civilian politicians bring their nuclear position around to full-scope safeguards Kennedy explained to the nuclear people how the Argentine program could be highly successful focusing on civilian uses. The economic pressures also drove them to develop such areas as exporting medical nuclear products throughout Latin America. Also economic pressures convinced the government that Argentina could not afford any more nuclear power plants after the second built with German financing. We invited quite a few Argentine nuclear scientists to the U.S. where they were exposed to new possibilities for civilian uses; often we had to arrange special waivers because Argentines could not be shown any secrets since all Argentine programs were not safeguarded. Gradually the budget pressures and the potential advantages of the international cooperation that would come with safeguards began to convince all but the hardest line nuclear experts that full-scope safeguards and cooperation with the U.S. was the best route.

Q: Just a little more space on this cassette. I think we'll have to come back to Argentina the next time. But in summary, how do you think history should judge Alfonsín?

BUSHNELL: It should judge him quite favorably because he managed a very difficult political transition; he kept the military in the barracks, gradually reduced the military role and budget, and even nicely handled the punishment of some retired military leaders in civilian courts for

human rights abuses. He didn't manage the economic problems very well, and eventually the economy was his undoing. But much of the intellectual basis for the major economic reforms which came later was created under Alfonsín, although not with his leadership. In 1989 when Menem was elected I told Alan Greenspan that, just as it took an anti-communist Nixon to go to China and open relations, it would probably take a Peronist, such as Menem, to carry out the basic economic reforms needed in Argentina to make the overgrown public sector efficient or privatize large sections of it. I'm not sure that any Radical president could possibly have done it. Alfonsín could have had better economic policies than he did. But he took a country that was in desperate shape both politically and economically and brought it a very long way. The proof of the pudding is that he laid enough of a base that his successor was able to straighten out most of these economic problems and make Argentina, at least for a while, a leader in modern economic policy. The people who lay the base usually don't get much credit. But, if nobody lays the base, the job won't get done and there'll be nothing to get credit for. Thus Alfonsín deserves a part of the credit for the basic economic and nuclear policy changes that came to fruition under Menem. Menem deserves a lot of the credit too.

Q: Today is Wednesday, September 9th, 1998. John, we covered most of your experience in Buenos Aires during the last session, but you were there during a very critical five-year period: the collapse of the military government and the emergence of a democratic government. How would you summarize that experience?

BUSHNELL: It was a very rewarding experience for me because a tremendous amount of progress was made, both on what had become the Argentine objective of reestablishing a democratic system and on all major US goals. During my five years there were no new wars, no successful coups, no debt default, virtually no human rights abuses, and the nuclear program was placed under civilian control and directed away from weapons while the basis for full-scope safeguards was established. In the previous decade all these elements had moved in a negative direction. During my time there was also a fairly difficult diplomatic evolution. We began in the outhouse because we were seen as the key ally of the victorious British in the Falklands War. Thus to play a constructive role and move the Argentines toward our objectives, we had to do an awful lot to reestablish our credibility as a friend of Argentina. Fortunately our objectives were generally shared by the newly elected government. By good luck we didn't have any strong negative events or issues that threatened good relations; both sides were able to mute key international disagreements; we supported the Argentine resolution on the Falklands at the UN, and the Argentines did not push their opposition to our policies in Central America.

Q: When you arrived Argentina was in pretty deplorable condition. In the late 19th century into the 1920s Argentina had an exceptionally high per-capita GNP in comparison to other relatively less developed areas. How do you explain the dramatic economic deterioration?

BUSHNELL: A lot of studies have been done in Argentina and elsewhere which indicate various things that went wrong. I think the situation is best simplified as the curse of the country richer in natural than human resources. Argentina has the blessing of very rich agricultural land. There are only two large areas of the world where such rich and deep topsoil has been deposited: in the Mississippi Basin in the U.S. and the pampas of Argentina. These are the two extensive areas

with incredibly rich soil and good rainfall which can basically grow most anything year after year virtually without fertilizer with high yields. The Argentines started essentially with no population, so the ratio of excellent farmland to national population all through the 19th and early 20th centuries was exceptionally high. The vast surpluses of grain and meat, and more recently soybeans, provided large export earnings as well as feeding the growing cities. However, land is a fixed resource. There are no more rich crop lands now than there were a 150 years ago. The Argentine population, of course, has grown some 50-fold in that period, so the ratio of the population to that land has greatly increased, and by the middle of the 20th century that agricultural resource was no longer able to support a continually rising per-capita standard of living. The curse of natural resource wealth is that such great wealth encourages the population to focus on how that income and wealth will be divided instead of on how all the population can be efficient in increasing output and wealth.

Thus, although the urban population grew large, especially in comparison with the productive rural population, the urban residents largely provided services to each other – government employees, traders, transportation workers, lawyers, and medical people. It was not an efficient urban sector; it was more like a typical developing country except that incomes could be high because the urban majority could benefit from the high productivity of the pampa. Similarly as industry developed, it was far too high cost to export, but it could prosper behind tariffs and other barriers selling to the quite prosperous domestic market. During the period from about 1880 to 1930 there was large scale immigration from Europe. In some years over half a million Italians were contracted to come to work for several months during the agricultural season. Of course many stayed. Germans, Spanish, Irish, and, in this century, eastern Europeans came in large numbers as permanent residents. Immigrants provided labor in the growing cities as well as in the pampa. During the first third of the 20th century living standards and job opportunities for unskilled immigrants were generally better in Argentina than in the U.S. or Canada.

Then during the world depression of the 1930s, agricultural prices fell sharply. Argentina fell into a recession from which it has really never recovered. During the Second World War agricultural prices shot up to tremendously high levels as there was a shortage of food in Europe, and Argentina benefited greatly from these high prices. As it was impossible to import most manufactured products during and soon after the War, Argentine industry expanded and prospered; high demand allowed it to cover its extremely high costs, and great efforts were made to be self-sufficient in steel, autos, farm equipment, and many other products. About 1947 Argentina had some of the cheapest food and the most expensive manufactures in the world. It also had tremendous foreign exchange reserves built up during the War when there was nothing to import. Peron and the powerful labor unions, which had developed reflecting the history of labor shortages, institutionalized high urban wages and large fringe benefits, assuring the large organized working class a high standard of living financed by the agricultural wealth. Government expanded through most of the 20th century as this was an area where low productivity could be supported on the back of the agricultural wealth. Throughout this process individuals and groups maneuvered to gain wind-falls and non-competitive positions, in effect fighting to divide up the income from the land.

By the end of the 1940's agricultural prices returned to a more normal level. Since that time there

has not been enough agricultural income to support the now large but inefficient urban structure. Moreover, government policies did not promote agricultural production but continued to favor the inefficient manufacturing and service sectors. Urban population continued to grow, not only in Buenos Aires but also in a half dozen other cities where inefficient government, service, and manufacturing activities were located. In effect Argentina has been living above its means since about 1950. Foreign debt has skyrocketed. Inflation has run out of control. Occasionally some efforts to increase urban productivity have been taken, but they have not been sustained. Increased efficiency tends to increase unemployment, and Argentina had few mechanisms to transfer workers from inefficient to efficient industries, especially as efficiency continued to be highest in the modern agricultural sector but urban Argentines did not want to leave the cities. The basic political/economic struggle in Argentina is still to live well off the agricultural wealth, either directly or mainly indirectly.

Q: How would you assess the impact of Juan Peron?

BUSHNELL: Peron promoted the switch of power away from the urban middle class – more educated, civil servant, doctor, lawyer, trader – to the working class, what they call in Argentina the shirtless, i.e. those doing physical labor in steel plants, meat packers, or construction. This shift of power would probably have happened whether there had been a Peron or not. Peron happened to be the leader who was in charge when the organizing efforts of labor unions brought this about. He and Evita sensed the trend and made themselves its leader, while making sure they sent a large retirement nest-egg to Switzerland.

Not all the urban spending of the agricultural wealth in the 19th and 20th centuries was wasted on make-work or feather-bedding projects. Much was spent on education with universal compulsory education for about 8 years developed in Argentina soon after it was in the United States. Public universities also developed with good reputations, although the budget pressures and exploding enrollments greatly weakened most universities after WWII. Thus it was not lack of an educated work force that caused Argentine inefficiency but poor organization, lack of market incentives, and corruption. As one Argentine explained the process to me, “Once the unions began negotiating work rules such that the shirtless did not have to work very hard, the rest of us adopted the same attitude and competed to find the botellas (government jobs where you often did not even have to show up except on pay-day).”

Interestingly, the unions internalized many of what we generally call social services, greatly increasing the union leaders’ power over the rank and file. For example, the major unions developed and ran their own hospitals and medical clinics, perhaps in part reflecting dissatisfaction with government clinics. Each union also developed its own social clubs and vacation resorts at the beaches; many of these were multimillion-dollar luxury establishments, far beyond what any other country provided its steel, auto, or rail workers. Thus the unions down to the shop steward had tremendous power. Imagine the situation where the shop steward decides when you get your month at the luxury beach hotel and where he has to sign the authorization for your family’s free medical care!

As managers and owners lost power to the unions, efficiency decreased even further. It became

virtually impossible to fire any worker even if he seldom showed up. During the 1960's and 1970's much of light industry in effect moved to the informal sector where there were no unions and taxes were not paid. People pointed out to me factories employing over a thousand workers which were black, meaning outside the formal tax-paying, union structure. During one discussion of the budget deficit problem with President Alfonsín I suggested the railroads and telephone company had too many employees. Alfonsín said he completely agreed. He said the railways could run better with half the current employees. But he said unemployment was already high and laying off workers would just make the social problems impossible. He said public sector employment was the Argentine version of what in the U.S. we call welfare. In effect inefficiency and even laziness were being supported by the agricultural earnings, but this process was making the country poorer year by year even as the population grew. Finally in the 1990's, when Menem privatized much of the government sector, productivity rose rapidly by 4 or 5 percent a year even as the number of unemployed grew. The person, who at age 40 has spent 20 years going to a government office everyday and doing little but getting his coffee, finds it very difficult to go out and find a job that requires real work rather than just punching the clock, putting in the time, and punching the clock again. It took the Argentines two or three generations to get into this mess, and it may take as long to get fully out of it.

Q: You've been concerned with economic development one way or the other through most of your Foreign Service career. What insights into how economic development works have you gained?

BUSHNELL: I am convinced economic policies that lead to efficient use of resources are key to development. Argentina is a prime example of how poor policies that lead to inefficiency prevent sustained development even in a rich country. With its great agricultural resources, adequate energy supplies, and an educated population Argentina could be a rich country if its economic policies had not been terrible. If the residents of any country focus on getting windfalls instead of increasing output, the country will not progress. Countries which have little or nothing in natural resources such as Switzerland and Singapore have shown what a high standard of living a universal work ethic can produce.

Q: Raul Prebisch resided in Argentina, where he retired. What was his reaction to the economic situation in Argentina at that time?

BUSHNELL: I got to know Prebisch fairly well in Buenos Aires. When the Alfonsín government was stumbling at first and the economic and debt problems were getting worse, I suggested, as did several others, that Alfonsín bring Prebisch into his quite inexperienced economic team. Although Prebisch was not a member of the ruling Radical Party, Economic Minister Bernardo Grinspun made him a full member of the team although he was called an advisor. By the early 1980's Prebisch was not trying to present policy solutions or even engaging in academic debates. As I recall, he was mainly working on recording his memories. However, he responded to the challenge of joining the Alfonsín team. He was particularly useful in guiding many of the young economists to analyze additional options. The Alfonsín team was trying to reduce the deficit by cutting spending without causing significant layoffs and by increasing tax revenue. At one of several points when Argentina's negotiations with the IMF bogged down, Prebisch pulled

together a set of policy measures which he estimated would meet the IMF targets; he then presented them to President Alfonsín. The President not only approved them that afternoon but sent Prebisch to Washington that night to explain them to the IMF. Prebisch met all the next day with the IMF and returned the next night, arriving back in Buenos Aires late morning. As it happens, I had invited him to lunch at my house that day. I expected he would not come because of this unexpected Washington trip, and I nearly did not go home for lunch; he was the only guest and the DCM residence was a 20 minute drive from the Embassy. He came, and, although he said he had had little sleep for nearly 72 hours, he was quite chipper and clear thinking, reviewing the policy measures and IMF reaction. After lunch he headed to the Economics Ministry. It was quite a remarkable performance for anyone, let alone a man in his 80's. Alfonsín promised the IMF to carry out the package Prebisch had put together, but there was a lot of slippage in government implementation. Gradually Prebisch stopped working with the Alfonsín government. He died in May, 1986.

Q: In his discussions with you, did he reminisce about his perception of his own contribution to history, especially in UNCTAD?

BUSHNELL: No, I don't recall that we ever discussed UNCTAD. When I first met him in Buenos Aires, he made a couple of remarks that infant industry protection policies had been abused and carried far beyond reason in Argentina. He recognized Alfonsín's political problems, but he thought there were many little policy improvements that could be made, adding up to a substantial improvement in the deficit situation. We did have several discussions about the role of the large international banks. Prebisch thought they pushed money on governments in good times when the governments did not need it and refused to lend in bad times, making the crisis much worse. I largely agreed with him, and we talked about ways to impose more discipline on banks and on governments during good times. One problem was that it was not clear what the definition of good times should be. Was the economy healthy because policies had been improved or just because world demand for its products was particularly good for a couple of years?

Q: Let's talk about the embassy for a minute. Frank Ortiz succeeded Harry Shlaudeman as US Ambassador. Was anybody else Ambassador?

BUSHNELL: Ortiz was there for the best part of three years. He was followed by a political appointee from San Diego, Ted Gildred. Gildred had grown up in Mexico City and spoke fluent, if Mexican accented, Spanish. I agreed to extend for a year to help a new political ambassador get a feel for the job. Ted was a pleasure to work with. I encouraged him to build good relations with the military, and he did a great job of that, being a pilot himself helped. Ted had been active in the US Young Presidents organization (presidents of companies under age 40), and he used these ties to encourage investment in Argentina. The Argentines welcome this sort of practical help.

Q: Ortiz was there well over two years. How did you share responsibility for running the embassy?

BUSHNELL: I would describe the management as similar to that of the chairman of the board

and the president of a private company. The ambassador, the chairman, focuses on policy, representation, and some things that particularly interest him. The DCM, the president, manages the day to day operation, keeping the ambassador well informed. I wrote the annual efficiency reports on the section heads, so the section heads tended to look to me as the person who would grade their performance, although the ambassador prepared reviewing statement on the reports. The ambassador chaired frequent staff meetings where assignments were made, but part of my job was to sit down with the section heads and discuss how they were running their sections and how all the work would get done. In the staff meetings I would make frequent suggestions and ask how various projects were progressing. Occasionally the ambassador would differ with me, and I would defer to his guidance. If I thought it was important, I would discuss it with him privately later. However, I had no major disagreements with any of the three ambassadors I served under.

Perhaps I played more of a role in managing other agency offices than is usual. My role of coordinating our relations with the Argentine military required me to spend a lot of time with both the attachés and the military group. Because of my relationship with the senior civilians in the Defense Ministry and my previous contacts in Washington with senior military officers, I was often able to solve all sorts of problems for the military sections. Of course the military officers in turn made big contributions to our overall goals. Because I had more detailed knowledge of what they did, Ortiz asked me to draft the annual ambassador evaluations of our senior military officers. He signed the reports, but the officers knew where they were written. Although relations between FSO's and the senior military in embassies are sometimes strained, there was no strain in my relations with the military. By that time in my career I had been working with US military closely for many years, and I understood their bureaucracy; also I had close personal relationships with the CINCs in Panama who commanded the milgroup, calling on the CINC when I went to meetings of the Panama Canal Board.

I chaired a committee that allocated USIS grants and generally worked closely with USIS because its programs were key to several of the things we were trying to do. I spent a lot of time with the commercial officers, and I was frequently able to open doors for them. I tried to avoid much direct contact with the DEA office because I assigned the political counselor to coordinate drug matters. Most DCM's manage the State sections of embassies. However, my observation was that most DCM's and even many ambassadors played a less active role with the other agencies. Shlaudeman from the beginning indicated that he wanted me to play a very active role with the other agencies because, when I arrived, the Embassy was in a crisis situation and for some time he thought he might be thrown out. Ortiz and Gildred welcomed my playing this expended role because it helped make the entire Embassy a single team and helped everyone accomplish US objectives.

Q: I think Ortiz had a reputation of not being a commanding figure so you had a larger influence.

BUSHNELL: I had a certain advantage because I arrived just as the Falklands War was ending. Moreover, many of the senior military knew me from my job in ARA in Washington and considered me to be a friend of Argentina. The same was true of many senior economists. Since I

was not as bad as most Americans and not directly associated with the war, many officials in the military government were more comfortable and willing to deal with me than with those who had been in the Embassy during the war. Thus I did a great deal of the outside-of-the-embassy work which the ambassador would normally have done, especially with the military. For example, it had been customary for the Army commander to invite the ambassador and the Army attaché for lunch from time to time, and we would invite him and his senior staff back. After the war instead of inviting the ambassador they invited me, and they made it clear to the attaché that I was invited and not the ambassador. There were a number of things like this during that first period. Then, I was the Chargé during the election period and the interregnum when Alfonsín put together his government, and I had the opportunity to get to know some of them on a more relaxed basis before they took office. Ortiz quickly took over contacts with most of the non-economic ministers, but having known the minister was very useful for me in developing my second level contacts where exchanges could be more informal.

Q: Who were some of these contacts?

BUSHNELL: Jaunarena, who was the deputy minister of defense, Herman Lopez, who was secretary of the presidency, labor secretary and briefly secretary of defense, Garcia Vazquez who was head of the Central Bank come immediately to mind. Jaunarena and Lopez were among the three or four people I saw privately often who were real insiders in the Alfonsín government. I could work through these people to solve the problems that any part of the embassy was dealing with. For example, one of the most severe problems DEA had was that at one point the head of the national police, which was DEA's main counterpart, was in the pay of some drug traffickers. The entire anti-drug office of the police force which worked closely with DEA was essentially just using us to take care of the competition, i.e. the traffickers who were not paying the police. If somebody new came along and began moving drugs, then the police would work with us to get those people so their friends could have a monopoly on moving drugs through Argentina. For a while the intelligence on the police corruption wasn't too convincing, and I sided with DEA in arguing that the police were ok because they were helping us take down quite a few traffickers. I pushed the agency (CIA) hard to get additional intelligence, and it finally was able to convince me that the police chief as well as the officers in the drug enforcement office were protecting one large group of traffickers and getting well paid. The intelligence sources were very sensitive, and some aspects of the information could not even be shared with DEA. The question then was what could we do to change the situation without endangering the sources.

I had a private luncheon or meeting a couple times a month with Deputy Defense Secretary Jaunarena, who I knew was very close to President Alfonsín. Although this drug issue had nothing to do with the Defense Department, I went over this problem with him, asking him as an Argentine politician what might be done to resolve the problem before it became a major issues between our two countries. He explored the facts although I could not give him the basic intelligence. He said I would hear from him. A few days later the police chief resigned. And much to my surprise, the new police chief called and asked if I would visit him in his office. In all the history of the embassy I don't think any DCM had received such an invitation. I called on him alone; he dismissed his staff and explained how all the leadership in the narcotics division was being transferred or fired and that he was also changing most of the other anti-narcotics

personnel. He said he had received clear instructions to make every effort to stop all drug trafficking, and he invited me to come to him anytime I had any information that the national police were not making such an all out effort. I promised DEA and other elements of the Embassy would do everything we could to help him. The personnel changes were soon made although none of the officers was prosecuted. The new team turned out to be fairly honest but not too effective.

No one in the Embassy except the ambassador knew about my discussion with Jaunarena, and both DEA and CIA were skeptical when I reported that the new police chief had said he was changing most of the narcotics police. Some weeks later the Agency told me a source had said the President had changed police chiefs because Jaunarena had told him I had said we were getting reports about his corruption. I was tempted to put a comment on the report that such was the way effective diplomacy used good intelligence to accomplish US objectives, but I did not comment because I did not want to invite debate on whether or not I had endangered the sources. Obviously the change resulted in a quantum change in the true effectiveness of our DEA office and the overall anti-drug effort.

Another example of an Embassy-wide effort in the drug area was working to get the Argentine Congress to approve a law permitting plea bargains in drug cases and allowing the police to seize assets in drug cases. A key argument for a law beyond the usual Argentine practice was that the U.S. could then share with Argentine law enforcement seizures of assets in the U.S. connected to cases the Argentines helped us with. Some such seizures were measured in the millions of dollars. As Embassy drug coordinators political counselors Dick Howard and then Bob Felder did great work getting the Administration to propose a law and encouraging the relevant Congressional committees to consider it. But it was a very technical issue and not understood by the Congressional leadership. We made a list of about 20 key members of the Congress and then organized the entire Embassy to lobby them. For example, the Commercial Section was working with a couple of firms that hoped to sell US law enforcement equipment; the commercial officer pointed out that the potential law might well provide financing, and the Argentine firms then approach Congressional leaders with whom they were close. USIS discussed the draft law with a group of Congressional staffers who had participated in one of its programs. Other sections of the embassy also raised the issue where they had useful contacts. The ambassador and I raised it with many on our list when we saw them at receptions or dinners. There was an active social life in Buenos Aires, and it was amazing how much one could get done at these evening functions. When I was explaining the potential drug law to one senator I knew fairly well at a large reception, he stopped me while he gathered two other senators he thought should hear about it too. When the drug law was finally reported out of committee, it passed both houses in near record time with bipartisan support.

Another example of getting the entire Embassy working as a team was my coordination of the USIS program for sending visitors to the United States. I asked to chair the committee that decided which programs and which visitors because I thought such grants were an important tool in accomplishing many of our objectives. Serban (Val) Vallimarescu, who headed USIS for much of my tour in Buenos Aires, welcomed my involvement because strong Embassy support and focus on overall US objectives would give him the arguments to expand the Argentine

program. We have already discussed some of these programs such one on deregulation and privatization. This was also an important tool in building support for our policies in the Argentine nuclear community. Most years we worked with the agricultural attaché to send one of the senior officials of the agriculture ministry to the United States. Not only did those who got the trips increase cooperation with our agricultural office, particularly in sharing statistics and other information, but other officials, who perhaps hoped for their own future trip, began seeking contact and volunteering assistance.

Usually the USIS program is not used in the military area because the US military services have numerous exchange and training programs to offer. However, given our key objective of strengthening the weak civilian control of the military, I wanted to use USIS grants to strengthen the civilian defense ministry and open the military to different thinking. For example, Jaunarena had a working group in the Defense Ministry, both civilians and military officers, on military education. I thought it was important for long-term stability to get more Argentine military officers educated, at least in part, in civilian institutions where they would build links to civilian professionals. Thus we sent much of the working group on a USIS visitor grant. Of course they visited a couple of our military schools, but they also visited university ROTC programs and specialized training programs that our military had at civilian universities. They were exposed to our continuing education programs after an officer is commissioned. This USIS arranged visit was very helpful in bringing about a change of mind-set, giving these people, both the civilians and especially the military, new ideas. Moreover, spending a month together traveling around the U.S. built the team dynamic and gave all the members new incentives to work at revising the military education system in Argentina. Jaunarena told me that the civilian/military working group even began pushing some of the education changes I had mentioned to him earlier but he had not dared bring up because he thought they were too radical for the Argentine military to accept at the time. Yes, there is much that can be done in any Embassy by coordinating all the resources, which are quite considerable in the US government, and using them efficiently to accomplish US objectives.

Q: This was your first experience as a DCM, and you were, as it turns out, chargé on several occasions, sometimes for rather extended periods. Did you feel you were handicapped or limited in what you could do as chargé in comparison with what an ambassador might have been able to do?

BUSHNELL: There were a few occasions when there were some things one couldn't do as Chargé, but there were more occasions when it was probably an advantage. For example, with the new government coming in when Alfonsín was elected and selecting his cabinet, the Argentines were more comfortable coming to lunch with the DCM/Chargé in an informal way than they would have been with the Ambassador; the meeting wouldn't be in the press and thus would not create problems within the Radical Party where there was much sensitivity about accepting guidance or pressure from the United States. Also, such quiet meetings with a Chargé were less likely to raise issues with other embassies. Particularly the foreign minister designate, but even other ministers, who lunched with the American ambassador would find it hard not to accept similar invitations from the Spaniards, the Italians, the French, the Brazilians, and many others. Actually, we did have a little problem when someone in the press noticed Foreign

Minister Dante Caputo's arrival or departure from my house. However, we had noted that his wife and my wife happened to have had the same maiden name – Morel. His wife was French and my wife's grandfather was French. Morel is a common French name, and they were not from the same part of France, but we told the reporter that the lunch was a family matter. After than our wives frequently called each other cousin. So there are some things where being Chargé is an advantage. There are other things such as making a speech for the attention of the press where the ambassador title is important.

Q: As DCM you were, as you've indicated, in charge of the embassy's administrative operations. Did you find that burdensome? I think some DCMs don't really like that.

BUSHNELL: I sort of liked it. Yes, it was burdensome in that it took considerable time. During most of my tour there were repeated calls to cut staff and cut the budget. We had to identify what positions we would eliminate if there were a 10 percent cut, a 20 percent cut, or a 30 percent cut. We had to identify cuts in other agencies' staffing as well as to State's. Judgements on where to cut the budget with the minimal effect or Embassy morale were often difficult. Fortunately for me, the Buenos Aires Embassy was reasonably fat as the peso depreciated, making our dollars go farther, and we were adequately staffed. We had to look for ways to improve efficiency in our consular operations, for example. We had to ration in-country travel, especially for the consular section, meaning fewer visits to American prisoners outside the Buenos Aires area.

Security issues required a lot of time. We had good RSO's [regional security officers], but security improvements suggested by teams from Washington often threatened to interfere with the work of the Embassy or cause considerable disruption without real improvements in security. I don't know how many tens of telephone threats we had that there was a bomb in the Embassy. Finally, I decided we wouldn't evacuate the Embassy because of an unspecific telephone threat. The Ambassador's residence was a great security problem because it could so easily be attacked from nearby apartment buildings that towered over the residence. We kept pressing Washington on this problem which really called for putting a secure roof over the many skylights in the residence roof. Such a project was very costly, and Washington would press us to sell the residence and find an alternative. Unfortunately, any alternative we might afford would be in a suburb while the residence was a block from the Embassy. Thus the reduced security for the Ambassador's commute would, in my view, offset improved residence security. Moreover, the Argentines had given the U.S. the valuable land where the Embassy offices were built because of Argentine appreciation that we maintained the historic mansion nearby that was the residence and opened it frequently for functions. It would have been very undiplomatic to sell the residence which would have been torn down to build apartment towers after the Argentines had been so generous in giving us land. The Foreign Buildings Office continued to press for sale of the residence after I left until some Senators heard about the situation and provided in law that we keep the residence and improve it.

Q: As you said, as DCM you were responsible for preparing efficiency reports for embassy section heads and also reviewing comments for many officers. Did you feel comfortable in exercising that function?

BUSHNELL: Yes. By the time one becomes a DCM you've been around the Foreign Service; you've written so many efficiency reports that you develop a system and a style. My system, which some people used, but surprisingly few, is that I got the rated officer to provide me with most of the basic inputs. I made the rated officer the lead on the work requirements at the beginning of the rating year. I suggested additions and revised wording for the requirements, keeping in mind the rank of the officer and what promotion boards are likely to be looking for in responsibilities. Then two or three times during the year I scheduled a formal review, asking the people under review, the section heads, to prepare a couple of paragraphs on some things they'd done in the previous three or four months. During the review additional ideas for the report often arose, and I would make notes or ask the rated officer to prepare additional paragraphs. I kept these notes and inputs in a file so that, when I began to write the efficiency report, I had all these inputs which could be incorporated with just a little editing and updating. I found this system of gradually writing the report while having frequent performance reviews was not burdensome. I encouraged other people to do the same, but most people leave the task of writing evaluations until the end of the rating period.

Q: Would you care to comment more broadly on the role of efficiency reports in the Foreign Service, including the tendency toward inflation.

BUSHNELL: For my sins, I sat on several promotion boards including a Senior Sectional Board. I must say it's one of the least desirable experiences one has in the Foreign Service to spend a couple of months reading efficiency reports all day long. However, I found that, with a good accumulation of broad Foreign Service experience and reading between the lines as well as the lines, one got a pretty good picture of an officer from his efficiency reports. The difficult thing, in terms of the senior threshold, was to weight the relative merits of the person who had done an outstanding job with relatively easy tasks versus somebody that had done a good, but not outstanding, job facing big challenges. I always thought a person who did a good job in a very challenging situation tended to deserve promotion to higher levels over a person who did an outstanding job in an easy situation.

In many situations US objectives are largely the status quo, one might say, so that the challenges for the officers are fairly routine. An officer could improve things a bit and generally do an outstanding job without really being tested in a situation where it is hard to accomplish US objectives because of the situation, pressure from the host government, or the very nature of US objectives. Judging how an officer would perform in a crisis, I thought, was particularly important in promotions over the senior threshold. But some officers had not experienced crises or particularly challenging assignments; it seemed unfair to mark them down just because of the nature of their assignments. However, my experience is that corridor reputation is an important factor in assignments at the middle and senior levels. Thus officers are usually assigned to difficult jobs because senior people in the Embassy or Bureau know something about them and believe they can do the job. Officers whose assignment pattern was one challenging job after another almost always had very good efficiency reports. Officers who did not have challenging assignments sometimes got very good efficiency reports, but there were generally signals in the file that the officer lacked some of the extra dimensions needed at senior levels.

Q: Would you care to illustrate this by reference to somebody in Buenos Aires or elsewhere case?

BUSHNELL: On the Senior Threshold Board we reviewed the ratings for the political counselor in Stockholm, who got very high marks for establishing good contacts, for supervising his section, for getting reports done on time. But there was not a single example of how these efforts changed the Swedish policy on anything or even of an imaginative effort to try to do so. Perhaps changes in Swedish policies weren't in the cards. On the other hand we considered the political counselor in a middle-sized African country who was not rated as highly for reporting and supervision but was given great credit for getting close to the opposition party and gaining support from that party for US policies even when the ruling party opposed the US policies. We ranked the African officer in the promotion range but not the man in Sweden.

Q: You oversaw the embassy administration personnel supporting the many other agencies represented in the embassy. Did you find that experience interesting?

BUSHNELL: The concept of joint administrative services makes a lot of sense, but the practice as it was set up in State had many frustrating elements. Most of the money State gets for supporting other agencies comes from arrangements negotiated and implemented in Washington. Then those in the field are expected to work out the local support arrangements without clear guidance on what other agencies have in effect paid for, and different agencies include different things in the joint services. The agencies tend to ask for the moon; my tendency was to provide only the same level of support to officers in other agencies that we provided to State officers. However, several agencies in effect had their own administrative people to provide additional services. For example, the military and the agency had their own official cars and drivers while agencies such as USIS and Commerce depended on the State motor pool. Most agencies seemed to think they were entitled to more space in the Embassy, although no agency ever seemed to be prepared to give up any space even when their staff was cut. In general agencies paid less for services than it cost us to supply them, and agencies did not want to make any local contribution for security although that was one of our greatest local expenses.

Generally I was fairly tough on other agencies. For example, all agencies had to contribute representation funds for the July 4th and other large functions if they wished to invite their contacts, as all did. The military wanted to install their own secure phone. I agreed only that it could be installed in a small room off the office of the Ambassador's and my secretaries because the military had no office that had full 24 hour security. Of course we were also able to use that phone. The Commerce Department was particularly grievous in not wanting to pay its way. Commerce had more Argentine visitors to its offices because of the commercial library than all other sections of the Embassy except the consular section which had its own entry. The security people saw Commerce visitors, who often had briefcases, as a major security threat. Finally I insisted Commerce make an additional contribution to security to cover the cost of processing its visitors. Commerce refused and said it could do its business better in separate quarters downtown. I said great, and they proposed to Washington moving at greatly increased cost to downtown offices with virtually no security. Washington refused the money. I then proposed combining the commercial library with the USIS library downtown. USIS was having a problem

financing security improvements for its library, and a Commerce contribution could solve that problem. The Commercial Counselor was reluctant to separate his staff from the library, but Washington approved this idea as I was leaving.

Perhaps the biggest problem for a DCM is trying to get comparability in the way employees in various categories are treated among all the agencies. We had a small commissary, but the military families still sent orders to the commissary in Panama. The orders were shipped at no cost on the monthly support flight operated by the USAF. The military invited the ambassador and DCM to use their flight, but not other American personnel. I chose not to use it, and I insisted the military personnel join the Embassy commissary, which needed all the support it could get, for their liquor purchases. Also arrangements were made with the military to bring in turkeys for holidays and a few other items for everyone. A good variety of consumer items was readily available in Buenos Aires, so the military supply advantage was not really significant, but it was a sore point with many employees of other agencies.

Another problem was State's shortage of American secretaries. We frequently had two or more secretary positions vacant. Cables still had to be typed at that time. Secretaries in the military offices and the agency often seemed to be underemployed. I tried various arrangements to get secretaries from other agencies who had security clearances to cover part-time for State vacancies. But cooperation was at best reluctant on the part of other agency heads. The lack of even adequate secretarial support in State was a morale problem especially when State officers saw secretaries of other agencies underemployed or running personnel errands for their bosses.

There were quite a number of these problem dichotomies among agencies. However, the housing issue was an absolute nightmare because Washington's rules were not practical. The general rule was that employees should be provided housing or allowances for housing such that their housing would be about the same size as housing for government employees in the Washington area. Working on the basis of square footage was inappropriate for a major city like Buenos Aires because a small apartment located in a luxury building downtown had an immense rent but fell within the footage guideline. But, if some employee had a big family and wanted to live in the suburbs near the American school, a five-bedroom house had too many square feet for the guidelines. When I arrived in Buenos Aires, tandem couples (both employees) were allowed to add their allowance, so their housing could be the biggest in the mission even though the median housing figures for the Washington area clearly included numerous two-income families. Moreover, we were just moving into a program of the Embassy taking long-term leases on residences so that we would then assign housing to some people coming to post, but not to everybody, because we did not yet have enough housing under contract.

I had lots of crying wives in the office about housing assignments, the lack of a housing assignment, or our refusal to allow an agency to lease a house or apartment which was more than the monetary guidelines we had established according to rank and representation responsibilities. "My husband is the same as this one, and his house is bigger" type of thing. I was amazed at how many employees and spouses professed that they would do lots of official entertaining at home to justify larger housing and then had at most one or two small events a year. Most agencies had long-term leases on housing for the agency head; this made great sense because the contacts of

that agency became accustomed to events at that location. But it was hard to satisfy the heads of agencies which had not established such leases because we considered them to be in the same category as Embassy section heads, many of whom did much more entertaining. With rents in Buenos Aires falling sharply and somewhat improved Washington guidance, we developed a nearly adequate supply of government leased and furnished housing after my first couple of years, and I had fewer housing headaches.

One of my biggest headaches, which still leaves a bad taste in my mouth, was private automobiles. There were very high duties on imported luxury automobiles such that a diplomat could import a car, use it for two or three years, and then sell it for twice or more what he had paid for it. However, State regulations did not allow American diplomatic personnel to keep whatever profit might be made. Policing such a regulation is very hard. Soon after I arrived, I discovered the Mercedes dealer, whom the Argentine government did not allow to import cars commercially, would contract with diplomats to import a Mercedes, to drive it for two years and then to give it back to the dealer once it was nationalized. The dealer would give the diplomat \$10,000 or \$15,000 as well as the free use of the car, insurance, and I don't know what else. We quickly adopted an Embassy regulation banning the import of Mercedes. Government regulations limited the value of cars which could be shipped to post at government expense. The worldwide regulations did not envision a situation where government shipping would not be the cheapest way to get a car to the country. Once the policy was established, there were relatively few problems; quite a few employees did drive BMW's, but these sold for only a modest profit after two or three years.

One head of DEA insisted that he had to bring in a Mercedes; I said it was against the rule. He then claimed it was a used Mercedes and our regulation, probably carelessly, referred only to new Mercedes. He even brought me a made-up document to show the car was used, but I had one of our Argentine GSO assistants go down to the port and look at it; it had less than 20 miles on it. The DEA officer continued to be insistent that we clear his car; otherwise he would have to ship it out of country at his own expense. He even got his boss in Washington to call me and press for us to facilitate the import. Finally I agreed that he could bring in the car, since he already had shipped it – actually I was quite certain the dealer had shipped it. However, I required a commitment from him in writing that he would take it out with him when he left. Nevertheless, when he left, he sold it, and he convinced our junior assistant GSO to sign the papers to the Foreign Ministry against my instructions. I was very unhappy with both the DEA officer who did not keep his word and the assistant GSO who claimed he had forgotten my instruction not to nationalize Mercedes. When confronted, the DEA officer claimed the only reason he was willing to come to Argentina for two years was that his bosses had promised he could finance two years of college education by buying a car and selling it back. I raised this issue at a senior level of DEA as it was totally unacceptable. Of course, DEA denied any such promise had been made.

Q: When I was GSO in the late '50s, I spent more time on joint administration than on any other single set of issues. I sent a questionnaire to all the agencies -- agricultural attaché, military, USIA -- finding what they needed in paper clips, staples, everything. Interestingly the biggest problem was CIA people who used more Embassy services than all the rest of them put together. They didn't participate in the local arrangement because that was all worked out in Washington,

whereas I thought Washington had no real basis to make those kinds of estimates. Did you have any comparable problems?

BUSHNELL: No, the things that were decided in Washington were the rent and other contributions to building overhead and the overhead support of American and local staff, largely fixed things. By and large I had good cooperation from the local representatives of other agencies. In fact, I tended to push the envelope the other way. As I mentioned, we had very big Fourth of July parties and much of the cost was covered by contributions from other agencies. All our agencies could contribute to the guest list, but they also had to contribute to the cost. And they all did – the military, Commerce, DEA, USIS, CIA; everybody contributed so that big party did not take too much of the limited State Department representation funds. In fact, I went even further and got the American business community to contribute also; some businesses contributed food; the airlines sent cakes; Coke and Pepsi sent endless supplies of their products. Both the Ambassador and I did functions that were paid for by other agencies. Many functions at my house were paid for by the Agency. In fact, the Agency always seemed to be in a comfortable financial situation for representation type funding. The station chiefs wanted their junior and middle-grade officers to expand their contacts, and they knew I had lots of Argentines to functions at my house who seldom moved in circles where they met Americans. They would pay for virtually any function if people from their office were invited, and I took advantage of that to stretch State's limited representation budget.

Q: There must have been two or three inspections while you were there? Any comment on that?

BUSHNELL: There was only one inspection during my five years. An inspection was scheduled about the time of the Falklands War; it was postponed and then sort of got lost with the change in ambassador. The one inspection headed by Ambassador Gonzalez went smoothly with few substantive comments.

Q: What's your take on the Foreign Service inspection process in general considering your earlier Foreign Service experiences as well as your experience in Argentina?

BUSHNELL: The inspectors try to review on the basis of data and tend to end up paying more attention to quantity of reporting and other work instead of quality. Particularly for the administrative section and even for the other sections, we had to go back and calculate a lot of things and prepare lots of detailed stuff in preparation for the inspection. I guess the inspectors are sort of like auditors for the administrative section, and they have to assure themselves that no one is stealing, but this makes preparation for and supporting an inspection a lot of work. Inspectors tend to make a lot of very minor recommendations which are seen as nit-picking. But an Embassy has to implement them and report progress in the follow-up reports. In my experience, inspectors often spend little time on the big picture of how the Embassy is advancing US interests.

For example, one recommendation directly affected me. Ambassador Shlaudeman had a practice of writing an official informal letter every couple of weeks to the Assistant Secretary for Latin American Affairs. I continued the practice of preparing such letters virtually every week to be

signed by the Ambassador if he was around; otherwise I signed them. These letters served several purposes. The principal one was to make suggestions on policy issues affecting Argentina. The letters also dealt with personnel and other administrative issues, on which they suggested solutions and indicated where we thought it was most important for ARA to go to bat for us and with which arguments. The informal letter started with a couple of paragraphs on the main issues in Argentine political-economic life that week. This section gave the Argentine desk in State the advantage of the flavor of the local situation which did not usually come across from just reading the cables. Other agencies such as the station and military send similar informal wrap-ups in their channels, and the letter gave the State desk an equal advantage or even a leg up. In my experience, few State desk officers have time to read the local newspapers, and most did not even get them on a current basis. Harry Shlaudeman had occasionally included a cartoon which he thought told an Argentine story, and I adopted the practice of clipping a cartoon from the press every week as part of the signature on the letter. Argentina is a pretty wild country, but Argentines have a good sense of humor, and many of their political cartoons were priceless.

Many times I noted paragraphs virtually lifted from the official informal letter in policy or administrative memos. The country officers and the country director told me they looked forward to the letters and they were very useful. The letters alerted them to Argentine policies and events which were not yet on their horizon. Both Harry and I had worked many years in the ARA front office so we had a good idea of what would be useful to ARA. Moreover, the letters were a way of getting the Argentine desk to work what we thought was important – in effect of giving guidance to the desk. The inspectors did not object to the letters; in fact they said reading six months of letters was about the best briefing they could have on Argentina. They recommended that, instead of sending them in the pouch, we send them as a cable with limited distribution. I didn't like the recommendation for several reasons. First, cables by definition get bigger distribution in Washington; when the letter dealt with PM, HA, SP, or E issues the cable would be distributed to these bureaus as well as to ARA. Moreover, the letters were not very time sensitive, and we prepared them so they just met the pouch closing on Thursday, or later Friday, evening so the letters would reach ARA on Monday or Tuesday. Finally, perhaps foolishly, I was reluctant to give up sending the cartoons which I knew were popular in ARA. I refused to implement that inspection recommendation, and we went back and forth for a year about why it wasn't being implemented. This incident illustrates the silliness of some of the great many minor inspection recommendations. Finally the inspectors dropped the issue.

I was pleasantly surprised a few years later, after I returned from Argentina – in fact, I think I had already retired – when the subject of these ambassadorial letters came up at a Washington-area dinner in honor of Ambassador Gildred. Tony (Langhorne) Motley, who had been the ARA Assistant Secretary during much of my time in Argentina but had departed before Ted Gildred came to Argentina, mentioned the letters he had received to Ted. “You know, I spent much more time than I should have as Assistant Secretary on Argentina because these letters came most weeks; they were interesting reading. So I spent time reading them and then got more involved in Argentine matters, but Argentina was interesting. Besides, one had to see the cartoon in each letter. I wish I had a collection of those cartoons.”

I would like to go back to a couple of things that happened in Argentina that we didn't cover last

time.

Q: OK.

BUSHNELL: The support of democracy was absolutely key to success on all the things we were trying to do. We already talked about various ways we helped to strengthen the civilian defense ministry. But there was the other side of the equation, which was working directly to prevent a coup, keeping in mind that every Radical party government in this century has been thrown out by the military. I had one valuable secret resource. The assistant Army attaché was on his third tour in Argentina. He had come on a military student exchange to attend the Argentine Army Academy for a year or maybe two years. He had married an Argentine, so he was interested in coming back, and he'd come back for a second tour and was then back on his third tour. Lt. Col. Olson had been working in or with the Argentine Army for practically ten years.

Q: That's quite a number of years.

BUSHNELL: He had become part of the Argentine society. His wife was from a military/business family which added to his contacts in the military community. Of course, with the passage of time his fellow students at the Army Academy had advanced in responsibilities and rank. Thus many Argentine colonels were his lifetime friends. He was a social person, and he spoke fluent Argentine Spanish; often at social events Argentine officers forgot he was in the US Army, not the Argentine Army. As he was getting ready to leave the Argentine assignment, I sat him down in my office and said, "Bob, tell me, who among the Argentine senior officers could lead a coup and have the army really behind him? Give me the three names that come to mind." He said, "Seineldin, Seineldin, Seineldin." I said, "I get the message." He said in his view there wouldn't be a coup in Argentina if Seineldin were against it. Well, I'd never heard of him. Mohamed Ali Seineldin was a colonel, a class or two ahead of Bob. He was sort of the all-around soldier who could shoot straighter (an Olympic champion), run faster, inspire his troops, project the image of the well-groomed, disciplined officer. During the Falklands War he had led his troops on to the island and later in charge after charge of British positions. He was a charismatic figure, and despite his name he was Catholic and often wore a large crucifix around his neck. He was also as fascist as they come, with strong anti-Semitic beliefs. He was so opposed to the return to civilian, or at least Radical Party, rule that the Argentine Army had sent him away as the attaché in Panama.

BUSHNELL: The April 1987 uprising was basically a military protest against attempts by some politicians and the courts to punish junior and middle-grade military for actions during the dirty war. A Major Rico and Col. Seineldin and their forces took over the main military base on the outskirts of Buenos Aires to protect officers from arrests ordered by the courts. Their forces were somewhat disorganized, partly because we and the government had heard something about such an action coming and were able to take some measures. The military outside the one big base did not immediately join the uprising, but they did not respond to the government's order to move forces toward Buenos Aires. Seineldin had managed to have some tanks at the occupied camp

which he threatened to move on the city, but most tanks was stationed further south and did not move.

The standoff lasted for several days. Both the Radicals and the opposition Peronists called out their followers for large demonstrations in the center of Buenos Aires in favor of democratic institutions. The military detained some human rights activists who demonstrated near the military base. Alfonsin tried to negotiate a solution. The U.S. could do little more than make public statements in favor of the government. I suggested we have the CINC personally call Seineldin from Panama to urge that he resolve the issue with the government peacefully and democratically so that our military-to-military relations did not again go into the deep freezer. He did call. Our military officers in the Embassy made the same point to as many of their contacts as they could, both those at the insurgent camp and others, but the military group was locked out of their offices at military headquarters and had little contact. On Saturday morning, about the second day of the action, State had a working group gathered in ARA, but they did not have much to do. I suggested they get the AFL-CIO leaders to make a public statement and to reach out to their labor contacts in Buenos Aires to urge them to show public support for the government as by far the lesser of what they considered two evils. Such support for the government turned out to be very important; labor and many others did turn out for gigantic rallies on Saturday night and Sunday, over a million people demonstrating in favor of democracy. I think the size of this public support as much as anything else convinced the military they had to back down. Alfonsin and Congressional leaders agreed to work for an additional law to prevent punishment of lower ranked military. It was soon passed. In 1988, however, Seineldin joined with groups from the extreme left in a larger uprising which resulted in hand-to-hand fighting among the military and many deaths.

The bottom-line is that US diplomacy can work effectively for even the broadest objectives if it is imaginative in using the considerable resources at its disposal, including a unique attaché who knew the military better than most. The other thing I should record, because other people may well talk about it, is the visit of ex-President Carter to Argentina.

Q: When was this?

BUSHNELL: In the fall of 1984, October probably. I can place it because I had recently returned from home leave; my wife had not yet returned, and the DCM residence was under repair so I was living in a temporary apartment near the Embassy. Carter decided to make a visit to South America including to Argentina. My first problem was that Carter had fired Ortiz as Ambassador to Guatemala. The Ambassador was personally very put out that Carter wanted to visit Argentina and particularly that the Secret Service insisted that Carter stay at the Ambassador's residence. I tried to convince the Secret Service that one of the large hotels would be more secure than the residence, but I made no progress. A big investment had been made in security for the Residence although I thought it was still very exposed. Finally, Ambassador Ortiz solved the problem by arranging to make a trip to the U.S. such that he would be away for a few weeks, including the time of the Carter visit and some time before and after. Before he departed the Ambassador asked me as a friend not to allow Bob Pastor, who was traveling with Carter, to stay in the residence; there was much bad blood between them. I moved into the residence for the time of the visit and

gave Bob the nearby apartment I had been using, explaining that I thought he would not want Ortiz's quarters.

The Argentine Foreign Ministry was arranging most of the events for Carter, and planning seemed to be going fine. I was concerned about security because Carter, though he was very popular among the human rights people, for exactly the same reasons was very unpopular among the military and some of their far right supporters. Punishing human rights violators among the military and police was a major issue of national debate, and tempers were high among the security forces and particularly among former members of the police who were by then making money as gangsters. I recalled a senior military officer telling me with apparent pride that he would personally have killed Patt Derian when she visited except for the fact that she was a woman. We had scheduled only a couple of large public events such as a lecture at a university, and the Argentines promised to provide intense security coverage. Then, much to my horror, about two days before Carter was to arrive, some idiot at the Foreign Ministry gave the whole detailed schedule to the newspapers which published every detail.

I considered this really an unforgivable security breach because anybody who wanted to do anything to Carter would know where he was going to be and when and where to plan an attack. I then sent to Carter in Lima and to Washington a cable recommending we cancel the visit for security reasons. Probably Carter and many others thought I was doing this because of Ambassador Ortiz, but in fact it wasn't. He'd left long before the leak and my recommendation. Anyway, Carter decided he really wanted to come despite the increased security problem. The Secret Service urged that we completely change the schedule, which was done including moving the lecture at the university to a discussion with invited students and faculty at the residence. The Secret Service sent additional agents. The visit went smoothly without any security problems. We did have one, in retrospect, humorous incident. As we were coming down the steps of the Congress building, a fellow came running down the steps toward us. My first thought was that this guy was going to attack the ex-president, but I didn't see any weapon. He got close enough to have been a disaster if he had had a weapon before a Secret Service agent tackled him. As he began to get up surrounded by Argentine police and our agents, this guy fell to his knees and yelled to the ex-President, "I thank you, I thank you, you saved my life." I learned he had been a political prisoner who was on a list that Patt Derian had urged the military to release. He was lucky that he didn't get wiped out by us or the Argentine police as he tried to thank the President without any warning. Otherwise the visit went well, although my military contacts were extremely unhappy with it as they saw it and the publicity surrounding it as rubbing salt in their already considerable wounds.

Of course an ex-president visit is a major strain on an Embassy, although he is at that point only a distinguished private citizen and does not speak for the current Administration. Far bigger strains for the embassy were the large Congressional delegations which visited every year except my first, when there was still a military government. We had at least two or three Congressional visits with multiple members of Congress each January when our Congress is generally in recess. Because January is the middle of summer vacations in Argentina and the Argentine Congress is not in session, it was extremely hard to round up the right senior Argentines to see our Congresspersons. We had to encourage Argentines to come back from vacation at the seashore,

mountains, or Punta del Este. Many would come back, but many would not, and we were stuck scheduling meetings with the second or third level, whoever was in town. Of course every delegation wanted to see President Alfonsín, and he always agreed. He commented to me once, "John, I've seen everybody in the US Congress here. I see more US Congressmen than I see Argentine Congressmen." By and large, these Congressional delegations were helpful, especially on democracy and nuclear issues, but January was not when I wanted to have them.

Q: Who were some of the Congressmen?

BUSHNELL: Oh, it would be a very long list. Someone made me a list at one point. I think that we had had something like 180 members of Congress who had visited Argentina while Alfonsín was President..

Q: Really?

BUSHNELL: Dan Rostenkowsky led one large House delegation which was concerned with Argentine policy on Central America and caused considerable problems. In January 1984 soon after Alfonsín's inauguration several Senators including Baker, Mathias, and a couple of others visited, and this visit coincidentally produced one of my favorite stories about surprises in the Foreign Service. The Argentine Congress had been elected although it hadn't really gotten organized yet because the new government had started in early December and then they'd gone on Christmas vacation, annual vacation. I said to the political section, "Since none of our Senators speaks Spanish, let's invite those newly elected Argentine Senators who speak English to a dinner at the residence; there must be eight or ten; give me a list." I knew two or three who spoke adequate English, but most of the 46 Senators I had not met at that point. On the list of English speaking Senators was a Senator Kenneth Ward Woodly from Chubut province in the south; with a name like that I certainly did not question his English abilities, thinking he was an Anglo-Argentine. When he arrived, it was quickly obvious he didn't speak a word of English. He was of Welsh ancestry. He spoke Welsh and Spanish only.

Argentina has a significant Welsh population which still dominates a few areas in the South. The table plan for this dinner placed American Senator next to Argentine Senator, although several others were also invited. Fortunately the Embassy's extremely capable social secretary, Ernestina Acuna, would come to the residence as guests arrived to make necessary changes in the table arrangement, often because we had guests who did not show. I told her to move Senator Woodly next to my wife and another Spanish speaker (an example of how the Foreign Service gets two for the price of one).

Ann spent much of the dinner in conversation with Senator Woodly learning about Chubut and comparing stories of her Irish ancestors who migrated to the States to his Welsh ancestors who had gone to southern Argentina. At one point she turned to her other side just as the man across the table said, "Six," in Spanish and the man next to her said, "Seven." She caught the momentum and said, "Eight." Then she said, "Now, what are we talking about?" They said, "Our birthdays." The birthday of the person across the table was the sixth while that of the man next to Ann was the seventh. My wife said, "You won't believe it, but my birthday really is the eighth."

One said, “Oh, what month?” Coincidence of coincidences, they were born the sixth, seventh and eighth of April, not of the same year however. Still the odds against such a birthday series among dinner partners must be many thousands to one.

Later that year I organized a combined birthday party at home on the seventh of April and invited the two men, one of whom, Julio Werthein, was a leading Argentine banker, and the other, Alec Perry, was the head of an American mining firm. The following year we went to Julio’s yacht for a birthday party. My final year Julio called me in January and said, “I hope you will save the night of seven to eight of April for the party of the century.” We went to the party of the century, his party for his 70th birthday. He rented the largest nightclub in town complete with two bands and hundreds of guests. At about one in the morning of her birthday Ann was in the middle of the dance floor with Julio cutting the gigantic cake. We departed before three o’clock because the next day was a work day for me, but the party was still going full blast. When I got to my office that morning about 9, the political counselor came in and said, “You don’t look too bad for not getting any sleep.” I said, “Not much sleep.” He said, “On the radio as I was driving in to work, I heard that Julio’s party of the century was just breaking up.”

Q: You received the Herter Award in 1986 for assisting democracy and economic reform in Argentina. Any comment on that?

BUSHNELL: That award was a big surprise to me. My secretary brought me the morning cables one day and said, “Wow.” I looked at the top cable, and it announced the Herter and other awards. Soon the phone was ringing with congratulations and arrangements to go to Washington for the award ceremony. I don’t know whose idea it was to nominate me, but I was told the nomination was written largely on the Argentine desk based on the weekly letters which regularly outlined what we were doing to protect democracy and promote economic reform. It was a needed great boost to my ego, as about that time I learned ARA had not been able to get me on the list for any ambassadorship.

Q: You also received a \$10,000 Presidential Meritorious Service Award in 1985 and a State Individual Superior Honor Award in 1987. Any comment in just a few seconds?

BUSHNELL: One benefits from having a long tour in a place which makes good progress. I think the Meritorious Honor Award was promoted by Ambassador Gildred to thank me for his on-the-job training program. Fortunately he was very eager to learn and to do a great job. He spent an immense amount of time getting to know the military. He was able to do it better than any career officer could have, because he was an outsider, a pilot, and a friend of the President of the United States.

Q: This is Wednesday, September 9th, 1998. John, when did you leave Buenos Aires, and what did you do after that?

BUSHNELL: I left Buenos Aires in July of 1987 after five years there without an ongoing assignment. ARA continued to recommended me to be a Chief of Mission, but there continued to be great political opposition because of my role in the Carter Administration. I came back to

Washington without an assignment; I was able to take a leisurely home leave. Then I was detailed to a Department of Agriculture promotion board in the fall. After that Shaw Smith, who was a DAS in IO (International Organization Affairs), asked me to do some work for IO while I was between assignments.

SERBAN VALLAMARESCU
Public Affairs Officer, USIS
Buenos Aires (1982-1987)

Serban Vallimarescu was born in Romania in 1922. He immigrated to the United States in 1940 and became a naturalized citizen in 1943. Mr. Vallimarescu worked at Voice of America before entering USIA in 1956. His career included positions in Mexico, the Dominican Republic, France, Spain, and Argentina. He was interviewed by Cliff Groce in 1989.

Q: Where did you go when you left Madrid?

VALLIMARESCU: In May of 1982 I am informed that I have been selected to be PAO Buenos Aires, which made one person in my little family extremely happy -- my father. After my mother died -- they were living in Buenos Aires, they were Argentine citizens -- I had convinced my father not to stay alone in Buenos Aires, although he had lots of friends, but to join us and become part of our family. He did come to Washington, sold his apartment in Buenos Aires, and accompanied us to Madrid as my dependent. When he heard we were going to be assigned to Buenos Aires he was absolutely enchanted. He had lived there for 35 years and had a lot of friends. The Malvinas -- to you gringos, the Falklands -- war broke out in April while we were in Madrid, but ready to leave for Washington and Buenos Aires. Father got very upset. He said, "This stupid Galtieri -- he was the general who was the president who invaded the Malvinas -- this stupid general! Now they're not going to send you to Buenos Aires! Now you're probably going to break relations."

Well, we did go to Buenos Aires, via Washington to attend my son John's wedding in June of 1982. You know, it's a very long trip from Washington to Buenos Aires. It actually took us 22 hours, door to door. You fly at night, change planes. We arrived in Buenos Aires in August, 1982. We had the full USIS American staff at the airport, plus two or three of my father's friends. It was about noon. We went to the PAO's apartment and there were drinks laid out. Alice was absolutely exhausted, but she was a good hostess and they stayed for a couple of hours. When they finally left, Alice collapsed in an armchair and said, "Val, why did you bring me down to the South Pole?!"

Well, what can I say about Buenos Aires? Argentine-U.S. relations for many, many years were rather tense. Even before Peron, but Peron made it worse because of his very chauvinistic, nationalistic attitude. And now, in August, 1982, there was still considerable resentment because of our support for the British. We were not particularly liked. I remember that the ambassador,

who was Harry Shlaudeman -- a very close friend (we had been colleagues in Santo Domingo when he was political counselor and I was PAO) -- called me in about a week after I had arrived and said, "Val, I'll give you your first assignment. The New York Philharmonic was scheduled to come down here to play at the Colon Theater, which is like La Scala in Milan, and they are having some second thoughts. They are afraid that there will be incidents, that they will not be welcome, but I heard this morning that they have decided to go ahead. Now I have a decision to make -- and that's your first assignment: you're going to make the decision for me. Do I give a reception for Zubin Mehta and the orchestra, or don't I? If I give a reception and almost nobody shows up -- Argentines -- that's a big slap in our face. But you decide."

So I consult with the Argentine impresario who was organizing this and we decide we're going to take a chance. We're going to have the ambassador invite 500 people to a big reception at the residence. Mind you, this was September, 1982, four months after the end of the war and the defeat of the Argentines by the Brits -- with our help. Needless to say, I was keeping my fingers crossed again. The reception was a roaring success. Seventy-five or 80 percent of the people invited came, and that was interpreted by the Department of State, and by the media down in Argentina, as an indication that the Argentines were ready to let bygones be bygones. So it was my first success in Buenos Aires.

Q: Fortunately, it was a cultural event.

VALLIMARESCU: It was a cultural event, but it was a cultural event with political connotations. So that was a big hit. My stay in Argentina was, of course, marred, as you know, by Alice's worsening illness. She was getting worse and worse. But the first two years were wonderful years. My second ambassador -- Harry Shlaudeman was pulled out a year after I had arrived because Kissinger wanted him to head that special commission on Central America -- was Frank Ortiz, whom again I knew since Mexico City days, 1958-59, when he was special assistant to the ambassador there. So again it was a friend who was ambassador, which helped very much. We had a very good team and looking back at those first two years we had a good team and did a good job, I believe, in really warming up Argentine-U.S. relations. It was a busy time. I spent a lot of time with journalists and academics and politicians. It was encouraging to see that through a man-to-man, people-to-people type of approach, progress could be made.

My last two years were marred by Alice's illness. As you know, she died in February, 1986. My four-year tour was scheduled to end in May, 1986, but the Agency asked me to extend for a year, which I did. Relations between Argentina and the U.S. today are better than they have ever been. Again, we contributed our little grain of sand to this. Well, there are many other stories I could tell about Buenos Aires and Argentina.

Q: Please tell some.

VALLIMARESCU: Well, as you know, certain countries overseas are very popular places for Congressmen to visit, especially in the winter. When it's winter here, January and February, and summer in Buenos Aires, the CODELs are coming one after the other. One I remember especially was headed by the then Speaker of the House, Tip O'Neill. He had already announced

that he was retiring, so this was his last junket, in effect. He came down heading a CODEL which consisted of some 35 to 40 people, including wives and staff assistants. And of course in a special Air Force plane.

Q: What was the purpose of their trip?

VALLIMARESCU: The purpose of their trip, officially, was to consult with Argentine congressmen and government officials on U.S.-Argentine relations. About a month before they were scheduled to arrive it was quite clear that one thing they really wanted to do was play golf. One officer in the embassy was assigned full time to working out the details of this golf trip. They requested that a special tournament be organized for them. So the "golf officer" of the embassy contacted the Esso people -- there they're called Esso, not Exxon -- and Esso agreed to finance this little operation and to work with the embassy in setting up the golf tournament.

Q: Which was to consist of Argentines as well as Americans?

VALLIMARESCU: Argentines and Americans, yes. Also, the embassy was instructed to find a golf cart for the Speaker. Now in Argentina they don't use golf carts, they use the little portable caddies. The poor man had the time of his life trying to find an electric golf cart, and he didn't. I remember that Tip O'Neill was very upset by this. So they arrive, are taken to their hotel, and immediately ask the people in the control room for the best place to buy leather, to buy wool, what the best restaurants are, change money, and proceed to sort of disappear -- most of them. Tip O'Neill and some of the congressmen did come to the embassy for a briefing by the ambassador, but they kept looking at their watches because they didn't want to waste too much time on this nonsense. To make a long story short, they stayed in Buenos Aires I believe three full days. They played golf for at least a day and a half. They resented the fact that they had to go to a reception at the ambassador's residence. The ambassador felt he had to invite Argentine congressmen and political figures to his home to meet these congressmen. They really didn't want to have this reception, but most of them attended, but not all of them. They left early because they wanted to go gallivanting.

They did see President Alfonsin for an hour or so. So in effect they spent a little over three days and they "worked" about two and a half-hours. During the meeting with President Alfonsin, which was attended by Ambassador Ortiz, the Speaker and one other member of the delegation, a Democrat whose name escapes me at the moment, made a strong pitch for him to, in effect, lobby with many of his Latin American colleagues and even with people in the United States, against the U.S. policy in Central America, and specifically in Nicaragua. I believe a vote was upcoming on this whole issue of Nicaragua.

Needless to say, Ambassador Ortiz was absolutely stunned that a U.S. Congressman would in effect lobby against his own government's policy with a foreign head of state, and so informed the Speaker when he drove him back to the airport. The Speaker was very upset at the ambassador's recriminations, and later on Frank Ortiz was removed from Buenos Aires and sent to New Mexico as diplomat-in-residence at the University of New Mexico. A lot of people said that it was Tip O'Neill's last shot at the ambassador.

The story appear in print, in the New York Time and the Washington Post. The New York Times at the time had a special column of News from Washington and they had a blurb about how much this CODEL cost the U.S. taxpayer and what the U.S. taxpayer got in return -- in effect, very little. Both papers' correspondents had asked me how the visit had gone or was going, and what they had done when they were in Buenos Aires. And I told them. They used it. End of story. I don't regret it. Although it didn't do much good.

I don't know how these junkets are going now, if they still are as outrageous as they used to be in terms of wasting the taxpayer's money, but I do remember that the next CODELs were a little more productive in terms of cost effectiveness for the U.S. taxpayer. The best one was CODEL Baker, who came by himself and worked hard for three or four days. Senator Baker took his job very seriously. There was no fooling around, no shopping, no golf playing. My hat off to him.

Q: Any other principal issues or other anecdotes?

VALLIMARESCU: Well, yes, issues there were because during my stay there as PAO, and Ambassador Ortiz and then Gildred, there were four military rebellions. Our government, of course, gave its full, full support to President Alfonsin, made it very clear on whose side we were on. As a matter of fact, one specific anecdote -- what I'm going to tell you now also contributed to the warming of relations.

When a group of officers tried to unseat the government, the ambassador was Gildred, a businessman, a political appointee. I lived two blocks from the embassy. It was, I believe, a Saturday, and I rushed to the embassy when I heard these people were up in arms. The ambassador was there and there were calls from political leaders for Argentines to mass in front of their White House, called the Pink House, Casa Rosada, in support of Alfonsin and democracy. Alfonsin was going to address them. He had announced that he was going to fly to the barracks in the out- skirts of Buenos Aires where the principal rebels were.

In the meantime at the embassy chancery, we had drafted a message from President Reagan to Alfonsin, announcing that we were supporting him wholeheartedly, that we were supporting democracy and the democratic institutions. It had been sent to the California White House, where the President was. I asked the ambassador, "Are we going to get it soon?" He said, "I don't know. They said it was going to come in the next few hours."

I said, "Mr. Ambassador, please contact them right away because Alfonsin is ready to go to the center of the rebellion and it would be marvelous if that telegram could reach him before he goes there and can be read to the massed Argentines." Well, the ambassador moved quickly. He got through to the White House in California, and we were able to call the Casa Rosada and transmit that telegram of support. Alfonsin had already taken off by helicopter, but Caputo, the foreign minister, was able to go out on the balcony and say, "We have just received this telegram from the President of the United States." And for the first time in my years in Argentina, I heard a roar of "Long live the United States!" That was quite a breakthrough.

Q: It certainly was.

VALLIMARESCU: And of course this support was continued throughout and it contributed to the fact that military coups in Argentina are now probably out of the question. Out of the question.

Q: Quite a change.

VALLIMARESCU: Quite a change. I was no longer PAO, but I was there when Vice President Quayle came, and I happened to have attended a working breakfast near the Plaza San Martin, where all heads of state and important visitors always lay a wreath on the statue of the liberator of Argentina, San Martin. I saw the crowd and the red carpet and said, "Oh my goodness, Quayle must be coming to lay a wreath." So I stayed. There was a huge crowd on both sides of the plaza. I just wanted to see what kind of a reception he would get. They arrived at 11 o'clock sharp, and to my amazement there was an ovation for the Vice President and his wife as he went up the steps to the statue to lay the wreath. Then when he turned around the same thing happened again. Well, it wouldn't have been that way eight years ago.

And the same was true when President Bush visited Argentina. That was an interesting development because on December 3 last year there was another mini-rebellion. It wasn't that mini, because there were a number of people killed this time. President Bush was scheduled to arrive on December 5 on his official state visit. The Secret Service people in Brasilia, where Bush was, were very upset and wanted to cancel the visit. The President talked to Ambassador Todman and Todman stuck his neck out. The ambassador said, "Mr. President, I think it will be over by 8 o'clock tonight." And it was, and the President came two days late. That was tremendous because had he canceled we would never have recovered.

Q: Was Todman guessing, or did he --

VALLIMARESCU: No, he had pretty good information. He had seen already how President Menem had reacted as soon as it broke. He gave orders to put down the rebellion, no negotiations. Alfonsin, for different reasons, had negotiated with these rebels. There was one last holdout, which was the headquarters of the army, right across the street from the Pink House. It was still holding out about four o'clock in the afternoon -- the thing having started about six in the morning -- and Menem said, "All right, if they don't surrender by six I'm going to order the air force to just blast them out of existence. They surrendered by 5:30. So it was pretty clear; he wasn't just guessing, though I'm sure he was still a little nervous. So then Bush came and got a tremendous reception.

Q: When the time came for you to retire, I remember there was a party in Washington for your farewell. Tell me about it.

VALLIMARESCU: Well, that was very moving. Donna Oglesby, who was area director for Latin America, had said that she wanted to give a party for me when I came to Washington after my retirement. I retired May 39, 1987 and in June I was coming to Washington. She asked me to

give her a list of people. I did, and quite a lot of people showed up. I was very happy. One of the most moving things was that about halfway through the reception I was presented with a basket filled with what looked like diplomas, all rolled up with little red ribbons. Donna had sent sort of a round robin telegram to all areas of the world -- Europe, Africa, Asia, Latin America -- saying, "We're giving a party for Val, who's retiring. If you have any messages, please send them." And that's what these were; there were about 40 rolled up diplomas.

Q: That was a very nice touch.

VALLIMARESCU: Oh, it was wonderful. She said, "I don't expect you to read them all now." There were a couple of telegrams from posts in Africa -- one-man posts -- from young officers who were PAOs who said, "We've never met you but we've heard a lot about you and we wish you well in your retirement." One of the most moving telegrams was from Ambassador Todman, who was then ambassador in Copenhagen. It was an extraordinary experience. I have those in a special scrapbook, and I will always remember them.

And of course Charlie Wick came on a visit to Buenos Aires a month before I retired. He surprised me. Donna Oglesby had told me he was going to present this little award to the assistant cultural attaché, Nick Robertson, who was in on the game; there would be a little ceremony in the embassy auditorium. Well, it turned out to be a distinguished honor award for me. Wick said a few words, and Donna said a few words.

So looking back on it, you know, some people complain some- times that distinguished or respectable service is not recognized. I can't complain. I've been very well treated by the Agency, and I think if I were to start it all over again I'd do the same thing: start at the Voice as GS-7 (laughter), hoping to become director this time, not deputy director. It's been a very rewarding experience and I'm glad I went through it.

Now of course I am retired in Buenos Aires, remarried to an Argentine, and am keeping my oar in. I was elected vice-president of the Fulbright alumni association, and I'm actually acting president because the elected president is minister of justice and education. He asked for sabbatical leave, so I'm acting president. We carry out a number of projects, exchanges of people. I'm also honorary adviser to the binational center there, which is totally autonomous, independent of the U.S. Government. I've been asked to give talks to the Argentine government's foreign service school. I talked to their graduating class last November, and I'm talking to the incoming class in June. So -- I manage to stay busy.

Q: Any other recollections that you want to get on the record?

VALLIMARESCU: There are too many of them. I'll send you my book. This is going to be very helpful. I've finally decided that I'm going to do what Alice, my first wife, wanted me to do; my sons have been pushing me to do; and now my wife, Barbara, wants me to do: write a book -- I don't know whether you'd call it memoirs -- going back to when I first came to the United States in 1940, mostly for my children and grandchildren. I'm doing a lot of research on it, looking through papers that have accumulated in my former house on Van Ness Street where my son

John lives now. And these transcripts are also going to be important to me.

Q: Thank you very much, Val.

NICOLAS ROBERTSON
Assistant Public Affairs Officer, USIS
Buenos Aires (1984-1988)

Mr. Robertson was born and raised in California. He was born in Wilmington, near the heart of the Los Angeles Harbor district. He attended University of California at Santa Cruz. Mr. Robertson first desired to be an academic, but then spent some time working as a chef on a ship. After returning home, he took the Foreign Service written and oral tests and passed. Mr. Robertson subsequently was stationed in Barbados, Argentina, Nigeria, Ghana, Venezuela, and worked as the Deputy Director of the Office of African Affairs in at the State Department. Mr. Robertson was interviewed by Charles Stuart Kennedy in 2009.

Q: So then you were in Washington until when?

ROBERTSON: Two years; '82 to '84, and I thought that I be returning to Africa. I'm married to an Argentine, but we had no interest in going to Argentina under the military government. Everything changed quickly though, when the Argentines started the war with the UK. After they lost the war, the game was up and an election was arranged. The Peronists didn't win, and Argentina looked exciting and interesting. A job came up as assistant cultural affairs officer in Buenos Aires, which I applied for. It wasn't the only thing on my list but I got it. So our son was born in July of 1984 and three weeks later we went back to Argentina for four very exciting years. All this democratization in Latin America is sort of old hat now; everybody assumes that you will have elected transitions. Before 1982, though, the Argentine military government was really, really awful. And not only did it look awful you didn't see any hope, nothing that could get them out of there. Then all of a sudden Argentina had a transition, the Peronists didn't win, the Argentines became briefly reflective and self-critical. There was really serious discussion about how they came to this path of economic collapse and political stasis.

Professionally I think that was maybe some of the best work I ever did. Argentina really had institutional and political problems. I mean, they had to sort out how you actually run a democratic system; what can you do, what you can't do. And there are two elements of our focus down there and one was economics, the second was developing democratic institutions.

Actually, a lot of Third World dependency theory, import substitution and bad economic ideas were developed by Argentines. But Argentina was very popular and attractive among U.S. intellectual and political circles. Some Argentines came to us and said we'd like to bring important economists down, Nobel Prize winners, and we said okay, but they would have to pick up all the expenses for first class travel and all that. So for four years, gosh, we had Franco

Modigliani, Stanley Fisher, James Tobin, Robert Fogel, Robert North, Mancur Olson, James Buchanan; I mean, we had this string of heavyweights in economics and economic history. So, in addition to my work, it was, you know, a beautiful city, great food, a new baby, family, jazz, tango, and spending much of my time sitting around listening to Nobel Prize winning economists talk one on one with Argentine government officials. Wow.

Q: Well what- I mean, this is- You were basically almost running the tutorial for the Argentines, I mean, they must have been getting a lot of this stuff before.

ROBERTSON: The DCM (deputy chief of mission) at the time, John Bushnell, came from the econ cone and said you know, the Argentines have got to accept this. I mean, they've got to start rethinking their economy and accepting it, not just, you know, cribbing the answers, so to speak. It wasn't an uneducated country but it was very parochial and still very much caught up in a lot of these Third World economic ideas. But the Argentines, yes, they had had exposure, but we wanted to make it hit. You know, people coming down to talk about economics and making this all front page news. President Alfonsín came from a tradition of Argentine politics and economics which had some bad ideas on how to run the economy. And so we wanted to make these programs a combination of one-on-one chats, interactions with the intellectual academic community, and at the same time leading the front pages of the newspapers and the evening TV news. The message was that Argentina's changing and getting a lot of international support for this.

Q: Well was there any spillover from what was happening in Chile?

ROBERTSON: No. Actually I was talking to people from the Department a couple of weekends ago about the lack of effect of "good examples". Chile hadn't begun to pull that far ahead at the time, in '84. By '88 it had gone up and then down. Painfully, there doesn't seem to be much of "the good neighborhood" argument working out down there – or, perhaps we should just say that lessons take a long time to sink in. Subsequently, you ended up with a regional difference within Argentina, in that the people in Mendoza-San Juan on the Chilean border saw what was going on, including their own industries like wine, and ended up with a very different view of the world than people in Buenos Aires when the sort of the classic Argentine thinking came back with the Kirchners. But we wanted, you know, Argentina to open its economy and open its mind to the rest of the world and for awhile they did it. I mean, you saw it in the subsequent administration when Menem came in; he changed quite a few things in Argentina. Whatever else he did wrong, he stabilized the currency after 50 years of chronic inflation, and the country finally got a phone system.

Q: Well were, when you were there were the government people trying to work out the problem of the disappeared?

ROBERTSON: I was there for the trial of the military and this was the first one that happened in South America, or anywhere else as I recall. As a matter of fact Luis Moreno-Ocampo, the head of the International Court of Justice was the deputy prosecutor. He was a good friend; we would play small court soccer together, and eat and drink and talk. And the good news in the matter was

it was the first time that any South American government had really seriously pursued this, you know, followed-up the activities of a military government. The Sabato Commission, the National Commission on the Disappeared headed by the great writer, very painstakingly documented everything that had gone on. The pity is that there are grim romantics who won't take that. I mean, you routinely hear people say the 30,000, or 50,000 disappeared; well the Sabato Commission counted about 10,000. It was very serious stuff and what was quite new for Argentina was that people were seriously discussing what they had done wrong. I mean, you had people who had been involved with the Montoneros (the left-wing Peronist guerilla force that challenged the military from 1968 until the military wiped them out by 1980) saying this had been a really bad idea, this was a mistake; bourgeois democracy is a wonderful thing.

Q: There must have problems with the people who had accepted the forced moving of children of parents who were- or was that much of an issue?

ROBERTSON: You know, there are only- there are not 1,000 cases of it. I mean, it's not something that happened very often, not even 1,000 cases, more like 500. It was the subject of a prize winning movie in 1985 or so. It is a pretty strange phenomenon – soldiers who are militants about “Right to Life” issues but then slit the mother's belly after she gives birth and throw her out of an airplane.

The government dealt with the disappeared and the stolen children, but it was only one of many issues. I remember that the Madres de la Plaza de Mayo were in President Alfonsín's office harassing him about something and they said he should devote all his time to resolving the cases of the disappeared. He replied that there was a country to run, and there were other issues to deal with as well. And it was painful - even at that time there were people who didn't believe that their children had died. They charged that they were being kept in a camp by Alfonsín for some reason, a camp hidden in Patagonia. It ceased to be a rational legal issue for a certain number of people. And, of course, one of the sad things about the Kirchner government is their attempts to re-vindicate the Montoneros.

Q: Did you, with your wife and all, and friends at the embassy, sort of wonder why Argentina took the course that it had done for some time in one way or another? I mean, here is a country that has got a great deal of natural wealth and well educated people and all and yet it seems it's just gone to hell.

ROBERTSON: I think I ended up becoming an Argentine by marriage; it's not a culture that I was initially attracted to. One of the reasons we get on badly with Argentines is, you know, that we assume that with their history they should be very much like us. I've lived in exotic parts of the world; and when a guy, dressed differently, with facial scars, who looks obviously different, speaks in a heavy accent, comes to you and tells you something which you find implausible, you think, ah, this is very exotic. When a man in very elegant European dress who studied at Oxford sits down and tells you that Eva Peron should be and will be made a saint, you think he's only doing it to give you a hard time, because nobody who looks like me, who dresses like me can think anything so outrageous.

Q: Yes.

ROBERTSON: And it was really a profoundly different culture but it doesn't look that different and it takes you aback. It's a very formal culture that does not like to address difficult issues directly. And, you know, my wife obviously knew people and had friends who were killed. One of the spooky things about the military government then was that it all looked so normal, and very few Argentines would even discuss what was going on. When I was there with the Merchant Marine I ended up getting picked up in Buenos Aires one night and almost shot. I mean, just, you know, 30 seconds and it was almost over.

Q: What happened?

ROBERTSON: I had a friend from California, an Argentine friend from California, and we were riding in a taxi. I had long hair and a beard, and we were just talking. I mean, we'd just had dinner, not even politics talk. As a matter of fact, her second husband had just retired from the military; he was a lifer but he left in disgust. We were just riding in a taxi and all of a sudden, a car cut in front of us and we were stopped. Before I could even begin to figure out what happened I was lying against the car with a pistol between my eyes. And then, you know, she was Argentine and she told them to reach into my pocket and pull out my passport. It was not like that movie "Missing" about the American journalist in Chile, which I thought gave a wildly inaccurate account of what it is like to be in these situations. That stuff can happen really fast, and then they hide your body because shooting a foreigner is a public relations headache and brings too much paperwork. They didn't call the American ambassador and ask permission. I mean, it's Wild West stuff.

Q: Yes. Well, you were in Argentina how long?

ROBERTSON: Four years; '84 to '88.

Q: Who was the ambassador or ambassadors?

ROBERTSON: Frank Ortiz and then Reagan's nominee from San Diego, Ted Gildred.

Q: Did you get any feel for how they dealt with the situation?

ROBERTSON: How long was Ortiz there when I was there? A year? And Gildred liked to play polo, and he had business interests.

Q: So, I mean, they really weren't particular figures on the-

ROBERTSON: No, I don't think they had a lot of involvement. And you know, in many ways it's a snobbish society, and everyone flocks to the U.S. Ambassador's residence if invited. But they're also intellectual snobs and they like to have, you know, they liked heavyweight intellectual engagement. I mean, we had Susan Sontag, Larry McMurtry, painters, musicians, and scholars and intellectuals. There was a high level of engagement; Ronald Dworkin, most of the

Yale Law Faculty. Definitely Argentina really liked the engagement with the rest of the world at the highest levels, I mean, whether it was Plácido Domingo singing or working with the Yale Law Faculty.

Q: Well was Argentina looking basically towards Europe and America secondarily?

ROBERTSON: I think from '84 to '88 was the first period they began looking at the U.S. much more positively. I mean, you knew it in the way they switched to learning American English. You know, this Anglo-Argentine connection had been very strong. You could still get a good rugby education in Argentina in the 1980s and they'd come out like Victorian Gentlemen, at least on the playing fields and in the classroom...

Q: Well how much of a residue was there from the Malvinas war?

ROBERTSON: You know, it was a hot button issue. I was unusually close to it because I had been there for what we call the preliminary bout with Chile. But it's one of those things; the intensity of it, it's one of those things that makes you realize you're dealing with a different society. I mean, the English were never passionate about it; they kept it for their own reasons. There can't be 1,000 people in the UK before the war who really cared about it but they weren't going to give in to the Argentine generals.

Q: Yes. Actually, we had it for a few months.

ROBERTSON: Yes.

Q: The USS Constitution went in there and took it and sort of reported back and they said don't get us involved, I mean.

ROBERTSON: And the Argentines, when they're being extremely arch, will also tell us, well the whole thing is our fault.

Q: Well of course.

ROBERTSON: And, I mean, the exciting thing about Argentina, '84 to '88, was the first time the Argentines began to take responsibility and say "what did we do wrong," instead of "why did they do this to us?"

Q: Did you get any feel for Argentina versus Brazil for dominance in the area?

ROBERTSON: Yes. Argentina assumed a leadership position which at the time looked farfetched; not as farfetched as it looks now. There has traditionally been, of course, disdain for Brazil for racial reasons; how can a country that's so black be a leader country? And for other reasons- Brazil was very backwards in the 19th century. I mean, by the 1970s Argentina was assuming that they would eventually get a seat on the Security Council; it's always had- it's always thought of itself as playing out of its league. And, you know, looking back at this after-

over 30 years of involvement down there, my lifetime of failures and success, Brazil is an extraordinary victory. I mean, after 16 years of good government. I remember we used to say that Brazil, they can never get over their social cleavage.

Q: Yes.

ROBERTSON: And they did.

Q: Yes.

ROBERTSON: And Argentina has gone back to its own ways, an unreliable society largely closed off from the rest of the world, politically unreliable, breaking long-term contracts.

Q: Since you were sort of in the cultural field, how was the musical- British musical, "Evita"-

ROBERTSON: They hated it; they hated it.

Q: I would imagine.

ROBERTSON: I think they probably banned it. You could still ban movies and now you can't ban them because of DVDs.

Q: Yes.

ROBERTSON: There were video versions of it. No, they hated the British doing "Evita." There were even Argentines who were anti-Peronists didn't like it very much. I mean, it is an odd story. There's a marvelous book by Tomas Eloy Martinez about Evita's cadaver, a story that is a novel in itself. He was going to write it as a non-fiction book but he said it was so strange it sounded like a novel anyway you wrote it. Obviously, Peron did something in Argentina or reflected something in Argentina that dominates it to this day.

I can look at Peron dispassionately. My wife is from an anti-Peronist family but they don't eat and breathe anti-Peron feeling. My son once had to do a high school paper, and I sort of insisted that he do something about Argentina. He eventually settled on doing something on Peron's economic policy and at the end of it he said, "Dad, there's no policy; he just sort of said stuff and then they sort of do stuff and it's totally unrelated." I said, yes, you've got it. And when you look at Peron as a figure, I mean, what a thoroughly mediocre man. I mean, there is no body of Peronist thought.

Q: Yes.

ROBERTSON: There's nothing he did that had real substance. He redistributed income radically for a few years, and that was fun, but there was no public finance to do that. And he did not want to take it from anyone but a very small band of wealthy people. He certainly did not want to alienate the middle class by taxing. But how could such a mediocre man dominate a country like

that?

Q: Yes. And to this day. I mean, the Peronism is not dead.

ROBERTSON: And I wonder, I mean, you know, the Kirchners built up this Montoneros thing, who always said they were fighting to bring Peron back and then of course succeeded in shooting his widow's government out of office. People who actually voted for Peron, at this point how many voters from 1950 or even 1973 are around? I mean, it's gone through at least one generation if not more.

Q: Sure.

ROBERTSON: You do have a one party state; it's just that it's not a consistent party so internal elections are all over the place. Peron said everything.

Q: Well how- During the time you were there, the four years you were there, what was the role of the Church, the Catholic Church, would you say?

ROBERTSON: The Catholic Church... it's formally a Catholic Country but it's not a passionately Catholic country. I always joke that you can learn a lot about Latin America looking at Argentina and Mexico. Mexico's formally secular with a lot of proscriptions on the Church but the people are passionate believers. Argentina is an established Catholic country but nobody goes to Church. It's like Italy or Spain now; nobody goes to church. They elected Menem president, and I don't think he was ever formally a Catholic.

Q: Well, you know, I, having served in Italy, I'd be dragged off to masses from time to time and you know, it was most women. Now, the guys, the husbands and sons used to hang around outside the church while the mass is going on, smoking cigarettes and waiting to escort the women folk home.

ROBERTSON: Yes. And the institutional church, or a wing of it, was allied with the military, a very conservative wing of it. There was something remarkable in Argentina and I think it's been much of the New World, but the right wing military officers were both Catholic and Freemason.

Q: Oh yes. You know, I mean, some of these things are just incredible but well, they've lost their bite.

ROBERTSON: Yes.

Q: And so it becomes socially acceptable to be members. For example, I go back to Italy where I would go to masses for one reason or another. I mean, officially I'm not Catholic but there I'd be standing with some priests and representatives carrying communist banners of the party; we'd all be together, we were part of the authority, you know, I mean, the consular corps and we were just- And so everybody went together.

ROBERTSON: And you have the established Catholic Church, and the Argentine party, the radicals, Unión Cívica Radical, was anti-cleric. I mean, it had some relation to European radical parties which were anti-clerical and so the Church took a dim view of that. The Peronists had more believers. But in Argentina everything there was sort of off from everywhere else, I mean, it didn't quite fit together.

Q: Well was there any real strong tie between the Brits and the Italians and- I mean, the people who settled Argentina?

ROBERTSON: The British had maintained almost a colony there and there were Anglo-Argentines; we knew some who were proper British and proper Argentines. Many of the British, though, have gone back to Britain. They had kept themselves apart. Italians, Germans, Spanish just sort of blended in. You'd have a number of families with branches in both sides. As a matter of fact, Luigi Einaudi, U.S. ambassador to the Organization of American States, had an uncle in Argentina. Italian families had split.

Q: Well was there the phenomenon that I heard at one point, and I'm not sure if it's during your time, of anybody with a claim to some other country was going off to make sure they got a passport.

ROBERTSON: That began then, I think, in the 70s. Yes, absolutely. Argentina was by that time- by the '80s - a nation of emigrants instead of immigrants. It changed quite abruptly in- between 1960 and 1980 and that stampede out of Argentina had begun. And it is very hard to find an Argentine who doesn't have a European grandparent, who is therefore entitled to a passport from the grandparent's country. It's a phenomenon I've seen in Venezuela, too – countries that were recipients of immigrants all of a sudden began generating big waves back to Europe.

Q: Yes.

Well then, this is probably a good place to stop, Nick. And we'll pick this up, you left Argentina when?

ROBERTSON: Eighty-eight.

THEODORE E. GILDRED
Ambassador
Argentina (1986-1989)

Ambassador Theodore E. Gildred was born in Mexico City in 1935. He received a bachelor's degree from Stanford University in 1959 and certificates in 1960 from Sorbonne and the University of Heidelberg. He served in the Army from 1955-1959 and in the Air Force Reserve from 1959-1969. He became chairman of the board and chief executive officer, the Lomas Santa Fe Companies, Solana Beach,

California, since 1968 and has also served as chairman of the board, Torrey Pines Bank and Torrey Pines Group, San Diego. He was appointed as ambassador to Argentina by President Ronald Reagan in late 1986. He was interviewed by Hank Zivetz on April 26, 1990.

Q: Mr. Ambassador, we usually start with a question about how you got your position as Ambassador to Argentina. Yours was a political appointment. Was there some background in Latin America that prompted an appointment to Argentina?

GILDRED: I'm sure there was because I was born and raised in Latin America, spent the first 15 years of my life attending school in Latin America and Mexico City, then returned to Mexico some years later where I worked for about five years.

I had over 20 years of direct living experience in Latin America, and was brought up biculturally and bilingually. My first language was Spanish, not English. The history that I read was out of Mexican history books, not American history books.

Consequently, I probably have a little different perspective simply because of the fact that I was born and raised outside of this country. As a matter of fact, this background helped me a great deal in my dealings with Latin American leaders and business people, as well as other elements that an ambassador has to deal with.

Q: In my research on Argentina for the period in which you served, late 1986 to the middle of 1989, I find that there were three major issues that confronted the people and government of Argentina. One was how to deal with the aftermath of the military dictatorship. This is the period of Alfonsín, when you were there. Another was the economic woes that they faced, high inflation, loans that had to be paid off. And then a question of change of leadership.

Could we address the first one, the problems that the government faced with the residue of the military dictatorship and the unrest of the military. There were some issues that came up at this time in early 1987. A former general was arrested in the United States and extradited to Argentina, as one example. Could you elaborate a little bit on how intimately the embassy became involved, if at all, in these problems faced by the Alfonsín government.

GILDRED: Well, this became a very important issue in the second half of Alfonsín's administration, the half that I experienced.

In the first few years they were addressing other issues -- namely inflation, which was rampant in the mid-'80s and had to be controlled, and a lot of union issues. They let the military issue and human rights issue (the two are directly related, one and the same almost) slide a little bit. I think that they, unfortunately, paid a heavy price for disregarding or trying to suppress that problem.

As you know, Argentina has a very sad, long history of military intervention in government. It goes back over 100 years. I am, however, not addressing the earlier military role in Argentine history. I am addressing more the period of Perón and thereafter . . .

In terms of modern history, Argentina can almost be divided into two periods: the pre-Peron period and the post-Peron period. I don't think anyone in the history of Argentina had more of an influence -- and in my opinion a destructive, negative influence -- on what has happened to make the country what it is, than Peron. There is no question that Peron set the country back very significantly by going to a very statist, paternalistic type of government.

Then, in the 1970s when Peron returned to power and died in office, he left his second wife in charge of the country. She had been named vice president and inherited the presidency when the military was poised to take over. For years the military had been adversaries of Peronism and they were, I think, convinced that Isabel was going to undo the country. Through inept handling of the government, she did in fact bring the country to almost total chaos politically and economically by 1976 when the generals took over. From the general public's standpoint, the military had a genuine mandate to take over. Unfortunately, Argentine civilians themselves have often been part of the equation that brought the military to power. Certainly in 1976, there was a general feeling that only the control and the discipline of the military could correct a situation of total confusion approaching anarchy -- where the extreme Right and the extreme Left were tearing the country apart. The military felt then, and feel now, that they were doing a job that the people had asked them to do when they took over.

The excesses that were committed are very clear. I think the facts stand for themselves. Probably nine to ten thousand people, and maybe more, literally disappeared during the late '70s when the military was trying to restore order to the country. In their efforts to restore order, they went to the extreme. This led to a lot of very flagrant human rights abuses, and in many cases, outright criminal acts. Not all of those nine to ten thousand people who are known to have "disappeared" vanished because of the military; there were other elements that were also to blame, mainly the radical Left. Undoubtedly, the Leftist groups that emerged took their inspiration from Che Guevara. Guevara, an Argentine, was a key strategist in Castro's takeover of Cuba and became one of the leading lights of the Communist regime there. When he went back to South America to create turmoil and chaos, he did a good job. Che's revolutionary influence played a big role during those years in Argentina. At the end of the '70s, the military finally managed to eradicate the Montoneros and things were finally normalized, but only at great human cost.

Also, the military were harshly judged on their performance and loss of the Falklands War in 1982.

So you have those two factors: the human rights abuses that can be directly traced to many in the military; and the loss of the war, with the ensuing blame that was placed on the generals and commanders for that sad experience. Again, you have to remember that when that war was declared the Argentines were out in the streets en masse with probably 90 percent of the people exuberantly supporting the war against the British and determined to do whatever they had to do to regain the Malvinas (the Falkland Islands). So, again, it wasn't just the military.

Unfortunately, the military, when it was all over, became the scapegoats because the general society usually, and certainly in the case of Argentina, doesn't want to accept its full

responsibility. In Argentina, the military was probably blamed for more than it justly deserved. In the presidential campaign of 1983, Italo Luder, the Peronist candidate, was in favor of a pardon or general amnesty for the military. Alfonsín was not in favor of a military pardon and, to his credit, was one of Latin America's first presidents to make the military accountable for their actions.

Uruguay went through a similar experience with human rights abuses during its military period. Sanguinetti, who became President of Uruguay at about the same time that Alfonsín took charge of Argentina, addressed the problem differently, confronting it early on with an amnesty and then a general plebiscite. He probably handled the military problem more pragmatically and had less difficulty in the long run.

Alfonsín's administration delayed resolving the military issue. They knew it was volatile but they had little understanding of the military mentality. This situation was seething on both sides. There was pressure from the human rights advocates, primarily the Mothers of the Plaza de Mayo who, towards the end, may have been co-opted by Leftist elements more interested in creating turmoil than in seeing justice done. They used the issue to cause trouble for the government, and to agitate against the military. Initially, the movement of the Mothers of the Plaza de Mayo was a very legitimate response to the tragic losses they had personally experienced. It became something else.

Soon after I arrived as Ambassador in 1986, the Radical Party began facing increasing pressures from the human rights activists calling for stepped-up investigation and prosecution of the military, who by that time were tired of feeling like social outcasts, embarrassed to go out on the streets in uniform. The military felt that they had unfairly borne the brunt, had become the scapegoats for everything that had gone wrong during the years of authoritarian government. They began to voice, in a militant way, their desire to be given back their pride. They demanded a final resolution to their plight, a solution that in their minds could only be one of general amnesty.

The military had undergone a dramatic change from ten years before when it played a strong and proud role in Argentine society. Then it had been a very respected career. Certainly that was no longer so.

Pressure mounted rapidly to bring this issue to a conclusion. In 1987 Alfonsín chose what he called the "Punto Final," which was an attempt to limit the ongoing prosecution to documented cases involving only commanders that were responsible for giving the orders. The "Punto Final" decree was enacted but did not really address the overall problem to the satisfaction of the military.

From 1987 to 1989, there were three military uprisings or concerted acts of disobedience. These were not coups or attempted coups. They were manifestations of dissatisfaction on the part of militant elements of the services -- primarily the Army -- that were trying to pressure the government into an amnesty and revindication of the military.

The whole thing remained a very, very hot issue right through to '89 when Carlos Menem was elected president. In normal circumstances, Menem would have been inaugurated in December, but Alfonsín resigned in July and Menem took office early. I think Alfonsín felt that he was losing control of the situation due primarily to the rapid unraveling of the economy and felt that the only person that might be able to put things back in some order would be Menem. Menem had clearly won the general elections with the support of the military, the support of the unions, and the support of the Argentine people.

In 1990, Menem decided that he had to grant an amnesty for the military. I think most Argentines felt the issue had become so disruptive to their society and had gone on for so long that, if the country was going to come together and face all of its other problems, an amnesty was the only way to put the matter behind.

Q: Did the Argentine populace view the United States as an actor in all of this?

GILDRED: No, certainly not in the elections, although we made it clear to the military that we were opposed to any action that might undermine Argentina's democratic process. The Carter administration was accused of intervention by the military government in the late '70s when we cut off all military aid to Argentina on the basis of human rights abuses. This action taken by our government, I believe, was the proper thing to do.

Although we were always on record as to our position on human rights, the Reagan administration was very sensitive to Argentina's wishes regarding the handling of their own internal affairs. Certainly the issue of human rights was one of the key issues Argentina faced, and we tried to help in a positive, yet non-interventionist, way.

We stayed away from approving or disapproving of an amnesty because, as I said, that's a sovereign issue that had to have an Argentine solution. We could not tell them officially or unofficially that they ought to do something to bring about an amnesty or that they should continue prosecuting the military because that would have been overstepping our bounds.

So, in answer to your question, we didn't intervene. I don't think they ever felt that we tried to direct them or instruct them on what was right to do or wrong to do.

Q: Just one more question in this regard. Alfonsín went to Washington in 1988. Did you accompany him at that time?

GILDRED: Yes, I did.

Q: Was this issue raised at all in these meetings in Washington?

GILDRED: Yes. It was raised by Secretary Shultz. It was raised insofar as how that issue was going and was President Alfonsín comfortable that this issue could be properly handled so that it didn't become overly inflamed and create problems that could destabilize the democratic process.

I think Alfonsín made it very clear that his administration was one of the first Latin American governments that put the military on trial, which resulted in many members of the military being jailed for crimes against humanity.

I think that, in the history of Latin America, Alfonsín's bravery in holding the military responsible for their behavior will go down as a real landmark action that few governments have had the temerity to attempt. They have always been so afraid of the military that they never did anything after the military stepped down.

Alfonsín did. He was very proud of the fact that he was a true defender of human rights, had prosecuted the military, and would continue to prosecute. But he also admitted that this issue was starting to pull the country apart and needed a solution.

We did find that his trip here generated a lot of interest from US human rights advocacy groups -- the banner carriers. There were several demonstrations on his trip to the East Coast and then again on his visit to the West Coast -- not major demonstrations, but hostility toward Alfonsín for not doing more than he was doing.

And yet, there were many Argentines who felt that he had let the human rights thing go too far and, if he didn't do something quickly to ease the situation, the armed forces were going to rebel against the never-ending prosecutions. That is, in fact, what began to happen.

Q: Let's shift to the economic problems that his government faced and the involvement of the United States, particularly the American Embassy in Argentina. From my understanding they had some real, deep-seated economic problems in terms of inflation and debt. Was this a major concern of the embassy in the period in which you served?

GILDRED: Yes, you certainly addressed one of the main issues of concern. My instructions were quite general and gave me a lot of latitude. Basically, my mission was to help the Argentine government consolidate its democracy and to help the institutions that needed to become more democratic continue on that path.

By that, I'm talking about things that we did with the unions, using a lot of our own union leaders to try to create a less conflictive situation in Argentina.

We were also very concerned with helping the Argentines re-establish the military under civilian control, something that had not existed in Argentina in the past. The military always had almost a fully autonomous position. They were a state within a state. We felt it was very, very important to help the Argentine government strengthen its democratic process. They wanted to change the mentality within the military, to have them accept civilian control through the Minister of Defense. The minister would be the only person that could make key decisions for the military, which is the established system in most democracies.

We went about this, of course, with a lot of sensitivity obviously, because we did not want to have the military feel that we were directly intervening in their internal operations. But we did

make it very clear to the military: There will be no direct military-to-military dealing. From now on, it will be through the government, through the Minister of Defense. He and only he will talk to the Pentagon. He and only he will negotiate assistance matters with us, so that the democratic civilian government can have proper control over the military.

Q: And what about the economy? Was there anything directly that we did to help Alfonsin meet the crisis that he faced?

GILDRED: Let, me, if I may, just backtrack to the previous subject for one second because I think this is very important.

I felt that the military issue was key because as long as the military had this feeling that they could operate independently because they were the guardians of the society, and they could, as an autonomous entity, act independently from the government, they would continue to be a real danger to Argentina's ongoing democratic process.

I wanted to make it very clear to the Argentine military that the Minister of Defense could effectively work for and fulfill their legitimate needs, so I worked with Minister of Defense Jaunarena. We became very good friends. I probably worked with him as closely as any of the ministers (with the possible exception of the Minister of Economy, Sourrouille) in trying to re-establish a supportive relationship between our countries.

The military relationship between Argentina and the Pentagon was almost totally severed by the advent of the Falklands War. We were viewed as having supported the Brits -- and the Argentines will not forgive nor forget that. So, for certainly the first three years of the Alfonsin administration, communication between the US and Argentine armed forces was very poor. Our military presence at the embassy in Argentina was greatly reduced after the Falklands War (at their request). Our military support team, made up of Department of Defense attachés and Milgroup staff, was reduced to the absolute minimum.

I was concerned with this reduction because if we were going to try to help Argentina, we had to help revitalize their military and at the same time help them to become a more democratic institution. To do this we had to establish ourselves as a viable ally able to provide the help that was needed.

Now this was very difficult to do when, on the one hand, Mrs. Thatcher was saying: "We don't want you, the United States, to do anything that would enhance whatever military capabilities the Argentines might have. We don't want them to be in a position to do again what they did during the Falklands War."

Yet we in the State Department, and I think the Pentagon, felt that we had to re-establish a good, sound relationship with the military as part of our effort to help Argentina democratize itself. This is why I spent a lot of time getting Jaunarena, the Minister of Defense, up to Washington for a first meeting with Secretary of Defense Weinberger.

Weinberger, in my opinion, was not overly interested in Argentina. He was certainly a great friend and admirer of the British, and the general feeling was that there would be little help of any substance from the Pentagon on Weinberger's watch. It was only in the second meeting (after Weinberger had stepped down and Secretary Carlucci took over) that the renewed talks with the Pentagon began to be meaningful. Carlucci, I think, reflected the feelings of the State Department and the Pentagon that it was in our best interest to start turning things around and re-establish a good relationship with the Argentine military.

The outcome of the meeting with Carlucci was the first assistance package approved for Argentina in almost ten years. It was a first step toward re-establishing assistance in the form of a small package to refurbish some of their idle equipment. Instead of giving or lending them money or giving them a lot of sophisticated equipment, we felt a logical first step was to help them refurbish their existing equipment, which, for lack of parts or maintenance, had been idled. We felt that, if we could help them put that equipment back in operation, it might keep more of the military occupied and, therefore, help to quell the discontent and trouble-making. A lot of the military were sitting around in the barracks very disgruntled because they had no airplanes to fly or weapons and equipment to train with. The war had devastated the limited equipment they had.

So this was one of the important efforts. Now that the Argentines and the British have re-established almost normal relations -- something we worked very, very hard on -- I think some real progress on the military aid relationship will be possible. We certainly pushed behind the scenes to get them to normalize Anglo/Argentine relations.

Q: Was this an American initiative?

GILDRED: No, it was not an American initiative, but there was a strong American involvement in assisting this initiative, which I would say (and I might be biased) was probably more of an Argentine initiative than a British one.

The British were standing back. They weren't putting out any meaningful gestures to try to re-establish relations. If anything, their unilateral creation of a protective zone of 150 miles around the Falklands and prohibiting the Argentine Navy from going into those waters -- which were international waters (and in the Argentine government's view, Argentine waters) -- were working against our efforts to help them get together.

This was a very frustrating situation for us. Menem, when he became president, realized that these efforts were worthwhile even though they had been unsuccessful during the Alfonsin administration. He addressed the issue early on with some very capable people, primarily Ambassador Garcia del Solar, a long-time career diplomat who had worked on the Falklands/Malvinas problem before the war and was very familiar with it.

Our efforts almost got there, but it didn't quite happen. When Menem came in he must have said, "Let's put this thing to rest." I don't know the final details, but the general plan that we had worked on finally came together this past February. The British and the Argentines initiated talks and, as a result, have now re-established -- after all these eight years -- semi-normal relations

with embassies in their respective countries.

Q: Let me put this question to you in a little different way. Very often you can tell the major thrust of American policy in a particular country by the way we staff our different embassy sections. Would you say that the political section was more important in your embassy than the economic, or was the economic more important, or was it a standoff?

GILDRED: I think every ambassador has the ability to establish priorities, but he has to work with what he's got. A lot has to do with the staff he inherits. Obviously, the economic team at the embassy has to be very, very good because this is one of the most important areas of focus. I'm not so sure that we had an overly strong economic team when I got there and in the several years before. I think greater emphasis probably should have been put on that section. I did what I could to change this but, as you know, you're limited in the ability to move people in government. I made a couple of changes in our economic section that I think strengthened it and allowed me to deal more effectively with the Argentine government and the Ministry of Economy.

So even though I put a great deal of emphasis on our economic section, I may have given more importance to our political section. That capability, in my opinion, had to be very strong. Fortunately, my political counselor, Bob Felder, was one of the most able political officers that I have had the pleasure of knowing. He was of great assistance to me in all of our dealings which, although mostly political in nature, transcended in many cases the realms of economics, trade, drug enforcement, military affairs and other areas of concern. Everything comes together in some fashion under the political section.

But those two sections, along with our military people, became more aware that we did want to work more closely with the Argentines in helping them put together the right kind of a military, and this was probably my key focal point. These sections had very specific objectives. The ambassador is the one who has a more general mission, which, in my case, was to help consolidate democracy in Argentina.

How do you do that? Well, that's really up to you because Latin America is so far down on the list of foreign policy priorities that, unless there is a major crisis, the State Department lets you alone. It is my personal opinion (I think shared by many) that many of us who were ambassadors in Latin America were given a lot of free rein because the State Department was much more preoccupied with other issues and areas of foreign policy. Certainly the East-West agenda has usually dominated our thinking for the last 40 years. And what happens is that many of our ambassadors in Latin America do have more latitude in dealing with the in-country issues they give priority to. As I said, in my case, it was the economic issues, military issues, and certainly the political issues that I focused on.

Q: One of the major economic issues was the debt and the effort by the Argentines and Alfonsin to reduce the debt in some way. I think this was one of the issues that he raised when he came to Washington, wasn't it?

GILDRED: Alfonsin felt that Latin America was drowning under the weight of the debt. He kept

talking about a reversed Marshall Plan, where, instead of development capital coming into Latin America, a tremendous hemorrhage of money was flowing out just to service the debt.

I'm afraid there was a certain amount of truth to it. The massive debt they have taken on is posing a great burden to countries like Argentina that can't even pay their interest. They have to spend a tremendous amount of effort addressing that issue to just keep their heads above water by rolling over loans or agreements with the IMF, the World Bank, and the international creditor banks. A very sad situation -- just keeping your head above water, with no ability to go out and develop new projects because there's no capital to do so.

Yes, this was a major Alfonsin issue. At the same time, I reminded Alfonsin that it was too bad that Latin America (and Argentina), who had had access to tremendous amounts of capital, over 400 billion dollars in loans, had very little to show for it. The funds were, for the most part, mismanaged, misused, or squandered by poor government and corruption. This reality, however, was not easy for him to accept, saying, "This is not fair. We're paying this interest, but now we can't develop our countries because we can barely cope with the debt. Something has to change."

I am sure that what he was interested in was a very simple solution: total or partial forgiveness. Certainly not very realistic but, again, it was hard for him, as the product of a paternalistic, statist form of society where the government is involved in everything, to understand that the debt was not controlled by the United States government. Even if the United States government wanted to cut the debt, it couldn't, because most of that debt was owed to international banks. And of that bank debt, American banks played only a 30 percent part.

There were no simple solutions. As much as he wished it, there was no way that the United States could make the problem go away.

Q: We find that around the world. We have just a couple of minutes, I know you have another appointment. Could you very quickly then, if you wish and if you're willing, give us an evaluation of Alfonsin, and then as much as you knew about Menem because he did come in while you were still there. How capable are these people, starting with Alfonsin, what did he bring and what did he lack?

GILDRED: I had great admiration for President Alfonsin. I think he was a great democrat, a man who will go down in history as probably the one person who started the transition to a true democracy in Argentina.

As much as Argentines talk about democracy, until very recently I don't think they really understood it or even experienced it in its true form. Alfonsin turned the country around to greater reality with a new democratic form of government.

His weakness was that he was very uncomfortable with most of the economic issues. He was naive about just how free economies worked. Consequently, he didn't have a real plan. He was looking for simplistic solutions, and those just made the situation worse. Because of his naiveté or lack of ability to get a handle on the real economic problems and what measures to take, he

didn't take the right measures when he could have.

He certainly had a Minister of Economy who understood economics, was trained in the United States, and who, I'm sure, in many cases would have liked to have done things that Alfonsin and the Radical Party did not do because they were scared of the political cost.

They had the perfect opportunity in 1985 when they announced the Plan Austral to slow inflation and stabilize the currency. The country was ready for the government to institute a strong plan and take forceful measures, even though it was going to be painful. Unfortunately, Alfonsin didn't realize that. Alfonsin simply did not do the things he had to do when he had the opportunity. He will be remembered, I think, as the man who "could have but didn't," because he didn't really understand that the people were ready.

He was a man who wanted to change the image of a self-destructive, irresponsible Argentina to one of a responsible, predictable country willing to accept its leadership role in the Latin American picture. To a large extent, Argentina did become a respected player on the Latin American scene during his administration, figuring prominently in Third World politics as well.

Q: Now how did Menem, in the short time that you knew him, how did he differ?

GILDRED: I got to know Menem certainly as well as Alfonsin during my stay in Argentina.

I took it upon myself to visit every one of the 22 provinces. In the first year and a half, I visited each province and met with the governors and most of the provincial legislatures. The first province I visited was La Rioja, where Carlos Menem was the governor. He was the only governor in my visits to the provinces who invited me to stay at his home with him, which I thought was a very special gesture.

He is a charming human being. I don't think there are many people who meet Carlos Menem and don't come away impressed by his warmth of personality. He has a nice personal touch. He also has a certain political canniness, a natural intuition, that makes him an astute politician as well as a very personable man. He's certainly not dry or austere as many politicians can be, but neither was Alfonsin, who had very much the same charm.

Carlos Menem is a man of the country, not the city. He was a small town country attorney who got involved in Peronist politics early in his career. I, along with others, have a suspicion that Menem is not a true Peronist in the philosophical sense of the word. He's more of a pragmatist. I think there are a lot of people today in Argentina who are saying it's impossible for this man to be a Peronist because everything he is doing (and a lot of them are applauding what he's doing) totally goes against the traditional Peronist platform.

His efforts to privatize so many of the elements that need to be privatized go against the Peronist grain. The Peronists never accepted giving up jobs. It was always: How can we create more jobs? How can we have more control over industry and government so that we can make more jobs?

Menem is doing the right things and, in my opinion, taking action that Alfonsin should have taken, and didn't. Here's a Peronist who most believed would take a populist approach and, instead, is doing some very radical things. Not radical in the sense of Argentine party politics, but very brave things, and it looks like he's sticking with it. I admire him and wish him luck.

Certainly there are many who thought that he was going to be a loose cannon. During his campaign he said several things that concerned the State Department and probably the Brits. He was a politician who seemed to do the expedient and say what the crowd wanted to hear to get the vote. That may have been the case, but I think he is turning out to be a much stronger, more aggressive, and much braver leader than anybody thought he was going to be.

ROBERT E. SERVICE
Deputy Chief of Mission
Buenos Aires (1987-1989)

Robert E. Service was born in 1937 in China to American parents. He received a B.A. from Oberlin College and an M.P.A. from Princeton University. His postings abroad have included Managua, Salvador Bahia, Mexico City, Santiago, Madrid, Buenos Aires, Brasilia, and Montevideo. Mr. Service was interviewed in 1998 by Charles Stuart Kennedy.

Q: Well, in 1987, what were you hoping to do?

SERVICE: I knew it was high time I became a DCM somewhere, as a stepping stone to becoming Ambassador. There were also three DCMs while I was in Madrid. The first one was Bob Barbour, and the second one was Jack Binns. When Jack Binns retired in January of 1986, I had already asked for an extension. I was going to be there for another year and a half. I asked if I could be DCM for the remaining year and a half. I talked to Enders about it, and he had no objection to my taking the position. I was in Washington and talked with George Vest about it. Vest said "We have already chosen a DCM, who will come in September of 1986. You can be DCM until then. We will give you the title and everything." I was DCM for nine months in 1986. Then, Adrian Basora came and was the DCM for the last nine months that I was in Madrid. Bob Gelbard was the Deputy Assistant Secretary of State for Inter-American Affairs. He apparently decided that I would be a good candidate to be DCM in Buenos Aires. There was a certain amount of back-and-forth with the Ambassador in Buenos Aires, whose name was Theodore Gildred, a political appointee from San Diego. We talked on the phone a few times. He also talked with Reggie Bartholomew (our new ambassador in Madrid) and I sent a memorandum about myself, and he said, "Fine." So, I went to be DCM in Buenos Aires, directly from Madrid in July of 1987.

Q: You were in Buenos Aires from when to when?

SERVICE: From July of 1987 to November of 1989.

Q: In 1987, what was the situation like in Argentina?

SERVICE: You'll recall that the military lasted about one year after the Falklands war. Then, they had elections and the Radicals won over the Peronists, which surprised many people. In Spain, too, this was viewed as positive. The Radicals were seen as a more serious party. They were going to try to restore democracy and growth, and what not. I'm not sure exactly why, perhaps because the Radicals themselves were split, or because they were still clinging to outdated, perhaps never valid, policies, their administration was not very successful. By the time I got there, in 1987, it was becoming very shaky, indeed. Things were not going well. There was a military revolt at Easter time, in 1987, before I got there, which was nip and tuck for a few days. The economy was doing poorly. They had a number of stabilization plans, but inflation was going up rapidly. It was a difficult time.

Q: You went from one major Embassy to another major Embassy. Did you find a difference in atmosphere and operating style in Buenos Aires than you had in Madrid?

SERVICE: You mean, within the Embassy itself.

Q: Yes.

SERVICE: Yes, and don't forget this was the first time I had ever served with a non-career ambassador. I don't know if you need to know that, but it is a fact. Then too, I was DCM for the first time, which put me into a different category from what I had been in more recently. I found it to be a very enjoyable experience. Ted Gildred grew up in Mexico, and he spoke Spanish almost as if it were his native language. He knew the Latin culture and mentality. He abhorred the routine paper work that most of us spend most of our time doing in this business. Therefore, by-and-large, he just didn't do it. I would guess that he spent an average of three days per week in the office. That was probably the maximum. That was okay, because he would do the important things. He would go to see the President. He would go to see the Foreign Minister. He left us the nuts and bolts of everything else we do, to us meaning the professionals. He didn't second guess, which was very nice. It was a very pleasant relationship. He took considerable concern in morale and did not forget the FSNs [Foreign Service nationals]. He held meetings with them every four months or so. For a good part of the time he did his own thing, whether it was playing golf or polo, or flying, or driving racing cars, or fishing, or hunting, you name it. But he was there when he was needed.

Q: I would think that Argentina would be a difficult country to cover because you have Buenos Aires and then you have... It's a large country. I was wondering, what do you do?

SERVICE: What we did was to send out little parties of embassy people every so often. We sent them up to Córdoba, and we sent them over to Mendoza, and to all sorts of other places. Gildred tried to do it en masse for a while. He and six or seven people would go off together, an officer from the Commercial Section, from Consular, from USIS, etc. They would go off and talk with the governor, local leaders, the business community, any resident Americans, and then come

back and write a report. It was fun and to a certain extent useful. But the fact of the matter is that Argentina is much like France; most of what is important happens in Buenos Aires, or you could find somebody in Buenos Aires who knew about it. You were never quite certain when you went out on expeditions whether it was much more than glorified sightseeing. It was pleasant to get out. But were you really doing anything that couldn't have been done almost as well in Buenos Aires?

Q: It's one of those things - you're dammed if you don't do it, in a way. It always leaves open the charge that you don't really understand what is happening out in the country, or is that not the case in Argentina?

SERVICE: Yes to some extent it is the case. But what's happening out there usually isn't very important except when the situation becomes extreme. We weren't really in that kind of situation most of the time. The only time we got close to it was at the very end of the Alfonsin period. Alfonsin did not complete his electoral mandate. Things got so bad economically that he stepped down early. I think Alfonsin was supposed to hand over the reigns of the government to Menem in December. In fact, he got out in July. He said, "I can't do anything. Let a new president with a new mandate try to stop the rot." It's the only place I've ever lived where we got into what is really hyperinflation. It got up to 200% in one month. When the inflation gets that high the economy stops working. The stores aren't restocked. Prices in stores, especially in grocery stores or pharmacies, get out sync with each other. Things that used to be twice as expensive as something else are now cheaper than something else because one happened to raise its price that day, and the other one hadn't yet. You had situations in which, and this did cause a riot, they would call out in supermarkets that prices were all going up 10% right then. You hadn't even checked out and there was 10% more on your bill. So, there was some rioting as a result of that, but none of which threatened the basic stability of the country.

Q: During this period, Alfonsin was obviously going down, and Menem was the man who was coming up and Menem was a Peronist. Before he came in, what was our view, how were we looking at this?

SERVICE: We had good contacts with them because they realized that ever since the 1940s the U.S. Government and Peronism had had very few good things to say about one another. They wanted to overcome that if they could. We wrote a cable in January of 1989 which essentially said that just looking at the history of our relations and policies over the past 10, 20, 30 years, or whatever, we should hope that the Radicals win the election again. There was no clear basis for thinking that Menem would be any different than his Peronist predecessors. His loss was probably the best outcome from our point of view. But we don't rule out a possibility that the Peronists, if they won, would be looking for and interested in good relations, and that they would do some things that the country needed. More than the Radicals, they might have the ability to do it. We left open that possibility, and some of us actually believed there was a good possibility things would turn out that way.

Q: Did we see this as something with the man or the movement?

SERVICE: It was not limited to one man by any means. He had to have advisors and so forth. Menem was the one who was able to pull it off. When I say it, I mean the rather radical changes in national policy that he was able to institute. Menem had enough charisma to be able to carry his party with him. The one I knew best of that group was Guido DiTella, who is currently the Foreign Minister. He was Ambassador in Washington during the first part of the Menem administration. Before Menem was elected, I used to have lunch with Guido every so often. I remember asking him one time whether Menem really understood anything about economics. He said, "No, not really. But, he is a good listener, and very receptive. He understands if you explain the importance of it to him." It was people like DiTella, and Cavallo who is generally viewed as the main architect of the economic policy, who were able to persuade Menem that Argentina had to make basic changes in the way the country had been run for the past 40 or 50 years if it was ever going to get straightened out. And Menem did that.

Q: *It has always been, . . . I won't say, a puzzlement, but here is Argentina, which is probably the most European of the Latin American countries, . . . ?*

SERVICE: Yes, it and Uruguay and Chile to some extent are all similar.

Q: *It seems to have absorbed all of the worst elements of political life for so long. It has great riches and just misused them for so long.*

SERVICE: The connection is the dependence on land as the main status symbol in these countries. Anybody who got ahead wanted to have a big hacienda somewhere. It had a very stultifying effect on Argentina's political development, as on that of most other Latin American countries.

Q: *Did our contacts cut across various elements of this society pretty well, classes and all?*

SERVICE: As much as you can in a big metropolis like Buenos Aires. We knew a lot of businessmen. We had some contact with labor through our labor attaché. USIS and the younger officers tried to get close to the students. The Political Section dealt with the overt political class more directly. We had the usual range of contacts across the parties and economic sectors.

Q: *During this period, did we get involved in hunting down the last remaining Nazis who were keeping a low profile in Argentina at that point, or was that just not on our agenda?*

SERVICE: I don't remember any U.S.- related identifications while I was there.

Q: *What about the nuclear issue? This concerned us for sometime with Argentina.*

SERVICE: Yes, nuclear, and then missiles. They have a nuclear research complex near Bariloche, and we were concerned about what they were doing. We kept an eye on it as best we could. They had one or two nuclear power plants. We were concerned they might try to export enriched uranium to countries like Iran. But there was no real crisis in our nuclear relations while I was there. We maintained a good relationship. We cultivated their nuclear people to try to know

what they were up to, and provided them with safety training if they wanted it. While I was there, missile proliferation was more of a concern. At some point the Argentine Air Force had decided that it ought to build missiles and sell them around the world. They saw this as a way to obtain foreign currency to buy the arms they wanted. They had a fairly advanced missile program which they had developed in collaboration with Egypt, as I recall. That bothered us very much. We spent a lot of time on it. Later, after I had left, we finally convinced them to give up the missile export project.

Q: What about relations with Brazil and Chile during that time?

SERVICE: Relations with Chile were always a bit tense because of the long border and because a substantial number of Chileans live in the South of Argentina. The Argentines felt that Chile might try to claim some of the area, and they felt they should maintain adequate forces at the border or kick them out. They had almost gone to war in 1978 over the Beagle Channel. There was no love lost on either side of their relationship. Brazil was the major country in South America and for most of the century the Argentines saw themselves as their equal in economic and military power. That had clearly changed by the time I had come there. The Argentines recognized that they lost that race. They were no threat to Brazil, and much like Canada in relation to us, more or less had to assume that the Brazilians were not a threat to them. There was not as much security tension left. Economic problems, of course, are another matter. Later, after I left Argentina, Brazil, Argentina, Paraguay and Uruguay signed the Mercosur Agreement to form a common market. Chile was a member-in-waiting. More traditional concerns and frictions either disappeared or, at least, dropped sharply.

Q: Did you find that the United States was playing any particular role, or was the main thing to stay out and keep a benevolent eye on things?

SERVICE: In Argentina, particularly?

Q: Yes.

SERVICE: You mean, in its relations with its neighbors?

Q: Yes.

SERVICE: Certainly in the case of the Beagle Channel we had urged caution and prudence on both sides. In general, our arms sales policy to the countries of Latin America had been closely circumscribed from the Carter period on, and so selling major weapon systems was not an issue. Even so, we looked at all requests for lesser systems, upgrades, repairs, etc. in terms of the balance of power in the region. When in doubt, we tended to come down on the side of not selling or giving arms. To that extent, we were involved.

Q: With regards to ARA and our embassies, was this an upbeat time? Here was Argentina going through a real election and in other places, things were changing more toward really participatory democracies. Was this a good time or was there much of a feeling that things were

changing?

SERVICE: Viewed from Argentina, I think it was a time of considerable concern. The feeling was that the brave new democracy which had been launched in 1983 possibly wasn't going to make it because of built-in rigidities, the inability to modernize, and to make changes in the economic sphere. We had real concern. Brazil, where I got to in 1989, was further behind than Argentina, and was still adjusting, adapting. Of course, in Chile, there was the question of how long Pinochet-instituted reforms could last, and what would come after. It was not a time of euphoria in Latin America relations.

Q: You left in 1989, more or less, with the change of administration, when the Bush administration came in?

SERVICE: I left in November of 1989. Bush had been in for almost a year. Terry Todman had come down in June or July of 1989 and I was here for another five or six months before I went to Brasilia to be DCM to Rick Melton. He had succeeded me in Nicaragua as a junior officer many years earlier.

FRED A. COFFEY, JR.
Public Affairs Officer, USIS
Buenos Aires (1987-1989)

Fred A. Coffey, Jr. was born in El Paso, Texas in 1930. He received a bachelor's degree from the University of Texas in 1952 and a master's degree from Louisiana State University in 1955. His Foreign Service career included positions in Brazil, Nicaragua, Indonesia, Thailand, Argentina, and Washington, DC. Mr. Coffey was interviewed by G. Lewis Schmidt in 1990.

COFFEY: Well, following the National War College, I was assigned as PAO in Argentina, which was an outstanding experience for me. Argentina was struggling to establish a democracy, meanwhile keeping the military in their barracks and under civilian direction while hoping to improve its economic conditions, which were in chaos, and are in chaos.

Argentina had always looked towards Europe as its major guide, beacon, because most of the immigrants in Argentina came from Spain, from Italy, France, Germany, the United Kingdom. So their culture and blood relationships were slanted toward Europe, but that relationship had never really sustained them. Certainly in the last 40 years, under Peron and post-Peron, the Argentine economy had gone into a tailspin and the educational system was in a state of disarray; great problems in that country.

And after the return of democracy under Raoul Alfonsin in 1983, the concepts of democracy were there, but the practice was not. And it was our USIS role, then, to consolidate democracy with our programming. We worked very hard in the civilian-military area, hoping to enlighten

Argentine military to work under civilian controls and civilian direction, and to demonstrate that in the United States the system works.

We instituted a training institute for the Administration of Justice. Argentina at the time -- and still does, but it's changing -- did not practice oral testimony. The jury system was not used. Moving trials to the appellate court levels was very, very cumbersome, taking many, many years.

Anyhow, we, with AID participation, managed to get \$200,000 from AID, and to establish a training institute in Buenos Aires. I'd like to say something about the civilian- military program, though. I considered it very important, because if the military decided they wanted to take over, they could, any day.

So we instituted a program of broad-based activity, with civilians and military traveling to the United States, these civilians being from the Argentine congress and the defense committees, and those working in the Ministry of Defense. The military selected were cutting-edge colonels, navy captains, and air force colonels, who still had a number of years to go and would make contributions to the Argentine defense establishment in the future.

We sent three groups to the United States five civilians, five military in each and they visited the Pentagon, observed the civilian direction, met with the civilian secretaries of the forces, talked with people on the Hill, and visited ROTC programs to see the civilian aspect of US military. They had quite a wide range of things to see and do concerning the civilian-military relations.

We considered that program extremely successful, because these groups came back to Argentina, wrote reports, had discussions and established their own organizations. Men in these civilian-military exchange groups didn't even know each other when we would say goodbye to them at the airport. When we received them at the airport after two weeks in the United States they came back arm in arm, saying they could work together, and they have.

Recent testimony is that last month in August -- the Minister of Defense, who was a senator then and an old friend of mine, called me and said he wanted to have dinner and discuss this program. I got together the people who had programmed them here. We had dinner, and he lauded these programs.

He was very, very strong on them and wants more. He said his program had changed his outlook and his career to have this insight. And now he's the top civilian directing the Argentine military. That sort of speaks to what we were trying to do.

Another area that we felt was important was to promote all sorts of linkages between Argentine institutions and the United States: universities, professional groups, wherever there was a possible linkage, because, as we all know, the information activity is not necessarily a straight shot, but it's a cobweb of many interrelated things. By the time I had left we had something like 28 university linkages; when I'd arrived there were something like four.

I felt this was the right way to go, The Argentine student levels in the United States in 1987 was

something like 800 students. Now there's something like 3,000 students, and that number is growing, which I consider indicative of Argentina turning towards the United States.

Their major problem is with the economy. The Argentines are moving towards the open market system, of which we're the best example. So, of course, many of our programs worked that area assiduously.

In winding up the Argentine experience, I felt that our educational exchange program was perhaps our best dollar spent, the most useful for both countries, as the Argentines needed middle-grade management, people with business and other graduate degrees from the United States. And to do this we needed to double or triple the Fulbright scholarships, of which there were 15 to 18 graduate scholarships to the United States. I wanted to see that number at 50 or 60.

It occurred to me that perhaps we could use some of the "debt paper" that is owed to the United States. The US banks hold some \$20 billion of debt to Argentina, although their overall debt is over \$60 billion. We brought two bankers onto the board of Fulbright, and they helped us devise a scheme.

We got the Minister of Education on board, highly supportive, a former Fulbrighter, and we got the Minister of Economics, and the head of the Central Bank, all agreeing that if the United States banks would lend a certain amount of paper, in other words, say five banks, each lending a million dollars' worth of paper in face value to Argentina, that paper would be deposited in an account at the Central Bank, and the Bank would pay a fixed rate of interest based on the face amount of that paper.

That interest, then, would be donated by the banks - - they still own the paper -- to the Fulbright Commission. Well, we had this project approved, accepted, by the USIA and by the banks and by the Argentine government, when all of the key Argentine officials were changed.

They were changed twice during the Alfonsín administration. We had to start again from scratch, getting all these officials on board. The third time was with Menem, when he was inaugurated as President in July of 1989. We started again, and got the new Minister of Education, who was also a former Fulbrighter, and the Minister of Economics, the head of the Central Bank and the people handling the debt issues in the Central Bank, all on board.

But at that moment, the US banks decided it was not in their interest to lend this paper. The Brady plan in Mexico had changed the banks' outlook towards making their debt paper available. They said they had such huge debts to write off now, with the Mexican agreement, that they would not lend paper for the Argentine experiment.

Anyhow, our idea I think was sound, and it could be moderated a bit or changed. But I think the agency should follow up very, very strongly on using debt paper for some of its programs overseas.

We left Argentina, and I retired in September of 1989, one year ago.

ROBERT HOPPER
Deputy Director, Office of Southern Cone Affairs
Bureau of Inter American Affairs
Washington, DC (1987-1989)

Mr. Hopper was born and raised in California and educated at the University of Southern California and New York University. Entering the Foreign Service in 1969 he was first assigned to Monterrey, Mexico. He subsequently served in Rome and London as Political/Military Officer and in Washington, D.C., where his assignments concerned primarily West European political and military matters. Mr. Hopper was also a Legislative Fellow on Capitol Hill and held a senior position at the Department's Foreign Service Institute. Mr. Hopper was interviewed by Raymond Ewing in 2002.

HOPPER: I became the deputy officer director in the Office of Southern Cone Affairs, and at that time there was a separate office in Brazilian Affairs so the Southern Cone was “just” Argentina, Chile, Uruguay and Paraguay. But it was a busy time and there was plenty to do. I enjoyed that very much.

Q: This was the end of the Reagan administration, the beginning of the Bush administration.

HOPPER: The whole time in ARA was the end of the Reagan administration. And it was the period of the run-up to the Pinochet Referendum; there were coup rumors in Argentina; just a lot of instability in a charming, but pretty incompetent civilian government that we were dealing with, that had economic problems it couldn't cope with very well.

Q: In Argentina?

HOPPER: In Argentina. While perversely, the Pinochet government actually ran a very wonderful economic program; it was sort of a poster child for World Bank XM programs, though everybody had trouble acknowledging that because democratically they were so bad. Then, amazingly, Uruguay was just okay and we kept working with them and they were pretty quiet and we would pay just enough attention to not have them think we were snubbing them, and Paraguay was always a bother because Alfredo Stroessner Matiauda was still in power and he and his government would do anything on the corruption side to make an extra buck, including (and we would catch them) selling visas and passports to really bad people. Selling them; they didn't give anything to anybody. If you could do a fake Cartier or a fake anything, you could find it made and sold in Paraguay. They didn't make anything legitimate, but they had lots of illegitimate businesses.

One of our projects was to try to institutionalize democracy and to get the militaries to agree that their episode of being in power was something they needed to put behind them. In Uruguay we

had discovered that the navy had been one of the worst players in the period of military government, and they still didn't have anything to do. So we talked to the ambassador – the Uruguayan ambassador was a very clever fellow – and we talked to colleagues at the Pentagon. On the desk we came up with a program that was going to provide three surplus destroyers that would be fitted. They would be upgraded to where they wouldn't sink and would be decent; not super, but decent. We would provide them to the Uruguayan Navy and the navy would then spend more of its time cleaning up the ships and going out to sea and doing the things they should do.

We had a lot of support from the Pentagon. We had worked with key congressional committees, and it was all agreed; it was a program that was fully endorsed. We ran into one problem; there was a budget process within the executive branch and this was like our number three priority for the new program. It went through and the deputy secretary's office and PM and the security undersecretary didn't think a whole lot of it, and didn't really endorse it and didn't really push it. And OMB (Office of Management and Budget) killed it. So it wasn't in the State Department's budget, but we had briefed people about it before and the House, at that time, Foreign Affairs Subcommittee on Latin America loved it. And so they pushed. They had us come up and talk to appropriations colleagues. There was no foreign aid bill that year which was not unusual at all, but they actually got it in the appropriations bill (there was an earmark to do it) and when we met with them, we told them that, yes, it's a good idea; we couldn't support it because there hadn't been enough funds in the budgetary review, but that it was a program we thought of substance and great merit. Blah, blah, blah, blah.

It went forward and it actually passed through the House, was semi-endorsed in the Senate, and as the appropriations bill went to conference, we would do courtesy of the committees, a side by side mark-up of the bills showing sort of what was in and what wasn't. When that came through and OMB and the deputy secretary's budget office went through the bill, they were surprised to discover this Uruguay program. And it might've been OK, but when they went up for their review and they said, "Well why is this Uruguay program here?" and then the committee said, "Well your guys in the Southern Cone really pushed this really hard and made clear this was one of your high priorities, and so we agreed with them and we put it in there." And they said, "Did it cost anything?" "Well, Yes, we had to cut..." there was another program – I think it turned out it was for Yugoslavia; it was for someplace that was near and dear to the deputy secretary – and that afternoon the office director and I were called up to D (Deputy Secretary) and were told by...

Q: Larry Eagleburger's office.

HOPPER: Yes. At that time we were told by the DRP, or whatever the acronyms were for the budget review shop, that the deputy secretary was really upset with us and that our job that afternoon was to call the committees and tell them that we had made a mistake endorsing that, and that the State Department very much wanted them to take that money out of the Uruguay program and give it to the other priority, and then we had to call and apologize to the Uruguayans. It was a lesson that sometimes people think, well maybe we can get more if we let loose clever desk officers and people to work their things on the Hill independently. And sometimes you can, but the sacrifice can be an overall sense of priorities and you can get what

looks really important at the Uruguayan Desk and may not really be the highest overall U.S. priority. That's a story I've often told to describe why you can't always just let everybody freelance for the money they need.

Q: Even on the good programs.

HOPPER: Even on good programs. Sometimes there isn't enough money to go around for every good program. That was kind of embarrassing.

Q: Okay, anything else that you were particularly involved with during this period? Who was the director of the office? You were the deputy director.

HOPPER: Dick Howard, who had been the director of Caribbean Affairs before, had been political counselor in Buenos Aires, and was a real Latin American expert. We had a good division of Labour; I was the person who pretty much managed the office and took care of recruiting and morale issues, and would backstop everything. At first, especially since I was new to ARA, I spent some time learning and Dick was out doing the sort of morale, what policy formulation there was. In fact, for the whole period we had very strong DASes supervising South America; first we had Bob Gelbard who had been the one who pushed me into the job, and then Mike Skol. They were both very knowledgeable, very aggressive, had programs they were pushing and we were their foot soldiers.

And after a while - it was interesting - as I learned more about the area we became a team, and Dick Howard and I were sort of interchangeable in going up to the Front Office and working on things.

Q: You traveled to the region?

HOPPER: Only went to the region twice. Divided the countries up and went to two of them each time. It was interesting; in Chile I went during the run-up to the plebiscite, and sort of like the Stratford episode, it was interesting to see that there was a great public interest in the deputy office director for the Southern Cone, which was sort of amazing to me. Every meeting I'd go to, there would be TV cameras and national newsmen outside sticking their microphones in my face and wanting comments on how did the U.S. view or what position were we taking on who should be president. Fortunately we had thought about what to say. And it was kind of fun to not only have to speak for the U.S., but do it in a foreign language on television at a time of great sensitivity. It all worked pretty well.

On policy terms, one of the things that was really interesting in the run-up to the plebiscite was we had some other crises in the Southern Cone and in ARA, and we had gotten pretty good at using Operation Center task forces. So in the week before, during and after the plebiscite, we set up a task force in the Op Center so that we could control rumors. We paid, in a strange way, to have an open line to the embassy, basically by just having a lot call and having nobody ever hang up, and just keeping the phone line open. We had really good relations with INR (Bureau of Intelligence and Research), partly because the chief of the Latin American section was a real

team player, and also one of the analysts had been one of our desk officers before. They had suggested to us about six months before the plebiscite that we should work with the priorities tasking group, and we were able to get all of the collection assets focused on Chile during the run-up to the plebiscite and that was really invaluable; we did get rumors and reports of things.

In fact, during the weekend of the plebiscite there were really troublesome reports that the military figures close to Pinochet had figured out they were going to lose and were going to do something stupid to block the thing. We had the deputy secretary call the ambassador in on a Saturday, which was pretty unusual, and basically tell him in a nice way, and not divulging the sources and methods, but being very candid that we were aware that there were people who couldn't possibly be speaking really for President Pinochet and the government, and surely they had agreed this would be a fair test. Then we saw that that had played back and it had been put to bed and they took their chances on the plebiscite and they lost.

The whole experience was really quite positive. We used the National Endowment for Democracy, and AID (Agency for International Development) and local groups, and cooperated with a wide range of people to have a very positive pro-democracy program and it worked. It mostly worked because the Chileans were ready for it to work, but we really did our part. Assistant Secretary Abrams, who had been the assistant secretary for both IO (Bureau of International Organization Affairs) and human rights, had a very keen understanding of how he could support democracy and then what could be done. Clearly, he ended up making his mistakes and running afoul of things he should've seen more clearly with Ollie North on Central America, but actually was somebody who cared deeply about having the U.S. promote democracy and human rights, and was very effective.

Q: Were we equally effective in the period after the referendum?

HOPPER: Yes. It was one of those cases where we didn't just say, "Okay, you've done it," and walk away from it. I moved on fairly quickly after that, but I kept in touch and we did work very hard. We had a desk officer who had come from USIA and who had been a cultural affairs officer in Santiago and knew the country really well, and that helped a lot. There was an incredibly activist ambassador in Harry Barnes during the period. Ambassador Barnes was one of maybe two or three people I've met like him in my career – Tom Pickering being another one – who were able to see the two or three highest priorities for themselves, but map out twenty different activities that their team or embassy could be following in pursuit of those three priority goals; keep the balls in the air, march people off, and have the sense to ask at the right time how it was going to keep track of everything and to be able to tactically retreat when one avenue wasn't working, but always moving forward. It was just incredible. Ambassador Barnes would make his enemies because he was, while a very nice guy, just relentless in pursuing these things. But it is one strategy that can work; the sort of "always on tack in pursuit of U.S. policy" strategy.

Q: Always keeping your eye on the goal?

HOPPER: Right. And not looking like you're just trying to explain away the problems of the local society you're dealing with, but pushing things.

Q: Do you want to talk about Argentina a little bit more? You've mentioned it briefly in terms of coup rumors, I think.

HOPPER: One of the most fascinating things about Argentina was that to try to help them get back on a normal footing, our senior policy-makers assumed that it would really help if we could get Great Britain and Argentina back on track; have them put the enmity of the Falkland Islands behind them and get back to a normal relationship. And also, as part of this track of trying to get the military out of politics, the U.S. believed that we could find a reasonable Argentine military to work with, and that we could find programs for them; that they had basically lost their Air Force and that we didn't want them following a proliferating track of developing missiles and nuclear weapons, which some of them were considering. So we felt it was best to find some safe, conventional military things they could do.

Prime Minister Thatcher made it clear in twenty different ways to anybody who would listen, that not on her watch were they going to. That we were right to be worried about dangerous programs, but we were wrong to think that letting them have anything was the answer. My most hopeless task, and I spent months trying to broker first a deal between ARA and EUR so that we could even go to the British to discuss an approach, and then finally, amazingly, we were able to do that with the help of the International Organizations Bureau who did come up with a plan to have a working group basically between ARA, PM and the foreign office in London, to try to come up with a plan of what were safe weapons. We did that and we finally, after a number of meetings, got an agreement on some things that we could offer. And we also tried to come up with a program to actually help Britain, Argentina and the Falklanders manage the fish stocks around the Falklands; that was as sensitive as the weapons.

Working on all of these Argentine issues, one of the lessons that came through loud and clear, that I've never forgotten and that ended up guiding me later when I was doing training at FSI, was that as countries get interesting and the interest in them throughout the U.S. government gets broader, then there was the country reporting exercise and the embassy would be asked to do a lot and we had a good, aggressive embassy. They were doing lots of reporting. My job as the deputy office director – and I was pretty good at it – was to go through the cables. I'd learned to speed read cables and to really go over everything and ask questions and make sure people were working on things. I got us a second generalist who could jump around and help as areas heated up. But during one period when things in Argentina were kind of tense, I had noticed three or four cables that didn't seem to jive. There were just different messages coming in and I'd ask the Argentine desk officer what he thought of them and he was very good, very diligent, very hardworking. He came in a couple hours later and he said, "Jeez, Bob, I'm really sorry. I haven't even seen them. I haven't had a chance. There's so much stuff coming in. I'm doing so much on this visit and that visit that I'm very grateful when you spot the key cables and send them to me for my opinion because I don't have time to read all of them." And we had sort of kidded ourselves and told ourselves, oh well, we can do all this reporting because it's being read by the desk officer and INR. What I discovered was that actually INR and the CIA did seem to pretty much have the staff and time to see most everything, but it became crystal clear to me, and it was just Argentina, that throughout the Department the desk officers were too busy; we had sort of

downgraded them, understaffed them, and asked them to do more and more managerial tasks, reviews, etc., to where they didn't have time.

Q: To keep track of what was really happening?

HOPPER: I thought, oh my god, if they're a really good desk officer who only has one country and can't read everything about the country, who can? And how does the State Department play its role at bringing coherence to it? I realized that in some ways deputy office directors had to play a role in that in spotting what the important trends were. We didn't do a good job later when the budgets got tight; we ended up sacrificing a lot of the deputy office director positions, saying they were superfluous and they didn't have any direct thing to do. Now we see that was a disaster, in that when it worked well, those were the people who actually did sort of have the time to see how trends came together. Letting them go was a huge mistake. If anything, the redundancy in the Department was between office directors and DASes, and that we'd never quite sort it out as, if you had activist, energetic, committed, caring DASes of the type that we had, there really wasn't very much of a role left for an activist, policy-making, inclined office director.

Q: I suppose especially when they had a very strong deputy who could keep track of the desk officers and all these strands.

HOPPER: It was a wonderful period. George Vest had been right that sometimes when you get a job that you don't think you want, it can be a wonderful experience and a learning experience. I very much enjoyed the two years of doing the Southern Cone.

Q: One last question about Argentina: was this the period of the disappeared, the missing, the human rights issues? Was Tex Harris in the embassy in Buenos Aires yet?

HOPPER: No. The defeat of Argentina in the Falklands War got rid of the military government and brought in Raul Alfonsin as president and the "Radical Party". In their hearts they were very good on human rights and were trying to move in the right direction; but they couldn't control the military. As far as we could tell, there weren't any ongoing problems. They were miserable failures in trying to get any acknowledgment or redress. The mothers of the Palazzo de Mayo still demonstrated. They met and there were endless processes to try and get something going, but the Alfonsin government couldn't really confront the military. Eventually they had a real pale process to...

I saw yesterday just a frightful story in the Washington Post about the families of the missing who had been belatedly given \$250,000 each for a spouse who died and \$125,000 for children; and that at the time that that was to be done, the government of Argentina couldn't afford to actually pay them in real money so opted to pay them in bonds. The bonds have been payable and then put in bank accounts, and in the economic chaos of the last six months, when Argentina basically defaulted on its bonds, it defaulted on these payments to the missing. And, in dealing with the World Bank and everything, the economic team from Argentina has been in this quandary that you're sort of not allowed to discriminate between your bond holders. These aren't

investors in Argentina; these are people who were hurt.

Q: Victims.

HOPPER: I wonder what the U.S. government and the Treasury undersecretary...this is a challenge for us to figure out a position.

STANLEY ZUCKERMAN
Director, Latin American and Caribbean Affairs, USIA
Washington, DC (1989-1992)

Mr. Zuckerman was born and raised in Brooklyn, New York and educated at the University of Wisconsin. After service in the US Army, followed by newspaper reporting and a position with the Governor of Wisconsin, he joined the USIA Foreign Service in 1965. He subsequently served as Information, Press and Public Affairs Counselor in Congo, Belgium, Mexico, Canada and Brazil. He also had several senior level assignments in Washington at USIA and the State Department. Mr. Zuckerman was interviewed by Charles Stuart Kennedy in 2004.

Q: Did Argentina come across your radar more or less? I mean Argentina has always struck me as here is this country with everything going for it and nothing works.

ZUCKERMAN: Well it comes across my attention more forcefully because my wife is from Buenos Aires. I have visited there several times as area director, and a number of times since I left the service. Argentina is one of the few countries in the world that is self sufficient in energy and food. It has an educated European population. At the time of the beginning of the war it was either the fourth or seventh leading country in per capita GDP, depending on whose statistics you accept. You still see the grandeur of the place when you go down there. I don't know if you have been to Buenos Aires. It is a European city, with the highest concentration of psychologists per capita in the world. It has a thriving culture, great restaurants, and wonderful food. I hate to tell a Texan this, but the greatest meat in the world is in Argentina, along with some wonderful wines and attractive, intelligent people.

They can't get it together because they have been mis-governed for so long. Like many countries in Latin America, but certainly in Brazil and Argentina, holding minor office is a route to great wealth. State elected officials retire after a few years at multiples of their salaries, and the federal government is forced to pay the bill. These are regimes that have encouraged the growth of cynicism about government, and without a citizenry that has faith in the government, it is very difficult to find anything good that can come from such a situation. They have been disappointed over and over by people who they thought would finally lift them out of chaos. There was a period there when the government tied the peso to the dollar. It had the immediate effect of attracting investment and boosting the value of the peso but it couldn't be sustained. It couldn't be sustained because they couldn't control inflation. So just as in Mexico it wasn't a slow

leakage, it was a burst of the dam when the country goes down. You have got to adjust the exchange rate when the situation calls for it. There wasn't a hell of a lot we could do in Argentina except show the flag, programs about rational economics, maintain the relationship. As elsewhere in Latin America, we had these wonderful bi-national centers. The Bi-national Center of Buenos Aires is a great independent institution with 10,000 students or so learning English and bringing people in close proximity to American culture. So we maintain the dialogue; we maintain the relationship. But the institution that affected policy more than any other, including the U.S. government, was the IMF. They determined in effect what the relationship would be because we got blamed for whatever the IMF would do.

TERENCE A. TODMAN
Ambassador
Argentina (1989-1993)

Ambassador Terence A. Todman was born in 1926 and raised in St. Thomas, Virgin Islands. He attended the Polytechnic Institute of Puerto Rico and served in the U.S. Army. Ambassador Todman received a bachelor's degree from Syracuse University. His Foreign Service career included positions in Tunisia, Togo, Chad, Guinea, Costa Rica, Spain, Denmark, and Argentina. He was interviewed by Michael Krenn on June 13, 1995.

Q: You faced a very different situation from that you faced in Denmark, where there was a good deal of, as you said, this warm feeling toward the United States. But when you got to Argentina, even though the Malvinas conflict had been years past, there was still that lingering animosity. What was your reception like in Argentina, with the Argentine government? Was it a chilly reception?

TODMAN: It's interesting because I landed there just at the time of the change. It was an unbelievable time. I went in on a Friday afternoon, so that I could have the Saturday and Sunday to get myself together and see the residence. So my first full workday was the Monday, 12th. That evening I turned on the television and I saw the figure of Alfonsín appear. I didn't know him, but had seen pictures and so on. And I heard a person say, "I've decided to resign as of the end of this month." I said, "Either my Spanish isn't working at all, or this is an impersonator, or someone playing jokes, because no president says I quit in eighteen days. He was expected to stay on until December. So I called up my political counselor and asked if he had seen the news, and he said yes, and I didn't dare tell him what I had heard. So I asked, was it really Alfonsín on? Yes. What did he say? He said, he's decided to resign and leave at the end of this month. I said, "Well, my Spanish is working, it's not an imposter. What the hell is this country all about?" So there really wasn't...I say that just to say that there wasn't time for there to be a reaction to me from the Alfonsín government. Because he just decided to pick up and go. Nor from the Menem government, he hadn't come in yet. But I did call Alfonsín the next day and asked what about a presentation of my credentials, and he said, sure, come along. So I saw him that day, Tuesday morning, and the Foreign Minister was there. And Alfonsín said, "Sorry we won't have much

time for working together." And I said, "Well, so I gathered from your speech." I added, "I hope that I can meet with the president-elect before too long." He asked the Foreign Minister to help me. I had a meeting with her the next day, which I thought was just going to be a courtesy call. Instead, she had her full staff there and we got into all the issues. And in the middle of the meeting, near the end, I guess, a messenger came in and handed her a note, she said, "Show him in". It means obviously somebody from outside, and she's showing him into the meeting with me and her top advisors. In walks this gentleman, and she said, "Ambassador Todman, this is Dr. Domingo Cavallo. He's going to be the next Foreign Minister. Dr. Cavallo, this is Ambassador Todman. He would like to have a meeting with the President-elect as soon as possible. Can you help us to arrange that?" Dr. Cavallo takes out a little notebook and says, "What about tomorrow afternoon at three?" And I gulped, and said, "All right, thank you." And so I met the president-elect the next afternoon, together with the president of the senate, his brother, and Dr. Cavallo, his Foreign Minister. We spent an hour and a half going over all of the issues. Again, the reception was great, because he had already made some fundamental decisions, so there wasn't any real problem. It was out there in the street, it was not to me. The Alfonsin government, by then, and the people, the Radicals, his party, was by that time very angry with the United States. Because although we had done a great deal to bend the rules in the Fund and the Bank--the IMF and IBRD--to get him support, in spite of his failure to keep his commitments, to comply, the last time we couldn't do anymore. Everybody said, no, you people have gone too far, pushing us to do things. And he was extremely angry about all that, and felt that we had sabotaged him. So that gave a lot of resentment on his part. And the Peronists had this long-standing resentment of the United States, which was critical. So basically, except for the very small Liberal Party, there were no real supporters of the United States in Argentina, of the U.S., as such. So there was everything to be done to turn that around, at least to work on it. Because as I said the Alfonsinistas had become totally antagonized and the Peronistas had always been. This was not only against us, it was against the World Bank and any foreign institution that dared try to tell Argentina what to do. And so this was out there, but it didn't effect me personally. And once President Menem made very clear the direction in which he was going to take the country, then others gradually began to fall in line. And as people got to know me, they found out that I didn't have two heads, and I didn't go around chopping, and the reset of that, and that we could sit and have a dialogue. I had very many Argentines tell me that they never imagined they would see the day where they would be sitting down having a pleasant, smiling, friendly conversation with an American, and especially an American ambassador; they told me that, once I had gotten to know them. So, it started out way over, but it changed. But it didn't hit me initially, because of the circumstances in which I entered into the country which I just described.

If I may go back to my time as Assistant Secretary for Latin America. Again, I think a major accomplishment was the establishment of the Caribbean Basin Initiative. For the longest while the Caribbean had been treated as a stepchild and regarded itself as that. And as I spoke to Caribbean leaders they were seeking some way that they could participate in plans for their own development. They felt as though people handed out what they wished to when they wished to and these things were not always relevant to their own development needs. So I did a couple of things that I think made a difference. I invited the governor of the Virgin Islands and the governor of Puerto Rico to participate in conversations about what should our policy be toward the

Caribbean. And then I spoke to the leaders of the Caribbean and then all of the donor countries, and arranged for a conference in Washington based on agenda items worked up by the Caribbean leaders. I remember Henry Ford of Barbados played a very, very big role in this, and Paterson of Jamaica. And we had the first real meeting with all of the donor countries and the donor organizations. And out of that came the idea of the Caribbean Basin Initiative. We got Central America into that also. And for a while we were able to do a little bit of funding. Then as money started getting tight, the money started being shifted to Central America. This was after I left. Again, the things that I started just sort of drifted away, because the other assistant secretary didn't have the same kind of focus--understandable, each person looks at things in different ways. But we did actually energize the Caribbean during that time there, and encouraged the Canadians to work very closely with us. And I think a new spirit was born in cooperation in the Caribbean during that time.

Q: That supports what Richard Fox, who was appointed ambassador to Trinidad and Tobago during that time, said. One of the things he did during the Carter Administration was look through the ambassadorial appointments, and most of the appointments to the Caribbean were, basically, political appointments and, as he suggested, not always the best people. But I think that went along, as part of what you're talking about, the Carter Administration started to really make a point of appointing career Foreign Service people to that area.

TODMAN: It was a serious move to get the Caribbean to be taken seriously, and to get them to be a major part of the determination of what would happen with them. And I think it made a difference. It hasn't continued, unfortunately, but neither has many other things.

Q: Back to Argentina. One of the, as you mentioned, one of the problems that the Argentine government had been having prior to your arrival, had been with a lot of the international lending organizations and so forth. We haven't talked much about this in terms of your other ambassadorial appointments, but perhaps this would be a good time to do it. As an ambassador, what was your relationship to these international organizations to try and get them to cooperate with the governments to whom you were sent. I've noted in some other ambassadors' memoirs, and so forth, as saying that this was really a frustrating part of their job, working with the International Monetary Fund, the IBRD, and even some of the U.S., ExIm Bank, those kinds of things. What was your kind of relationship with those organizations?

TODMAN: It was very dynamic, very active, and I'm prepared to say, key in getting a lot of the support for Argentina. Let's take the U.S. organizations first. ExIm Bank. When I went for my briefing at ExIm Bank before going out, the then-president of the Bank said that he had a gift for me to take to Argentina, and this was the message to them that ExIm was going totally off cover: no short-term, no medium, no long of any amount. And I said, "I don't think that's funny at all." The ExIm Bank was created for the purpose of providing lending in cases where normal commercial banks were not willing to do it for one reason or another. And I know that you have a fiduciary responsibility, but at the same time you have to go out front and help in this whole process. And he blew up. He said, "Nobody's going to come into my office and tell me what my organization is supposed to do or how to do it. I'm leaving." He got up and walked out of the meeting. And I continued the meeting with the other people who were there. And I asked,

"What's wrong with that guy?" That was the first and only time in my life I had that; really blew up and left. But I didn't think it was funny for him to be telling me that his is what I'd be taking down. And so after he went away, we continued the conversation, as they outlined to me some of the problems they had had with Argentina. So I took those down to Argentina and spoke to the Argentine authorities about the things they needed to do start repairing this relationship. And we just started one by one, little things that they could do. And I kept in touch with the ExIm Bank, to make sure that these things were happening. And by the time President Menem came up here on a visit in September of that year, three months later we were back on short-term cover, and by the time of his next visit Argentina was on full cover.

OPIC...OPIC was frustrated because they had projects there, applications for projects that had been pending for nine months, almost a year, no answer. I worked out with President Menem an agreement that if an answer were not received to an application within thirty days that project would be considered fully approved. I said, "If people have any objections a month is more than enough time for them to come back and say, no, for these reasons, or to say we need additional time to study it. But the pigeonholing of it, or the waiting for people to pay off, wasn't doing Argentina anything." And he agreed with me. That was established. OPIC developed to have the largest number of projects, percentage-wise, in Argentina that it has anywhere around, because projects just kept getting approved all around. The Trade Development Program, which had not at all been active in Argentina. I got Priscilla Rabb and spoke to her about the opportunities down there to help get the Argentines to work. And we did eight feasibility studies, one after the other, for Argentina.

On the ExIm Bank, the IBRD and the Inter-American Development Plan, I knew Enrique Iglesias very well from my time as assistant secretary. But the more important thing was to get to know the U.S. representative on these organizations. Because unless the ambassador can establish good relations with them, and get them to be supportive, then not too much is going to happen. So I got to know our representative on each one of these organizations. But in addition to that, when I came back on every visit to the United States, I went into visit the organizations to find the senior most person responsible for every activity and every project in Argentina and then I got to know the heads of the organization. I established a wonderful relationship with Camdessus, for example, so that anytime that I was there I would go talk to him directly about projects. And I would be supportive and I would agree that I would join in getting the Argentines to understand his message and to respond when necessary. So I worked really as closely with them as I did with the U.S. government. And when the Argentines couldn't get things through, and needed things in an emergency, they'd always call me. They'd say, "We're having this problem, we're not being able to do this, they're asking for this which we can't do, but we can do this, can you help?" And I was able to pick up the phone and get something moving, with all three of those organizations, plus the U.S. organizations. And on a number of issues where things were just stopped, my intervention broke it through for them and got the approval and got things going. I kept in very close touch, of course, with Treasury, because Treasury's the one that has the representatives. I worked very well with David Mulford. I'd go and see David very often, talk about whatever was happening, see what it was that needed to be on it. Because there were times that the Argentines weren't performing and one of the big things that I helped the Argentines to do was to meet their commitments. Because one of the problems was that it had lost credibility; it would promise

everything and then fail. There was no problem prevailing on Cavallo for this. But to get it happening took some time. To let them know you shouldn't promise if you cannot comply. When you make a promise, keep it. And the moment that this business of compliance became established in the minds of the international organizations or the U.S. lending agencies, then it was fine, because they knew that it could rely on it. If we say we're going to do this we're going to do it. And once that was established, then lots of problems that had been there before began to disappear. I know that made a difference. And I know that several times my personal intervention with these agencies tipped the scales in favor of Argentina. And the Argentines knew it. Several times I talked with Treasury, the banks, the Federal Reserve, both in Washington and in New York, on issues for Argentina. When they were getting into the refinancing of the loans, I spent a lot of time. So, it was working with outside institutions to try and get them to be supportive of what Argentina was doing. I believed in what the country was trying to do, and I communicated that belief. I had to do it personally, because people in the State Department didn't particularly feel favorable toward Argentina and weren't very concerned with helping. But, it worked.

Q: It certainly did. From this being an assignment where the President had apologized for having to send you down there, by the latter part of your stay in Argentina, here was Argentina, a nation that we had had very strained relationships with, being the only, if I understand it clearly, the only Latin American nation that actually gave assistance to the United States during the Gulf War.

TODMAN: Right.

Q: How did that big a change come about? Was it just an accumulation of all of these things that you had been doing?

TODMAN: I suppose so. Menem made a basic decision. He said this business of the adversarial relationship hadn't paid off a thing. The business of Third Worldism hadn't done anything for his country. And that if you believed in certain things, why not act on them? There was some really basic things that had to be changed in Argentina. They were going ahead with this, with the missile development program. It wasn't a native Argentine program. Somebody from outside brought the stuff in, were putting it together there, and then they were going to sell it, riding on Argentina's back. And the moment one was able to talk to them about this, and they were able to stop and think about it, "Why the hell are we hurting ourselves on this, on the missile issue?" They were going ahead and trying to pursue a path of development which meant that we were denying them access to processes, information, and material that could really help them to advance in the nuclear area. And as you spoke to them, they began to think, "Wait a second. What the hell are we getting out of this crazy thing we're doing? If we don't do this, we can get these advantages which will mean a great deal more to us down the way." So, what it did was to take an enormous amount of courage on their part, to one, seriously consider the issues and, two, to decide to make the realignment, to move away from old things, into things that were more beneficial to them. And to back away from this idea that if somebody is telling us about it, maybe it's no good for us. Because that temptation is always there. But at least they were willing to give a serious examination to the things that you presented, to weigh them, and to see how they worked. On the nuclear issue, I worked closely with Dick Kennedy, with whom I had worked

before for Spain. An absolutely first-class person, a great mind, with a great ability to relate things to other people's interests, take into account what it is they're looking for, and find ways to satisfy some of their concerns. And again a wonderful combination, and it produced this feeling of confidence in people, that they could rely on what we were telling them.

Q: In terms of Argentina deciding to assist in the Gulf War, was that something the U.S. government pressed them on, or was just a decision they made themselves?

TODMAN: It's a decision they made. We didn't press them. We made the usual appeal that we make to everyone on these things, that it would really be important for the world, and it would make a great impression on the Iraqis, if there were broad participation from all over, so that this thing were not cast and seen in light of the United States against Iraq, which it was not; that protecting the territorial integrity and the sovereignty of Kuwait, a very small nation, is something important; that the world should send the message that some big bully is not going to be able to move in and take over what it wants in another place, and that this is something that deserves clear manifestation from everyone. But this was a message that was being delivered all around. And the Argentines said, "Yeah, that makes sense." And they decided.

Q: How did that go over with the Argentine people? Were they highly supportive of the decision?

TODMAN: They were doubtful, they were doubtful, very. Because this was such a departure from the kinds of things that they had done before. But as they saw later, you know, Argentina up there with the big powers doing this, Argentina standing up, it changed, the attitude changed. There was a lot of skepticism and doubt initially about what Argentina was getting into, but one of the things that the Argentines decided to do was to establish their own position on issues before getting into conversations. So the old business of going to Latin American meetings and aligning themselves with what was there, starting from zero, changed. They would go in with a position. So that out of the meeting would come, if agreement was possible, an agreed Latin American position. But not coming from zero with Argentina. They would have had an input into it, because they would think about it independently before going in, before going into the meetings. The business of the non-aligned, you know, stopped. Because the feeling was, "What the hell is in this for us? What are we gaining?" And Menem was quite straightforward about it: "What are we gaining by going and denouncing the major powers? What are we doing in positive terms?" His way of thinking was totally different and this was new. But on the specific Gulf thing, we informed them of our wishes, but not any more and not any more forcefully than we had done to anyone else. And they just decided on their own that this would be good thing to do, because it would demonstrate to the world that there is a new Argentina, and that it's ready to do the kinds of things that were in keeping with the UN. I think Argentina today has more, has forces in more of the UN missions than any other country. Because, again, it decided that peacekeeping would be a major occupation of the Argentine armed forces.

Q: I guess after about four years in Argentina, 1993 rolled around and you decided to retire. Of course, decided, that's after 42 years. Did you want to continue or did you decide in 1993 that 42 years is enough?

TODMAN: I didn't seek to continue. I came back after the elections and had meetings with the Secretary. I came back really to tell him about some of my concerns on international issues; to share with him particularly my concern of the disarray that exists in American foreign policy today, of the incursions into the role of the State Department being made by agencies all around, doing their own thing, and the negative consequences for the United States interest. We didn't get a chance to talk about much of that because he had not kept up with the changes in Argentina and was way behind. He thought the military still ran everything and that democracy wasn't there, and so our conversation ended up being an update on Argentina, rather than the other things. But people asked me about what posts I was interested in, and I said, "I'll look, if you've got anything that you want to offer, I'll be happy to look at it." And I would have been. But it's not a question of a post for the sake of having a post. I don't need that. So I didn't do any campaigning. I spoke early, after Clinton won; yeah, after he won, I spoke to people on the transition team who were asking me to list the posts that I wanted, and the answer to them was the same: I'm not listing anything, because I'm not looking for anything. But I am available. I feel very well. You already know I can handle things. I think that at this stage I can deal with any of the posts that we have, and if the administration feels that I can be of use in any of them, I'm here, I'm ready, I'm willing, I'm able, but I'm not listing and posts because I'm not pressing for anything." And that's about where it came out.

RONALD D. GODARD
Deputy Chief of Mission
Buenos Aires (1993-1997)

Ambassador Ronal Godard was born in Oklahoma and raised in Oklahoma and Texas. He was educated at Odessa College and the University of Texas. After a tour with the Peace Corps in Ecuador, he joined the State Department in 1967 and was posted to Panama, the first of his assignments in Central and South America. These include Costa Rica, Chile, Nicaragua, Argentina and Guyana, where he served as Ambassador from 2000 to 2003. His Washington assignments also concerned Latin American Affairs. During his career the Ambassador served with the Organization of American States, was diplomat in residence at the University of Illinois in Chicago and was Political Officer in Istanbul. Ambassador Godard was interviewed by Charles Stuart Kennedy in 2004.

GODARD: I got another call, this time the man who was our ambassador to Argentina, James Cheek, who had been my boss in Nicaragua during my first tour. He invited me to come be his Deputy Chief of Mission in Buenos Aires, and I accepted that. But I couldn't get away from Nicaragua, I stayed on there a little longer than I had anticipated because of the problems that we had. While I was on leave, I actually got promoted to minister counselor which was helpful, then went on to beautiful Buenos Aires.

Q: Alright well we'll pick this up the next time in 1993 when you were off to be DCM in Buenos Aires and one of the things I'd like to talk about is, we talked before about when administrations

change, did you sense any change in administrations when the Clinton group took over from George H. W. Bush and all, we'll talk about that, and then the whole thing of what you were up to.

Today is the seventh of January, 2005. Ron, were you back in the department during the change of administration?

GODARD: No, I think I must have been overseas when it actually happened. I had a friend, the man who called me to become his DCM in Argentina, James Cheek, was part of the transition team for the Clinton administration coming in. Jim was one of those people who were punished when the Reagan administration came in for having supposedly lost Nicaragua. Jim was sent off after a very distinguished time in Latin America, and having served during a very difficult time as our deputy assistant secretary covering Central America, this is when the Salvadoran insurrection or civil war, whatever you want to call it, was wrapping up. Jim actually spent a long time down there as the chargé and so forth. His papers had been processed I think, and he was called back after the transition to be on the transition team for the Latin American group, and then went out as ambassador to Argentina. That's when he called me, because it's one of those things where we talked years before about, if I ever get to be ambassador I want you to, Jim was my boss in Managua. We had a very close relationship and we kept up with each other over the years, and sure enough he wanted me as DCM. By that time, I had pretty good credentials. I had been DCM in Managua, had been in charge for a good long time. So I accepted the job. I wasn't back in Washington for the transition, so I don't really know the atmospherics of it.

Q: You were in Argentina from '93 to when?

GODARD: I was there for four years. It's the longest I've ever been anywhere.

Q: So '93 to '97. Ok, the situation in Argentina in '93 when you got there.

GODARD: It was during the administration of president Carlos Menem, the Peronist politician, populist kind of politician with good credentials in the labor movement in particular. Who a lot of people thought was going to be a wild man, hailing back to some of the more extreme policies of the Peronists in the past. But he turned out to be very interested in cultivating a close relationship with the United States. Also very interested in promoting the kind of private sector development he'd seen next door in Chile, what had happened there. But the Argentines wanted to do it in a democratic framework, whereas it had taken the Pinochet dictatorship to accomplish that kind of work in Chile. Menem was having a lot of success, all the time I was there, in attracting foreign investments. There was a series of big commercial delegations coming down, headed by governors in some cases. That's where I met Tommy Thompson for the first time, governor of Wisconsin. I met the governor of Nevada, and any number of politicians, members at the state level, and also Paul Cellucci, Governor of Massachusetts, led a group down there. Now our ambassador to Canada. And then a lot of members of Congress were coming down. Very interested in what the Argentines were accomplishing. It was when the third world accounts, the developing economies, were particularly popular for investment groups. Menem did a lot of privatizations, there were big corporations coming in, grabbing on to this. Unfortunately, at the

same time, there were deep-seated problems with Argentina that were not addressed. They were still living much beyond their means. They were still subsidizing inefficient bureaucracies. Especially in the provinces outside the capital, not the central government necessarily. And an awful lot of corruption in the country that came back to haunt them when the bubble burst after I left. During the whole four years I was there, we had sort of a picture book relationship with the Argentines. The time during the Gulf War, Menem sent a frigate to participate. He was very interested in the security relationship, a mature relationship with the United States. Contributed troops for peacekeeping missions that we were particularly interested in seeing successful. Was very helpful to us in international organizations. We could always count on, when we went to the foreign ministry under his government, getting at least a fair hearing on our position in trying to generate their support. When you get the instruction and you trek over there and try to convince them to vote with you. Some cases we got an awful lot of third world countries anyway voting against us in international organizations, and even in many cases Europeans. But the Argentines were most helpful in most cases, and the ambassador was quite popular personally in Argentina. He'd been a soccer fan for years, going back to when he was first touring London. He was from Arkansas. Soccer was nothing back in those days, but he developed a love for the sport, and had kept up with it in subsequent assignments like Uruguay and the other countries. So he joined the soccer club, one that was not one of the favorites of the elites, and it happened to win a national championship that year, so he was viewed as a kind of a good luck charm for the soccer team and he was always sought out for commentary on sports issues, stuff like this. He brought soccer into the residence, and it was quite an interesting time working with Jim. I think we accomplished a great deal back in those days. I was the sort of typical DCM, doing the inside running of the embassy. I also did a lot of reporting because of our relationship. Very often I would go with him to high level meetings, I'd be the one to interpret the meeting. Because of that, it was a very smooth transition when he left. I was chargé for a year after that. There was a gap where the administration was trying to put Jim Dobbins in the job as ambassador. Jim had run into some issues with I think Senator Helms over Haiti. He could not get confirmed, and that just went on and on and on, and so I was there. As a result, it turned out that I was there when Clinton himself and Mrs. Clinton were coming down for a state visit to Argentina. So I was due to leave, I was going to go on to become the deputy permanent representative to the OAS. I'd met Hattie Babbitt, the ambassador to the OAS while I was there. She was one of the people that visited us, and she was familiar with my work from when I was in Panama because they had the OAS general assembly there while I was there. The Clinton brand new deputy secretary, what was his name? Clifford Wharton I think? Came down as the head of our delegation and then Hattie Babbitt was the very new U.S. permanent representative to OAS. Governor Babbitt's wife. Was quite successful as ambassador. Anyway, she had invited me to become her new deputy, but I had to stay and take care of the visit.

I enjoyed the tour there. One of the more dramatic things that happened when I was there as chargé was President Carter came down with Rosalynn Carter and was really treated as a visiting hero. So many of the members of the government had suffered political persecution during the military years, and it was because, some of them felt sincerely, and the vice president, Carlos Ruckauf, felt in particular like the Carter policies and the activism of folks like Tex Harris had saved his life. So President Carter was very, very well-received during his visit. It was interesting seeing the benefits of our human rights policy in very real, personal terms.

I got to do a little bit of traveling in Argentina. Huge, beautiful, very impressive, magnificent country, and so I got down to Antarctica. I didn't get to Antarctica itself but I got down to the Shetland Islands. Went on over to Tierra del Fuego and Chile. Some of the best memories of vacations that my wife had during our foreign service work while we were there. And also there were some in Chile as well.

Q: Going back to this '93 to '97 period. We must have been looking very closely at the economy. Something was almost endemic about the Argentine economy wasn't there? How were we seeing it at the time?

GODARD: The sicknesses that were there in the Argentine economy seemed to be being overcome. The inflow of capital was so tremendous that they could keep it moving. So many investors were putting their money, retirement funds up in the States were really interested in these developing economy funds, and Argentina was one of the real go-getters back in those days. So that's what kept driving it, and they never really had to come to terms with the problems that were always there. To a certain extent, with this kind of massive influx of capital things got worse, and so there was, after I left, a big crash. The convertibility policy in that kind of atmosphere, where American and other foreign investors were looking for a safe place to put their money, was very attractive. And it was a country where you could put your money in and get it out very easily. There was no problem in banking transactions of any kind, currency transactions. It was not everything, but major privatizations had occurred so the economy was phasing out of those huge state enterprises that the Peronist regime had built up for decades was dismantled for the most part. Public utility, collection of the garbage, and all the traditional stuff that were state functions were being privatized, turned over to private companies. They were coming from all over the world to take up these functions. The Chileans were big for one thing. They had their retirement system getting a lot of capital for investments overseas, so there was a lot of excess capital from Chile coming in to Argentina. Spanish capital and an awful lot of American companies.

Q: Did we have any concerns that things were moving too, eventually corruption and all that?

GODARD: We were, but our analysts, I just don't think anybody, Argentina has been through so many boom and bust cycles, it's sort of like the last stock bubble. Nobody expects it to end sort of thing, and you find analysts always giving good reasons why it will continue growing. This economy is going to keep growing, this might be the endless wave. I wish I could say that during the time we were there that we could predict the fall of the economy. But we just weren't there in our analysis, and I'm no economist, of what we saw of how they were doing all the right things, the IMF (International Monetary Fund), they were their poster child, and all the good stuff that you expect. They were privatizing, turning the private sector loose. Lots of investment. People bought it obviously, in the investment community. It just looked real good. On top of that, they'd been outstandingly courageous in actually converting their currency to one-to-one parity with the dollar, and sticking to that. Pumping exchange into the market whenever the peso looked like it was getting inflated. We just didn't anticipate it. Maybe I left a little early, and others after me could see the red flags starting to come up.

The corruption, yes, I know we did spot that. It was unavoidable. There were just too many anecdotal sort of things. These things seldom went to court, but we were aware that a lot of money was changing hands.

Q: We had our Corrupt Practices Act. We strove to prevent American businesses from paying out bribes in order to get the proper concessions and all of that, abroad. Was this a problem or inhibitor or anything like that?

GODARD: There was only one case where there were accusations that there had been impropriety on the part of an American company. It's one of those things where we assiduously warned American companies when they came in, look, you can get yourself in real trouble in this place if you don't watch it. There was never anything proven even in that one case, and it did go to court, and there was a lot of probing into the various ins and outs of the case. So we were aware of that danger for American investors and tried to ensure that they played by the rules.

Q: Did you feel that other countries, the French, British, Germans, were they playing by the rules too or not?

GODARD: Some of them were, some of them weren't. The French were also notorious. Again, you don't have the black and white in the courts, but the anecdotal stories of how they in particular were not playing fair. American business people would come to us and feel like they were getting a raw deal, and other Europeans as well, where they sort of did it the Argentine way.

Q: Were the Argentines going to the United States, particularly as students? Was this the place they were getting higher education, or were they headed to Europe, or how does it work?

GODARD: We became I think during this period, the most popular destination for vacation. Argentines traditionally had gone to places, the well-to-do, to France or to Italy or places like that in Europe for their vacations. The U.S. became very popular for that purpose. The U.S. education also came to have a tremendous premium. Argentina was one of those countries that used to be the second language was always French. That changed I think, during this period. English was certainly predominant. Although people forget that the English were a tremendous influence on Argentina.

Q: They had BA (Buenos Aires) at one time for a short time.

GODARD: That's right. The sports clubs all had sort of English roots. Much of the schooling was in the English tradition, the private schools in Argentina. English was certainly out there, but it was not the second language of the country until that time when we were there. And it had started a bit before.

Q: What about the legacy of the military government, in particular the last military government at the time of the Falkland Islands, and that flash Malvinas, I imagine you learned to say Malvinas while you were there. Was there much of a legacy of that?

GODARD: It was always sort of sifting through the coals of that period while we were there, and it intensified after I left. Menem had promulgated an amnesty, so from a legal standpoint that's being questioned. I think it's been overturned in some cases since. They had an excellent commander of the army who was a highly respected officer during the time I was there. He was not tainted by the human rights record of the military regime. And he was a very modern thinking military man who was very interested in working with us, with our military. While I was there, we made Argentina a, what do we call it, principal non-NATO ally of the United States. This has certain privileges, there are certain kinds of military contracts that Argentine firms can go for, and certain access to equipment and so forth associated with that. But during the time I was there, every once in a while there were some of the particularly notorious human rights offenders occasionally would surface, but with the amnesty they had been exonerated. So while I was there they didn't really come to trial. Didn't become the kind of issue that it became later.

Q: One particular navy commander, he was a guy who pushed people out of helicopters over the ocean wasn't he?

GODARD: There was a mechanical school where this, it was a lower level officer I'm thinking of, who was particularly notorious for I recall an incident of killing some nuns. This was one of the things that he allegedly did. He was around, and every once in a while the press, that was one thing during the time I was there, the free press was really very good about going after stuff like that. Trying to whip it up and getting peoples' attention to it again. Very free press, pretty good on investigative reporting. Good articles while I was there.

Q: Were we concerned about not giving the Argentines airplanes that had enough of a range to try again in the Falklands, because this was a big issue. The Falklands were just the extreme range at the end of the Falkland War.

GODARD: There was no effort to build up their strike capability. The budgets of the military had been cut back drastically, the size of the military had been cut back drastically. They'd been cleaned out pretty well, the officer corps had. Folks who had been particularly implicated with the military government. So you had a pretty well-neutralized military by the time I got there. There was a little episode I recall just a couple years before I got there. It was an attempted uprising against Menem. That was put down, there were trials for those people, the officers that were involved. Overall they managed it pretty well in terms of trying to move on. Of course, there was the issue of having a right-sized military for security purposes, but they were hypersensitive about being used as shock troops against civilians. They were very careful about that sort of thing. So it was the gendarmerie which is a national police force, they were the ones that had to take on those kind of problems. But this commander, I wish I could recall his name, was really quite outstanding. Did a marvelous job in the transition.

Q: Did we get involved at all in trying to help sort out the disappeared?

GODARD: All that sort of had happened before I got there. There were not U.S. government efforts after that for...

Q: Forensics and that sort of thing.

GODARD: No, I don't even remember any requests to provide that sort of thing. I think in Chile they would discover graves, and that would produce them to move more, but I don't remember that happening in Argentina. Coming up with new cases where they could then build a criminal case. I guess the Argentines disposed of the bodies over the water.

Q: How were relations between Brazil and Argentina?

GODARD: They were pretty warm. Part of this economic boom that was going on in Argentina was attributed to the Mercosur who were coming into its own, this regional economic trade group that they belonged to. It was not a customs union, but a customs...

Q: All about free trade?

GODARD: Yeah, a free trade association of the four countries of the southern cone: Argentina, Uruguay, Paraguay, and Brazil. And it had come into its own, and the trade between Argentina and Brazil was critical. There were always dustups between the two countries on various issues. Automobiles in particular, sensitive I think in the trade. Argentines were always thinking the Brazilians were getting the better of them one way or the other. But overall the relations were quite cordial, economically. There were still sort of regional rivals, that element was there. But I think they were growing out of that, and I think now the political collaboration, especially now because ideologically the two presidents are pretty much on the same wavelength too, very close political collaboration as well. During this period, also during the Menem period they settled a number of border issues with Chile, and they settled all of those. The last one in the south over the glacier, that was particularly difficult. But you should have heard, they would blow up how important it was, these reserves of water in the glacier. It was touch and go negotiating. But they finally settled that last one as well. So all of those problems were taken care of, so transborder economic development began to occur. As I mentioned, Chilean capital was coming in along with other countries for investment in Argentina. Relations on all of its borders I think were very cordial and well-founded.

Q: Did you find people of the upper class looking at Chile and saying, boy they've really done the right thing economically and all. Is this sort of the example?

GODARD: Everybody wanted to achieve the same sort of progress as the Chileans did, but they didn't want to go through the cost of a dictatorship like Pinochet's. It was circulating that you couldn't have sustained economic growth in Latin America because it was so chaotic unless you imposed a strong authoritarian regime. It was the same sort of growth Menem was seeking. He managed democratically to do some of the same things that Pinochet accomplished in privatization and so forth, turning the economy around in terms of giving it a private sector motive for growth. But without the cost of human rights that the Chileans paid. So yeah, there were people who still batted that around, but I think Argentina was one of the first, maybe not the only one in Latin America, but one of the first to prove that you didn't have to have a dictatorship

in order to have sustained economic growth. That said, although they busted.

Q: I would think that working in Argentina out of Buenos Aires, here you have this capital which is sort of everything. It's a hell of a big hinterland, and we don't have anything out there. I would think that as DCM, there would be concern that our political economic officers could be absorbed by the very hospitable Argentine upper class and all of that. How do you get out from under those, Mendoza or other places, talking to real people.

GODARD: We did do field trips. They were never adequate for having good political or economic coverage of a region, but they're not bad. Because of the good relationship we had we were well-received, and so whenever I arrived in a provincial capital I got to see the governor and I got to see the head of the radical party, I got to see the bishop, that was a factor in the local scene. So when I or my political officers, we tried to make sure that there was money for traveling in my mission, so that we got people out, because Mendoza is a factor. It is a federal system. The governors are important. The president of this country, Menem, was a governor before he became president. Kirchner was a governor in Santa Cruz before he became president. Duhalde, I guess he was the mayor of the city of Buenos Aires, which was a big deal too. The other thing is we had regional people. People like our agricultural officer. There were important things happening in agriculture in Argentina that we had to really monitor. They were out in the fields a lot more, because that wasn't necessarily in Buenos Aires that you could cover. They were out looking at the corn crop or the soybean crop, what kind of meat exports would you expect, and that sort of thing. Things that were really of great interest to us economically. And there were others. The military attachés, we recognized the importance of the different regional commands. They were traveling around the country. During the period I was there we very wisely had an attaché aircraft. Small aircraft, a four, five, six seater. You could actually get up to six people in that plane. And it was being used regularly. It was one way the ambassador would travel to the interior. It's so difficult to get around in Argentina by land. I made several trips that way, but they were less than satisfactory because you'd spend so much time on the road. My plane could drop in, but private commercial travel was prohibitively expensive in the country. We tried not to be captives of Buenos Aires. That said, what goes on in Buenos Aires is 90% of what's going on. So we did get around I think, in Argentina. But as I was saying, 90% of what goes on in the country is in Buenos Aires. That's the focal point. All of those provincial governors I'm talking about maintain very active offices in Buenos Aires and spend a lot of time in Buenos Aires themselves in order to conduct business, in order to protect the interest of their various provinces. We'd see them. They'd come into Buenos Aires, we could see them there and sort of keep up with local politics that way. I was mentioning these sort of bloated provincial bureaucracies which were one problem in the country. They were subsidized out of the national budget. You had these job riots whenever they were trying, periodically and it seemed around the holidays when these would happen. And so there were outbreaks of violence that had to be addressed and that's when we focused in on the provinces more because that was potentially destabilizing activity. It's when those were going on that I felt the most need for better contacts in the provinces. Occasionally, it seemed like Christmas time, prison riots inevitably occurred. They were overcrowded like in most developing countries. Conditions were not great, although much better than most countries I've served in. But because they were all people who had not been brought to trial yet. I forget what the figures were, but something like 70% of those people had

never been brought to trial or been sentenced. They were just in prison awaiting trial. And you can get impatient I guess.

Q: The political system, were we able to have good contacts or sort of find out what was happening?

GODARD: Oh yeah. No problem at all. The opposition to a certain extent was regrouping a lot because the traditional opposition to the Peronists was pretty well discredited. That's when they had hyperinflation. Just an incredible amount of pesos was necessary to equal a dollar. People lost their shirts even worse than this last go around when the middle class was almost wiped out. People were looking for something new, but that said, there was still a lot of radicals in the radical party, which is a social democratic party, in elected office. And it even controlled some of the provinces, they even had some governors. And we had good access to them. There were a lot of new parties, the opposition was organizing itself. There was one election while I was there where Menem won re-election and then they were getting ready for another election by the time I left. As I mentioned the mayor at that time when I left was de la Rúa who became the radical party nominee for president and won the presidency after I left. But only served for a few months, he was forced to leave I think. But we had no problem getting around and having contacts with the opposition. Political section I think was quite active, particularly, as they traditionally are, in maintaining contacts with the opposition, and I did some of that myself.

Q: '93 to '97 period, this is when Clinton was going all out on NAFTA, the North American Free Trade Agreement. How did this sit with Argentina looking at it? This must have been an issue.

GODARD: It was. Free trade was an important pillar of their foreign policy and their economic philosophy. Their feeling was that Mercosur at a regional level had a tremendous boost to the economy, and a NAFTA type agreement, free trade FTAA agreement would be an even greater boost to the Argentine economy. They were really intent on FTAA policy.

Q: FTAA, what does that mean?

GODARD: Free Trade Area of the Americas, that's creating the free trade areas from Canada on down to the tip of Argentina.

Q: Chile of course comes to mind because they were in now.

GODARD: All we'd done, we negotiated a bilateral free trade agreement with Chile because their economy and our economy are both among the most open in the world, and so we were compatible so it was very easy.

Q: Winters and summers.

GODARD: That's right, agricultural products, very compatible. But they were also associates of the Mercosur conglomeration. Things have changed now in the policies of the Argentines and they're re-examining the advantages, and Brazil in particular. I think in part it's a much bigger

economy and has other interests, and is also very much an agricultural competitor of ours, and we have these agricultural subsidies.

Q: I don't know how it is now but certainly probably at the time you were there it was very much, we want to produce our own goods here. Very protective because they felt they were big enough to match computers, airplanes, what have you with any other country.

GODARD: It's quite amazing. I've never served in Brazil and I really haven't visited it to any extent, but while I was in Guyana I made a trip to the adjoining province which is really a frontier province of Brazil. I went into supermarkets there, and just looked down at the shelf, and it's all full of Brazilian products. Everything manufactured in that supermarket was Brazilian origin. From wines to hot sauce. Everything was there. So when you look at a gigantic industrial center like Sao Paolo, you gotta understand that is a big, big economy. I think it's fourth or fifth in the world. So they've got different interests in their negotiations. And now, Brazil and Argentina are stepping back from their commitments toward negotiating an FTAA and talking about FTAA lite with fewer restrictions, and protecting some of those things that are currently protected in their economy. Or phasing it in over long period of time. We're still working on those negotiations. When I was there, Argentina was pretty much in lock step with us. We were working very closely together.

Q: Is there anything else we should cover? The Clinton visit, how did that go?

GODARD: It went marvelously well. Like every presidential visit, it was a humongous headache to work out the schedule, and the security. We closed down downtown Buenos Aires. The city we closed down. But it was a fairly extended visit. He spent two or three days in Buenos Aires, and then they went to San Carlos de Bariloche because one aspect of it was...

[Begin Tape 6, Side 1]

GODARD: The Clinton visit was months in planning. It was a visit with Mrs. Clinton coming along. There were really touchy things to work out. Guiding them through the Iranian bombing had happened on our watch. The Iranian bombing is the Jewish community center that was bombed by, nobody really knows yet. But the Iranians were supposedly involved, at least there's suspicion of that. But anyway, there was a lot of attention focused on this huge Jewish community there, which I had very good relations with while I was there. So the president wanted to meet with leaders of the Jewish community. Turned out there are Jewish leaders and then there are Jewish leaders. Who's going to meet with him? You have one meeting, sorting out the politics of the issues in that community was a real headache, but we finally worked through that. Everybody, of course, wanted a highly publicized meeting with him. We were getting close to another presidential election. The governor of Buenos Aires, Eduardo Duhalde, had been the vice president and he had become governor, was looking toward distancing himself from Menem and setting himself up to run for president, and he did later on. He wanted a private meeting, but we weren't able to work that out and that caused a lot of heartburn. But we did have to have a ceremony with Fernando de la Rúa who was the leading candidate for the radicals for the presidency, because it was traditional to hand over the keys to the visiting chief of state. That had

been done by a number of other chief of states while I was there. So there had to be a public ceremony for them, but we couldn't do it anyway. Trying to balance all this in a limited amount of time was a real challenge. You also had to work with the particular style of Bill Clinton. He and his staff were very interested in having kind of a town meeting atmosphere as a television event. We were able to work that out and arrange it. The staff worked beautifully because it was such an important country for us, for economic and political reasons we had hordes of visitors, among them the vice president had come down with his wife earlier on. So that had been sort of a training ground for me as a DCM to put my staff through the paces of working on one of these things. And they were really up to it for the presidential visit. They put it all together.

One of the best things that we did was arranging for Hillary Clinton to speak to a collection of female social leaders of the country. Putting together who those were and who could be in the national theater, the Colon Theater where she gave her speech, was the perfect venue for that kind of event was another series of issues, but that turned out to be one of the high points. It went over very, very well. She had a particular speech targeted to female politicians and leaders, and women's rights in general, which went over just very, very well. It was a heck of a lot of work, and everything went well. We had them out to the embassy and they both spoke to the staff. Very gracious, took them out to a tango show, they had to do that, and that was nice. They enjoyed the tango show. And in San Carlos de Bariloche which is a ski resort, they had fabulous setting where Governor Bill Richardson was along with them that time, was he at the UN?

Q: He was the secretary of energy.

GODARD: He was traveling with them. Also, I see this Congressman Dreier from California who has come up in the Republican hierarchy, he was traveling with them as well, and sat in on the important meetings as well. And then we went out to as I say San Carlos de Bariloche where he gave a speech on the environment and that worked out well. We had a wonderful backdrop of the snowcapped Andes. Picture postcard stuff, it really looked nice.

Q: Did congress pay much attention to what we were doing there?

GODARD: They certainly came down in droves, members of congress did, and were on behalf of constituents very interested in what was going on. Made the usual stops, and were also interested always in the status of the military and whether they were reverting to their bad old ways or still supporting a democratic regime. So we got a lot of them. CODELs, senators and guys from the House.

Q: How about navy ship visits. Were we running exercises with that? At one point obviously we had to cut them off, but I take it we were back in business.

GODARD: Oh yeah, we were back in business big time, and we had some ship visits while I was there. They in turn had ship visits up in the U.S.

Q: I didn't know if it was low time but did they make any contribution, or did we ask, regarding Bosnia peacekeeping?

GODARD: I recall they did. Was this the period? I would have had to go in and talk to them about it. I remember Argentina is very much like the United States in terms of being a nation of immigrants, and so they had soldiers who were Croatian and Slovene speakers, and several Croatian speakers, so they had some language capabilities too to contribute. So they did contribute to that.

Q: After this, I won't say idyllic but damn close to it, assignment..

GODARD: It really was, it was a very rewarding assignment and ended on a high note because of the Clinton visit. I left right after that.

End of Reader